

Federated Hermes Prudent Bear Fund

Portfolio of Investments

December 31, 2022 (unaudited)

| Shares, Principal Amount or Contracts | | Value |
|--|--|---------------|
| | U.S. TREASURY—22.1% | |
| | U.S. Treasury Bills—22.1% | |
| \$130,000,000 | ^{1,2} United States Treasury Bill, 4.426%, 5/18/2023 (IDENTIFIED COST \$127,810,160) | \$127,799,242 |
| | COMMON STOCKS—8.3% | |
| | Communication Services—0.5% | |
| 10,000 | ³ Alphabet, Inc., Class A | 882,300 |
| 8,000 | ³ Meta Platforms, Inc. | 962,720 |
| 15,000 | Verizon Communications, Inc. | 591,000 |
| 10,000 | ³ ZoomInfo Technologies, Inc. | 301,100 |
| | TOTAL | 2,737,120 |
| | Consumer Discretionary—0.6% | |
| 7,000 | ³ Airbnb, Inc. | 598,500 |
| 70,414 | ³ Brilliant Earth Group, Inc. | 303,484 |
| 200,000 | Dr. Martens PLC | 462,222 |
| 10,000 | eBay, Inc. | 414,700 |
| 8,000 | ³ Expedia Group, Inc. | 700,800 |
| 20,000 | ³ Mister Car Wash, Inc. | 184,600 |
| 200,000 | ³ Moonpig Group PLC | 267,404 |
| 5,000 | ³ Tesla, Inc. | 615,900 |
| | TOTAL | 3,547,610 |
| | Consumer Staples—0.9% | |
| 30,000 | Albertsons Cos., Inc. | 622,200 |
| 20,000 | Altria Group, Inc. | 914,200 |
| 15,000 | ³ Bellring Brands, Inc. | 384,600 |
| 30,000 | ³ Hain Celestial Group, Inc. | 485,400 |
| 4,000 | Kimberly-Clark Corp. | 543,000 |
| 11,000 | Kroger Co. | 490,380 |
| 10,000 | Philip Morris International, Inc. | 1,012,100 |
| 60,000 | ³ RLX Technology, Inc., ADR | 138,000 |
| 4,000 | WalMart, Inc. | 567,160 |
| | TOTAL | 5,157,040 |
| | Energy—0.4% | |
| 10,000 | Coterra Energy, Inc., Class A | 245,700 |
| 6,000 | Devon Energy Corp. | 369,060 |
| 10,000 | HighPeak Energy, Inc. | 228,700 |
| 300,000 | ³ Ithaca Energy PLC | 663,351 |
| 2,000 | Pioneer Natural Resources, Inc. | 456,780 |
| 25,000 | ³ ProFrac Holding Corp. | 630,000 |
| | TOTAL | 2,593,591 |
| | Financials—1.0% | |
| 4,500 | Aflac, Inc. | 323,730 |
| 10,000 | Ally Financial, Inc. | 244,500 |
| 12,000 | Bank of America Corp. | 397,440 |
| 2,800 | Chubb Ltd. | 617,680 |
| 12,000 | Citigroup, Inc. | 542,760 |
| 33,334 | Corebridge Financial, Inc. | 668,680 |

