



Monthly Newsletter: March 2022

ANNOUNCEMENTS

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

TexPool

Fort Bend County Municipal Mgmt Dist 1
 Harris County MUD 231
 Harris County MUD 534
 Dallas County Public Works

TexPool Prime

No New Participants

Upcoming Events

April 18, 2022 - April 21, 2022

50th Annual County Treasurers Spring Education Seminar

Embassy Suites Conference Ctr & Spa, San Marcos, TX

June 23, 2022 - June 25, 2022

Association of Water Board Directors Annual Conference

Fort Worth Convention Center, Fort Worth, TX

June 26, 2022 - June 28, 2022

Texas Association of State Senior College and University Business Officers (TASSCUBO) Summer Conference

Hyatt Regency - Lost Pines Resort, Bastrop, TX

TexPool Advisory Board Members

Patrick Krishock	Jerry Dale
Belinda Weaver	David Landeros
Deborah Lauder milk	Sharon Matthews
Valarie Van Vlack	David Garcia

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: Rates' projected path looms large

March 1, 2022

The human toll and widespread destruction of a military conflict rightly makes finance a secondary concern. But the economic implications of the Russian invasion of Ukraine are far-reaching.

While the impact on the U.S. does not figure to be severe, the crisis will almost certainly slow the eurozone's recovery and sanctions might cripple Russia's. These will unfold on a longer timeline, but the crisis surely will affect upcoming decisions of central banks (it already has for Russia's). It's a stark reminder that monetary policy doesn't exist in a vacuum. Economists and pundits can debate academic issues such as the role of the Phillips Curve on Federal Reserve thinking, but the real world puts theories in their place on a weekly basis. Actually, in this case, it may have made the Fed's job easier.

The issue, of course, is the magnitude of the Fed's response to inflation. On the strength of January data at multi-decade highs (core CPI at 6%, its highest level in nearly 40 years; core PCE at 5.2%, a 39-year high), the markets have been expecting a 50 basis-point hike of the fed funds target range at the FOMC meeting ending March 16. We were skeptical of that, and now it seems highly likely the Fed will announce a quarter-point hike instead. Even as the conflict and international sanctions threaten to push energy prices higher, officials surely realize they must not add to the risk and uncertainty by increasing rates

(continued page 6)

Performance as of February 28, 2022

	TexPool	TexPool Prime
Current Invested Balance	\$28,997,066,899	\$11,394,633,368
Weighted Average Maturity**	30 Days	24 Days
Weighted Average Life**	84 Days	54 Days
Net Asset Value	0.99983	0.99985
Total Number of Participants	2,685	452
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$1,446,788.44	\$995,345.47
Management Fee Collected	\$1,001,095.45	\$439,942.75
Standard & Poor's Current Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$29,982,476,590	\$11,449,431,997
Average Monthly Rate*	0.06%	0.11%
Average Weighted Average Maturity**	34	31
Average Weighted Average Life**	85	54

*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.

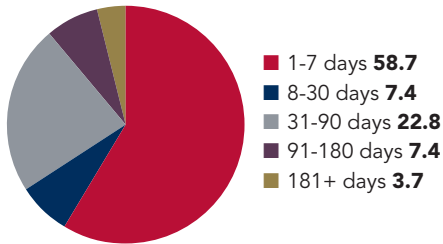
**See page 2 for definitions.

Past performance is no guarantee of future results.



