

FEDERATED PREMIER MUNICIPAL INCOME FUND

Form N-Q

April 24, 2008

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

(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: 11/30/08

Date of Reporting Period: Quarter ended 2/29/08

Item 1. Schedule of Investments

Federated Premier Municipal Income Fund

Portfolio of Investments

February 29, 2008 (unaudited)

| Principal Amount | | Value |
|------------------|---|------------|
| | MUNICIPAL BONDS--99.6% | |
| | Alabama--0.3% | |
| \$ 550,000 | Courtland, AL IDB, PCR Refunding Bonds (Series 2005A), 5.00% (International Paper Co.), 6/1/2025 | \$ 471,229 |
| | Arizona--1.1% | |
| 750,000 | Tempe, AZ IDA, Senior Living Revenue Bonds (Series A), 6.75% (Friendship Village of Tempe), 12/1/2030 | 751,305 |
| 750,000 | Verrado Community Facilities District No. 1, AZ, Revenue Bonds, 6.50%, 7/15/2027 | 739,373 |
| | TOTAL | 1,490,678 |
| | Arkansas--0.8% | |
| 1,000,000 | Arkansas Development Finance Authority, Hospital Revenue Bonds (Series 2000), 7.375% (Washington Regional Medical Center)/(United States Treasury PRF 2/1/2010@100)/(Original Issue Yield: 7.50%), 2/1/2029 | 1,079,400 |
| | California--4.9% | |
| 1,000,000 | California State Department of Water Resources Power Supply Program, Power Supply Revenue Bonds (Series A), 5.375% (United States Treasury PRF 5/1/2012@101)/(Original Issue Yield: 5.48%), 5/1/2022 | 1,092,330 |
| 1,000,000 | California State, Refunding UT GO Bonds, 5.25%, 2/1/2020 | 1,016,370 |
| 1,000,000 | California State, UT GO Bonds, 5.25%, 10/1/2020 | 1,008,130 |
| 260,000 | Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Asset-Backed Bonds (Series 2007A-1), 5.75%, 6/1/2047 | 231,405 |
| 250,000 | Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Asset-Backed Revenue Bonds (Series 2003A-1), 6.75% (United States Treasury PRF 6/1/2013@100)/(Original Issue Yield: 7.00%), 6/1/2039 | 284,243 |
| 750,000 | Golden State Tobacco Securitization Corp., CA, Tobacco Settlement Revenue Bonds (Series 2003A-2), 7.90% | 891,210 |

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| 500,000 | (United States Treasury PRF 6/1/2013@100), 6/1/2042 La Verne, CA, Revenue COPs (Series 2003B), 6.625% (Brethren Hillcrest Homes)/(Original Issue Yield: 6.70%), 2/15/2025 | 517,600 |
| 1,500,000 | Upland, CA Public Financing Authority, Water System Improvement Lease Revenue Bonds (Issue of 2003), 5.00% (AMBAC INS), 10/1/2027 | 1,420,995 |
| | TOTAL | 6,462,283 |
| | Colorado--6.9% | |
| 725,000 | Antelope Heights Metropolitan District, CO, LT GO Bonds, 8.00% (United States Treasury PRF 12/1/2013@101), 12/1/2023 | 891,598 |
| 1,000,000 | Bromley Park, CO Metropolitan District No.2, UT GO Bonds, 5.125% (Radian Asset Assurance INS), 12/1/2037 | 882,950 |
| 1,000,000 | Buckhorn Valley Metropolitan District No. 2, CO, LT GO Bonds, 7.00%, 12/1/2023 | 934,850 |
| 500,000 | Colorado Educational & Cultural Facilities Authority, Revenue Refunding Bonds (Series A), 7.00% (Denver Academy)/(Original Issue Yield: 7.25%), 11/1/2023 | 513,785 |
| 1,000,000 | Colorado Health Facilities Authority, Revenue Bonds (Series 2002A), 6.125% (Covenant Retirement Communities, Inc.)/(Original Issue Yield: 6.40%), 12/1/2033 | 953,290 |
| 2,000,000 | Colorado Health Facilities Authority, Revenue Bonds (Series 2006A), 4.75% (Catholic Health Initiatives)/(Original Issue Yield: 4.828%), 9/1/2040 | 1,725,020 |
| 250,000 | Conservatory Metropolitan District, CO, LT GO Bonds, 6.75% (United States Treasury PRF 12/1/2013@102), 12/1/2034 | 294,977 |
| 500,000 | Conservatory Metropolitan District, CO, LT GO Bonds, 7.55% (United States Treasury PRF 12/1/2013@102), 12/1/2032 | 609,360 |
| 665,000 | Conservatory Metropolitan District, CO, Refunding & Improvement LT GO Bonds, 5.125% (Radian Asset Assurance INS), 12/1/2037 | 582,999 |
| 1,000,000 | Denver, CO Health & Hospital Authority, Revenue Bonds, 6.25% (United States Treasury PRF 12/1/2014@100)/(Original Issue Yield: 6.28%), 12/1/2033 | 1,145,020 |
| 500,000 | Southlands, CO Metropolitan District No. 1, LT GO Bonds (Series 2004), 7.00% (United States Treasury PRF 12/1/2014@100)/(Original Issue Yield: 7.05%), 12/1/2024 | 593,685 |
| | TOTAL | 9,127,534 |
| | Connecticut--1.5% | |
| 1,250,000 | Connecticut State Development Authority, First Mortgage Gross Revenue Health Care Project Bonds (Series 2003), 5.85% (Elim Park Baptist Home, Inc.)/(Original Issue Yield: 5.98%), 12/1/2033 | 1,211,112 |
| 825,000 | Connecticut State HEFA, Revenue Bonds (Series 2006B), 5.00% (Canterbury School)/ (Radian Asset Assurance INS), 7/1/2036 | 733,656 |
| | TOTAL | 1,944,768 |