| Shares, Principal Amount or Contracts | | Value |
|--|--|------------|
| | COMMON STOCKS—continued | |
| | Financials—continued | |
| 5,000 | Hartford Financial Services Group, Inc. | \$ 379,150 |
| 100,000 | ³ Oportun Financial Corp. | 551,000 |
| 20,000 | Patria Investments Ltd. | 278,600 |
| 3,500 | PNC Financial Services Group | 552,790 |
| 40,000 | Vinci Partners Investments Ltd. | 361,600 |
| 4,800 | VOYA Financial, Inc. | 295,152 |
| 13,000 | Wells Fargo & Co. | 536,770 |
| | TOTAL | 5,749,852 |
| | Health Care—1.7% | |
| 50,000 | ³ AbCellera Biologics, Inc. | 506,500 |
| 30,000 | ³ Alector, Inc. | 276,900 |
| 24,000 | ³ Arcutis Biotherapeutics, Inc. | 355,200 |
| 8,000 | Bristol-Myers Squibb Co. | 575,600 |
| 6,000 | ³ Centene Corp. | 492,060 |
| 3,086 | ³ CVRx, Inc. | 56,628 |
| 6,000 | CVS Health Corp. | 559,140 |
| 20,000 | ³ Decibel Therapeutics, Inc. | 41,000 |
| 140,000 | ³ Dialogue Health Technologies, Inc. | 239,882 |
| 25,000 | ³ Dynavax Technologies Corp. | 266,000 |
| 1,000 | Elevance Health, Inc. | 512,970 |
| 60,000 | ³ Freeline Therapeutics Holdings PLC, ADR | 29,874 |
| 100,000 | ³ Fusion Pharmaceuticals, Inc. | 315,000 |
| 100,000 | ³ Galecto, Inc. | 115,000 |
| 3,000 | Gilead Sciences, Inc. | 257,550 |
| 7,500 | ³ Hologic, Inc. | 561,075 |
| 4,000 | ³ Inmode Ltd. | 142,800 |
| 10,000 | ³ Mirum Pharmaceuticals, Inc. | 195,000 |
| 2,600 | ³ Moderna, Inc. | 467,012 |
| 14,000 | ³ Outset Medical, Inc. | 361,480 |
| 34,000 | ³ Pulmonx Corp. | 286,620 |
| 600 | ³ Regeneron Pharmaceuticals, Inc. | 432,894 |
| 80,000 | ³ Reneo Pharmaceuticals, Inc. | 186,400 |
| 12,000 | Royalty Pharma PLC | 474,240 |
| 24,000 | ³ Schrodinger, Inc. | 448,560 |
| 26,000 | ³ Sight Sciences, Inc. | 317,460 |
| 150,000 | ³ Sonendo, Inc. | 424,500 |
| 100,000 | ³ SOPHiA GENETICS SA | 206,000 |
| 88,400 | ³ TMS Co., Ltd. | 417,617 |
| 900 | UnitedHealth Group, Inc. | 477,162 |
| | TOTAL | 9,998,124 |
| | Industrials—0.6% | |
| 150,000 | ³ Berkshire Grey, Inc. | 90,585 |
| 62,371 | ³ Byrna Technologies, Inc. | 488,989 |
| 6,000 | Science Applications International Corp. | 665,580 |
| 46,200 | ³ Skymark Airlines, Inc. | 506,214 |
| 15,000 | ³ Southwest Airlines Co. | 505,050 |
| 3,000 | United Parcel Service, Inc. | 521,520 |
| 3,000 | Waste Management, Inc. | 470,640 |
| | TOTAL | 3,248,578 |

