

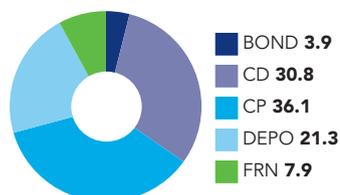
Federated Hermes Short-Term Sterling Prime Fund

Class 8 Shares - accumulation

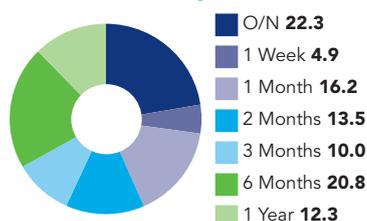
Standard and Poor's AAAm rated | Fitch AAAMmf

31 May 2021

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

56.85 days

Weighted average life

76.77 days

Liquidity

Daily 22.04%

Weekly 31.86%

Fund information

Domicile	UK
Structure	OEIC UCITS
Launch date	09 January 2009
Dealing cut off	1.30pm London Time
Liquidity	T+1
Currency	GBP
Fund type	LVNAV
Fund volume	£5.1 billion

Key investment team



Dennis Gepp
Senior Vice President
Managing Director & CIO



Gary Skedge
Vice President
Head of U.K. Cash Management Team
Senior Portfolio Manager



Joanne Bartell
Portfolio Manager

Investment objective and strategy

The fund aims to provide income whilst preserving principal through investment in Sterling denominated short-term debt and fixed income securities. The fund will invest in high quality, liquid securities, aiming to achieve short-term money market returns with capital preservation or at the value of the investors' initial capital plus earnings. The fund is a short-term money market fund.

Investment manager's report

UK borrowing for April was £31.7b, below the OBR's £39b forecast. Government spending decreased slightly from the previous month to £83.9b. Tax receipts decreased by £3.8b in March to £58b. Total expenditure for the pandemic now exceeds £372b with the total cost of the job retention (furlough) scheme, where a further £3b was spent in the month, expected to be £55b by the time it ends in September. Increased energy prices, with an annual rise of 10.1% in fuel prices, pushed inflation up to 1.5% from 0.7%. The Bank of England will be looking closely to see if price rises are reflected in wage increases, particularly in the service sector, as reported vacancies may cause a rise in earnings. Pay growth dropped in the quarter to March to 4% from 4.5%. Unemployment fell to 4.8% from 4.9% with 84,000 jobs being created. The jobless rate is still expected to rise, possibly up to 6%, when the furlough scheme ends in September, with over 770,000 jobs lost because of the pandemic. A KMPG job survey showed a permanent job hiring gauge index of 67.4 which increased from an April reading 50. The latest vaccination figures, where over 75% of the adult population have had one jab and over 50% both, continue to bode well for the economy. The latest PMI reading for the service sector was higher than forecast at 62.9 as the hospitality sector opened up following the latest easing of lockdown restrictions. This was the fastest rise since the summer of 1996. PMI construction at 62 and manufacturing at 65.6 reflect a healthy GDP rate. Retail sales for April increased to 9.2% with a 69.4% increase in clothing and 25.3% increase in non-essential sectors reflecting a willingness by consumers to spend. UK Libor rates were slightly lower in May, as markets still assume that any interest rate rises remain some way off. Three-month Libor closed at 0.079% and one-year Libor at .164%. Ten-year gilt yields fell 5 bp to 0.79% and the two-year gilt was off two basis points to 0.06%.

Net average annual total returns (%)

(See important legal information)

Cumulative 3-month	Year to date	1-year	3-year	5-year	10-year	Since inception
0.00	0.00	0.05	0.47	0.42	0.49	0.60

Share class details

Class	ISIN	SEDOL	Dividend	Ongoing charges*	Min initial investment
8 ACC	GB00B2R5TL51	B2R5TL5	Accumulating	10 bps	N/A

*The ongoing charges figure is based on the annual management charge and the running costs of the fund for the 12 month period ending 31 December 2020. It excludes portfolio transaction costs. The ongoing charges figure may vary from year to year.

Top portfolio issuers

Nationwide Building Society
Mizuho Financial Group, Inc.
Societe Generale
Toronto Dominion Bank
Standard Chartered PLC

France, Government of
Royal Bank of Canada
JPMorgan Chase & Co.
Nordea Bank Abp
Credit Agricole Group

These holdings may not be indicative of future portfolio composition. Because this is a managed portfolio, the investment mix will change.

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Federated Hermes (UK) LLP

Federated Hermes (UK) LLP offers liquidity fund products on a wholesale, competitive basis for a variety of corporate and institutional investors to distribute to their client base or use in the management of their own liquidity. Originally established in 2007 under the name Prime Rate Capital Management LLP, as an independent, UK-domiciled specialist provider of AAA-rated liquidity funds (known as Qualifying Money Market Funds), it was acquired on 13 April 2012 by Federated Investors, Inc., one of the largest investment managers in the US. On 23 September 2013 it was renamed Federated Investors (UK) LLP. On 18 June 2020, Federated Investors (UK) LLP was renamed Federated Hermes (UK) LLP.

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 Federated International Management Limited ("FIML") in Dublin to manage Irish domiciled UCITS, Federated Hermes (UK) LLP (formerly Federated Investors (UK) LLP), to manage UK-domiciled UCITS, as well as Federated Investors Canada ULC, to manage a Canadian fund, and 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.

Important legal information

This document is issued by Federated Hermes (UK) LLP of 150 Cheapside, London, EC2V 6ET, a limited liability partnership registered in England OC327292 which is authorised and regulated by the Financial Conduct Authority with FCA reference number 469674. 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 will attempt to maintain a stable net asset value per share, there is no assurance it will be able to do so. Shares of money market funds are not bank deposits and are not guaranteed by any government agency or other entity. For detailed information on the specific risks of investment, please refer to the fund's prospectus. Tax assumptions are subject to statutory change and the value of tax reliefs will depend on individual circumstances. Portfolio holdings are as of the date indicated, are subject to change, are not indicative of future holdings, and should not be viewed as a recommendation, investment advice or suitability of any investment. Fund credit 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 of funds and their portfolio holdings are subject to change and do not remove market risks. Applications to invest must only be made on the basis of the offer document relating to the investment, which is only available to Eligible Counterparties and Professional Clients.

The Federated Hermes Short-Term Sterling Prime Fund is a sub fund of the umbrella fund, Federated Hermes Cash Management Funds which is an OEIC governed by UK law and authorised by the FCA. Any investment in the funds is made subject to the terms of the Funds' Prospectus and relevant Key Investor Information Document, which are available in English free of charge from the Investment Manager, Federated Hermes (UK) LLP, 150 Cheapside, London, EC2V 6ET.

For a copy of the Prospectus, Key Investor Information Document, information on portfolio holdings or other matters, please contact us on +44 (0) 20 7618 2600, or email us on info@FederatedInvestors.co.uk. Alternatively please see the information on our website at FederatedInvestors.co.uk.

Further information

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