MASSACHUSETTS MUNICIPAL DEPOSITORY TRUST

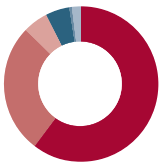
MMDT Short Term Bond Portfolio

Highlights

- Offers participation in a diversified portfolio of investment-grade short-term fixed-income securities that seeks to generate long-term performance exceeding the Bloomberg 1-5 Year Government/Credit Bond Index.
- Presents a fixed-income option for assets with a longer time horizon and risk tolerance than the cash portfolio.
- Offers participants an investment option for operating capital and bond proceeds consistent with their time horizons.

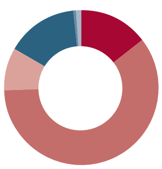
Portfolio Overview as of 3/31/25

Portfolio Composition (%)



- U.S. Treasury **60.4**
- Credit **27.0**
- Asset Backed Securities **5.3**
- MBS **5.0**
- CMBS **0.5**
- Cash and Other **1.8**

Credit Quality Composition* (%)

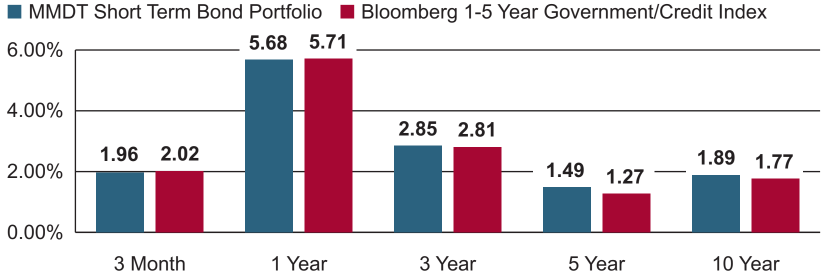


- AAA **14.6**
- AA **60.1**
- A **8.9**
- BBB **14.8**
- BB **0.6**
- Cash/Cash Equivalents **1.0**

30-Day Distribution Yield	3.67%
Weighted Average Effective Duration	2.57 Yrs.
Weighted Average Effective Maturity	2.89 Yrs
Portfolio Manager	John T. Gentry, CFA
Portfolio Total Assets	$780.7 million

Performance as of 3/31/25

Average Annual Total Returns at NAV (%)



Performance data quoted represents past performance which is no guarantee of future results. Current performance may be lower or higher than what is stated. Investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost.

Portfolio Manager Commentary

The animal spirits unleashed by the election of Donald Trump ran out of gas in mid-February, leaving markets casting about for direction. The S&P 500® gained over 6% from the election to its all-time high on February 19; from the high to March 31, it fell more than 8% to finish the first quarter down over 4%. Treasury yields fell across the curve, driven by concerns about economic growth, sticky inflation, and direction of Federal Reserve policy.

Two Federal Reserve (Fed) meetings in the quarter saw the Fed subtly change tack, from viewing balanced labor market and inflation risks, to increased uncertainty around the economic outlook. The Fed's quarterly Summary of Economic Projections captures this: growth in 2025 projected to fall from 2.1% to 1.7%; unemployment rising from 4.3% to 4.4%; and inflation rising from 2.5% to 2.7%, with underlying core inflation rising from 2.5% to 2.8%. Yet the Fed sees no change to its fed funds rate path, with two cuts expected this year and next, and one in 2027. Administration policy-making has created significant uncertainty among consumers, as their expectations for inflation, labor markets and business conditions have all deteriorated, and among corporations. Wal-Mart symbolized this uncertainty, reporting strong fourth quarter 2024 earnings but also lowering its 2025 earnings guidance on uncertainties related to consumer behavior and global economic and geopolitical conditions.

Treasury yields fell during the quarter, led by the five-year maturity. The yield on the benchmark 10-year Treasury hit a high of 4.79% before plummeting to 4.15% on the growth scare in February, and then ended the quarter at 4.21%. Year-end 2025 Fed rate cut expectations mirrored this path, from one cut to three, and then finishing at three cuts. Treasury yield curves were volatile, but the 2/10 year curve finished nearly unchanged, while the 10/30 year curve steepened. Paced by the move lower in yields, the Bloomberg Aggregate index posted a total return of 2.78%, and all fixed income sectors also had positive total returns. On a duration-adjusted basis, only front-end credit outperformed Treasuries. Commodities prices were broadly higher, with gold, silver, copper, and gasoline up strongly, while crude oil and heating oil were slightly lower.

Portfolio composition is subject to change.

**Quality breakdown does not apply to Cash/Cash Equivalents.*

Bond prices are sensitive to changes in interest rates and a rise in interest rates can cause a decline in their prices.

The 30-day distribution yield is calculated by taking an average of the past 30 days' daily yields at NAV.

Weighted average effective maturity is the average time to maturity of debt securities held in the fund.

Weighted average effective duration is a measure of security's price sensitivity to changes in interest rates. Securities with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

An investment in the Short Term Bond Portfolio is not a deposit of a bank and is neither insured nor guaranteed by the Commonwealth of Massachusetts or the US government, the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The Portfolio's yield will vary from day to day based on changes in interest rates and market changes.

The rating agencies that provided the ratings are S&P Global Ratings, Moody's, and Fitch. When ratings vary, the highest rating is used. Credit ratings of A or better are considered to be high credit quality; credit ratings of BBB are good credit quality and the lowest category of investment grade; credit ratings BB and below are lower-rated securities ("junk bonds"); and credit ratings of CCC or below have high default risk.

For more complete information, visit mymmdt.com. You should consider the investment's objectives, risks, charges and expenses carefully before you invest. Information about these and other important subjects is in the Investment Circular, which you should read carefully before investing.

Mailing Address: MMDT Participant Services • P.O. Box 219712 • Kansas City, MO 64121-9712
Boston Office Location: Oliver Street Tower • 125 High Street, 21st Floor • Boston, MA 02110

1-888-965-MMDT (6638) • MyMMDT.com • Federated Investment Counseling •

Managed and Serviced by
G44885-52 (4/25)

Federated Hermes