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| | District of Columbia--1.8% | |
| 2,500,000 | District of Columbia Tobacco Settlement Financing Corp., Asset Backed Revenue Bonds, 6.50% (Original Issue Yield: 6.67%), 5/15/2033 | 2,436,250 |
| | Florida--8.8% | |
| 600,000 | Broward County, FL Educational Facilities Authority, Educational Facilities Revenue Bonds (Series 2004B), 5.60% (Nova Southeastern University)/(Original Issue Yield: 5.625%), 4/1/2029 | 570,774 |
| 400,000 | 1Capital Trust Agency, FL, Revenue Bonds (Series 2003A), 8.95% (Seminole Tribe of Florida Convention and Resort Hotel Facilities)/(United States Treasury PRF 10/1/2012@102), 10/1/2033 | 495,508 |
| 1,490,000 | Citrus County, FL Hospital Board, Revenue Refunding Bonds, 6.375% (Citrus Memorial Hospital)/(Original Issue Yield: 6.50%), 8/15/2032 | 1,507,358 |
| 1,275,000 | Harbor Bay, FL Community Development District, Special Assessment Revenue Bonds, 6.75%, 5/1/2034 | 1,241,289 |
| 2,000,000 | Jacksonville, FL Sales Tax, Revenue Bonds (Series 2003), 5.00% (MBIA Insurance Corp. INS), 10/1/2024 | 1,962,340 |
| 400,000 | Orlando, FL Urban Community Development District, Capital Improvement Revenue Bonds, 6.25%, 5/1/2034 | 355,032 |
| 1,000,000 | South Lake County, FL Hospital District, Revenue Bonds, 6.625% (South Lake Hospital, Inc.), 10/1/2023 | 1,024,480 |
| 2,000,000 | South Miami, FL Health Facilities Authority, Health Facilities Revenue Bonds (Series 2007), 5.00% (Baptist Health System of South Florida), 8/15/2042 | 1,770,640 |
| 1,000,000 | Tolomato Community Development District, FL, Special Assessment Revenue Bonds (Series 2007), 6.65% (Original Issue Yield: 6.70%), 5/1/2040 | 931,330 |
| 500,000 | Tuscany Reserve Community Development District, FL, Capital Improvement Revenue Bonds (Series 2005A), 5.55%, 5/1/2036 | 352,670 |
| 1,030,000 | Verandah West, FL Community Development District, Capital Improvement Revenue Bonds (Series 2003A), 6.625% (Original Issue Yield: 6.75%), 5/1/2033 | 1,026,745 |
| 500,000 | Winter Garden Village at Fowler Groves Community Development District, FL, Special Assessment Bonds (Series 2006), 5.65%, 5/1/2037 | 412,225 |
| | TOTAL | 11,650,391 |
| | Georgia--0.6% | |
| 1,000,000 | Atlanta, GA, Tax Allocation Bonds (Series 2005B), 5.60% (Eastside Tax Allocation District)/(Original Issue Yield: 5.65%), 1/1/2030 | 867,660 |
| | Hawaii--1.1% | |
| 1,400,000 | Hawaii State Department of Budget & Finance, Special Purpose Revenue Bonds (Series A), 8.00% (Kahala Nui)/(Original Issue Yield: 8.175%), 11/15/2033 | 1,513,204 |
| | Illinois--5.9% | |
| 996,000 | Antioch Village, IL Special Service Area No. 1, Special Tax Revenue Bonds, 6.625% (Deercrest Project), 3/1/2033 | 952,186 |