| Shares, Principal Amount or Contracts | | Value |
|--|---|------------|
| | COMMON STOCKS—continued | |
| | Information Technology—1.3% | |
| 1,500 | ³ Adobe, Inc. | \$ 504,795 |
| 6,000 | ³ Akamai Technologies, Inc. | 505,800 |
| 100,000 | ³ Arteris, Inc. | 430,000 |
| 2,500 | ³ Check Point Software Technologies Ltd. | 315,400 |
| 70,000 | ³ Cint Group AB | 279,816 |
| 14,000 | Cisco Systems, Inc. | 666,960 |
| 131,500 | ³ Copperleaf Technologies, Inc. | 557,467 |
| 20,000 | ³ Credo Technology Group Holding Ltd. | 266,200 |
| 20,000 | ³ Duck Creek Technologies LLC | 241,000 |
| 30,000 | ³ Expensify, Inc. | 264,900 |
| 6,000 | ³ GoDaddy, Inc. | 448,920 |
| 120,000 | ³ LifeSpeak, Inc. | 84,195 |
| 3,000 | Microsoft Corp. | 719,460 |
| 25,000 | ³ nLight, Inc. | 253,500 |
| 16,000 | ^{3,4} Nuvei Corp. | 406,560 |
| 4,000 | ³ Salesforce, Inc. | 530,360 |
| 32,000 | ³ SkyWater Technology, Inc. | 227,520 |
| 3,500 | ³ Splunk, Inc. | 301,315 |
| 85,000 | Telefonaktiebolaget LM Ericsson, ADR | 496,400 |
| | TOTAL | 7,500,568 |
| | Materials—0.5% | |
| 5,000 | CF Industries Holdings, Inc. | 426,000 |
| 2,000 | Eagle Materials, Inc. | 265,700 |
| 85,207 | ³ Gatos Silver, Inc. | 348,497 |
| 20,000 | ³ Ivanhoe Electric, Inc. | 243,000 |
| 5,000 | Olin Corp. | 264,700 |
| 80,000 | ³ Sprott Physical Gold Trust | 1,128,000 |
| 20,000 | ³ Sprott Physical Silver Trust | 164,800 |
| | TOTAL | 2,840,697 |
| | Real Estate—0.2% | |
| 4,000 | Crown Castle International Corp. | 542,560 |
| 12,000 | National Retail Properties, Inc. | 549,120 |
| 1,200 | Public Storage | 336,228 |
| | TOTAL | 1,427,908 |
| | Utilities—0.6% | |
| 8,000 | American Electric Power Co., Inc. | 759,600 |
| 14,000 | FirstEnergy Corp. | 587,160 |
| 25,000 | PPL Corp. | 730,500 |
| 20,000 | UGI Corp. | 741,400 |
| 24,000 | Vistra Corp. | 556,800 |
| | TOTAL | 3,375,460 |
| | TOTAL COMMON STOCKS (IDENTIFIED COST \$50,394,213) | 48,176,548 |
| | PREFERRED STOCK—0.1% | |
| | Consumer Discretionary—0.1% | |
| 4,000 | Dr. Ing. h.c. F. Porsche Aktiengesellschaft (IDENTIFIED COST \$323,450) | 405,825 |
| | PURCHASED PUT OPTIONS—0.1% | |
| 1,000 | ³ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$38,243,000, Exercise Price \$370, Expiration Date 1/11/2023 | 144,038 |

| Shares, Principal Amount or Contracts | | Value |
|--|--|---------------|
| | PURCHASED PUT OPTIONS—continued | |
| 1,000 | ³ SPDR S&P 500 ETF Trust (PUT-Option), Notional Amount \$38,243,000, Exercise Price \$380, Expiration Date 1/5/2023 | \$ 201,000 |
| | TOTAL PURCHASED PUT OPTIONS (IDENTIFIED COST \$399,536) | 345,038 |
| | INVESTMENT COMPANY—67.0% | |
| 386,382,104 | Federated Hermes Government Obligations Fund, Premier Shares, 4.15% ⁵ (IDENTIFIED COST \$386,382,104) | \$386,382,104 |
| | TOTAL INVESTMENT IN SECURITIES—97.6% (IDENTIFIED COST \$565,309,463) | 563,108,757 |
| | OTHER ASSETS AND LIABILITIES - NET—2.4% ⁶ | 13,670,741 |
| | TOTAL NET ASSETS—100% | \$576,779,498 |

