

# Federated Hermes Short-Term U.S. Prime Fund

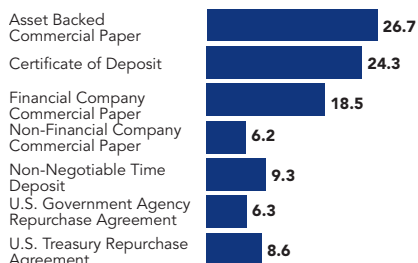
## Institutional Series

S&P Global Ratings AAAM rated | Fitch AAAMmf rated

Federated  
Hermes

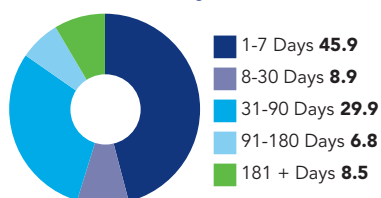
31 January 2025

### Portfolio composition (%)



Totals may not add up to 100% due to rounding.

### Effective maturity schedule (%)



### Weighted average maturity

53 Days

### Weighted average life

71 Days

### Liquidity\*\*

Daily	29.61%
Weekly	39.38%

\*\*Calculated in accordance with Regulation of the European Parliament and of the Council on Money Market Funds.

### Fund information

Launch date	12 February 1998
Dealing cut off	Close of the NYSE normally 4:00 pm (US Eastern Time)
Fund currency	US dollar
Benchmark	IMMFA USD Prime MMF's Stable NAV
Sales charge	None
Fund volume	US \$1.4 billion

### Key investment team

Deborah A. Cunningham, CFA  
Paige Wilhelm  
Gary Skedje

### Investment objective and strategy

The investment objective of Federated Hermes Short-Term U.S. Prime Fund is to achieve current income while maintaining stability of principal and liquidity. The fund pursues its objective by investing in a portfolio of high quality (i.e., awarded one of the two highest short-term credit ratings of each recognised statistical rating organisation that has rated the security or been determined by the Advisor to be of comparable quality to securities having such ratings) US 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. The types of debt securities in which the fund may invest, but is not limited to, include transferable securities listed or traded on regulated markets such as commercial paper & notes, repurchase agreements, variable rate instruments, and bank instruments, as well as shares of other short-term money market funds. The Central Bank has authorised the fund to invest up to 100% of its assets in US Government Agency Securities and US Treasury Securities on the basis that such securities will be comprised of at least six different issues and any one issue will not account for more than 30% of the net assets of the fund. The fund is considered a Short-Term Money Market Fund in accordance with the requirements of the Central Bank Notices on money market funds. The securities in which the fund invests are restricted to securities which have a residual maturity until the legal redemption date of less than or equal to 397 days.

### Investment manager's report

We want inflation to fall while the economy and labor market remain strong. Everyone deserves this, and it's the reason the Federal Reserve decided last week to pause its rate-cutting cycle, leaving the fed funds target range at 4.25-4.50%. But investors in liquidity products have benefited from the elevated interest rates and should continue to if the pace of easing slows. The yields of most securities that funds and other vehicles hold are based on the market, rather than administered, meaning they tend to track the Fed moves. There's no better way to see this than looking at the recent asset flows into industry liquidity products since the Fed's December rate cut and year-end 2024. In the Federal Open Market Committee meeting last week, Chair Jerome Powell said that the risks to the outcome he is hoping for are balanced between employment and inflation. With the release of the December Personal Consumption Expenditures Index (PCE), the latter might have added more weight on the scale. The PCE growth rate rose both monthly from November and year-over-year: from 0.1% to 0.3% and from 2.5% to 2.6%, respectively. The "core" version also had a higher rate from November but not for the annualized number: 0.1% to 0.2% and 2.8%, respectively. The uptick fits the trend of inflation's reacceleration in recent months and is concerning to the Fed. Enough so that they held the target fed funds rate at 4.25-4.5% at the meeting, keeping monetary policy restrictive. Powell and company would love to push inflation to, or close to, their long-held PCE target of 2% without slowing the US economy. But a slowdown might be inevitable if they feel they must hold rates higher-for-longer to achieve that goal. At the end of the month, yields on 1-, 3-, 6- and 12-month US Treasuries were 4.31%, 4.29%, 4.31% and 4.16%, respectively.

### Average annual total returns (%)

(See important legal information)

Cumulative 3-month	Year to date	1-year	3-year	5-year	10-year	Since inception
1.16	0.38	5.22	4.16	2.55	1.86	2.19

Past performance is no guarantee of future performance and the value of investments and income (yield) from them may fall as well as rise and investors may not get back the amount originally invested.

Although the fund attempts to maintain a stable net asset value of US \$1.00, there is no guarantee it will be able to do so. The fund's yield may vary.

### Calendar year end returns (%)

2024	2023	2022	2021	2020
5.32	5.19	1.63	0.01	0.49

Source: Federated Hermes, Inc.

### Rolling year performance (%)

31/01/2024 - 31/01/2025	31/01/2023 - 31/01/2024	31/01/2022 - 31/01/2023	31/01/2021 - 31/01/2022	31/01/2020 - 31/01/2021
5.22	5.29	2.00	0.01	0.34

### Share class details

ISIN	WKN	SEDOL	Bloomberg	Dividend	Ongoing charges*
IE0002942237	989064	0294223	FEDSTPI	Declared daily and paid monthly	20 bp

\* As of 8 March 2024, the manager of the fund, Hermes Fund Management Ireland Limited, receives an annual management fee equal to the sum of 1.00% of the fund's average daily net assets which fee shall accrue daily and be paid monthly in arrears. The management agreement provides that the manager may voluntarily undertake to reduce or waive its management fee or to make other arrangements to reduce expenses of the fund to the extent that such expenses exceed such lower expense limitation as the manager may, by notice to the Company, voluntarily declare to be effective.

