



Monthly Newsletter: March 2025

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in February 2025:

TexPool

Camp Central Appraisal District
Calhoun County Groundwater
Conservation District
City of Splendora
Bright- Star- Salem Utility District

TexPool Prime

Camp Central Appraisal District
Calhoun County Groundwater
Conservation District
City of Splendora
Bright- Star- Salem Utility District

Upcoming Events

4/6/2025

**Government Finance Officers Association
of Texas (GFOAT) Spring Conference**
Round Rock, TX

4/21/2025

County Treasurers Education Seminar
San Marcos, TX

4/29/2025

TACA Institute 67th Annual Conference
College Station, TX

TexPool Advisory Board Members

Patrick Krishock Valarie Van Vlack
Belinda Weaver David Landeros
Deborah Laudermilk Dina Edgar

Overseen by the State of Texas Comptroller
of Public Accounts Glenn Hegar

Operated under the supervision of the Texas
Treasury Safekeeping Trust Company

Economic and Market Commentary: Market intervention should subside under the new SEC leadership.

March 1, 2025

Perhaps because the SEC appears to impact the public less than other US agencies, its cost-cutting efforts mandated by the Trump administration have largely been overshadowed. But the Commission is in the midst of a sea change beyond the trimming of staff, and we welcome it. Recall its mission is, "to protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation." Going after Ponzi schemes, scammers, and fraudsters is critical, as is maintaining a level playing field. At their best, regulations safeguard the financial system from the repercussions of intentional or unintentional activity. But under Chair Gary Gensler, the SEC exceeded its mission. Instead of using wrenches to fine tune the machine, his staff often tossed them into its gears. Particularly frustrating was that they frequently limited time for public feedback, even for controversial proposals.

That brings us to today. Acting SEC Chair Mark Uyeda has announced several high-profile changes, such as the creation of a crypto task force and the layoff of regional office directors. But on a fundamental level, he and Trump's nominee for chair, Paul Atkins, are no fans of regulations. Expect fewer new rules and for some to be delayed in implementation. Others, such as the climate disclosure rule, are likely to be rolled back. We obviously would like the SEC to revisit the recent money market fund amendments, but there seems to be little industry appetite for that at present. That won't stop us from making the case.

(continued page 6)

Performance as of February 28, 2025

	TexPool	TexPool Prime
Current Invested Balance	\$39,023,900,254	\$15,842,788,994
Weighted Average Maturity**	36 Days	49 Days
Weighted Average Life**	88 Days	59 Days
Net Asset Value	1.0001	1.00011
Total Number of Participants	2,916	645
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$133,373,195.84	\$54,581,285.47
Management Fee Collected	\$1,299,739.56	\$665,076.49
Current S&P Global Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$39,945,284,526	\$15,866,982,894
Average Monthly Rate*	4.36%	4.48%
Average Weighted Average Maturity**	36	52
Average Weighted Average Life**	90	62

**This average monthly rate for TexPool Prime for each date may reflect a waiver of some portion or all of each of the management fees.*

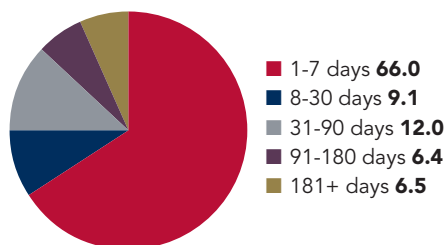
***See page 2 for definitions.*

Past performance is no guarantee of future results.



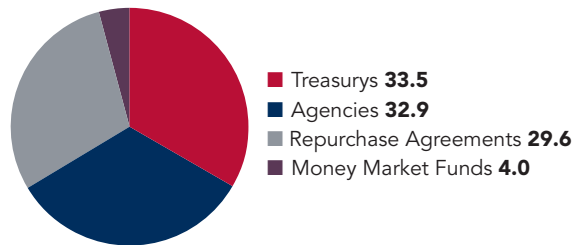
Portfolio by Maturity (%)

As of February 28, 2025



Portfolio by Type of Investment (%)

As of February 28, 2025



Portfolio Asset Summary as of February 28, 2025

	Book Value	Market Value
Uninvested Balance	\$61.10	\$61.10
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	76,673,154.56	76,673,154.56
Interest and Management Fees Payable	-133,372,964.82	-133,372,964.82
Payable for Investments Purchased	-1,391,152,779.00	-1,391,152,779.00
Accrued Expenses & Taxes	-45,052.39	-45,052.39
Repurchase Agreements	11,994,341,000.00	11,994,341,000.00
Mutual Fund Investments	1,617,085,200.00	1,617,085,200.00
Government Securities	13,320,970,740.16	13,320,970,740.16
US Treasury Bills	12,369,531,920.01	12,374,258,158.70
US Treasury Notes	1,169,868,974.16	1,170,801,394.50
Total	\$39,023,900,253.78	\$39,029,558,912.81

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool. The only source of payment to the Participants is the assets of TexPool. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services.

