



Monthly Newsletter: September 2022

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in August 2022:

TexPool

Prairielands Groundwater Conservation District
Jackson County ESD 3
Williamson County MUD 1B
Round Rock MUD 1

TexPool Prime

Prairielands Groundwater Conservation District
Benbrook Library District
City of Buda 4B Corporation

Upcoming Events

September 12, 2022 - September 15, 2022
74th Annual County Treasurers' Association of Texas (CTAC) Conference
Waco Convention Center, Waco, TX

September 23, 2022 - September 25, 2022
Texas Association of School Administrators (TASA) and Texas Association of School Boards (TASB): Annual Conference - txEDCON22
Convention Center, San Antonio, TX

TexPool Advisory Board Members

Patrick Krishock	David Landeros
Belinda Weaver	Sharon Matthews
Deborah Lauder milk	David Garcia
Valerie Van Vlack	

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

Operated under the supervision of the Texas Treasury Safekeeping Trust Company

TexPool Participant Services is Now Paperless!

As of January 3, 2022, participants are no longer required to send original documentation for requests that have been submitted via email or fax. For questions, contact 1-866-839-7665.

Economic and Market Commentary: The Place to be

September 1, 2022

Chair Jerome Powell's speech at Jackson Hole, Wyo., cleared up any lingering uncertainty about the Federal Reserve's resolve to crush inflation. In our opinion, it also furthered the case for viewing cash as a compelling asset class, something many investors already have during this aggressive tightening cycle.

As stocks and bonds struggle anew and deposit-product interest rates lag, liquidity investments no longer just offer shelter from volatility or serve as a base camp for future allocation. Rather, they have been providing a growing return. Furthermore, stocks, bonds and a host of other investments have heightened principal risk. Preservation of principal is a hallmark objective of liquidity products, including local government investment pools. We expect assets under management throughout the industry to keep rising now that Powell has taken the wind out of the sails of those betting inflation has peaked.

Brevity is not Powell's strong suit, but his Jackson Hole speech at the Kansas City Fed's central bank symposium in late August lasted around eight minutes and was as clear as the mountain air. It helped that a press conference didn't follow, as those can muddle the message. With other Fed officials toeing the line, it's likely that the story of the September

(continued page 6)

Performance as of August 31, 2022

	TexPool	TexPool Prime
Current Invested Balance	\$24,341,929,856	\$10,121,501,819
Weighted Average Maturity**	23 Days	12 Days
Weighted Average Life**	90 Days	57 Days
Net Asset Value	0.99942	0.99975
Total Number of Participants	2,728	464
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$45,232,569.22	\$19,494,294.71
Management Fee Collected	\$736,924.41	\$402,589.61
Standard & Poor's Current Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$24,644,802,537	\$10,120,082,008
Average Monthly Rate*	2.16%	2.30%
Average Weighted Average Maturity**	24	15
Average Weighted Average Life**	89	57

*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.

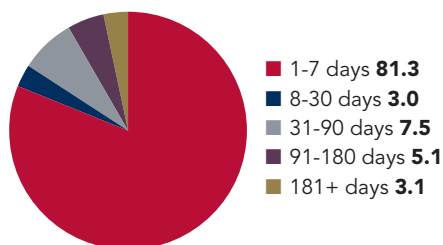
**See page 2 for definitions.

Past performance is no guarantee of future results.



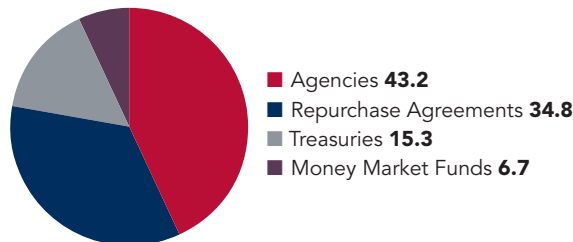
Portfolio by Maturity (%)

As of August 31, 2022



Portfolio by Type of Investment (%)

