



# Monthly Newsletter: July 2024

## ANNOUNCEMENTS

### We welcome the following entities who joined TexPool in June 2024:

#### TexPool

- Sulphur River Basin Authority
- East Hays County MUD 1
- City of Alton
- Caldwell County ESD No 5
- Gruver ISD

#### TexPool Prime

- Sulphur River Basin Authority
- East Hays County MUD 1
- City of Alton
- Caldwell County ESD No 5
- Gruver ISD
- Andrews ISD

### Upcoming Events

September 16 2024 - September 19 2024  
**76th Annual County Treasurers' Association of Texas Conference**  
 Denton, TX

### 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.

We also encourage you to complete the Phishing and Cybersecurity Awareness course that is available through TexPool Academy.

### TexPool Advisory Board Members

- |                    |                 |
|--------------------|-----------------|
| Patrick Krishock   | David Landeros  |
| Belinda Weaver     | Sharon Matthews |
| Deborah Laudermilk | David Garcia    |
| Valarie Van Vlack  | 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: Much to celebrate, much to discuss

July 1, 2024

If cash is king—and we certainly think so—it held court last month in Pittsburgh. The annual Crane Data Money Fund Symposium brought in more than 600 portfolio managers, salespeople and clients came to celebrate the broad liquidity industry’s remarkable growth in assets over its more than five decades of existence and to discuss salient issues in the industry. Topics included the health of the liquidity space, the effects that could result from potential Federal Reserve policy decisions and the reinstatement of the debt ceiling in January. This was not a rah-rah gathering. The panels took a hard look at these and other issues. There’s no question that liquidity products have had a heyday in the last two years, an opinion held by more than the admittedly biased group attending the conference. The liquidity industry has grown in size and sophistication over these years, and we believe continues to offer an attractive option for cash management.

The timing of the first Federal Reserve rate cut of this cycle is more uncertain than ever. Factors include the range-bound nature of inflation data, mixed bag of economic reports and, of course, the presidential election. By a slight margin, we anticipate two cuts to come in the fourth quarter, meaning after the election. The Federal Open Market Committee’s projection for just one cut by year-end might be suspect as it appears that members cast

*(continued page 6)*

### Performance as of June 30, 2024

	TexPool	TexPool Prime
Current Invested Balance	\$33,164,759,900	\$15,057,602,926
Weighted Average Maturity**	36 Days	41 Days
Weighted Average Life**	98 Days	77 Days
Net Asset Value	0.99992	0.99975
Total Number of Participants	2,871	594
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$145,605,798.61	\$65,873,036.45
Management Fee Collected	\$1,144,012.87	\$661,405.43
Current S&P Global Rating	AAAm	AAAm

### Month Averages

Average Invested Balance	\$33,939,787,956	\$14,673,993,246
Average Monthly Rate*	5.31%	5.46%
Average Weighted Average Maturity**	38	43
Average Weighted Average Life**	93	79

\*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.

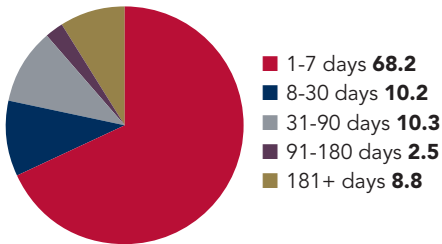
\*\*See page 2 for definitions.

Past performance is no guarantee of future results.



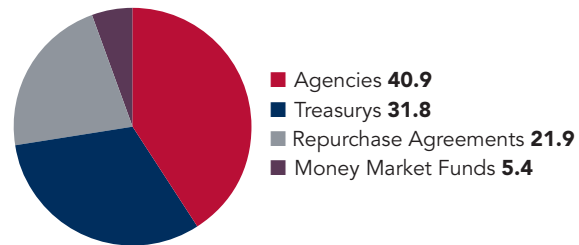
## Portfolio by Maturity (%)