Participant Summary

	Number of Participants	Balance
School District	635	\$12,249,947,471.75
Higher Education	60	\$2,167,936,100.06
County	202	\$4,358,413,374.28
Healthcare	95	\$2,112,986,916.21
Utility District	945	\$5,857,444,935.49
City	517	\$9,452,870,338.02
Emergency Districts	114	\$555,137,652.10
Economic Development Districts	95	\$216,100,740.34
Transit/Toll Authorities	15	\$795,985,674.16
River/Port Authorities	18	\$387,134,580.33
Other	220	\$871,447,243.37

**Definition of Weighted Average Maturity and Weighted Average Life

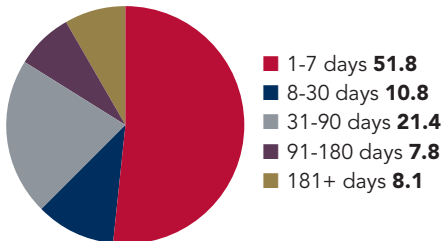
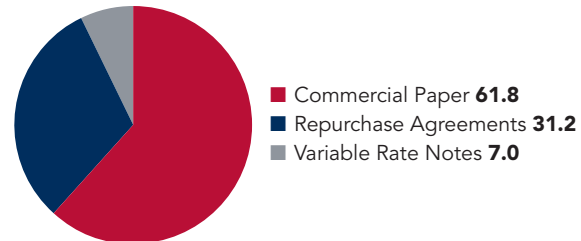
WAM is the mean average of the periods of time remaining until the securities held in the fund's portfolio (a) are scheduled to be repaid, (b) would be repaid upon a demand by the fund or (c) are scheduled to have their interest rate readjusted to reflect current market rates. For government variable 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.

WAL is calculated in the same manner as WAM, but is based solely on the periods of time remaining until the securities held in TexPool (a) are scheduled to be repaid or (b) would be repaid upon a demand by TexPool, without reference to when interest rates of securities within TexPool.



Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
2/1	4.3913%	0.000120309	\$38,892,922,937.46	1.00012	40	93
2/2	4.3913%	0.000120309	\$38,892,922,937.46	1.00012	40	93
2/3	4.2982%	0.000117758	\$40,068,228,288.16	1.00003	37	88
2/4	4.3666%	0.000119633	\$40,211,632,622.58	1.00004	37	88
2/5	4.3560%	0.000119342	\$40,263,676,115.88	1.00004	36	89
2/6	4.3571%	0.000119373	\$40,484,109,003.03	1.00003	36	90
2/7	4.3855%	0.000120152	\$40,739,642,712.97	0.99999	37	90
2/8	4.3855%	0.000120152	\$40,739,642,712.97	0.99999	37	90
2/9	4.3855%	0.000120152	\$40,739,642,712.97	0.99999	37	90
2/10	4.3624%	0.000119518	\$40,839,870,399.85	1.00001	35	88
2/11	4.3417%	0.000118952	\$40,780,745,600.47	1.00000	34	87
2/12	4.3522%	0.000119238	\$40,702,968,901.89	0.99999	36	89
2/13	4.3501%	0.000119182	\$40,020,567,609.25	1.00000	36	89
2/14	4.3396%	0.000118894	\$39,669,317,359.26	0.99999	37	91
2/15	4.3396%	0.000118894	\$39,669,317,359.26	0.99999	37	91
2/16	4.3396%	0.000118894	\$39,669,317,359.26	0.99999	37	91
2/17	4.3396%	0.000118894	\$39,669,317,359.26	0.99999	37	91
2/18	4.3539%	0.000119286	\$39,678,534,790.70	1.00000	35	90
2/19	4.3662%	0.000119622	\$39,960,578,900.88	1.00000	36	90
2/20	4.3575%	0.000119384	\$39,974,425,371.18	1.00000	36	89
2/21	4.3382%	0.000118854	\$39,854,682,879.11	1.00000	37	90
2/22	4.3382%	0.000118854	\$39,854,682,879.11	1.00000	37	90
2/23	4.3382%	0.000118854	\$39,854,682,879.11	1.00000	37	90
2/24	4.3596%	0.000119440	\$39,638,015,031.94	1.00002	35	88
2/25	4.3527%	0.000119253	\$39,670,489,626.01	1.00002	35	89
2/26	4.3468%	0.000119091	\$39,549,091,598.81	1.00002	35	89
2/27	4.3543%	0.000119297	\$39,355,040,524.52	1.00001	35	87
2/28	4.3653%	0.000119598	\$39,023,900,253.78	1.00010	36	88
Averages:	4.3555%	0.000119328	\$39,945,284,525.97	1.00002	36	90