SECURITIES SOLD SHORT—(63.8)%

| Shares | | Value |
|---------|--|-------------|
| | Broad Equity Index—(58.5)% | |
| 23,000 | ³ ARK Fintech Innovation ETF | \$ 328,210 |
| 37,000 | iShares FTSE/Xinhua China 25 | 1,047,100 |
| 91,000 | iShares MSCI Emerging Markets ETF | 3,448,900 |
| 87,000 | iShares MSCI United Kingdom | 2,667,420 |
| 44,300 | iShares Russell 2000 ETF | 7,724,148 |
| 835,000 | S&P Depositary Receipts Trust | 319,329,050 |
| 48,000 | Vanguard European ETF | 2,661,120 |
| | TOTAL | 337,205,948 |
| | Communication Services—(0.2)% | |
| 1,000 | ³ Netflix, Inc. | 294,880 |
| 13,100 | Paramount Global, Class B | 221,128 |
| 2,100 | ³ Take-Two Interactive Software, Inc. | 218,673 |
| 3,000 | Walt Disney Co. | 260,640 |
| 3,400 | World Wrestling Entertainment, Inc. | 232,968 |
| | TOTAL | 1,228,289 |
| | Consumer Discretionary—(0.6)% | |
| 2,000 | ³ Burlington Stores, Inc. | 405,520 |
| 3,700 | ³ CarMax, Inc. | 225,293 |
| 5,000 | ³ Floor & Decor Holdings, Inc. | 348,150 |
| 28,000 | Gap (The), Inc. | 315,840 |
| 1,500 | Lithia Motors, Inc. | 307,110 |
| 24,000 | Newell Brands, Inc. | 313,920 |
| 3,000 | Nike, Inc., Class B | 351,030 |
| 1,300 | Pool Corp. | 393,029 |
| 10,000 | ³ Rivian Automotive, Inc. | 184,300 |
| 6,000 | ³ Royal Caribbean Cruises, Ltd. | 296,580 |
| 2,000 | Target Corp. | 298,080 |
| 10,000 | V.F. Corp. | 276,100 |
| | TOTAL | 3,714,952 |
| | Consumer Staples—(0.4)% | |
| 20,000 | Flowers Foods, Inc. | 574,800 |
| 2,500 | Ingredion, Inc. | 244,825 |
| 6,400 | McCormick & Co., Inc. | 530,496 |
| 3,000 | Spectrum Brands Holdings, Inc. | 182,760 |
| 13,000 | Walgreens Boots Alliance, Inc. | 485,680 |
| | TOTAL | 2,018,561 |

| Shares | | Value |
|--------------------------------------|---|------------|
| Energy—(0.2)% | | |
| 8,000 | Enviva, Inc. | \$ 423,760 |
| 11,000 | Halliburton Co. | 432,850 |
| 7,000 | Schlumberger Ltd. | 374,220 |
| | TOTAL | 1,230,830 |
| Financials—(0.8)% | | |
| 24,000 | AGNC Investment Corp. | 248,400 |
| 8,000 | Apollo Global Management, Inc. | 510,320 |
| 42,000 | Blue Owl Capital, Inc. | 445,200 |
| 1,000 | Cboe Global Markets, Inc. | 125,470 |
| 3,000 | Cincinnati Financial Corp. | 307,170 |
| 5,000 | Citizens Financial Group, Inc. | 196,850 |
| 4,000 | ³ Coinbase Global, Inc. | 141,560 |
| 1,000 | Everest Re Group Ltd. | 331,270 |
| 2,000 | First Republic Bank | 243,780 |
| 20,000 | Invesco Ltd. | 359,800 |
| 9,000 | KKR & Co., Inc., Class Common | 417,780 |
| 3,000 | Prudential Financial, Inc. | 298,380 |
| 1,000 | ³ SVB Financial Group | 230,140 |
| 4,000 | Tradeweb Markets, Inc. | 259,720 |
| 5,000 | Truist Financial Corp. | 215,150 |
| | TOTAL | 4,330,990 |
| Health Care—(0.6)% | | |
| 12,000 | ³ agilon health, Inc. | 193,680 |
| 9,000 | ³ ARK Innovation ETF | 281,160 |
| 1,200 | Becton Dickinson & Co. | 305,160 |
| 7,000 | ³ Boston Scientific Corp. | 323,890 |
| 10,000 | Dentsply Sirona, Inc. | 318,400 |
| 8,000 | ³ Exact Sciences Corp. | 396,080 |
| 800 | ³ IDEXX Laboratories, Inc. | 326,368 |
| 1,300 | ³ Illumina, Inc. | 262,860 |
| 9,000 | ³ Oak Street Health, Inc. | 193,590 |
| 1,400 | ³ Repligen Corp. | 237,034 |
| 2,000 | ³ SPDR S&P Biotech ETF | 166,000 |
| 1,600 | STERIS PLC | 295,504 |
| 1,200 | Stryker Corp. | 293,388 |
| | TOTAL | 3,593,114 |
| Industrials—(0.7)% | | |
| 35,000 | Dun & Bradstreet Holdings, Inc. | 429,100 |
| 2,200 | Eaton Corp. PLC | 345,290 |
| 2,000 | Equifax, Inc. | 388,720 |
| 5,000 | Graco, Inc. | 336,300 |
| 10,000 | Pentair PLC | 449,800 |
| 2,000 | Regal Rexnord Corp. | 239,960 |
| 3,000 | ³ Siteone Landscape Supply, Inc. | 351,960 |
| 4,000 | Stanley Black & Decker, Inc. | 300,480 |
| 14,000 | ³ SunRun, Inc. | 336,280 |
| 6,000 | TransUnion | 340,500 |
| 28,000 | Vertiv Holdings Co. | 382,480 |
| | TOTAL | 3,900,870 |
| Information Technology—(0.9)% | | |
| 3,000 | ³ Arista Networks, Inc. | 364,050 |
| 4,000 | ³ Ceridian HCM Holding, Inc. | 256,600 |
| 7,500 | ³ Ciena Corp. | 382,350 |

