



Monthly Newsletter: March 2026

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in February 2026:

TexPool

Monte Alto ISD
 East Waller County Management District
 City of Combes
 Hidalgo County
 City of Grey Forest
 Kyndwood MUD
 City of Yorktown

TexPool Prime

Monte Alto ISD
 East Waller County Management District
 McLennan County Bail Bond
 City of Combes
 Randolph Field ISD
 Hidalgo County
 Laneville ISD
 City of Grey Forest
 Kyndwood MUD
 City of Yorktown

Upcoming Events

6/6/2026
TACCBO 2026 Annual Conference
 Forth Worth, TX
 4/20/2026
County Treasurers Education Seminar
 San Marcos, TX

TexPool Advisory Board Members

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

Overseen by the State of Texas acting
 Comptroller of Public Accounts Kelly Hancock
 Operated under the supervision of the Texas
 Treasury Safekeeping Trust Company

Economic and Market Commentary

Has the floor been raised for the money markets?

March 1, 2026

There are essentially two ways an extraordinary development can play out: reverting to the mean or creating a new status quo. In finance, the latter is rare, but we believe 2026 is shaping up to be just that for the broad money markets.

Many would agree that the collective performance of stable value products since mid-2022 has indeed been extraordinary, riding on the back of Federal Reserve rate hikes, and rising to their highest level in decades. The high watermark for yields came the following year, with the target fed funds range reaching 5.25-5.50%. Funds poured into liquidity products, most auspiciously pushing money market fund assets under management (AUM) to record highs.

But here is where it gets interesting. Logic would say that flows would reverse when the Fed pivoted to lowering rates. Yet even after 150 basis points worth of cuts since 2023, money fund AUM have continued to grow across the industry, hitting new highs in February of \$7.8 trillion according to iMoneyNet and \$8.2 trillion according to Crane Data, which calculates its figure differently. Local Government Investment Pools, such as TexPool operate with different dynamics due to participant needs and financial calendars, but environment is similarly positive. As we have said before, this is in part due to how the ladder structure of liquidity products have kept yields above the direct Treasury market. But that might not be the entire picture. We are two and a half months past the last rate cut on Dec. 17, 2025, and inflows have continued.

(continued page 6)

Performance as of February 28, 2026

	TexPool	TexPool Prime
Current Invested Balance	\$40,520,882,285	\$19,344,888,427
Weighted Average Maturity**	42 Days	52 Days
Weighted Average Life**	95 Days	78 Days
Net Asset Value	1.00006	1.00000
Total Number of Participants	2,983	728
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$115,005,829.11	\$56,480,081.91
Management Fee Collected	\$1,348,944.99	\$824,810.78
Current S&P Global Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$40,760,657,276	\$19,549,086,582
Average Monthly Rate*	3.68%	3.82%
Average Weighted Average Maturity**	39	48
Average Weighted Average Life**	92	76

*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.

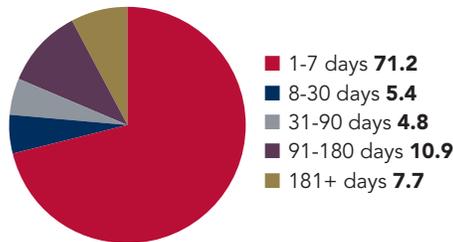
**See page 2 for definitions.

Past performance is no guarantee of future results.