**TEXPOOL Prime****Portfolio by Maturity (%)***As of February 28, 2025***Portfolio by Type of Investment (%)***As of February 28, 2025***Portfolio Asset Summary as of February 28, 2025**

	Book Value	Market Value
Uninvested Balance	\$354.47	\$354.47
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	8,303,283.69	8,303,283.69
Interest and Management Fees Payable	-54,581,287.27	-54,581,287.27
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-23,872.69	-23,872.69
Repurchase Agreements	4,951,955,000.00	4,951,955,000.00
Commercial Paper	10,485,135,516.23	10,487,007,157.75
Mutual Fund Investments	0.00	0.00
Government Securities	0.00	0.00
Variable Rate Notes	452,000,000.00	452,165,895.05
Total	\$15,842,788,994.43	\$15,844,826,531.00

Market value of collateral supporting the Repurchase Agreements is at least 102% of the Book Value. The portfolio is managed by Federated Investment Counseling and the assets are safe kept in a separate custodial account at State Street Bank in the name of TexPool Prime. The assets of TexPool Prime are the only source of payments to the Participants. There is no secondary source of payment for the pool such as insurance or State guarantee. Should you require a copy of the portfolio, please contact TexPool Participant Services

Participant Summary

	Number of Participants	Balance
School District	170	\$6,025,871,956.25
Higher Education	19	\$1,121,714,552.98
County	56	\$1,235,627,598.41
Healthcare	24	\$497,296,232.40
Utility District	86	\$526,505,403.11
City	129	\$2,712,822,912.09
Emergency Districts	37	\$184,443,468.22
Economic Development Districts	25	\$55,105,942.34
Transit/Toll Authorities	10	\$1,195,054,375.69
River/Port Authorities	8	\$729,366,162.34
Other	82	\$1,559,197,922.62



TEXPOOL Prime

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
2/1	4.5142%	0.000123678	\$15,690,752,746.17	1.00011	45	52
2/2	4.5142%	0.000123678	\$15,690,752,746.17	1.00011	45	52
2/3	4.4835%	0.000122835	\$15,819,094,938.35	1.00010	45	51
2/4	4.4949%	0.000123148	\$16,131,241,522.83	1.00010	48	55
2/5	4.4848%	0.000122870	\$16,191,581,562.04	1.00011	47	57
2/6	4.4935%	0.000123109	\$15,991,120,277.19	1.00010	54	66
2/7	4.4767%	0.000122648	\$15,966,305,833.49	0.99991	56	68
2/8	4.4767%	0.000122648	\$15,966,305,833.49	0.99991	56	68
2/9	4.4767%	0.000122648	\$15,966,305,833.49	0.99991	56	68
2/10	4.4841%	0.000122852	\$16,070,676,876.07	1.00008	52	63
2/11	4.4820%	0.000122794	\$16,089,085,729.25	1.00006	54	65
2/12	4.4817%	0.000122785	\$15,967,891,729.49	1.00004	53	65
2/13	4.4757%	0.000122623	\$15,791,067,762.19	1.00005	54	65
2/14	4.4826%	0.000122811	\$15,731,558,879.91	0.99983	54	66
2/15	4.4826%	0.000122811	\$15,731,558,879.91	0.99983	54	66
2/16	4.4826%	0.000122811	\$15,731,558,879.91	0.99983	54	66
2/17	4.4826%	0.000122811	\$15,731,558,879.91	0.99983	54	66
2/18	4.4896%	0.000123002	\$15,691,980,914.76	1.00006	52	63
2/19	4.4880%	0.000122960	\$15,753,486,165.12	1.00005	51	62
2/20	4.4830%	0.000122821	\$15,790,220,973.40	1.00006	52	63
2/21	4.4817%	0.000122786	\$15,777,123,027.20	0.99991	53	64
2/22	4.4817%	0.000122786	\$15,777,123,027.20	0.99991	53	64
2/23	4.4817%	0.000122786	\$15,777,123,027.20	0.99991	53	64
2/24	4.4772%	0.000122664	\$15,940,474,643.56	1.00007	50	60
2/25	4.4765%	0.000122644	\$15,926,750,110.22	1.00010	50	60
2/26	4.4769%	0.000122654	\$15,843,209,876.15	1.00009	50	60
2/27	4.4819%	0.000122793	\$15,896,821,351.65	1.00010	49	59
2/28	4.4871%	0.000122933	\$15,842,788,994.43	1.00011	49	59
Averages:	4.4848%	0.000122871	\$15,866,982,893.60	1.00001	52	62