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| 2,500,000 | Chicago, IL Sales Tax, Revenue Bonds, 5.25% (FGIC INS)/(Original Issue Yield: 5.385%), 1/1/2028 | 2,472,500 |
| 1,000,000 | Chicago, IL Special Assessment, Improvement Revenue Bonds, 6.75% (Lakeshore East Project)/(Original Issue Yield: 6.769%), 12/1/2032 | 998,670 |
| 420,000 | DuPage County, IL, Special Tax Bonds (Series 2006), 5.625% (Naperville Campus LLC), 3/1/2036 | 350,847 |
| 1,000,000 | Illinois Educational Facilities Authority, Revenue Refunding Bonds (Series A), 5.70% (Augustana College)/(Original Issue Yield: 5.90%), 10/1/2032 | 954,220 |
| 625,000 | Illinois Finance Authority, Revenue Bonds (Series 2005A), 6.00% (Landing at Plymouth Place)/(Original Issue Yield: 6.04%), 5/15/2037 | 546,906 |
| 1,095,000 | Illinois Finance Authority, Revenue Bonds (Series 2006A), 5.00% (Illinois Institute of Technology), 4/1/2036 | 943,156 |
| 575,000 | Illinois Health Facilities Authority, (Series 2002A) Auction Rate Securities (Northwest Community Hospital)/(MBIA Insurance Corp. INS), 6.000%, 3/6/2008 | 575,000 |
| | TOTAL | 7,793,485 |
| | Indiana--1.3% | |
| 1,930,000 | Indiana Health & Educational Facility Financing Authority, Revenue Bonds (Series 2005), 5.25% (Baptist Homes of Indiana), 11/15/2035 | 1,714,110 |
| | Kentucky--1.8% | |
| 325,000 | Kentucky EDFFA, Revenue Bonds (Series 2000A), 6.625% (Norton Healthcare, Inc.)/(Original Issue Yield: 6.97%), 10/1/2028 | 341,081 |
| 1,175,000 | Kentucky EDFFA, Revenue Bonds (Series 2000A), 6.625% (Norton Healthcare, Inc.)/(United States Treasury PRF 10/1/2010@101)/(Original Issue Yield: 6.97%), 10/1/2028 | 1,290,244 |
| 800,000 | Kentucky Municipal Power Agency, Power System Revenue Bonds (Series 2007A), 5.25% (MBIA Insurance Corp. INS), 9/1/2042 | 760,944 |
| | TOTAL | 2,392,269 |
| | Louisiana--2.3% | |
| 1,000,000 | Louisiana State, Gasoline & Fuels Tax Revenue Bonds (Series 2006A), 4.75% (Louisiana State Gas & Fuels)/(FSA INS), 5/1/2039 | 901,040 |
| 2,500,000 | St. John the Baptist Parish, LA, Revenue Bonds (Series 2007A), 5.125% (Marathon Oil Corp.), 6/1/2037 | 2,174,850 |
| | TOTAL | 3,075,890 |
| | Maryland--0.2% | |
| 300,000 | Maryland State Health & Higher Educational Facilities Authority, Revenue Bonds (Series 2007A), 5.25% (King Farm Presbyterian Retirement Community), 1/1/2027 | 244,542 |
| | Massachusetts--2.4% | |
| 1,000,000 | Massachusetts HEFA, Revenue Bonds (Series 2003E), 6.75% (Jordan Hospital)/(Original Issue Yield: 7.00%), 10/1/2033 | 1,012,880 |
| 2,000,000 | Massachusetts State Development Finance Agency, Revenue Bonds, 5.75% (Massachusetts College of | 2,239,100 |