As of June 30, 2024



## Portfolio by Type of Investment (%)

As of June 30, 2024



### Portfolio Asset Summary as of June 30, 2024

	Book Value	Market Value
Uninvested Balance	\$683.32	\$683.32
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	140,281,491.25	140,281,491.25
Interest and Management Fees Payable	-147,632,656.54	-147,632,656.54
Payable for Investments Purchased	-1,074,997,134.40	-1,074,997,134.40
Accrued Expenses & Taxes	-111,477.03	-111,477.03
Repurchase Agreements	7,485,599,000.00	7,485,599,000.00
Mutual Fund Investments	1,867,085,200.00	1,867,085,200.00
Government Securities	13,997,651,358.61	13,994,154,744.40
US Treasury Bills	9,002,135,505.28	9,001,792,930.09
US Treasury Notes	1,894,747,929.76	1,895,944,661.30
<b>Total</b>	<b>\$33,164,759,900.25</b>	<b>\$33,162,117,442.39</b>

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	631	\$9,804,993,629.51
Higher Education	60	\$1,658,536,086.35
County	201	\$3,843,295,915.15
Healthcare	94	\$1,679,953,688.96
Utility District	933	\$5,517,604,933.86
City	508	\$8,536,966,795.52
Emergency Districts	110	\$462,815,619.96
Economic Development Districts	91	\$205,648,091.90
Other	243	\$1,451,904,461.04

#### \*\*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 TexPool (a) are scheduled to be repaid, (b) would be repaid upon a demand by TexPool, or (c) are scheduled to have their interest rate readjusted to reflect current market rates. Securities with adjustable rates payable upon demand are treated as maturing on the earlier of the two dates set forth in (b) and (c) if their scheduled maturity is 397 days or less; and the later of the two dates set forth in (b) and (c) if their scheduled maturity is more than 397 days. The mean is weighted based on the percentage of the amortized cost 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 are scheduled to be readjusted.



## Daily Summary

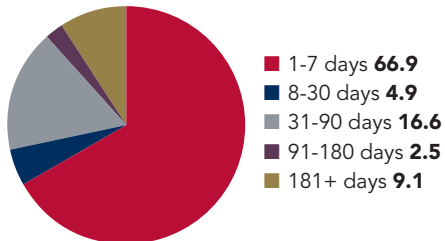
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
6/1	5.3270%	0.000145944	\$34,048,746,311.06	0.99995	40	94
6/2	5.3270%	0.000145944	\$34,048,746,311.06	0.99995	40	94
6/3	5.2930%	0.000145013	\$34,327,843,339.26	0.99989	38	92
6/4	5.3160%	0.000145644	\$34,310,968,034.95	0.99988	39	93
6/5	5.3093%	0.000145461	\$34,209,012,079.06	0.99990	39	95
6/6	5.3112%	0.000145511	\$34,411,745,236.06	0.99990	38	93
6/7	5.3193%	0.000145735	\$34,335,185,101.27	0.99983	39	93
6/8	5.3193%	0.000145735	\$34,335,185,101.27	0.99983	39	93
6/9	5.3193%	0.000145735	\$34,335,185,101.27	0.99983	39	93
6/10	5.2959%	0.000145092	\$34,297,679,548.69	0.99987	36	91
6/11	5.3087%	0.000145445	\$34,747,228,481.69	0.99988	37	90
6/12	5.2995%	0.000145191	\$34,425,657,086.77	0.99989	37	91
6/13	5.2968%	0.000145118	\$33,872,012,474.56	0.99991	38	90
6/14	5.2975%	0.000145136	\$34,020,457,783.32	0.99992	39	91
6/15	5.2975%	0.000145136	\$34,020,457,783.32	0.99992	39	91
6/16	5.2975%	0.000145136	\$34,020,457,783.32	0.99992	39	91
6/17	5.2987%	0.000145170	\$34,060,938,469.34	0.99991	36	88
6/18	5.3072%	0.000145404	\$34,006,018,659.47	0.99993	39	95
6/19	5.3072%	0.000145404	\$34,006,018,659.47	0.99993	39	95
6/20	5.3168%	0.000145665	\$33,882,092,736.95	0.99992	38	94
6/21	5.3162%	0.000145648	\$33,697,404,166.07	0.99991	39	95
6/22	5.3162%	0.000145648	\$33,697,404,166.07	0.99991	39	95
6/23	5.3162%	0.000145648	\$33,697,404,166.07	0.99991	39	95
6/24	5.3132%	0.000145567	\$33,661,368,833.92	0.99992	36	92
6/25	5.3139%	0.000145586	\$33,454,118,493.30	0.99992	37	92
6/26	5.3212%	0.000145786	\$33,314,284,100.22	0.99991	36	96
6/27	5.3241%	0.000145866	\$33,455,738,985.18	0.99994	35	96
6/28	5.3249%	0.000145888	\$33,164,759,900.25	0.99992	36	98
6/29	5.3249%	0.000145888	\$33,164,759,900.25	0.99992	36	98
6/30	5.3249%	0.000145888	\$33,164,759,900.25	0.99992	36	98
<b>Average:</b>	<b>5.3120%</b>	<b>0.000145534</b>	<b>\$33,939,787,956.46</b>	<b>0.99990</b>	<b>38</b>	<b>93</b>



