

Federated Hermes Municipal Obligations Fund

Wealth Shares

Nasdaq symbol: MOFXX | Cusip number: 60934N658 | Newspaper listing: FedMuniObl WS

3/31/26

Product highlights

- Pursues current income exempt from federal regular income tax, consistent with stability of principal.
- Invests primarily in short-term, high-quality, tax-exempt securities.
- Offers tax-sensitive investors the potential for attractive taxable-equivalent yields compared to taxable money market funds.
- May also invest in higher-yielding securities subject to the federal Alternative Minimum Tax (AMT); investors not sensitive to AMT may potentially enjoy higher, non-taxable income.

Key investment team

Kyle Stewart, CFA
Patrick Reilly

Portfolio assets

\$7.4 billion

Credit/obligor exposure

Mizuho Bank Ltd.
Barclays Bank plc
Bank of America N.A.
Nucor Corp.
Assured Guaranty, Inc.
University of Texas System (The Board of Regents of)
Flint Hills Resources LLC
JPMorgan Chase Bank, N.A.
Blackrock MuniYield Quality Fund, Inc.
DWS Municipal Income Trust

Total % of Portfolio: 44.6%

Share class statistics

Inception date

2/8/93

Federated Hermes fund number

852

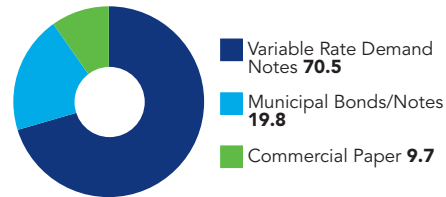
Cut-off times

3:00 pm ET — purchases (T+0)
12:00 pm ET — redemptions (T+0)
4:00 pm ET — purchases (T+1)
4:00 pm ET — redemptions (T+1)

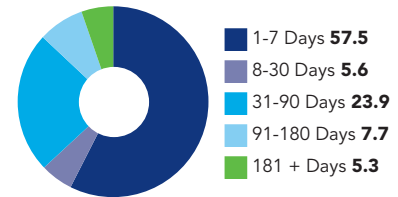
Dividends

Declared daily/paid monthly

Portfolio composition (%)



Effective maturity schedule (%)



Weighted average maturity

44 Days

Weighted average life

44 Days

Fund performance

Net yield (%)		Total return (%)	
7-day	2.44	1-year	2.68

Annualized yields (%)	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
7-day	3.42	2.59	2.68	2.87	2.94	2.98	2.93	2.82	3.12	2.13	2.20	2.44

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 FederatedHermes.com/us.

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 2.37% 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 liquidity space, the first quarter of the year typically sees outflows due largely to a reversal of year-end window-dressing, the corporate tax date on March 15 and preparation for individual tax payments in April. Not so this year. Total industry money market fund assets under management held firm. What accounts for the difference? Lower tax payments due to the One Big Beautiful Bill likely played a role, but logic would point you to the US and Israel's attack on Iran in February. In such situations, investors often increase their holdings of liquidity or stable value products.

Yet the Iran conflict only accounted for one-third of the first quarter. Substantial assets poured into liquidity products in January and February, pushing industry money market assets to all-time highs in the week just before the attacks. The reason for this was positive — the attractive yields stemming from the elevated fed funds rate, which the Federal Reserve (the Fed) maintained in a target range of 3.50-3.75% in the quarter. In other words, cash is an asset class—gaining favor on its own merits, rather than a counter to geopolitical upheaval or anxiety over stocks.

The drama surrounding the Fed took a back seat to coverage of the Iran war, but little progress has been made. In mid-March, a federal judge dismissed the Department of Justice (DOJ) probe of Chair Jerome Powell. But the US attorney for Washington, D.C., said she would appeal. That overhang is preventing the Senate banking committee from sending Trump's nominee, Kevin Warsh, to a confirmation vote. Powell addressed the situation again at the March Federal Open Market Committee meeting, announcing his intention to serve as chair pro tempore until the Senate confirms his successor and that he will stay on the Fed's Board of Governors until the DOJ probe is "well and truly over."

For the quarter, the SIFMA Municipal Swap Index averaged 1.99% while ranging from a low of 1.28% on Jan. 14 to a high of 2.52% on Feb. 11 and ending at 2.42%. Generally, state and local government credit quality continues to benefit from strong management and historically large financial reserves that may normalize over the coming fiscal years.

At quarter-end, yields on 1-, 3-, 6- and 12-month US Treasuries were 3.70%, 3.68%, 3.70% and 3.66%, respectively.

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. An investment in the fund is not a bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor is not required to reimburse the fund for losses, and you should not expect that the sponsor will provide financial support to the fund at any time, including during periods of market stress.

Performance shown is for Wealth 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

Income may be subject to the federal alternative minimum tax and state and local taxes.

Current and future portfolio holdings are subject to risk.

Definitions

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. Holdings percentages are based on net assets at the close of business on the date above, 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. For government variable rate securities, if the interest rate is readjusted no less frequently than every 397 calendar days, the security shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate. For non-government variable rate securities, if the security has a scheduled maturity of 397 days or less the security is treated as maturing on the earlier of the date the security is scheduled to be repaid through demand or the period remaining until the next readjustment of the interest rate. If the variable rate security has a scheduled maturity that is more than 397 days it is the later of those two dates. The mean is weighted based on the percentage of the market value 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.