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| | Pharmacy & Allied Health Sciences)/(United States Treasury PRF 7/1/2013@101), 7/1/2033 | |
| | TOTAL | 3,251,980 |
| | Michigan--2.4% | |
| 2,000,000 | Cornell Township MI, Economic Development Corp., Refunding Revenue Bonds, 5.875% (MeadWestvaco Corp.)/(United States Treasury PRF 5/1/2012@100), 5/1/2018 | 2,180,120 |
| 1,000,000 | Detroit, MI Sewage Disposal System, Refunding Senior Lien Revenue Bonds (Series 2003A), 5.00% (FSA INS), 7/1/2024 | 994,410 |
| | TOTAL | 3,174,530 |
| | Minnesota--0.7% | |
| 900,000 | St. Paul, MN Port Authority, Hotel Facility Revenue Bonds (Series 2), 7.375% (Radisson Kellogg Project)/(United States Treasury PRF 8/1/2008@103)/(Original Issue Yield: 7.50%), 8/1/2029 | 944,811 |
| | Mississippi--2.9% | |
| 2,000,000 | Lowndes County, MS Solid Waste Disposal, Refunding PCR Bonds (Series 1992B), 6.70% (Weyerhaeuser Co.), 4/1/2022 | 2,077,640 |
| 2,000,000 | Mississippi Development Bank, Special Obligation Bonds (Series 2006A), 5.00% (Municipal Energy Agency of Mississippi)/(XL Capital Assurance Inc. INS), 3/1/2041 | 1,755,360 |
| | TOTAL | 3,833,000 |
| | Missouri--0.3% | |
| 500,000 | Missouri Development Finance Board, Infrastructure Facilities Revenue Bonds (Series 2003A), 5.50% (Branson, MO)/(Original Issue Yield: 5.56%), 12/1/2032 | 451,280 |
| | Nevada--3.4% | |
| 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%), 11/15/2034 | 505,525 |
| 2,000,000 | Nevada State, COPs (Series 2004: Capitol Complex Building 1), 5.00% (FGIC INS), 4/1/2032 | 1,872,360 |
| 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 | 2,115,020 |
| | TOTAL | 4,492,905 |
| | New Hampshire--0.3% | |
| 400,000 | Manchester, NH School Facilities, Revenue Bonds, 5.50% (United States Treasury PRF 6/1/2013@100), 6/1/2028 | 439,184 |
| | New Jersey--1.7% | |
| 500,000 | New Jersey EDA, Revenue Bonds, (Series 2004), 5.75% (NJ Dedicated Cigarette Excise Tax)/(Original Issue Yield: 5.89%), 6/15/2029 | 467,390 |
| 300,000 | New Jersey EDA, Revenue Refunding Bonds (Series A), 5.80% (Winchester Gardens at Ward Homestead)/(Original Issue Yield: 5.82%), 11/1/2031 | 277,830 |
| 600,000 | | 323,700 |

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| | New Jersey Health Care Facilities Financing Authority, Revenue Bonds, 6.50% (Pascack 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% (Georgian Court University)/(United States Treasury PRF 7/1/2013@100), 7/1/2033 | 1,145,400 |
| | TOTAL | 2,214,320 |
| | New Mexico--0.6% | |
| 750,000 | Jicarilla, NM Apache Nation, Revenue Bonds, 5.50%, 9/1/2023 | 746,130 |
| | New York--3.8% | |
| 190,000 | Amherst, NY IDA, Civic Facility Revenue Bonds (Series 2006A), 5.20% (Beechwood Health Care Center, Inc.), 1/1/2040 | 150,022 |
| 750,000 | Dutchess County, NY IDA, Civic Facility Revenue Bonds (Series 2004B), 7.50% (St. Francis Hospital and Health Centers), 3/1/2029 | 784,050 |
| 750,000 | Dutchess County, NY IDA, Revenue Bonds, 5.00% (Marist College)/(Original Issue Yield: 5.25%), 7/1/2022 | 740,138 |
| 800,000 | New York City, NY IDA, Liberty Revenue Bonds (Series A), 6.50% (7 World Trade Center LLC), 3/1/2035 | 807,496 |
| 2,000,000 | New York State Dormitory Authority, Revenue Bonds (Series 2003A), 5.50% (Brooklyn Law School)/(Radian Asset Assurance INS), 7/1/2019 | 2,024,720 |
| 530,000 | New York State Dormitory Authority, Revenue Bonds (Series 2007B), 5.25% (Health Quest Systems, Inc. Obligated Group)/(Assured Guaranty Corp. INS), 7/1/2027 | 518,626 |
| | TOTAL | 5,025,052 |
| | North Carolina--1.3% | |
| 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 | 1,021,900 |
| 800,000 | North Carolina Medical Care Commission, Health Care Housing Revenue Bonds (Series 2004A), 5.80% (Arc of North Carolina Projects), 10/1/2034 | 741,872 |
| | TOTAL | 1,763,772 |
| | North Dakota--1.6% | |
| 2,000,000 | Fargo, ND, Health System Revenue Bonds (Series 2000A), 5.60% (Meritcare Obligated Group)/(FSA INS)/(Original Issue Yield: 5.70%), 6/1/2021 | 2,068,000 |
| | Ohio--0.7% | |
| 975,000 | Buckeye Tobacco Settlement Financing Authority, OH, Tobacco Settlement Asset-Backed Bonds (Series 2007A), 6.50%, 6/1/2047 | 959,907 |
| | Oregon--0.3% | |
| 500,000 | Cow Creek Band of Umpqua Tribe of Indians, Tax-Exempt Tax Revenue Bonds (Series 2006C), 5.625%, 10/1/2026 | 434,225 |
| | Pennsylvania--4.0% | |
| 1,165,000 | Allegheny County, PA HDA, Health System Revenue Bonds (Series 2000B), 9.25% (West Penn Allegheny Health | 1,367,582 |