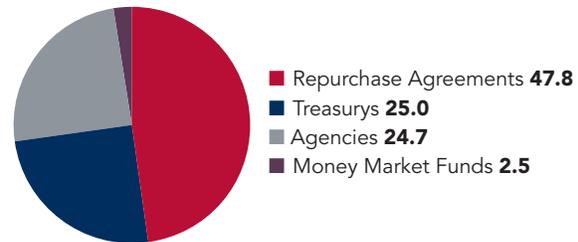
Portfolio by Maturity (%)

As of February 28, 2026



Portfolio by Type of Investment (%)

As of February 28, 2026



Portfolio Asset Summary as of February 28, 2026

	Book Value	Market Value
Uninvested Balance	\$841.51	\$841.51
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	73,841,617.46	73,841,617.46
Interest and Management Fees Payable	-115,009,250.67	-115,009,250.67
Payable for Investments Purchased	-395,253,223.36	-395,253,223.36
Accrued Expenses & Taxes	-95,969.94	-95,969.94
Repurchase Agreements	19,583,816,000.00	19,583,816,000.00
Mutual Fund Investments	1,017,085,200.00	1,017,085,200.00
Government Securities	10,116,253,613.40	10,115,806,687.03
US Treasury Bills	8,167,568,004.96	8,169,299,887.29
US Treasury Notes	2,073,403,153.59	2,074,569,035.42
Total	\$40,521,609,986.95	\$40,524,060,824.74

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	643	\$12,047,258,002.08
Higher Education	60	\$2,162,536,046.68
County	206	\$4,845,016,983.63
Healthcare	99	\$2,396,832,478.69
Utility District	956	\$5,950,562,009.26
City	527	\$10,127,238,267.96
Emergency Districts	123	\$600,654,857.22
Economic Development Districts	95	\$233,301,906.66
Transit/Toll Authorities	15	\$525,651,215.87
River/Port Authorities	18	\$294,610,471.58
Other	241	\$1,336,942,996.71

**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

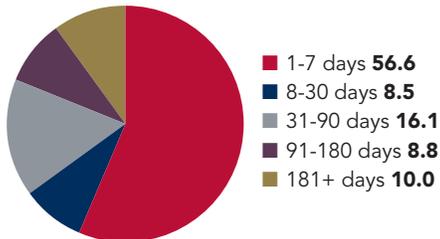
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
2/1	3.6880%	0.000101040	\$39,115,703,142.24	1.00009	41	96
2/2	3.6903%	0.000101105	\$40,055,469,112.57	1.00009	38	93
2/3	3.6870%	0.000101015	\$40,668,286,785.74	1.00008	38	92
2/4	3.6756%	0.000100701	\$41,113,211,223.39	1.00009	37	91
2/5	3.6693%	0.000100530	\$41,299,012,390.56	1.00012	37	92
2/6	3.6649%	0.000100407	\$41,349,973,411.67	1.00009	37	92
2/7	3.6649%	0.000100407	\$41,349,973,411.67	1.00009	37	92
2/8	3.6649%	0.000100407	\$41,349,973,411.67	1.00009	37	92
2/9	3.6593%	0.000100256	\$41,636,068,402.50	1.00011	36	89
2/10	3.6661%	0.000100442	\$41,882,237,014.75	1.00012	36	89
2/11	3.6693%	0.000100529	\$41,369,728,869.84	1.00009	38	91
2/12	3.6718%	0.000100597	\$40,560,023,057.07	1.00010	38	92
2/13	3.6768%	0.000100734	\$40,264,136,775.38	1.00009	39	93
2/14	3.6768%	0.000100734	\$40,264,136,775.38	1.00009	39	93
2/15	3.6768%	0.000100734	\$40,264,136,775.38	1.00009	39	93
2/16	3.6768%	0.000100734	\$40,264,136,775.38	1.00009	39	93
2/17	3.6916%	0.000101141	\$40,268,406,068.21	1.00009	38	93
2/18	3.7185%	0.000101876	\$40,869,541,495.90	1.00008	39	92
2/19	3.6939%	0.000101202	\$40,870,301,063.27	1.00007	39	92
2/20	3.6832%	0.000100910	\$40,739,682,624.17	1.00005	40	92
2/21	3.6832%	0.000100910	\$40,739,682,624.17	1.00005	40	92
2/22	3.6832%	0.000100910	\$40,739,682,624.17	1.00005	40	92
2/23	3.6818%	0.000100872	\$40,872,378,604.71	1.00007	40	92
2/24	3.6860%	0.000100985	\$40,725,996,218.20	1.00006	40	93
2/25	3.6848%	0.000100953	\$40,875,738,493.42	1.00006	41	93
2/26	3.6883%	0.000101048	\$40,749,022,000.35	1.00008	41	93
2/27	3.6916%	0.000101140	\$40,520,882,284.92	1.00006	42	95
2/28	3.6916%	0.000101140	\$40,520,882,284.92	1.00006	42	95
Averages:	3.6806%	0.000100838	\$40,760,657,275.77	1.00008	39	92