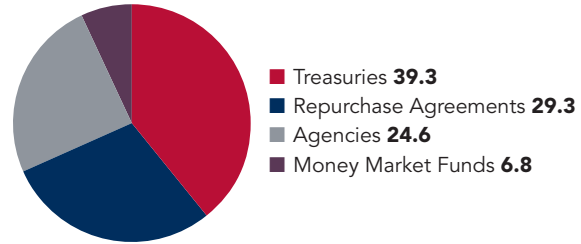
Portfolio by Maturity (%)

As of February 28, 2022



Portfolio by Type of Investment (%)

As of February 28, 2022



Portfolio Asset Summary as of February 28, 2022

	Book Value	Market Value
Uninvested Balance	-\$90.37	-\$90.37
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	4,957,926.46	4,957,926.46
Interest and Management Fees Payable	-1,446,905.47	-1,446,905.47
Payable for Investments Purchased	-50,000,000.00	-50,000,000.00
Accrued Expenses & Taxes	-33,412.68	-33,412.68
Repurchase Agreements	8,502,441,489.00	8,502,441,489.00
Mutual Fund Investments	1,968,074,000.00	1,968,085,200.00
Government Securities	7,149,670,414.34	7,149,625,061.94
US Treasury Bills	8,654,702,833.37	8,652,469,607.04
US Treasury Notes	2,768,700,644.44	2,766,159,634.72
Total	28,997,066,899.09	28,992,258,510.63

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	\$9,496,122,428.18
Higher Education	60	\$1,462,608,496.34
County	194	\$3,914,808,928.71
Healthcare	90	\$1,569,612,951.47
Utility District	869	\$4,177,459,901.60
City	484	\$7,131,118,417.17
Emergency Districts	98	\$334,412,270.56
Economic Development Districts	84	\$134,085,216.21
Other	206	\$776,867,102.30

**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

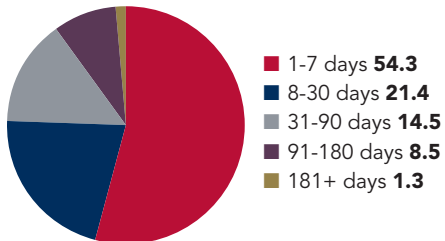
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
2/1	0.0468%	0.000001282	\$29,210,936,911.96	0.99988	34	86
2/2	0.0464%	0.000001271	\$29,588,476,005.76	0.99989	33	85
2/3	0.0460%	0.000001261	\$30,074,623,501.96	0.99989	34	83
2/4	0.0465%	0.000001275	\$30,125,093,633.73	0.99984	35	84
2/5	0.0465%	0.000001275	\$30,125,093,633.73	0.99984	35	84
2/6	0.0465%	0.000001275	\$30,125,093,633.73	0.99984	35	84
2/7	0.0461%	0.000001263	\$30,427,898,686.88	0.99985	32	80
2/8	0.0530%	0.000001453	\$30,697,166,378.90	0.99983	34	83
2/9	0.0524%	0.000001435	\$31,092,161,042.27	0.99984	34	82
2/10	0.0511%	0.000001401	\$30,888,140,945.31	0.99972	34	82
2/11	0.0530%	0.000001452	\$30,638,723,579.05	0.99975	34	82
2/12	0.0530%	0.000001452	\$30,638,723,579.05	0.99975	34	82
2/13	0.0530%	0.000001452	\$30,638,723,579.05	0.99975	34	82
2/14	0.0538%	0.000001474	\$30,111,252,281.36	0.99974	34	82
2/15	0.0702%	0.000001922	\$29,883,049,579.37	0.99978	35	88
2/16	0.0730%	0.000001999	\$29,913,859,226.52	0.99980	35	87
2/17	0.0779%	0.000002135	\$29,953,600,901.58	0.99981	34	87
2/18	0.0789%	0.000002162	\$29,903,737,206.37	0.99983	35	88
2/19	0.0789%	0.000002162	\$29,903,737,206.37	0.99983	35	88
2/20	0.0789%	0.000002162	\$29,903,737,206.37	0.99983	35	88
2/21	0.0789%	0.000002162	\$29,903,737,206.37	0.99983	35	88
2/22	0.0788%	0.000002158	\$29,910,914,175.44	0.99981	32	84
2/23	0.0770%	0.000002109	\$29,640,382,582.94	0.99982	32	84
2/24	0.0761%	0.000002085	\$29,559,469,445.14	0.99984	32	84
2/25	0.0768%	0.000002104	\$29,217,981,830.88	0.99981	33	86
2/26	0.0768%	0.000002104	\$29,217,981,830.88	0.99981	33	86
2/27	0.0768%	0.000002104	\$29,217,981,830.88	0.99981	33	86
2/28	0.0762%	0.000002087	\$28,997,066,899.09	0.99983	30	84
Average:	0.0632%	0.000001731	\$29,982,476,590.03	0.99982	34	85



