

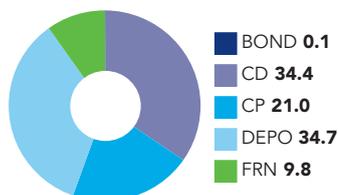
Federated Hermes Short-Term Sterling Prime Fund

Class 8 Shares - accumulation

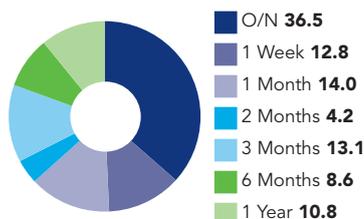
Standard and Poor's AAAm rated | Fitch AAAMmf

31 October 2022

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

27.36 days

Weighted average life

54.38 days

Liquidity

Daily 36.56%

Weekly 49.78%

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	£5.7 billion

Key investment team



Gary Skedge
Vice President
Head of UK Cash Management Team
Senior Portfolio Manager



Joanne Bartell
Assistant Vice President
Portfolio Manager for the Federated
Hermes (UK) LLP products

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

Former Prime Minister Liz Truss' ill-conceived and unfunded September "mini-budget" resulted in an effective vote of no confidence in U.K. PLC. Gilts were sold to such an extent that the Bank of England (BoE) launched emergency gilt buying programmes. Within days, Truss had to replace as Chancellor Kwasi Kwarteng with Jeremy Hunt who immediately reversed almost all the proposed policies. This led to Truss's resignation after only 44 days in office, succeeded by Rishi Sunak. He kept on Hunt, who will deliver a delayed fiscal statement on November 17. That is expected to include public spending cuts and higher taxation to tackle both high inflation—a global problem given the effects of the Russian invasion of Ukraine on natural gas exports and prices—as well as fears of a deepening recession. The BoE was then able to begin the delayed quantitative tightening programme with an oversubscribed sale of £750 million of short-term government debt. The BoE's Monetary Policy Committee (MPC) raised the base rate to 3%, a 14-year high, at its November 3 meeting after a volatile month in UK markets. However, two members voted for a smaller rise. Governor Andrew Bailey stressed that the MPC quite rightly is concerned about inflation, but stressed that a 75 basis-point hike should not be taken as the norm and that markets are overpricing future increases. The BoE revised down its fourth-quarter inflation expectations from 13.3% to a peak of 11%. It forecasts inflation to fall to 1.43% in two years, with negative growth of 2.9% over the next two years. Unemployment declined for the 3 months to August to 3.5%, with fewer jobs losses. Earnings increased to 6% from 5.5%. The consumer price index (CPI) hit a 40-year high of 10.1% as food prices had the largest increase since 1980. The services purchasing managers index (PMI) for October was 48.8 and retail sales fell 6.9% annually. The M4 money supply showed that consumers built their savings to over 2% from -0.2%.

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
0.44	0.78	0.80	0.40	0.49	0.45	0.59

Share class details

Class	ISIN	SEDOL	Dividend	Ongoing charges*
8 ACC	GB00B2R5TL51	B2R5TL5	Accumulating	11 bps

*The ongoing charges figure is an estimate based on the annual management charge and the running costs of the Fund for the year ending 31 December 2022. An estimated figure is used because the Manager had previously imposed a voluntary limit on the total ongoing charges for the share class. It excludes portfolio transaction costs. The ongoing charges figure may vary from year to year.

Top portfolio issuers

Sumitomo Mitsui Trust Holdings, Inc.
Nationwide Building Society
Mitsubishi UFJ Financial Group, Inc.
Mizuho Financial Group, Inc.
Credit Agricole Group

Royal Bank of Canada
BNP Paribas SA
National Australia Bank Ltd., Melbourne
Cooperatieve Rabobank UA
Nordea Bank Abp

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 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.

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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