## TEXPOOL Prime

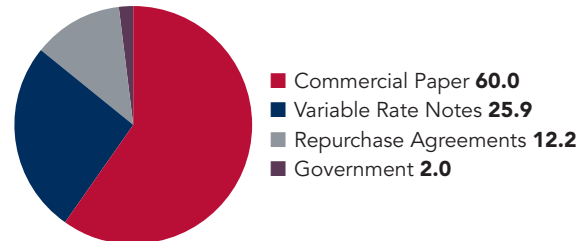
### Portfolio by Maturity (%)

As of June 30, 2024



### Portfolio by Type of Investment (%)

As of June 30, 2024



### Portfolio Asset Summary as of June 30, 2024

	Book Value	Market Value
Uninvested Balance	\$2.77	\$2.77
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	16,410,550.14	16,410,550.14
Interest and Management Fees Payable	-65,873,032.51	-65,873,032.51
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-67,882.65	-67,882.65
Repurchase Agreements	1,838,610,000.00	1,838,610,000.00
Commercial Paper	11,554,182,037.95	11,554,182,037.95
Mutual Fund Investments	0.00	0.00
Government Securities	299,341,249.80	299,343,126.00
Variable Rate Notes	1,415,000,000.00	1,415,496,876.15
<b>Total</b>	<b>\$15,057,602,925.50</b>	<b>\$15,058,101,677.85</b>

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	164	\$5,282,374,575.29
Higher Education	19	\$1,057,112,614.22
County	54	\$1,233,796,925.76
Healthcare	23	\$554,378,643.17
Utility District	74	\$500,300,401.39
City	117	\$2,843,898,019.93
Emergency Districts	33	\$108,303,326.26
Economic Development Districts	21	\$58,671,694.07
Other	89	\$3,418,733,040.80