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| | System)/(United States Treasury PRF 11/15/2010@102)/(Original Issue Yield: 9.70%), 11/15/2030 | |
| 935,000 | Cumberland County, PA Municipal Authority, Retirement Community Revenue Bonds (Series 2002A), 7.25% (Wesley Affiliated Services, Inc. Obligated Group)/(United States Treasury PRF 1/1/2013@101)/(Original Issue Yield: 7.50%), 1/1/2035 | 1,094,034 |
| 360,000 | Cumberland County, PA Municipal Authority, Retirement Community Revenue Bonds (Series 2002A), 7.25% (Wesley Affiliated Services, Inc. Obligated Group)/(United States Treasury PRF 1/1/2013@101)/(Original Issue Yield: 7.50%), 1/1/2035 | 420,358 |
| 2,000,000 | Montgomery County, PA Higher Education & Health Authority Hospital, Revenue Bonds (Series 2006FF1), 5.00% (Dickinson College)/(CIFG N.A. INS), 5/1/2031 | 1,910,060 |
| 500,000 | Pennsylvania State Higher Education Facilities Authority, Revenue Bonds, (Series A), 6.00% (UPMC Health System)/(Original Issue Yield: 6.16%), 1/15/2031 | 523,595 |
| | TOTAL | 5,315,629 |
| | South Carolina--5.5% | |
| 1,000,000 | Clemson University, SC, University Revenue Bonds, 5.00% (XL Capital Assurance Inc. INS), 5/1/2023 | 927,830 |
| 2,000,000 | Kershaw County, SC Public Schools Foundation, Installment Purchase Revenue Bonds (Series 2006), 5.00% (Kershaw County, SC School District)/(CIFG N.A. INS), 12/1/2029 | 1,888,400 |
| 1,940,000 | Myrtle Beach, SC, Hospitality Fee Revenue Bonds (Series 2004A), 5.375% (FGIC INS), 6/1/2023 | 1,956,742 |
| 1,980,000 | South Carolina Jobs-EDA, Health System Revenue Bonds (Series A), 5.625% (Bon Secours Health System)/(Original Issue Yield: 5.84%), 11/15/2030 | 1,936,361 |
| 520,000 | South Carolina Jobs-EDA, Health System Revenue Bonds (Series A), 5.625% (Bon Secours Health System)/(United States Treasury PRF 11/15/2012@100)/(Original Issue Yield: 5.84%), 11/15/2030 | 569,540 |
| | TOTAL | 7,278,873 |
| | South Dakota--1.3% | |
| 1,750,000 | South Dakota State Health & Educational Authority, Revenue Bonds, 5.65% (Westhills Village Retirement Community)/(Original Issue Yield: 5.75%), 9/1/2023 | 1,718,833 |
| | Tennessee--3.1% | |
| 2,000,000 | Johnson City, TN Health & Education Facilities Board, Hospital Revenue Refunding Bonds (Series A), 7.50% (Mountain States Health Alliance)/(United States Treasury PRF 7/1/2012@103), 7/1/2025 | 2,366,460 |
| 270,000 | Knox County, TN Health Education & Housing Facilities Board, Hospital Facilities Revenue Bonds, 6.50% (Baptist Health System of East Tennessee)/(Original Issue Yield: 6.625%), 4/15/2031 | 271,372 |
| 1,535,000 | | 1,475,549 |