| Shares | | Value |
|--------|---|---------------|
| | Information Technology—continued | |
| 4,000 | ³ CloudFlare, Inc. | \$ 180,840 |
| 5,000 | ³ Coherent Corp. | 175,500 |
| 7,800 | ³ Confluent, Inc. | 173,472 |
| 4,000 | Entegris, Inc. | 262,360 |
| 2,400 | ³ First Solar, Inc. | 359,496 |
| 1,500 | Global Payments, Inc. | 148,980 |
| 5,700 | ³ Guidewire Software, Inc. | 356,592 |
| 1,000 | Henry Jack & Associates, Inc. | 175,560 |
| 6,000 | Intel Corp. | 158,580 |
| 4,600 | Marvell Technology, Inc. | 170,384 |
| 2,800 | MKS Instruments, Inc. | 237,244 |
| 5,200 | National Instruments Corp. | 191,880 |
| 6,400 | ³ nCino, Inc. | 169,216 |
| 4,000 | Oracle Corp. | 326,960 |
| 1,800 | Paychex, Inc. | 208,008 |
| 1,350 | ³ Paylocity Corp. | 262,251 |
| 10,000 | ³ SentinelOne, Inc. | 145,900 |
| 500 | ³ Teledyne Technologies, Inc. | 199,955 |
| 1,000 | ³ Tyler Technologies, Inc. | 322,410 |
| 2,800 | ³ Wolfspeed, Inc. | 193,312 |
| | TOTAL | 5,421,900 |
| | Materials—(0.3)% | |
| 6,000 | Ball Corp. | 306,840 |
| 4,000 | International Flavors & Fragrances, Inc. | 419,360 |
| 10,000 | International Paper Co. | 346,300 |
| 4,000 | RPM International, Inc. | 389,800 |
| 8,000 | Scotts Miracle-Gro Co. | 388,720 |
| | TOTAL | 1,851,020 |
| | Real Estate—(0.3)% | |
| 2,000 | Alexandria Real Estate Equities, Inc. | 291,340 |
| 3,000 | Digital Realty Trust, Inc. | 300,810 |
| 15,000 | Healthcare Realty Trust, Inc. | 289,050 |
| 6,000 | Realty Income Corp. | 380,580 |
| 6,500 | Rexford Industrial Realty, Inc. | 355,160 |
| 5,000 | Welltower, Inc. | 327,750 |
| | TOTAL | 1,944,690 |
| | Utilities—(0.3)% | |
| 3,500 | Atmos Energy Corp. | 392,245 |
| 14,000 | Brookfield Renewable Corp. | 385,560 |
| 14,000 | CenterPoint Energy, Inc. | 419,860 |
| 5,000 | Dominion Energy, Inc. | 306,600 |
| | TOTAL | 1,504,265 |
| | TOTAL SECURITIES SOLD SHORT (PROCEEDS \$344,994,371) | \$367,945,429 |

At December 31, 2022, the Fund had the following outstanding futures contracts:

| Description | Number of Contracts | Notional Value | Expiration Date | Value and Unrealized Appreciation |
|-----------------------|------------------------|-------------------|--------------------|---|
| Short Futures: | | | | |
| S&P 500 E-Mini Index | 1,310 | \$252,895,500 | March 2023 | \$8,622,692 |

The average notional value of short futures contracts held by the Fund throughout the period was \$164,643,781. This is based on the contracts held as of each month-end throughout the three-month fiscal period.

