

Federated Hermes Municipal High Yield Advantage Fund



Class C Shares / FMNCX

Annual Shareholder Report | August 31, 2024

A Portfolio of Federated Hermes Municipal Securities Income Trust

This annual shareholder report contains important information about the Federated Hermes Municipal High Yield Advantage Fund (the "Fund") for the period of September 1, 2023 to August 31, 2024. You can find additional information about the Fund at FederatedHermes.com/us/FundInformation. You can also request this information by contacting us at 1-800-341-7400, Option 4, or your financial advisor.

This report describes changes to the Fund that occurred during the reporting period.

What were the Fund costs for the last year?

(Based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Class C Shares	\$171	1.64%

Management's Discussion of Fund Performance

The following discussion compares the performance of the Fund to a blended index consisting of S&P 25% A and Higher/25% BBB/50% High Yield, All 3-Year Plus Sub-Index (the "Index") to show how the Fund's performance compares to the returns of similar investments for the reporting period. See the Average Annual Total Returns table below for the returns of the Fund and related indexes, including the S&P Municipal Bond Index, which represents the overall U.S. municipal fixed-income market. The Fund seeks to provide a high level of current income by investing its assets so that normally at least 80% of the income that it distributes will be exempt from federal regular income tax.

Top Contributors to Performance

- Yield curve management contributed positively to relative performance. An overweight allocation to bonds with durations greater than eight years and a corresponding underweight in bonds with durations between two and six years benefitted from an inverted and steepening yield curve.
- Credit allocation was a positive factor. An overweight allocation to BB-rated and B-rated bonds benefitted from tightening credit spreads.
- Security selection contributed favorably as the Fund outperformed the Index after accounting for duration, yield curve, sector allocation and credit allocation contributions. A number of individual holdings that experienced improving credit situations contributed excess returns, notably in the Senior Care sector and various Puerto Rico bonds.
- During the reporting period, the Fund's duration averaged 3% longer than the Index, which was a benefit to the Fund with falling rates.

Top Detractors from Performance

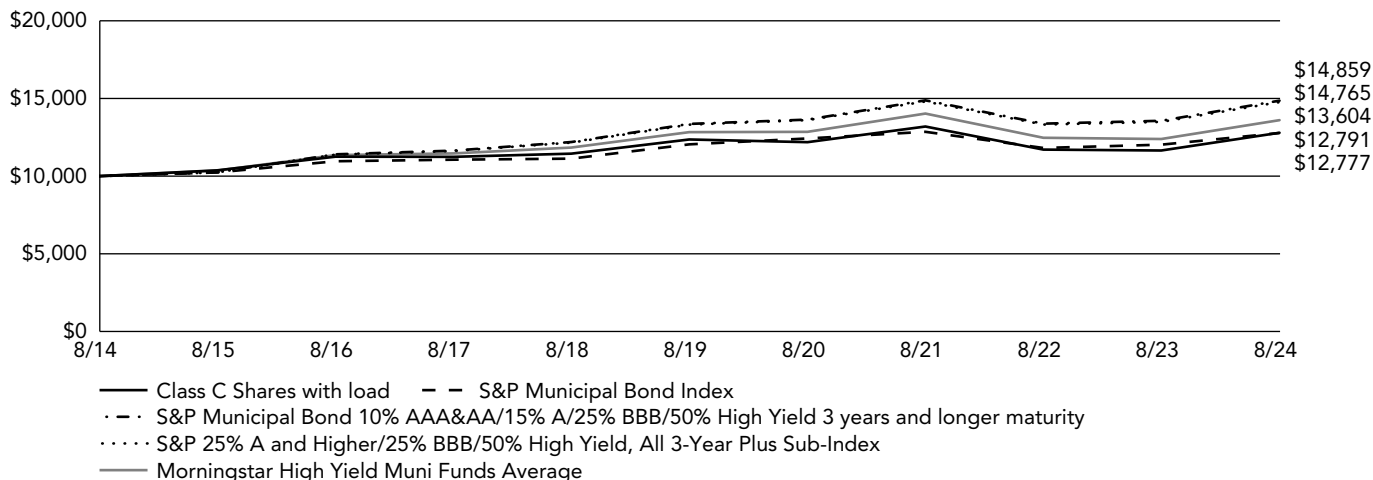
- Although sector allocation was slightly positive, an underweight allocation to Higher Education and overweight allocation to Airports were drags on performance.

Fund Performance

Keep in mind that the Fund's past performance is not a good predictor of how the Fund will perform in the future. The graph and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or redemption of fund shares.

Cumulative Performance: August 31, 2014 through August 31, 2024

Initial Investment of \$10,000



Average Annual Total Returns

	1 Year	5 Year	10 Year
Class C Shares — including sales load	7.89%	0.37%	2.49%
Class C Shares — excluding sales load	8.89%	0.37%	2.49%
S&P Municipal Bond Index ¹	6.25%	1.19%	2.48%
S&P Municipal Bond 10% AAA&AA/15% A/25% BBB/50% High Yield 3 years and longer maturity	9.55%	2.15%	4.04%
S&P 25% A and Higher/25% BBB/50% High Yield, All 3-Year Plus Sub-Index	9.44%	2.09%	3.97%
Morningstar High Yield Muni Funds Average	9.75%	1.18%	3.14%

¹ The Fund has designated the S&P Municipal Bond Index as its new broad-based securities market index in accordance with the SEC's revised definition for such an index.

Visit FederatedHermes.com/us/FundInformation and click on the link to your fund and share class for more recent performance information.

Key Fund Statistics

Net Assets	\$484,097,112
Number of Investments	373
Portfolio Turnover Rate	20%
Total Advisory Fees Paid	\$2,009,959

Fund Holdings

TOP SECTORS (% OF NET ASSETS)

Dedicated Tax	17.5%
Primary/Secondary Education	11.5%
Industrial Development Bond/Pollution Control Revenue	10.5%
Senior Care	9.9%
Hospital	9.1%
Airport	5.8%
General Obligation—Local	5.3%
Tobacco	5.2%
General Obligation—State	4.6%
Incremental Tax	4.2%
Toll Road	3.6%

Material Fund Changes

The following is a summary of material changes made to the Fund during the reporting period. For more complete and current information, you may review the Fund's disclosure documents on its webpage at FederatedHermes.com/us/FundInformation or upon request at 1-800-341-7400, Option 4, or by contacting your financial advisor.

Effective October 2023, as the result of the Fund operating as a diversified fund, references to the Fund operating as a non-diversified fund and related principal risks in the Fund's Prospectus and Statement of Additional Information were updated to reflect the Fund's status as diversified.

Effective October 29, 2024, Derek Plaski has been added to the Fund's portfolio management team.

Availability of Additional Information

Additional information is available on the Fund's website at FederatedHermes.com/us/FundInformation, including its:

- prospectus
- financial information
- holdings
- proxy voting information

CUSIP 313923849

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