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| | Knox County, TN Health Education & Housing Facilities Board, Refunding Improvement Revenue Bonds (Series 2003B), 5.75% (East Tennessee Children's Hospital)/(Original Issue Yield: 5.90%), 7/1/2033 | |
| | TOTAL | 4,113,381 |
| | Texas--11.1% | |
| 600,000 | Abilene, TX HFDC, Retirement Facilities Revenue Bonds (Series 2003A), 7.00% (Sears Methodist Retirement)/(Original Issue Yield: 7.25%), 11/15/2033 | 615,702 |
| 700,000 | Decatur, TX Hospital Authority, Hospital Revenue Bonds (Series 2004A), 7.125% (Wise Regional Health System), 9/1/2034 | 708,141 |
| 385,000 | HFDC of Central Texas, Inc., Retirement Facility Revenue Bonds (Series 2006A), 5.50% (Village at Gleannloch Farms, Inc.), 2/15/2027 | 327,015 |
| 585,000 | HFDC of Central Texas, Inc., Retirement Facility Revenue Bonds (Series 2006A), 5.50% (Village at Gleannloch Farms, Inc.), 2/15/2037 | 471,832 |
| 1,400,000 | Harlandale, TX ISD, UT GO School Building Bonds, 4.75% (GTD by PSFG)/(Original Issue Yield: 4.80%), 8/15/2040 | 1,253,490 |
| 2,500,000 | Houston, TX Combined Utility System, First Lien Revenue Refunding Bonds (Series 2004A), 5.25% (FGIC INS), 5/15/2023 | 2,495,375 |
| 200,000 | Matagorda County, TX Navigation District No. 1, Collateralized Refunding Revenue Bonds, 5.60% (CenterPoint Energy Houston Electric LLC), 3/1/2027 | 186,498 |
| 4,000,000 | North Central Texas HFDC, Hospital Revenue Refunding Bonds (Series 2002), 5.25% (Children's Medical Center of Dallas)/(AMBAC INS)/(Original Issue Yield: 5.35%), 8/15/2022 | 3,889,400 |
| 1,350,000 | North Central Texas HFDC, Retirement Facility Revenue Bonds (Series 1999), 7.50% (Northwest Senior Housing Corp. Edgemere Project)/(United States Treasury PRF 11/15/2009@102)/(Original Issue Yield: 7.75%), 11/15/2029 | 1,476,522 |
| 1,050,000 | Sabine River Authority, TX, PCR Refunding Bonds (Series 2003B), 6.15% (Texas Competitive Electric Holdings Co. LLC), 8/1/2022 | 928,809 |
| 500,000 | Tarrant County, TX Cultural Education Facilities Finance Corp., Revenue Bonds, (Series 2006A), 6.00% (Northwest Senior Housing Corp. Edgemere Project), 11/15/2036 | 448,010 |
| 1,000,000 | Tyler, TX HFDC, Hospital Revenue Bonds, 5.75% (Mother Frances Hospital)/(United States Treasury PRF 7/1/2013@100)/(Original Issue Yield: 5.84%), 7/1/2027 | 1,107,630 |
| 1,000,000 | Tyler, TX HFDC, Revenue Refunding & Improvement Bonds (Series 2007A), 5.25% (East Texas Medical Center Regional Healthcare System)/(Original Issue Yield: 5.32%), 11/1/2027 | 873,260 |
| | TOTAL | 14,781,684 |
| | Virginia--3.7% | |