The average market value of purchased put options held by the Fund throughout the period was \$433,510. This is based on amounts held as of each month-end throughout the three-month fiscal period.

Net Unrealized Appreciation on Futures Contracts and on the Value of Securities Sold Short is included in "Other Assets and Liabilities—Net."

An affiliated company is a company in which the Fund, alone or in combination with other funds, has ownership of at least 5% of the voting shares. Transactions with the affiliated companies during the period ended December 31, 2022, were as follows:

| Affiliated | Value as of 9/30/2022 | Purchases at Cost* | Proceeds from Sales* | Change in Unrealized Appreciation/ Depreciation* | Net Realized Gain/ (Loss)* | Value as of 12/31/2022 | Shares Held as of 12/31/2022 | Dividend Income* |
|---|--------------------------|-----------------------|-------------------------|---|----------------------------------|---------------------------|------------------------------------|---------------------|
| Health Care: | | | | | | | | |
| Alector, Inc. | \$ — | \$278,915 | \$ — | \$ (2,015) | \$ — | \$276,900 | 30,000 | \$— |
| Dynavax Technologies Corp. | \$ — | \$273,420 | \$ — | \$ (7,420) | \$ — | \$266,000 | 25,000 | \$— |
| Fusion Pharmaceuticals, Inc. | \$150,500 | \$116,654 | \$ — | \$ 47,846 | \$ — | \$315,000 | 100,000 | \$— |
| Affiliated Issuers no longer in the portfolio at period end | \$270,400 | \$ — | \$(522,060) | \$(115,327) | \$366,987 | \$ — | — | \$— |
| TOTAL OF AFFILIATED COMPANIES TRANSACTIONS | \$420,900 | \$668,989 | \$(522,060) | \$(76,916) | \$366,987 | \$857,900 | 155,000 | \$— |

* A portion of the amount shown was recorded when the Fund no longer had ownership of at least 5% of the voting shares.

Affiliated fund holdings are investment companies which are managed by the Adviser or an affiliate of the Adviser. Transactions with affiliated fund holdings during the period ended December 31, 2022, were as follows:

| | Federated Hermes Government Obligations Fund, Premier Shares |
|--|--|
| Value as of 9/30/2022 | \$ 351,982,816 |
| Purchases at Cost | \$ 447,261,069 |
| Proceeds from Sales | \$(412,861,781) |
| Change in Unrealized Appreciation/Depreciation | N/A |
| Net Realized Gain/(Loss) | N/A |
| Value as of 12/31/2022 | \$ 386,382,104 |
| Shares Held as of 12/31/2022 | 386,382,104 |
| Dividend Income | \$ — |

The Fund invests in Federated Hermes Government Obligations Fund (GOF), a diversified portfolio of Federated Hermes Money Market Obligations Trust (MMOT) which is also managed by the Adviser. MMOT is an open-end management investment company, registered under the Investment Company Act of 1940, as amended. The investment objective of GOF is to provide current income consistent with stability of principal. GOF operates as a government money market fund. As a government money market fund, GOF: (1) invests at least 99.5% of its total assets in: (i) cash; (ii) securities issued or guaranteed by the United States or certain U.S. government agencies or instrumentalities; and/or (iii) repurchase agreements that are collateralized fully; (2) generally continues to use amortized cost to value its portfolio securities and transact at a stable \$1.00 net asset value (NAV); and (3) has elected not to be subject to the liquidity fees and gates requirement at this time as permitted by Rule 2a-7 under the Act. Income distributions from GOF are declared daily and paid monthly. All income distributions are recorded by the Fund as dividend income. Capital gain distributions of GOF, if any, are declared and paid annually, and are recorded by the Fund as capital gains received. At December 31, 2022, GOF represents 67.0% of the Fund's net assets. Therefore, the performance of the Fund is directly affected by the performance of GOF. A copy of GOF's financial statements is available on the EDGAR Database on the SEC's website or upon request from the Fund.

