F	<b>ORM</b>	4
	Check this box	if no

(Print or Type R

Check this box if no
longer subject to
Section 16. Form 4 or
Form 5 obligations
may continue. See
Instruction 1(b).

#### UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL OMB Number: 3235-0287 Estimated average burden hours per response... 0.5

#### STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person GRAVES EARL G SR	2. Issuer Name and FEDERATED DI [FD]			•••		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) _X_ Director					
(Last) (First) C/O EARL G. GRAVES LIMITED, STREET	100 5777	3. Date of Earliest Transaction (Month/Day/Year) 12/13/2005									
(Street) NEW YORK, NY 10011		4. If Amendment, Date Original Filed(Month/Day/Year)						6. Individual or Joint/Group Filing(Check Applicable Line) _X_Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City) (State)	(Zip)	Ta	Table I - Non-Derivative Securities Acqui					ired, Disposed of, or Beneficially Owned			
1.Title of Security (Instr. 3)	2. Transaction Date		Execution Date, if Code ny (Instr. 8) Month/Day/Year)		4. Securi		uired	5. Amount of Securities Beneficially	6.	7. Nature	
	(Month/Day/Year)				(A) or D (Instr. 3, Amount			Transaction(s) (Instr. 3 and 4)		Beneficial Ownership	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information SEC 1474 (9-02) contained in this form are not required to respond unless the form displays a currently valid OMB control number.

### Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

_	(e.g., puts, calls, warrants, options, convertible securities)															
1. '	Title of	2.	3. Transaction	3A. Deemed	4.		5. N	lumber	6. Date Exerc	isable and	7. Title and		8. Price of	9. Number of	10.	11. Nature
De	rivative	Conversion	Date	Execution Date, if	Transact	ion	of		Expiration Da	ite	Amount of		Derivative	Derivative	Ownership	of Indirect
See	curity	or Exercise	(Month/Day/Year)	any	Code		Der	ivative	(Month/Day/	Year)	Underlying		Security	Securities	Form of	Beneficial
(In	str. 3)	Price of		(Month/Day/Year)					Securities		(Instr. 5)	Beneficially	Derivative	Ownership		
		Derivative				Acquired		(Instr. 3 and	(Instr. 3 and 4)			2	(Instr. 4)			
		Security				(A) or					0	Direct (D)				
								posed							or Indirect	
							of (							Transaction(s)	< / <	
					(Instr. 3, 4,							(Instr. 4)	(Instr. 4)			
						and 5)										
												Amount				
									Date	Expiration		or				
										Date	Title	Number				
					Code	v	(A)	(D)				of Shares				
					Coue	v	(A)	(D)				Shares				
Ph	antom										Common					
Ste	ock	<u>(3)</u>	12/13/2005		М			2,078	12/13/2005	12/13/2005	Stock	2,078	\$ 0	0	D	
Ur	nits										STOCK					

### **Reporting Owners**

	Relationships						
Reporting Owner Name / Address	Director	10% Owner	Officer	Other			
GRAVES EARL G SR C/O EARL G. GRAVES LIMITED 130 5TH STREET NEW YORK, NY 10011	Х						

## Signatures

/s/Christopher M. Kelly, as attorney-in-fact for Earl G. Graves, Sr. pursuant to a Power of Attorney	12/15/2005
Signature of Reporting Person	Date

# **Explanation of Responses:**

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Each phantom stock unit was the economic equivalent of one share of the Issuer's common stock. On December 13, 2005, 2,078 of the reporting person's phantom stock units were settled for an equal number of shares of the Issuer's common stock.

(2) Includes 30 shares received December 13, 2005 pursuant to a dividend reinvestment feature of the Issuer's directors compensation program.

(3) 1-for-1

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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