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| 1,000,000 | Broad Street CDA, VA, Revenue Bonds, 7.50% (Original Issue Yield: 7.625%), 6/1/2033 | 1,030,200 |
| 1,280,000 | Hampton, VA Convention Center, Revenue Bonds, 5.125% (AMBAC INS), 1/15/2028 | 1,239,616 |
| 1,400,000 | Peninsula Port Authority, VA, Residential Care Facility Revenue Bonds (Series 2003A), 7.375% (Virginia Baptist Homes Obligated Group)/(United States Treasury PRF 12/1/2013@100)/(Original Issue Yield: 7.625%), 12/1/2032 | 1,682,254 |
| 1,000,000 | Virginia Peninsula Port Authority, Coal Terminal Revenue Refunding Bonds (Series 2003), 6.00% (Brinks Co. (The)), 4/1/2033 | 955,090 |
| | TOTAL | 4,907,160 |
| | Washington--3.6% | |
| 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 | 1,926,101 |
| 1,000,000 | Washington Health Care Facilities Authority, Revenue Bonds, 5.00% (Group Health Cooperative)/(Radian Asset Assurance INS), 12/1/2036 | 860,040 |
| 2,000,000 | Washington State, Various Purpose UT GO Bonds (Series 2002A), 5.00% (FSA INS)/(Original Issue Yield: 5.09%), 7/1/2022 | 2,006,580 |
| | TOTAL | 4,792,721 |
| | West Virginia--1.0% | |
| 1,450,000 | Pleasants County, WV County Commision, PCR Revenue Refunding Bonds (Series 2007F), 5.25% (Allegheny Energy Supply Company LLC), 10/15/2037 | 1,307,480 |
| | Wisconsin--4.6% | |
| 705,000 | Badger, WI Tobacco Asset Securitization Corp., Asset-Backed Revenue Bonds, 6.125% (Original Issue Yield: 6.35%), 6/1/2027 | 703,731 |
| 3,000,000 | Wisconsin State HEFA, Health Facilities Revenue Bonds (Series A), 5.25% (Ministry Health Care)/(MBIA Insurance Corp. INS)/(Original Issue Yield: 5.38%), 2/15/2032 | 2,809,830 |
| 160,000 | Wisconsin State HEFA, Revenue Bonds (Series 2004), 5.75% (Blood Center of Wisconsin, Inc.)/(Original Issue Yield: 5.82%), 6/1/2034 | 154,728 |
| 500,000 | Wisconsin State HEFA, Revenue Bonds, 6.50% (Tomah Memorial Hospital, Inc.)/(Original Issue Yield: 6.75%), 7/1/2023 | 483,025 |
| 500,000 | Wisconsin State HEFA, Revenue Bonds, 6.625% (Tomah Memorial Hospital, Inc.)/(Original Issue Yield: 6.875%), 7/1/2028 | 481,595 |
| 1,000,000 | Wisconsin State HEFA, Revenue Bonds, 7.25% (Community Memorial Hospital)/(Original Issue Yield: 7.45%), 1/15/2033 | 1,026,500 |
| 500,000 | Wisconsin State HEFA, Revenue Bonds, (Series 2006A), 5.375% (Marshfield Clinic, WI), 2/15/2034 | 441,820 |
| | TOTAL | 6,101,229 |
| | TOTAL MUNICIPAL BONDS | |
| | (IDENTIFIED COST \$134,904,155) | 132,379,779 |

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| | | |
|---------|--|---------------|
| | SHORT-TERM MUNICIPALS--0.4% ³ | |
| | Michigan--0.4% | |
| 500,000 | Michigan State Hospital Finance Authority, (Series 1999 A) Weekly VRDNs (Covenant Retirement Communities, Inc.)/(LaSalle Bank, N.A. LOC), 2.980%, 3/6/2008 (AT COST) | 500,000 |
| | TOTAL MUNICIPAL INVESTMENTS—100% | |
| | (IDENTIFIED COST \$135,404,155) ⁴ | 132,879,779 |
| | OTHER ASSETS AND LIABILITIES – NET ⁵ | 2,846,240 |
| | LIQUIDATION VALUE OF AUCTION PREFERRED SHARES | (53,675,000) |
| | TOTAL NET ASSETS APPLICABLE TO COMMON SHAREHOLDERS | \$ 82,051,019 |

At February 29, 2008, the Fund had the following open swap/rate lock contract:

| Counterparty | Pay | Receive | Expiration Date | Notional Amount | Unrealized Depreciation |
|---------------------|-------|------------------|-----------------|-----------------|-------------------------|
| Goldman Sachs & Co. | 5.10% | 10 Year MMD Rate | 6/6/2008 | \$7,000,000 | \$(36,960) |

Unrealized Depreciation on Swap/Rate Lock Contracts is included in “Other Assets and Liabilities-Net”.

At February 29, 2008, the Fund holds no securities that are subject to the federal alternative minimum tax (AMT).

¹Denotes 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 29, 2008, these restricted securities amounted to \$2,988,884, which represented 2.2% of total market value.

²Denotes 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 29, 2008, these liquid restricted securities amounted to \$746,130, which represented 0.6% of total market value.

Additional information on restricted securities, excluding securities purchased under Rule 144A that have been deemed liquid by the Trustees, held at February 29, 2008, is as follows:

| Security | Acquisition Date | Acquisition Cost |
|--|------------------|------------------|
| Capital Trust Agency, FL, Revenue Bonds (Series 2003A), 8.95% (Seminole Tribe of Florida Convention and Resort Hotel Facilities)/(United States Treasury PRF 10/1/2012@102), 10/1/2033 | 5/9/2003 | \$400,000 |
| Cow Creek Band of Umpqua Tribe of Indians, Tax-Exempt Tax Revenue Bonds (Series 2006C), 5.625%, 10/1/2026 | 6/9/2006 | \$500,000 |
| Director of the State of Nevada Department of Business and Industry, Revenue Bonds (Series 2004A), 7.00% (Las Ventanas Retirement Community)/(Original Issue | 12/23/2004 | \$639,925 |

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Yield: 7.125%), 11/15/2034

New York City, NY IDA, Liberty Revenue

Bonds (Series A), 6.50% (7 World Trade

Center LLC), 3/1/2035

3/15/2005

\$800,000

3Current rate and next reset date shown for Variable Rate Demand Notes.

