

# Federated Hermes Institutional Prime Obligations Fund



## Institutional Shares

Nasdaq symbol: POIXX | Cusip number: 60934N203 | Newspaper listing: PrimeObIS

9/30/25

### Product highlights

- Pursues current income consistent with stability of principal.
- Invests primarily in short-term, high-quality, fixed-income securities issued by banks, corporations and the US government.
- Holds AAAm and AAAmmf ratings from S&P Global Ratings and Fitch, respectively.
- Offers intraday liquidity.

### Key investment team

Paige Wilhelm  
Mark Weiss, CFA

### Credit ratings

AAAm S&P Global Ratings

AAAmmf Fitch

### Portfolio assets

\$17.3 billion

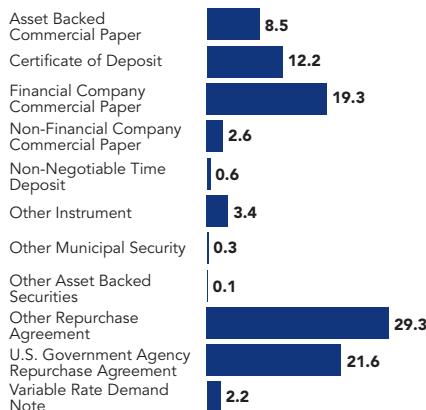
### Top holdings

Bank of America Corp.  
National Bank of Canada  
Credit Agricole Group  
Canadian Imperial Bank of Commerce  
BNP Paribas SA  
JPMorgan Chase & Co.  
Toronto Dominion Bank  
Royal Bank of Canada  
Wells Fargo & Co.  
Mizuho Financial Group, Inc.  
Total % of Portfolio: 44.1%

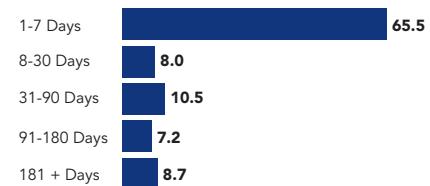
### Share class statistics

Inception date  
3/26/90  
Federated Hermes fund number  
10  
Cut-off times  
3:00 pm ET — purchases  
3:00 pm ET — redemptions  
Strike times  
3:00 pm ET  
Dividends  
Declared daily/paid monthly

### Portfolio composition (%)



### Effective maturity schedule (%)



### 2a-7 liquidity

Daily 39.19%  
Weekly 52.23%

### Weighted average maturity

43 Days

### Weighted average life

64 Days

### Fund performance

#### Net yield (%)

	7-day	4.14
Annualized yields (%)	Oct 7-day	4.83

#### Total return (%)

	1-year	4.49
Annualized yields (%)	Oct 7-day	4.83

Annualized yields (%) Oct Nov Dec Jan Feb Mar Apr May June July Aug Sept  
7-day 4.83 4.61 4.47 4.42 4.36 4.35 4.35 4.33 4.33 4.33 4.32 4.14

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](http://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 4.09% 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.

The daily and weekly liquid assets thresholds are 25% and 50%, respectively. Both requirements are "point of purchase" requirements. Thus, it is possible that money market funds may, at any given time, have liquidity percentages reflecting less than the daily and weekly liquidity asset thresholds. In such circumstances, the portfolio manager will be required to purchase securities to meet the requisite liquidity thresholds prior to purchasing longer-dated securities. Additionally, the SEC requirements for what may be defined as "daily" and "weekly" differs from the standard maturities used in calculating the "Effective Maturity Schedule." Therefore, the percentages in the 2a-7 Liquidity table will generally not equal the amounts shown in the "Effective Maturity Schedule."

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### Portfolio manager commentary

It is said that the financial markets hate uncertainty; by the end of the third quarter, they appeared resigned to it. The reporting period opened with widespread concern about the eventual impact of the Trump administration's tariff plans, the apparent weakening of the US labor market, President Trump's comments on the Federal Reserve (the Fed) and the likelihood that the central bank would resume its rate-cutting cycle.

Partly because many of the proposed tariffs were delayed for negotiations and partly because companies refrained from passing the increasing costs onto consumers, inflation did not rise as some economists had predicted. It didn't fall, either, staying in a range that, while far below the 40-year highs of 2022, remained above the Fed's 2% target. Despite this, the Fed indicated that it had pivoted to focus on employment. The Bureau of Labor Statistics' (BLS) premier measure, the monthly nonfarm payrolls report, showed that the US added only 73,000 jobs in July and 22,000 in August. Then, in September, the BLS reported it had overstated employment over the last 12 months by nearly 1 million jobs.

*You could lose money by investing in the fund. Because the share price of the fund will fluctuate, when you sell your shares, they may be worth more or less than what you originally paid for them. The fund may impose a fee upon sale of your shares. The fund generally must impose a fee when net sales of fund shares exceed certain levels. 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 Institutional 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

The value of some asset-backed securities may be particularly sensitive to changes in prevailing interest rates, and although the securities are generally supported by some form of government or private guarantee and/or insurance, there is no assurance that private guarantors or insurers will meet their obligations.

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.

**Repurchase agreements** consist of a financial institution selling securities to a fund and agreeing to repurchase them at a mutually agreed upon price and time.

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.

Fed Chair Powell said the softening in the labor market, attributable to mass deportations and a slowing economy, was a major factor in the Federal Open Market Committee's (FOMC) decision to lower rates by a quarter-point in its September meeting. But acknowledged that inflation continues to be a problem, characterizing the rate cut as "risk management." The decision was made amid controversy as President Trump tried to fire Fed Governor Lisa Cook and the Senate confirmed White House economist Stephen Miran to fill a vacant seat. Both moves follow the administration's comments on monetary policy.

The FOMC's new Summary of Economic Projections indicated the likelihood that it would issue two additional quarter-point hikes by year-end. But when the federal government shut down as the quarter ended, the BLS said it might not be able to release the September jobs report. Without that data, the expected rate cut in October became less certain.

At quarter-end, yields on 1-, 3-, 6- and 12-month US Treasuries were 4.11%, 3.94%, 3.84% and 3.68%, respectively.

#### Ratings and rating agencies

Ratings are based on an evaluation of several factors, including credit quality, diversification and maturity of assets in the portfolio, as well as management strength and operational capabilities. A money market fund rated AAA by S&P Global Ratings is granted after evaluating a number of factors, including credit quality, market price, exposure and management. Fitch's money market fund ratings are an assessment of a money market fund's capacity to preserve principal and provide liquidity through limiting credit, market and liquidity risk. For more information on credit ratings, visit [spglobal.com](http://spglobal.com) and [fitchratings.com](http://fitchratings.com).

Ratings are subject to change and do not remove market risk.

Credit ratings do not provide assurance against default or other loss of money and can change.