For Professional Investors only

# Federated Hermes Short-Term U.S. Prime Fund

## Institutional Series

### Top portfolio issuers

Groupe BPCE  
Sumitomo Mitsui Trust Holdings, Inc.  
JPMorgan Chase & Co.  
Truist Financial Corp.  
Mitsubishi UFJ Financial Group, Inc.  
Toronto Dominion Bank  
TotalEnergies SE  
BNP Paribas SA  
Satellite  
Bank of America Corp.

**These holdings may not be indicative of future portfolio composition. Because this is a managed portfolio, the investment mix will change. References to specific securities or industries should not be considered investment advice or a recommendation.**

### About Federated Hermes

A financial industry pioneer since 1955, Federated Hermes, Inc. ("Federated Hermes," formerly, "Federated Investors, Inc.") is one of the largest US investment managers. Known for our stability, diligence and diverse product line, Federated Hermes takes the long view, believing that doing business the right way over time will present opportunity for future growth. We apply the same approach to managing our international undertakings, which began in 1984 with the launch of one of the first international equity funds. Since then Federated Hermes has established a host of international funds and offices, including Hermes Fund Managers Ireland Limited in Dublin to manage Irish domiciled UCITS, Federated Hermes (UK) LLP (formerly Federated Investors (UK) LLP), to manage UK-domiciled UCITS, as well as the Federated Hermes Short-Term Daily U.S. Dollar Fund, Ltd., based in the Cayman Islands. Highly experienced investment professionals direct our operations, and we continually look to increase our robust global footprint through organic growth and strategic acquisitions.

### Definitions

**Maturity:** is the date on which the life of a transaction or financial instrument ends, after which it must either be renewed or it will cease to exist.

**Total return** represents the change in value of an investment after reinvesting all income and capital gains. Total return was not calculated according to the BVI method.

**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.

**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. For government variable rate securities, if the interest rate is readjusted no less frequently than every 397 calendar days, the security shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate. For non-government variable rate securities, if the security has a scheduled maturity of 397 days or less the security is treated as maturing on the earlier of the date the security is scheduled to be repaid through demand or the period remaining until the next readjustment of the interest rate. If the variable rate security has a scheduled maturity that is more than 397 days it is the later of those two dates. The mean is weighted based on the percentage of the market value of the portfolio invested in each period.

### Important legal information

Federated Hermes International Funds plc (the "Company") is organized pursuant to the Companies Act 2014, as amended (the "Companies Acts"), and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended (the "UCITS Regulations"). The Company is incorporated in Ireland under C.R.O. No. 168193. The Company is an open-ended umbrella investment company with variable capital and segregated liability between sub-funds.

**Source: Federated Hermes, Inc. Past performance may not be a reliable guide to future performance. The value of an investment can go down as well as up and return on your investment will therefore be variable. Income (yield) may fluctuate in accordance with market conditions and taxation arrangements. Changes in exchange rates may have an adverse effect on the value price or income of the product, depending on an investor's home currency.**

An AAAM rating by S&P Global Ratings is obtained after S&P evaluates a number of factors, including credit quality, market price exposure and management. S&P monitors the portfolio weekly for developments that could cause changes in the ratings. 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. 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. Ratings are subject to change and do not remove market risks.

These shares have not been registered under the US Securities Act of 1933 (the "1933 Act"), as amended, or the US Investment Company Act of 1940, as amended, and may not be directly or indirectly offered or sold in the US or for the benefit of a US Person (as determined by Regulation S under the 1933 Act). This document is produced for information purposes only and does not constitute an offer to buy or a solicitation to sell, nor shall it form the basis of or be relied upon in connection with any contract or commitment whatsoever or to be taken as investment advice. Potential investors should read the key investor information documents/key information documents and the prospectus for the fund carefully and consult their own advisors before investing in the fund.

**For more information about the fund, please call your financial intermediary for a prospectus, KIID/KID, semi-annual report and/or annual report, or visit [FederatedHermes.com/us/ucits](https://www.federatedhermes.com/us/ucits). The prospectus is available in English, French and German, and the KIID/KID is available in English, French and German. You should carefully consider the fund's investment objectives, risks, charges, and expenses before you invest. Full details of this fund are set out in the prospectus, which you should read carefully before investing. Any objective of the fund will be treated as a target only and should not be considered as an assurance or guarantee of performance of the fund or any part of it.**

In Switzerland, Société Générale, Paris, Zürich Branch, Talacker 50, Postfach 1928 8021 Zürich, Switzerland has been authorised by the Swiss Financial Market Supervisory Authority (FINMA) as Swiss representative and as paying agent of the Company.

Issued and approved by Hermes Fund Managers Ireland Limited ("HFMI") which is authorised and regulated by the Central Bank of Ireland. Registered address: 7/8 Upper Mount Street, Dublin 2, Ireland, D02 FT59. HFMI appoints Hermes Investment Management Limited ("HIML") to undertake distribution activities in respect of the Fund in certain jurisdictions. HIML is authorised and regulated by the Financial Conduct Authority. Registered address: Sixth Floor, 150 Cheapside, London EC2V 6ET. Telephone calls may be recorded for training and monitoring purposes. Potential investors in the United Kingdom are advised that compensation may not be available under the United Kingdom Financial Services Compensation Scheme.

### Further information

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