As of August 31, 2022



Portfolio Asset Summary as of August 31, 2022

	Book Value	Market Value
Uninvested Balance	-\$784,625.43	-\$784,625.43
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	35,457,148.67	35,457,148.67
Interest and Management Fees Payable	-45,232,820.64	-45,232,820.64
Payable for Investments Purchased	-50,000,000.00	-50,000,000.00
Accrued Expenses & Taxes	-24,628.34	-24,628.34
Repurchase Agreements	8,489,894,000.00	8,489,894,000.00
Mutual Fund Investments	1,627,074,000.00	1,627,085,200.00
Government Securities	8,247,280,930.25	8,240,028,519.54
US Treasury Bills	1,616,881,144.27	1,612,773,092.10
US Treasury Notes	4,421,384,707.22	4,418,516,964.15
Total	\$24,341,929,856.00	\$24,327,712,850.05

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	600	\$6,564,794,189.29
Higher Education	60	\$1,114,609,415.86
County	196	\$3,099,606,457.72
Healthcare	90	\$1,371,313,987.36
Utility District	897	\$3,872,456,425.80
City	484	\$6,921,836,097.91
Emergency Districts	99	\$320,238,863.50
Economic Development Districts	84	\$190,644,058.22
Other	218	\$882,999,582.19

**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

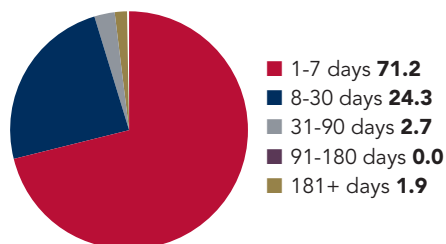
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
8/1	2.0996%	0.000057523	\$25,372,984,772.64	0.99965	23	88
8/2	2.1157%	0.000057965	\$25,381,688,284.82	0.99958	24	89
8/3	2.1195%	0.000058068	\$25,399,140,967.13	0.99957	24	89
8/4	2.1156%	0.000057962	\$25,310,513,949.24	0.99957	24	89
8/5	2.1064%	0.000057709	\$25,211,804,464.29	0.99953	25	90
8/6	2.1064%	0.000057709	\$25,211,804,464.29	0.99953	25	90
8/7	2.1064%	0.000057709	\$25,211,804,464.29	0.99953	25	90
8/8	2.0720%	0.000056766	\$25,120,882,094.12	0.99952	23	88
8/9	2.1419%	0.000058681	\$25,212,598,535.39	0.99951	23	87
8/10	2.1437%	0.000058731	\$25,040,141,048.87	0.99947	23	87
8/11	2.1610%	0.000059205	\$24,752,453,072.25	0.99948	23	88
8/12	2.1591%	0.000059153	\$24,441,704,964.98	0.99949	24	89
8/13	2.1591%	0.000059153	\$24,441,704,964.98	0.99949	24	89
8/14	2.1591%	0.000059153	\$24,441,704,964.98	0.99949	24	89
8/15	2.1593%	0.000059159	\$24,380,077,637.91	0.99949	24	88
8/16	2.1645%	0.000059301	\$24,440,170,556.10	0.99952	24	87
8/17	2.1652%	0.000059320	\$24,426,525,058.07	0.99950	24	86
8/18	2.1885%	0.000059959	\$24,349,119,011.14	0.99950	24	87
8/19	2.1864%	0.000059901	\$24,244,863,906.58	0.99949	25	88
8/20	2.1864%	0.000059901	\$24,244,863,906.58	0.99949	25	88
8/21	2.1864%	0.000059901	\$24,244,863,906.58	0.99949	25	88
8/22	2.1869%	0.000059915	\$24,188,672,015.68	0.99946	25	87
8/23	2.2027%	0.000060349	\$24,189,806,966.32	0.99948	25	86
8/24	2.1982%	0.000060224	\$23,985,731,619.26	0.99949	25	89
8/25	2.1989%	0.000060244	\$24,448,575,698.69	0.99946	24	88
8/26	2.2038%	0.000060377	\$24,424,891,050.03	0.99946	25	90
8/27	2.2038%	0.000060377	\$24,424,891,050.03	0.99946	25	90
8/28	2.2038%	0.000060377	\$24,424,891,050.03	0.99946	25	90
8/29	2.2047%	0.000060404	\$24,383,737,463.21	0.99943	23	90
8/30	2.2128%	0.000060624	\$24,294,336,870.86	0.99940	23	91
8/31	2.2270%	0.000061014	\$24,341,929,856.00	0.99942	23	90
Average:	2.1627%	0.000059253	\$24,644,802,536.62	0.99950	24	89



