

Federated Hermes Sterling Cash Plus Fund

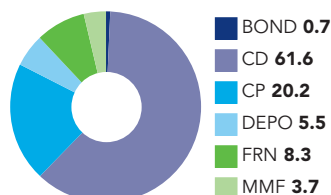
Class 6 Shares - income

Fitch AAAs/S1

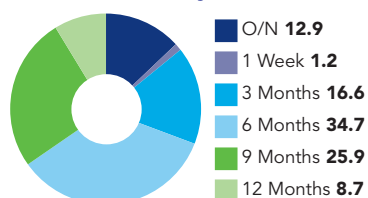
Federated
Hermes

31 March 2024

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

131.02 days

Weighted average life

146.84 days

Liquidity

Daily 9.12%
Weekly 17.92%

Fund information

Domicile UK
Structure OEIC UCITS
Launch date 31 March 2015
Dealing cut off 1.30pm London Time
Liquidity T+1
Currency GBP
Fund type VNAV
Fund volume £414.0 million

Key investment team



Gary Skedje
Senior Portfolio Manager for the
Federated Hermes (UK) LLP products



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

Investment objective and strategy

The fund aims to provide capital stability and income through investment in short-term fixed-income and variable rate securities. The fund will invest in high quality, liquid securities from both within and outside the UK, aiming to achieve capital preservation with money market returns. The fund is a standard money market fund.

Investment manager's report

The Bank of England (BoE) kept interest rates on hold at 5.25% for a fifth time, hinting that rates will remain restrictive and the pace of reduction on base rates will be slow. Although headline inflation fell to 3.4% in February down from 4% (the lowest since Sept 2021), they remain cautious. This data gave support for a further 2% cut in National Insurance confirmed by the Chancellor in the Spring budget. This, together with the national minimum wage rise of almost 10% will lift disposable incomes, hopefully boosting growth. The OBR adjusted its growth estimates upward to 0.8% for this year. The rebound is, however, expected to be modest. However, a technical recession was confirmed for the second half of 2023 (contracting quarter-over-quarter by -0.1%). Sterling rose to a high of \$1.2894 and is the best performing currency across G10 peers so far this year. Headline inflation is expected to fall close to target (2%) in April due to base effects of the energy price cap falling out of the annual data. There are expectations of a rebound in inflation in the latter part of this year, due to a lower impact on the energy price cap set for July, tightening supply chains from Red Sea tensions and the possibility of more global shocks. January's labour market showed weekly earnings ex-bonus rising 6.1% in the 3 months to January, slightly less than forecast but at the higher end of expectations, and the jobless rate climbing to 3.9%. KPMG's report highlighting growth of starting salaries is at its lowest for three years, and both permanent and temporary hirings are contracting. The first effect of the uplift on minimum wage will be seen in June's earnings print, just prior to the BoE's Monetary Policy Committee meeting on June 20. Markets are currently pricing in an 80% chance of a 25 basis-point cut at that meeting, with a potentially two more priced in by year-end.

Net average annual total returns (%)

(See important legal information)

| Cumulative 3-month | Year to date | 1-year | 3-year | 5-year | Since inception |
|--------------------|--------------|--------|--------|--------|-----------------|
| 1.28 | 1.28 | 5.20 | 2.44 | 1.67 | 1.17 |

Rolling year performance (%)

| 31/03/2023 - 31/03/2024 | 31/03/2022 - 31/03/2023 | 31/03/2021 - 31/03/2022 | 31/03/2020 - 31/03/2021 | 31/03/2019 - 31/03/2020 |
|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 5.20 | 2.21 | -0.01 | 0.27 | 0.77 |

Share class details

| Class | ISIN | SEDOL | Dividend | Ongoing charges* |
|-----------|--------------|---------|----------|------------------|
| 6-GBP INC | GB00BRTNNS71 | BRTNNS7 | Income | 17 bps |

*The ongoing charges figure is based on the annual management charge and the running costs of the Fund for the year ended 31 December 2023. Federated Hermes may agree to voluntarily limit the total ongoing charges for the share class. Any such voluntary limit may be terminated or modified at any time. The ongoing charges figure excludes portfolio transaction costs and may vary from year to year.

Top portfolio issuers

Group BPCE
National Bank of Canada, Montreal
JPMorgan Chase & Co.
Lloyds Banking Group PLC
Groupe Credit Mutuel

Sumitomo Mitsui Trust Holdings, Inc.
Citigroup, Inc.
Nordea Bank Abp
UBS AG
Bank of Montreal

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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Class 6 Shares - income

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

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The Federated Hermes Sterling Cash Plus 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@FederatedHermes.co.uk. Alternatively please see the information on our website at FederatedHermes.com/us/uk-ucits.

Further information

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