- 1 All or a portion of this security is pledged as collateral to ensure the Fund is able to satisfy the obligations of its outstanding short futures and securities sold short contracts.
- 2 Discount rate(s) at time of purchase.
- 3 Non-income-producing security.
- 4 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or availing of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At December 31, 2022, these restricted securities amounted to \$406,560, which represented 0.1% of total net assets.
- 5 7-day net yield.
- 6 Assets, other than investments in securities, less liabilities.

Note: The categories of investments are shown as a percentage of total net assets at December 31, 2022.

Investment Valuation

In calculating its net asset value (NAV), the Fund generally values investments as follows:

- Equity securities listed on an exchange or traded through a regulated market system are valued at their last reported sale price or official closing price in their principal exchange or market.
- Fixed-income securities are fair valued using price evaluations provided by a pricing service approved by Federated Equity Management Company of Pennsylvania (the "Adviser").
- Shares of other mutual funds or non-exchange-traded investment companies are valued based upon their reported NAVs, or NAV per share practical expedient, as applicable.
- Derivative contracts listed on exchanges are valued at their reported settlement or closing price, except that options are valued at the mean of closing bid and ask quotations.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service approved by the Adviser.
- For securities that are fair valued in accordance with procedures established by and under the general supervision of the Adviser, certain factors may be considered, such as: the last traded or purchase price of the security, information obtained by contacting the issuer or dealers, analysis of the issuer's financial statements or other available documents, fundamental analytical data, the nature and duration of restrictions on disposition, the movement of the market in which the security is normally traded, public trading in similar securities or derivative contracts of the issuer or comparable issuers, movement of a relevant index, or other factors including but not limited to industry changes and relevant government actions.

If any price, quotation, price evaluation or other pricing source is not readily available when the NAV is calculated, if the Fund cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the Adviser's valuation policies and procedures, for the fund or if information furnished by a pricing service, in the opinion of the valuation committee ("Valuation Committee"), is deemed not representative of the fair value of such security, the Fund uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that the Fund could obtain the fair value assigned to an investment if it sold the investment at approximately the time at which the Fund determines its NAV per share, and the actual value obtained could be materially different.

Fair Valuation and Significant Events Procedures

Pursuant to Rule 2a-5 under the Investment Company Act, the Fund's Board of Trustees (the "Trustees") have designated the Adviser as the Fund's valuation designee to perform any fair value determinations for securities and other assets held by the Fund. The Adviser is subject to the Trustees' oversight and certain reporting and other requirements intended to provide the Trustees the information needed to oversee the Adviser's fair value determinations.

The Adviser, acting through its Valuation Committee, is responsible for determining the fair value of investments for which market quotations are not readily available. The Valuation Committee is comprised of officers of the Adviser and certain of the Adviser's affiliated companies and determines fair value and oversees the calculation of the NAV. The Valuation Committee is also authorized to use pricing services to provide fair value evaluations of the current value of certain investments for purposes of calculating the NAV. The Valuation Committee employs various methods for reviewing third-party pricing-service evaluations including periodic reviews of third-party pricing services' policies, procedures and valuation methods (including key inputs, methods, models and assumptions), transactional back-testing, comparisons of evaluations of different pricing services, and review of price challenges by the Adviser based on recent market activity. In the event that market quotations and price evaluations are not available for an investment, the Valuation Committee determines the fair value of the investment in accordance with procedures adopted by the Adviser. The Trustees periodically review the fair valuations made by the Valuation Committee. The Trustees have also approved the Adviser's fair valuation and significant events procedures as part of the Fund's compliance program and will review any changes made to the procedures.