TEXPOOL Prime

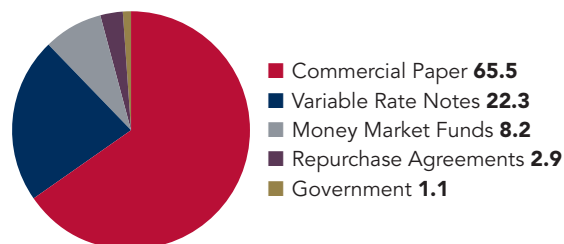
Portfolio by Maturity (%)

As of August 31, 2022



Portfolio by Type of Investment (%)

As of August 31, 2022



Portfolio Asset Summary as of August 31, 2022

	Book Value	Market Value
Uninvested Balance	-\$70,632.45)	-\$70,632.45
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	6,724,930.36	6,724,930.36
Interest and Management Fees Payable	-19,494,288.10	-19,494,288.10
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-12,985.58	-12,985.58
Repurchase Agreements	295,289,000.00	295,289,000.00
Commercial Paper	6,633,406,089.42	6,630,681,191.85
Mutual Fund Investments	830,153,483.22	829,943,055.05
Government Securities	117,506,222.35	117,601,333.18
Variable Rate Notes	2,258,000,000.00	2,258,203,670.00
Total	\$10,121,501,819.22	\$10,118,865,274.31

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	132	\$2,555,062,905.24
Higher Education	19	\$718,183,797.66
County	49	\$805,447,401.20
Healthcare	18	\$405,571,798.18
Utility District	50	\$527,721,404.41
City	90	\$2,566,320,862.32
Emergency Districts	21	\$52,341,054.88
Economic Development Districts	17	\$24,687,578.90
Other	68	\$2,466,058,014.80