TEXPOOL Prime

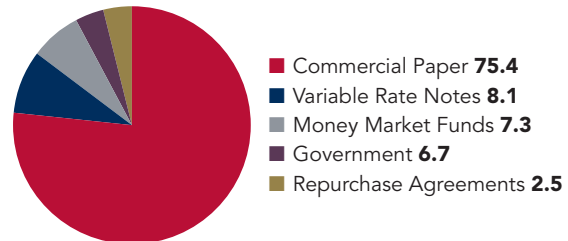
Portfolio by Maturity (%)

As of February 28, 2022



Portfolio by Type of Investment (%)

As of February 28, 2022



Portfolio Asset Summary as of February 28, 2022

	Book Value	Market Value
Uninvested Balance	\$308.64	\$308.64
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	3,317,433.61	3,317,433.61
Interest and Management Fees Payable	-995,386.10	-995,386.10
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-15,621.34	-15,621.34
Repurchase Agreements	282,614,000.00	282,614,000.00
Commercial Paper	8,586,469,817.69	8,585,028,833.62
Mutual Fund Investments	830,153,483.22	829,943,055.05
Government Securities	768,091,569.58	768,047,932.80
Variable Rate Notes	924,997,762.44	924,897,878.00
Total	11,394,633,367.74	11,392,838,434.28

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	130	\$4,147,364,063.02
Higher Education	19	\$691,946,742.50
County	47	\$718,643,543.11
Healthcare	18	\$272,079,570.17
Utility District	50	\$487,189,775.00
City	90	\$2,589,631,717.26
Emergency Districts	21	\$43,079,878.73
Economic Development Districts	15	\$22,406,362.79
Other	62	\$2,422,203,725.73



TEXPOOL Prime

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
2/1	0.1110%	0.000003042	\$10,767,087,067.83	0.99994	38	57
2/2	0.1089%	0.000002983	\$10,959,936,370.23	0.99994	36	54
2/3	0.1061%	0.000002908	\$11,260,767,788.06	0.99994	35	57
2/4	0.1086%	0.000002975	\$11,316,786,700.97	0.99993	35	57
2/5	0.1086%	0.000002975	\$11,316,786,700.97	0.99993	35	57
2/6	0.1086%	0.000002975	\$11,316,786,700.97	0.99993	35	57
2/7	0.1077%	0.000002952	\$11,419,985,634.96	0.99990	33	55
2/8	0.1103%	0.000003022	\$11,353,756,450.29	0.99990	34	55
2/9	0.1109%	0.000003037	\$11,449,465,246.64	0.99990	33	56
2/10	0.1013%	0.000002775	\$11,461,390,107.48	0.99986	32	54
2/11	0.1065%	0.000002918	\$11,641,577,685.75	0.99983	31	54
2/12	0.1065%	0.000002918	\$11,641,577,685.75	0.99983	31	54
2/13	0.1065%	0.000002918	\$11,641,577,685.75	0.99983	31	54
2/14	0.1107%	0.000003033	\$11,464,018,208.32	0.99985	30	53
2/15	0.1105%	0.000003028	\$11,351,714,517.63	0.99985	30	52
2/16	0.1144%	0.000003134	\$11,542,932,106.15	0.99986	30	52
2/17	0.1112%	0.000003046	\$11,680,149,299.52	0.99986	29	51
2/18	0.1180%	0.000003232	\$11,593,281,946.71	0.99986	30	52
2/19	0.1180%	0.000003232	\$11,593,281,946.71	0.99986	30	52
2/20	0.1180%	0.000003232	\$11,593,281,946.71	0.99986	30	52
2/21	0.1180%	0.000003232	\$11,593,281,946.71	0.99986	30	52
2/22	0.1188%	0.000003256	\$11,551,416,936.07	0.99988	27	49
2/23	0.1187%	0.000003251	\$11,608,448,387.49	0.99987	26	51
2/24	0.1206%	0.000003304	\$11,608,945,011.01	0.99986	26	55
2/25	0.1262%	0.000003457	\$11,487,076,152.82	0.99984	27	56
2/26	0.1262%	0.000003457	\$11,487,076,152.82	0.99984	27	56
2/27	0.1262%	0.000003457	\$11,487,076,152.82	0.99984	27	56
2/28	0.1268%	0.000003474	\$11,394,633,367.74	0.99985	24	54
Average:	0.1137%	0.000003115	\$11,449,431,996.60	0.99988	31	54