## TEXPOOL *Prime*

### Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool <i>Prime</i> Invested Balance	NAV	WAM Days	WAL Days
6/1	5.4621%	0.000149646	\$14,492,953,388.65	0.99998	48	83
6/2	5.4621%	0.000149646	\$14,492,953,388.65	0.99998	48	83
6/3	5.4681%	0.000149811	\$14,449,429,030.48	0.99989	46	81
6/4	5.4432%	0.000149128	\$14,639,749,646.16	0.99990	45	80
6/5	5.4419%	0.000149092	\$14,622,080,092.32	0.99991	46	80
6/6	5.4456%	0.000149194	\$14,463,717,869.69	0.99992	46	83
6/7	5.4630%	0.000149672	\$14,262,196,389.50	0.99972	46	84
6/8	5.4630%	0.000149672	\$14,262,196,389.50	0.99972	46	84
6/9	5.4630%	0.000149672	\$14,262,196,389.50	0.99972	46	84
6/10	5.4644%	0.000149709	\$14,231,528,322.57	0.99989	44	81
6/11	5.4649%	0.000149722	\$14,126,472,372.03	0.99990	45	81
6/12	5.4536%	0.000149414	\$14,408,743,884.00	0.99992	44	81
6/13	5.4497%	0.000149307	\$14,797,252,490.48	0.99992	43	78
6/14	5.4492%	0.000149292	\$14,766,504,481.47	0.99976	43	78
6/15	5.4492%	0.000149292	\$14,766,504,481.47	0.99976	43	78
6/16	5.4492%	0.000149292	\$14,766,504,481.47	0.99976	43	78
6/17	5.4462%	0.000149212	\$14,860,531,620.48	0.99993	41	76
6/18	5.4494%	0.000149299	\$14,963,714,799.92	0.99983	40	76
6/19	5.4494%	0.000149299	\$14,963,714,799.92	0.99983	40	76
6/20	5.4636%	0.000149689	\$14,813,847,380.48	0.99991	40	77
6/21	5.4679%	0.000149805	\$14,736,277,292.33	0.99973	43	80
6/22	5.4679%	0.000149805	\$14,736,277,292.33	0.99973	43	80
6/23	5.4679%	0.000149805	\$14,736,277,292.33	0.99973	43	80
6/24	5.4662%	0.000149760	\$14,796,162,780.68	0.99991	41	76
6/25	5.4650%	0.000149727	\$14,911,499,907.97	0.99992	40	77
6/26	5.4705%	0.000149877	\$14,862,238,170.30	0.99991	42	79
6/27	5.4749%	0.000149997	\$14,855,464,170.79	0.99992	41	78
6/28	5.4731%	0.000149948	\$15,057,602,925.50	0.99975	41	77
6/29	5.4731%	0.000149948	\$15,057,602,925.50	0.99975	41	77
6/30	5.4731%	0.000149948	\$15,057,602,925.50	0.99975	41	77
<b>Average:</b>	<b>5.4600%</b>	<b>0.000149589</b>	<b>\$14,673,993,246.07</b>	<b>0.99984</b>	<b>43</b>	<b>79</b>

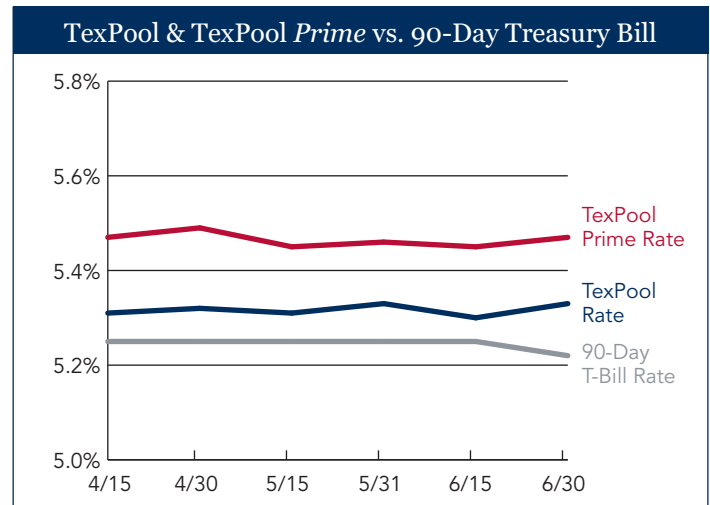


Participant Services  
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their “dots” before the softer Consumer Price Index data was released. We think the median dot would have shown two cuts had the Committee had time to digest that information. Regardless, the Fed likely would have to see a plunge in the labor market and inflation to give it reason to move in September and risk looking politically motivated. In any case, the Fed seems biased to ease at a slow pace. That benefits the liquidity industry as it allows time for the front end of the Treasury yield curve to anticipate what will come next.

It’s too early to assess the two other major asset flow developments in June. The Fed’s tapering of its tapering, so to say, began in June with a lowered monthly number of Treasuries it is allowing to roll off its balance sheet from \$60 billion to \$25 billion (the mortgage-backed securities cap remains at \$35 billion). The other is the U.S. Treasury Department’s buyback program, in which it is buying “off-the-run” Treasuries that aren’t as liquid as the Department would like. This program eventually will include bills. Neither moved markets last month.

At the end of the month, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 5.35%, 5.37%, 5.33% and 5.12%, respectively.



*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.*