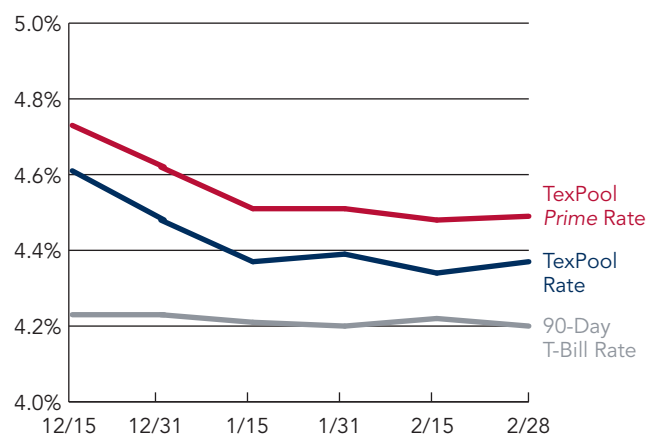
Participant Services
1001 Texas Ave. Suite 1150
Houston, TX 77002

Speaking of appeal, it seems yields of most liquidity products will stay around present levels as the Federal Reserve likely won't cut rates this month. The January PCE report showed modest annualized improvement, but the monthly readings of headline and core growth were essentially unchanged. This likely means inflation remains too hot for the Fed, though we do anticipate two quarter-point cuts this year. The updated Summary of Economic Projections released at the FOMC meeting on March 19 should make that clearer. But we are just as interested in what it might reveal about the terminal rate. Once thought to be around 3%, we now think it could end up near 4% as the Fed may want to extend restrictive monetary policy to keep the lid on inflation. That would be great news for cash managers and investors.

It is possible that the FOMC will pause the ongoing reduction of its balance sheet known as quantitative tightening. Not because policymakers are concerned about the level of bank reserves or liquidity in the Treasury market, but because the US Treasury Department has reached its debt limit. According to the minutes of the FOMC's January meeting, policymakers discussed this at length, which often is a hint to the markets. Once the nonsense of the debt-ceiling situation is resolved, the Fed may continue to taper, but probably not for much longer. Chair Jerome Powell and company aren't attempting to empty the shelves, but rather right-size its holdings in relation to the markets. We think that number will still be enormous, probably around \$6 trillion. But with the uncertainty in fiscal policy, trade, and geopolitics, the Fed is surely not interested in pushing its luck by excessively decreasing its holdings.

At the end of the month, yields on 1-, 3-, 6- and 12-month US Treasuries were 4.30%, 4.30%, 4.29% and 4.09%, respectively.

TexPool & TexPool Prime vs. 90-Day Treasury Bill



90-Day Treasury Bill is a short-term debt instrument backed by the national government. These are used to collect immediate cash to meet outstanding obligations.

Any private investor can invest in a Treasury bill. The 90-Day Treasury Bill is a weighted average rate of the weekly auctions of 90-Day Treasury Bills.

Past performance is no guarantee of future results.

Tips for Preventing Financial Fraud

With cyber-crime and other social engineering attacks on the rise, TexPool offers tips, resources, and other suggestions to help protect your participating entity from potential financial fraud. Please visit the Financial Fraud Prevention page on TexPool.com to learn more.