TEXPOOL Prime

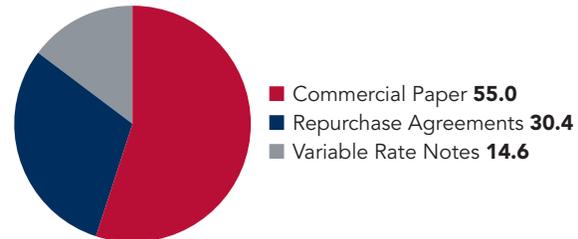
Portfolio by Maturity (%)

As of February 28, 2026



Portfolio by Type of Investment (%)

As of February 28, 2026



Portfolio Asset Summary as of February 28, 2026

	Book Value	Market Value
Uninvested Balance	\$967.85	\$967.85
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	14,453,651.98	14,453,651.98
Interest and Management Fees Payable	-56,480,096.48	-56,480,096.48
Payable for Investments Purchased	-297,882,208.34	-297,882,208.34
Accrued Expenses & Taxes	-58,299.66	-58,299.66
Repurchase Agreements	5,992,825,000.00	5,992,825,000.00
Commercial Paper	13,157,619,188.27	13,157,418,299.72
Mutual Fund Investments	0.00	0.00
Government Securities	0.00	0.00
Variable Rate Notes	534,000,000.00	534,197,351.40
Total	\$19,344,478,203.62	\$19,344,474,666.47

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	185	\$6,395,258,313.39
Higher Education	20	\$1,252,906,851.33
County	64	\$1,728,516,291.27
Healthcare	29	\$731,009,926.33
Utility District	96	\$589,800,602.75
City	141	\$4,072,997,684.07
Emergency Districts	46	\$312,720,144.47
Economic Development Districts	25	\$49,186,428.87
Transit/Toll Authorities	10	\$1,622,975,681.52
River/Port Authorities	8	\$911,422,986.88
Other	104	\$1,678,027,386.83