TexPool Prime

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
8/1	2.1804%	0.000059736	\$10,316,085,979.64	0.99954	14	52
8/2	2.2653%	0.000062064	\$10,360,053,874.65	0.99954	15	52
8/3	2.2297%	0.000061088	\$10,333,260,659.96	0.99952	15	52
8/4	2.2417%	0.000061416	\$10,311,763,661.48	0.99953	15	52
8/5	2.2462%	0.000061540	\$10,249,022,712.69	0.99943	16	52
8/6	2.2462%	0.000061540	\$10,249,022,712.69	0.99943	16	52
8/7	2.2462%	0.000061540	\$10,249,022,712.69	0.99943	16	52
8/8	2.2573%	0.000061845	\$10,243,211,436.21	0.99953	15	52
8/9	2.2593%	0.000061899	\$10,205,480,148.50	0.99953	15	54
8/10	2.2645%	0.000062042	\$10,193,630,650.55	0.99954	15	55
8/11	2.2772%	0.000062388	\$10,204,151,819.99	0.99957	16	58
8/12	2.2804%	0.000062477	\$9,975,915,785.58	0.99949	17	59
8/13	2.2804%	0.000062477	\$9,975,915,785.58	0.99949	17	59
8/14	2.2804%	0.000062477	\$9,975,915,785.58	0.99949	17	59
8/15	2.3144%	0.000063408	\$9,804,607,472.16	0.99958	15	58
8/16	2.3111%	0.000063317	\$9,860,203,993.10	0.99961	15	59
8/17	2.3169%	0.000063476	\$9,870,789,180.38	0.99962	15	62
8/18	2.3294%	0.000063820	\$9,936,285,118.46	0.99954	16	63
8/19	2.3313%	0.000063871	\$9,921,525,649.73	0.99956	16	63
8/20	2.3313%	0.000063871	\$9,921,525,649.73	0.99956	16	63
8/21	2.3313%	0.000063871	\$9,921,525,649.73	0.99956	16	63
8/22	2.3282%	0.000063787	\$10,015,874,012.46	0.99967	14	61
8/23	2.3425%	0.000064177	\$9,999,510,164.17	0.99967	14	61
8/24	2.3488%	0.000064350	\$9,966,620,456.83	0.99972	14	61
8/25	2.3518%	0.000064432	\$10,328,409,744.11	0.99973	13	59
8/26	2.3571%	0.000064579	\$10,254,959,304.21	0.99965	14	59
8/27	2.3571%	0.000064579	\$10,254,959,304.21	0.99965	14	59
8/28	2.3571%	0.000064579	\$10,254,959,304.21	0.99965	14	59
8/29	2.3685%	0.000064891	\$10,224,505,362.14	0.99976	12	58
8/30	2.3718%	0.000064981	\$10,222,326,339.53	0.99976	12	57
8/31	2.3753%	0.000065076	\$10,121,501,819.22	0.99975	12	57
Average:	2.3026%	0.000063084	\$10,120,082,008.07	0.99958	15	57



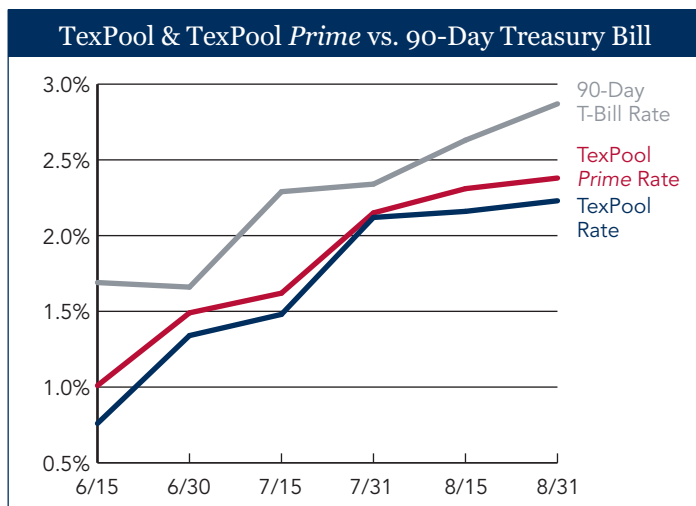
Participant Services
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Houston, TX 77002

Federal Open Market Committee meeting won't just be another large 75 basis-point hike, but an indication that rates might be higher sooner and for longer. In our opinion, this is not the time to lock oneself into a long-term contract or buy securities too far out the yield curve.

As we've said before, the period between the onset of a tightening cycle and its first meaningful impact on an economy is often a half year, heightening the importance of the September meeting as it comes around six months after the first hike in March. The Summary of Economic Projections, dot plot and—especially if he can stay on message—Powell's press conference should offer a significant amount of information and insight about the Fed's path forward.

And let's not forget that the Fed will double the amount of the reduction of its balance sheet in September, allowing \$95 trillion to roll off each month (\$60 billion in Treasuries and \$35 billion in mortgage-backed securities). We estimate that is the equivalent of another quarter-point of rate tightening, putting even more fangs in the Fed's bite. This also will bring more Treasury bills to a market that has been operating under a dearth of supply for some time now.

At the end of August, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 2.17%, 2.93%, 3.37% and 3.54%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 2.45%, 2.99%, 3.58% and 3.06%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 2.63%, 3.14%, 3.70% and 4.21%, 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.