

# Federated Hermes Short-Intermediate Municipal Fund



Institutional Shares / FSHIX

## Annual Shareholder Report | June 30, 2024

A Portfolio of Federated Hermes Short-Intermediate Duration Municipal Trust

This annual shareholder report contains important information about the Federated Hermes Short-Intermediate Municipal Fund (the "Fund") for the period of July 1, 2023 to June 30, 2024. You can find additional information about the Fund at [FederatedHermes.com/us/FundInformation](https://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
Institutional Shares	\$48	0.47%

### Management's Discussion of Fund Performance

The following discussion compares the performance of the Fund to the S&P Municipal Bond Short 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 dividend income which is exempt from federal regular income tax by investing its assets so that normally distributions of annual interest income are exempt from federal regular income tax and a majority of its assets are invested in securities rated investment-grade.

#### Top Contributors to Performance

- Credit allocation contributed positively with significant overweight positions relative to the Index in A-rated and BBB-rated securities, both of which outperformed the Index.
- Sector allocation contributed positively with a significant overweight in Senior Care and Industrial Development/Pollution Control inclusive of pre-paid gas utility and electric and gas utility bonds. An underweight in general obligation and pre-refunded sectors also contributed positively.
- Yield curve allocations contributed positively, namely a barbell strategy of variable and floating-rate notes combined with tactical longer duration allocations to pre-paid gas utility bonds and 15-year high grade callable bonds when the municipal market was attractive.
- Security selection contributed favorably as the Fund outperformed the Index after accounting for duration, yield curve, sector and credit allocation contributions. Noteworthy positive contributors included low coupon discount bonds with maturities inside of five years, a significant allocation to floating-rate notes (excluded in the Index) in a rising interest rate environment and various A-rated and BBB-rated and lower quality bonds that experienced larger price movements relative to comparable quality securities. The Fund had less than a 5% allocation to non-investment grade securities over the period and did not use derivatives.

## Top Detractors from Performance

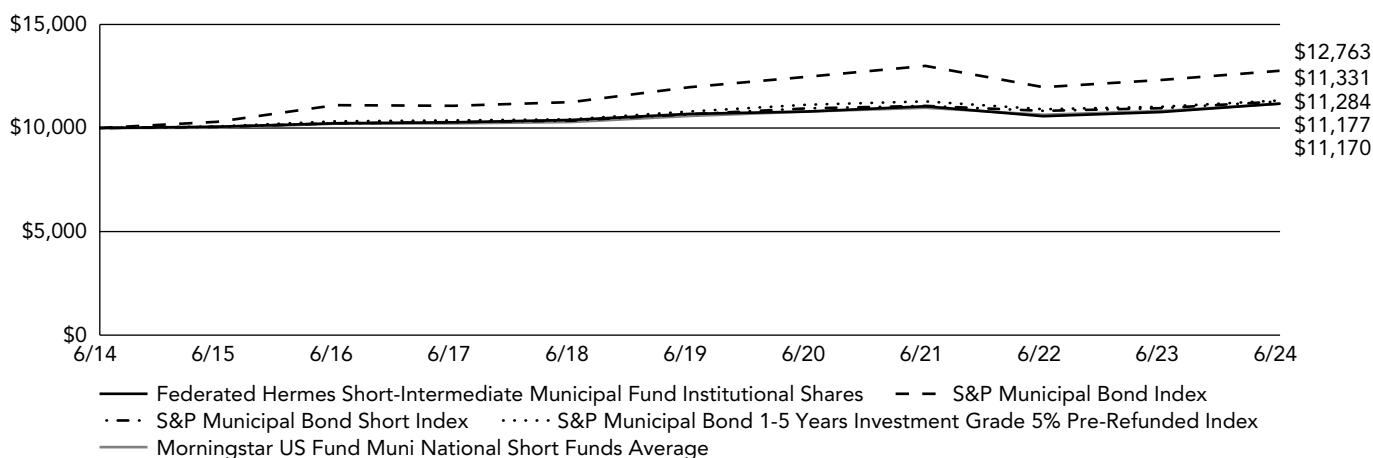
- Duration management modestly detracted from relative performance. The Fund held a long duration position and extended duration at various points over the period relative to the Index during a volatile year for rates. The 5-year AAA-rated Bloomberg Evaluation Service municipal yield fluctuated over a wide range from 2.22% to 3.56% and ended the period higher by 35 basis points at 2.96%.

## 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: June 30, 2014 through June 30, 2024

Initial Investment of \$10,000



## Average Annual Total Returns

	1 Year	5 Year	10 Year
Institutional Shares	3.76%	0.91%	1.12%
S&P Municipal Bond Index	3.60%	1.29%	2.47%
S&P Municipal Bond Short Index	2.98%	1.13%	1.22%
S&P Municipal Bond 1-5 Years Investment Grade 5% Pre-Refunded Index	2.74%	0.97%	1.26%
Morningstar US Fund Muni National Short Funds Average	3.28%	1.11%	1.13%

Visit [FederatedHermes.com/us/FundInformation](https://FederatedHermes.com/us/FundInformation) and click on the link to your fund and share class for more recent performance information.

## Key Fund Statistics

<b>Net Assets</b>	\$378,847,335
<b>Number of Investments</b>	178
<b>Portfolio Turnover Rate</b>	37%
<b>Total Advisory Fees Paid</b>	\$1,099,711

## Fund Holdings

### TOP SECTORS (% OF NET ASSETS)

Electric & Gas	13.4%
Prepaid Gas Utility	11.5%
Industrial Development Bond/Pollution Control Revenue	10.3%
Hospital	9.4%
Multi-Family Housing	8.7%
General Obligation—Local	6.7%
General Obligation—State	6.3%
General Obligation—State Appropriation	4.8%
Senior Care	4.2%
Public Power	3.8%
Airport	3.6%

## Material Fund Changes

Following is a summary of certain changes made to the Fund. For more complete and current information, you may review the Fund's disclosure documents on its webpage at [FederatedHermes.com/us/FundInformation](https://FederatedHermes.com/us/FundInformation) or upon request at 1-800-341-7400, Option 4, or by contacting your financial advisor.

Effective September 1, 2024, total annual fund operating expenses (as shown in the financial highlights, excluding interest expense, extraordinary expenses and proxy-related expenses, if any) paid by the Fund's Institutional Shares (after the voluntary waivers and reimbursements) will not exceed 0.40%. Prior to September 1, 2024, the Fee Limit for the Institutional Shares was 0.47%.

## Availability of Additional Information

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

- prospectus
- financial information
- holdings
- proxy voting information

CUSIP 313907107

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Federated Securities Corp., Distributor

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