Factors considered by pricing services in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Some pricing services provide a single price evaluation reflecting the bid-side of the market for an investment (a "bid" evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and ask for the investment (a "mid" evaluation). The Fund normally uses bid evaluations for any U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. The Fund normally uses mid evaluations for any other types of fixed-income securities and any OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with procedures adopted by the Adviser.

The Adviser has also adopted procedures requiring an investment to be priced at its fair value whenever the Valuation Committee determines that a significant event affecting the value of the investment has occurred between the time as of which the price of the investment would otherwise be determined and the time as of which the NAV is computed. An event is considered significant if there is both an affirmative expectation that the investment's value will change in response to the event and a reasonable basis for quantifying the resulting change in value. Examples of significant events that may occur after the close of the principal market on which a security is traded, or after the time of a price evaluation provided by a pricing service or a dealer, include:

- With respect to securities traded principally in foreign markets, significant trends in U.S. equity markets or in the trading of foreign securities index futures contracts;
- Political or other developments affecting the economy or markets in which an issuer conducts its operations or its securities are traded;
- Announcements concerning matters such as acquisitions, recapitalizations, litigation developments, or a natural disaster affecting the issuer's operations or regulatory changes or market developments affecting the issuer's industry.

The Adviser has adopted procedures whereby the Valuation Committee uses a pricing service to provide factors to update the fair value of equity securities traded principally in foreign markets from the time of the close of their respective foreign stock exchanges to the pricing time of the Fund. For other significant events, the Fund may seek to obtain more current quotations or price evaluations from

alternative pricing sources. If a reliable alternative pricing source is not available, the Valuation Committee will determine the fair value of the investment in accordance with the fair valuation procedures approved by the Adviser. The Trustees periodically review fair valuations made in response to significant events.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1—quoted prices in active markets for identical securities.

Level 2—other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3—significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of December 31, 2022, in valuing the Fund's assets carried at fair value:

Valuation Inputs

| | Level 1— Quoted Prices | Level 2— Other Significant Observable Inputs | Level 3— Significant Unobservable Inputs | Total |
|--|------------------------------|--|---|------------------------|
| Debt Securities: | | | | |
| U.S. Treasury | \$ — | \$127,799,242 | \$— | \$ 127,799,242 |
| Purchased Put Options | 345,038 | — | — | 345,038 |
| Equity Securities: | | | | |
| Common Stocks | | | | |
| Domestic | 38,850,726 | — | — | 38,850,726 |
| International | 8,316,380 | 1,009,442 | — | 9,325,822 |
| Preferred Stock | | | | |
| International | — | 405,825 | — | 405,825 |
| Investment Company | 386,382,104 | — | — | 386,382,104 |
| TOTAL SECURITIES | \$ 433,894,248 | \$129,214,509 | \$— | \$ 563,108,757 |
| Other Financial Instruments: | | | | |
| Assets | | | | |
| Futures Contracts | \$ 8,622,692 | \$ — | \$— | \$ 8,622,692 |
| Liabilities | | | | |
| Securities Sold Short | (367,945,429) | — | — | (367,945,429) |
| TOTAL OTHER FINANCIAL INSTRUMENTS | \$(359,322,737) | \$ — | \$— | \$(359,322,737) |

The following acronym(s) are used throughout this portfolio:

ADR —American Depositary Receipt

ETF —Exchange-Traded Fund

PLC —Public Limited Company

SPDR—Standard & Poor's Depositary Receipt

Portfolio holdings are shown as of the date indicated and are unaudited. Since market conditions fluctuate suddenly and frequently, the portfolio holdings may change and this list is not indicative of future portfolio composition. These portfolio holdings are not intended to be and do not constitute recommendations that others buy, sell, or hold any of the securities listed.

For more complete information on the fund, visit [FederatedInvestors.com](https://www.federatedinvestors.com) for a prospectus or a summary prospectus. You should consider the fund's investment objectives, risks, charges, and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus or summary prospectus, which you should read carefully before investing.

NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

Federated Securities Corp., Distributor

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