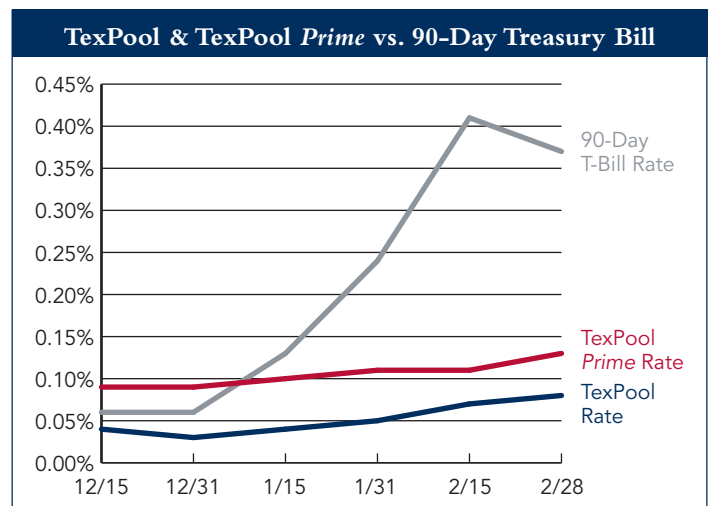
Participant Services
 1001 Texas Ave. Suite 1150
 Houston, TX 77002

sharply. At the meeting, they will have the means to signal their path of normalization with the release of the Summary of Economic Projections and the dot plot. The latter approximates policymakers' views on the appropriate number and timing of rate hikes in the near future. If they are relatively in agreement, it would provide needed stability.

The credibility of that tacit communication would be helped if the Fed Board of Governors was at full strength. Partisan politics have stalled the addition of three new members. It's frankly embarrassing that a help-wanted sign has been hanging on its Washington headquarters for many months, as if the Fed is facing the same shortage as struggling small businesses. Opposition to Sarah Bloom Raskin is futile, with the Democratic majority in the Senate. Lawmakers need to confirm them without delay. Even if they arrive in time for the FOMC meeting with different opinions, Chair Jerome Powell's influence should be potent enough to galvanize the voters. Look for no dissent in a decision that balances a more dovish 25 basis-point hike with a more aggressive projected course of hikes this and next year.

What are the implications for the money markets? In the near term, the flight to quality has pushed front-end Treasury yields down from overnight trading out to 1-month bills, and the yield curve up to one year has flattened. But this trend should reverse when the crisis in Ukraine cools. While liquidity products are structured to benefit from rising rates, a slower approach is preferable as it typically allows yields to anticipate hikes. A short and nimble approach makes the best sense.

At the end of February, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 0.06%, 0.68%, 0.70% and 0.98%, 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.

the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 0.16%, 0.50%, 0.79% and 1.22%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 0.23%, 0.51%, 0.76% and 1.18%, respectively.