

Federated Hermes California Municipal Cash Trust

Service Shares

Nasdaq symbol: CACXX | Cusip number: 60934N351 | Newspaper listing: CalMuCs

9/30/22

Product highlights

- Pursues current income exempt from federal regular income tax and California state income tax, consistent with stability of principal.
- Invests in short-term, high-quality, California tax-exempt securities.
- Offers California residents the potential for attractive taxable-equivalent yields compared to taxable money market funds and direct securities.
- Intensive credit review integrating ESG factors in a non-exclusionary way.
- Income may be subject to the federal alternative minimum tax (AMT) for individuals. However, the fund will normally invest its assets so that distributions are exempt from AMT.

Key investment team

Michael Sirianni Jr.
Kyle Stewart, CFA

Portfolio assets

\$606.9 million

Credit/obligor exposure

Barclays Bank plc
Mizuho Bank Ltd.
Assured Guaranty Municipal Corp.
Kaiser Permanente
Comerica Bank
Stanford University
Build America Mutual Assurance
Federal Home Loan Bank of Des Moines
Federal Home Loan Mortgage Corp.
Wells Fargo Bank, N.A.

Total % of Portfolio: 62.56%

Share class statistics

Inception date

4/3/89

Federated Hermes fund number

80

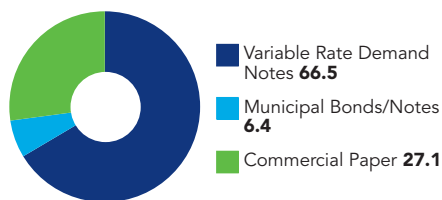
Cut-off times

1:00 p.m. ET — purchases
12:00 p.m. ET — redemptions

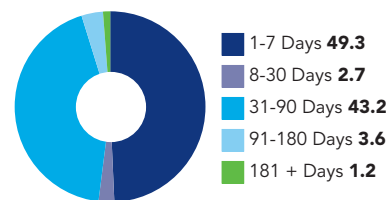
Dividends

Declared daily/paid monthly

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

30 Days

Weighted average life

30 Days

Fund performance

Net yield (%)		Total return (%)												
7-day	1.52	1-year	0.31											
Annualized yields (%)		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	
7-day		0.01	0.01	0.01	0.01	0.01	0.01	0.05	0.32	0.50	0.60	1.13	1.52	

Performance quoted represents past performance, which is no guarantee of future results. Investment return will vary. An investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than what is stated. To view performance current to the most recent month-end, contact us or visit FederatedInvestors.com.

Although not contractually obligated to do so, the advisor and/or certain fund service providers waived all or a portion of their fees or reimbursed the fund for certain operating expenses. These voluntary waivers and reimbursements may be modified or terminated at any time; accordingly, the fund's expenses may vary (i.e., increase or decrease) during the fund's fiscal year. These waivers increase income to the fund and result in a higher return to investors.

Otherwise, the 7-day yield would have been 1.28% and total return would have been lower.

Total return represents the change in value of an investment after reinvesting all income and capital gains. Yield quotations more closely reflect the current earnings of the fund than the total return quotation.

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Portfolio manager commentary

In the third quarter, U.S. Federal Reserve Chair Jerome Powell reiterated in press conferences, speeches and appearances that policymakers would not relent until price stability has been reestablished. His remarks at the Kansas City Fed's economic policy symposium in Jackson Hole, Wyo., in late August articulated this pointedly: "The Federal Open Market Committee's (FOMC) overarching focus right now is to bring inflation back down to our 2% goal."

The FOMC followed through on this statement with several large jumps in the federal funds target range: 75 basis-point hikes at both the July and September meetings. This put the target range at 3-3.25% to end the reporting period. The front end of U.S. Treasury yield curve rose in response, though yields of the shortest dated bills remained depressed due to continued high demand from safe-haven trades.

Policy maker forecasts also leapt. The June Summary of Economic Projections (SEP) signaled rates could reach 3.4% by December. But Fed sentiment worsened two months later. The SEP released in September indicated 4.4% is more likely, a dramatic shift of a full percentage point. Likewise, the prediction for the highest level rates likely will reach before inflation falls—the terminal rate—increased from 3.8% to 4.6%. Adding to the cause, the Fed accelerated its quantitative tightening program, doubling

the amount of the reduction of its balance sheet in September by allowing \$95 trillion of government securities to roll off each month (\$60 billion in Treasuries and \$35 billion in agency mortgage-backed securities). This likely added the equivalent of another quarter-point of rate tightening.

Following the annual pattern, demand for short-term municipal securities spiked at the beginning of the quarter. This pushed the SIFMA Municipal Swap Index to a low of 0.65% in mid-July. As demand abated amid the aggressive Fed moves, the Index rose sharply and ended the quarter at 2.46%, its highest point in two and a half years. State and local government credit quality generally was sound, aided by solid revenue performance, cautious budgeting and various federal fiscal relief packages.

At the end of the quarter, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 2.69%, 3.27%, 3.95% and 4.03%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 3.10%, 3.64%, 4.21% and 4.74%, respectively; the 1-, 3-, 6- and 12-month London interbank offered rates were 3.17%, 3.75%, 4.27% and 4.74%, respectively; and the SIFMA Municipal Swap Index yield was 2.46%.

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Performance shown is for Service Shares. The fund offers additional share classes whose performance will vary due to differences in charges and expenses. Please consult your financial institution regarding your eligibility to purchase these classes.

A word about risk

ESG factors may be considered in the investment analysis process in a manner that is complementary to and enhances the fundamental research and analysis process. Certain ESG factors may help identify business and operational risks or opportunities and add a contextual dimension to the overall evaluation of a security. Like any aspect of investment analysis, there is no guarantee that an investment strategy that considers ESG factors will result in performance better than or equal to products that do not consider such factors.

Income may be subject to the federal alternative minimum tax (AMT) for individuals. Although the fund will normally invest its assets so that distributions of annual interest income are exempt from federal regular income tax and AMT, the Fund may invest its assets in securities the interest from which may be subject to AMT, state and/or federal income tax. Consult your tax professional for more information.

Current and future portfolio holdings are subject to risk.

Definitions

At Federated Hermes, integrating ESG factors means including relevant and financially material environmental, social and governance information in the analysis of a security/issuer. ESG factors are used as qualitative insights with the goal of improving portfolio risk/reward characteristics and prospects for long-term outperformance. ESG investing does not automatically exclude issuers or sectors, but rather attempts to mitigate risks by identifying companies exhibiting positive (or negative) ESG policies and behaviors.

Net yields are based on the average daily income dividend and average net asset value for the 7 days ended on the date of calculation. The 7-day net annualized yield is based on the average net income per share for the 7 days ended on the date of calculation and the offering price on that date.

The fund is a managed portfolio and its holdings are subject to change.

The holdings percentages are based on net assets at the close of business on 9/30/22 and may not necessarily reflect adjustments that are routinely made when presenting net assets for formal financial statement purposes.

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. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates if their scheduled maturity is 397 days or less, and the later of the two dates if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost of the portfolio invested in each period.

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.

Variable rate demand notes are tax-exempt securities that require the issuer or a third party, such as a dealer or bank, to repurchase the security for its face value upon demand. The securities also pay interest at a variable rate intended to cause the securities to trade at their face value.