4At February 29, 2008, the cost of investments for federal tax purposes was \$135,402,634. The net unrealized depreciation of investments for federal tax purposes excluding any unrealized depreciation resulting from swap contracts was \$2,522,855. This consists of net unrealized appreciation from investments for those securities having an excess of value over cost of \$3,644,644 and net unrealized depreciation from investments for those securities having an excess of cost over value of \$6,167,499.

5Assets, other than investments in securities, less liabilities.

Note: The categories of investments are shown as a percentage of total market value at February 29, 2008.

Investment Valuation

In calculating its net asset value (NAV), the Fund generally values investments as follows:

- Fixed-income securities acquired with remaining maturities greater than 60 days are fair valued using price evaluations provided by a pricing service approved by the Trustees.
- Fixed-income securities acquired with remaining maturities of 60 days or less are valued at their cost (adjusted for the accretion of any discount or amortization of any premium).
 - Shares of other mutual funds are valued based upon their reported NAVs.
 - Derivative contracts listed on exchanges are valued at their reported settlement or closing price.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service approved by the Trustees.

If the Fund cannot obtain a price or price evaluation from a pricing service for an investment, the Fund may attempt to value the investment based upon the mean of bid and asked quotations or fair value the investment based on price evaluations, from one or more dealers. If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, the Fund uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that the Fund could purchase or sell an investment at the price used to calculate the Fund's NAV.

Fair Valuation and Significant Events Procedures

The Trustees have authorized the use of pricing services to provide evaluations of the current fair value of certain investments for purposes of calculating the NAV. Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers, and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and asked for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses mid evaluations for other types of fixed-income securities and OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in

accordance with procedures adopted by the Trustees.

The Trustees also have adopted procedures requiring an investment to be priced at its fair value whenever the Adviser determines that a significant event affecting the value of the investment has occurred between the time as of which the price of the investment would otherwise be determined and the time as of which the NAV is computed. An event is considered significant if there is both an affirmative expectation that the investment's value will change in response to the event and a reasonable basis for quantifying the resulting change in value. Examples of significant events that may occur after the close of the principal market on which a security is traded, or after the time of a price evaluation provided by a pricing service or a dealer, include:

- With respect to price evaluations of fixed-income securities determined before the close of regular trading on the NYSE, actions by the Federal Reserve Open Market Committee and other significant trends in U.S. fixed-income markets;
- Political or other developments affecting the economy or markets in which an issuer conducts its operations or its securities are traded; and
- Announcements concerning matters such as acquisitions, recapitalizations, litigation developments, a natural disaster affecting the issuer's operations or regulatory changes or market developments affecting the issuer's industry.

The Fund may seek to obtain more current quotations or price evaluations from alternative pricing sources. If a reliable alternative pricing source is not available, the Fund will determine the fair value of the investment using another method approved by the Trustees.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

- Level 1 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of February 29, 2008, in valuing the Fund's assets carried at fair value:

| Valuation Inputs | Investments in Securities | Other Financial Instruments* |
|---|---------------------------|------------------------------|
| Level 1 – Quoted Prices | \$0 | \$0 |
| Level 2 – Other Significant Observable Inputs | 132,879,779 | (36,960) |
| Level 3 – Significant Unobservable Inputs | 0 | 0 |
| Total | \$132,879,779 | \$(36,960) |

* Other financial instruments include a swap contract.

The following acronyms are used throughout this portfolio:

| | |
|-------|---|
| AMBAC | --American Municipal Bond Assurance Corporation |
| CDA | --Community Development Authority |
| 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 |
| LOC | --Letter of Credit |
| LT | --Limited Tax |
| PCR | --Pollution Control Revenue |
| PRF | --Prerefunded |
| PSFG | --Permanent School Fund Guarantee |
| UT | --Unlimited Tax |
| VRDNs | --Variable Rate Demand Notes |

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) 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, 2008

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, 2008

By /S/ Richard A. Novak
Richard A. Novak

Principal Financial Officer

Date April 23, 2008