TEXPOOL *Prime*

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool <i>Prime</i> Invested Balance	NAV	WAM Days	WAL Days
2/1	3.8546%	0.000105606	\$18,585,547,110.71	1.00004	44	71
2/2	3.8444%	0.000105326	\$18,837,006,466.87	1.00015	42	69
2/3	3.8429%	0.000105284	\$19,084,212,968.10	1.00014	45	71
2/4	3.8358%	0.000105090	\$19,264,434,034.74	1.00013	45	71
2/5	3.8197%	0.000104650	\$19,630,911,462.04	1.00015	44	71
2/6	3.8112%	0.000104417	\$19,766,112,311.91	1.00006	44	71
2/7	3.8112%	0.000104417	\$19,766,112,311.91	1.00006	44	71
2/8	3.8112%	0.000104417	\$19,766,112,311.91	1.00006	44	71
2/9	3.8079%	0.000104327	\$19,818,687,598.83	1.00016	42	68
2/10	3.8135%	0.000104480	\$19,855,972,975.20	1.00017	42	70
2/11	3.8163%	0.000104556	\$19,862,294,149.42	1.00014	48	75
2/12	3.8202%	0.000104662	\$19,775,119,841.71	1.00014	49	78
2/13	3.8253%	0.000104802	\$19,651,377,502.50	0.99998	51	79
2/14	3.8253%	0.000104802	\$19,651,377,502.50	0.99998	51	79
2/15	3.8253%	0.000104802	\$19,651,377,502.50	0.99998	51	79
2/16	3.8253%	0.000104802	\$19,651,377,502.50	0.99998	51	79
2/17	3.8303%	0.000104941	\$19,742,815,103.90	1.00014	50	78
2/18	3.8328%	0.000105007	\$19,643,960,314.02	1.00013	53	80
2/19	3.8186%	0.000104618	\$19,628,015,367.69	1.00013	52	80
2/20	3.8113%	0.000104419	\$19,608,224,661.43	1.00001	53	80
2/21	3.8113%	0.000104419	\$19,608,224,661.43	1.00001	53	80
2/22	3.8113%	0.000104419	\$19,608,224,661.43	1.00001	53	80
2/23	3.8076%	0.000104317	\$19,623,442,070.24	1.00010	50	78
2/24	3.8100%	0.000104383	\$19,629,997,522.91	1.00010	50	77
2/25	3.8113%	0.000104418	\$19,494,144,020.53	1.00009	50	77
2/26	3.8141%	0.000104497	\$19,479,565,518.80	1.00010	51	78
2/27	3.8182%	0.000104608	\$19,344,888,426.91	1.00000	52	78
2/28	3.8182%	0.000104608	\$19,344,888,426.91	1.00000	52	78
Averages:	3.8209%	0.000104682	\$19,549,086,582.48	1.00008	48	76

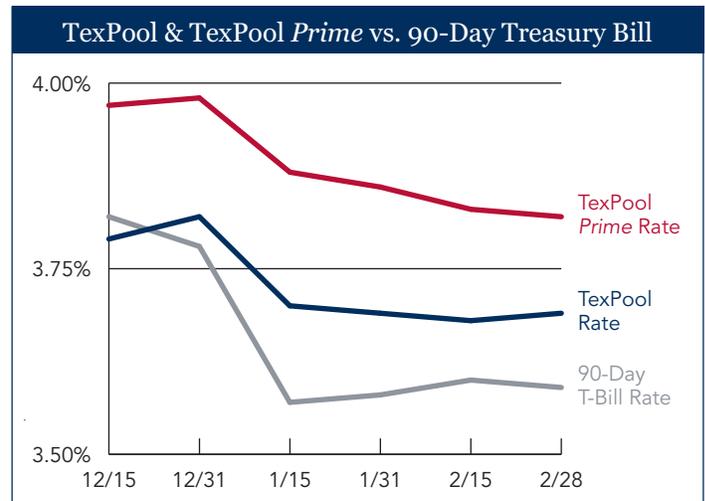


Participant Services
1001 Texas Ave. Suite 1150
Houston, TX 77002

What's happening? We think investors like the “new normal,” realizing that liquidity yields might remain competitive even if the Fed lowers rates by half a percentage point this year as it projected in December. This is not important “just” because of the return, but because cash management tends to work best when yields are fairly steady, as seeking stability is the name of the game. We think, and the inflows seem to back up, that investors appreciate the potential sustainability of the “benevolent ordinary” yields as much as they did the heady returns of 2023, which the Fed never conceived as long-lived. This could be wishful thinking, but we would not be surprised if stable value products retain their current widespread popularity for a long time.

And let's not forget the uncertainty pervading the Fed's future, the US economy and geopolitics, a collective negative vibe that often sends investors to safer harbors. Not that you should expect most cash managers to rest on our laurels. We are a conservative bunch. The new normal does not mean one should forget the good habits that helped you get there.

At month-end, yields on 1-, 3-, 6- and 12-month US Treasuries were 3.68%, 3.67%, 3.63% and 3.54%, 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.

An investment in the Pool is not insured or guaranteed by any government or government agency. Although the manager of the Pool seeks to preserve principal, it is possible to lose money by depositing money in the Pool.