



Monthly Newsletter: September 2025

ANNOUNCEMENTS

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

TexPool

Bayou Country Housing Trust Fund
Fannin County Clerk
Esperanza Community Center at Dobie LGC
Lindale Economic Development Corporation
Callisburg ISD
Oglesby ISD
Bexar County ESD 7
Texana Groundwater Conservation District

TexPool Prime

Bayou Country Housing Trust Fund
Fannin County Clerk
Esperanza Community Center at Dobie LGC
Lindale Economic Development Corporation
Callisburg ISD
Oglesby ISD
Bexar County ESD 7
Texana Groundwater Conservation District

Upcoming Events

September 11, 2025
Texas Association of School Administrators (TASA) and Texas Association of School Boards (TASB): Annual Conference
San Antonio, TX

September 15, 2025
77th Annual County Treasurers' Association of Texas Conference
Sugar Land, TX

October 14 2025
Texas Association of County Auditors Fall Conference 2025
San Antonio, TX

TexPool Advisory Board Members

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

Difference of opinions at the Fed

September 1, 2025

Federal Reserve Chair Jerome Powell's keynote address at the Jackson Hole, Wyo., central bank symposium seemed more hawkish than many commentators did. He said, "the baseline outlook and the shifting balance of risks may warrant adjusting our policy stance," which later in the speech he called "modestly" restrictive. This does not justify the market confidence of a quarter-point cut at the September Federal Open Market Committee (FOMC) meeting, in our opinion. However, we think the Fed will lower the fed funds target range from 4.25-4.5% to 4-4.25%. With the domestic economy slowing and pressure from various commentators—including within the Fed itself—the path of least resistance will likely prevail, despite inflation remaining sticky. July's Personal Consumption Expenditures (PCE) Index growth showed a slight, but not concerning, increase from June. Fed officials will have an additional Consumer Price Index (CPI) and labor report to digest before making their decision; but barring a surprise, they will probably not prevent the cut.

The question then becomes how many more times that policymakers might lower rates this year. Investors should at least be able to make an educated guess after the FOMC meeting that concludes September 17. In addition to the statement, which might provide more substance than usual, the Fed will release the updated Summary of Economic Projections. These offer

(continued page 6)

Performance as of August 31, 2025

| | TexPool | TexPool Prime |
|------------------------------------|------------------|------------------|
| Current Invested Balance | \$32,939,665,485 | \$15,715,067,335 |
| Weighted Average Maturity** | 42 Days | 45 Days |
| Weighted Average Life** | 97 Days | 70 Days |
| Net Asset Value | 1.00017 | 0.99996 |
| Total Number of Participants | 2,952 | 686 |
| Management Fee on Invested Balance | 0.0450% | 0.0550% |
| Interest Distributed | \$121,862,419.16 | \$58,588,765.66 |
| Management Fee Collected | \$1,215,864.18 | \$729,512.54 |
| Current S&P Global Rating | AAAm | AAAm |

Month Averages

| | | |
|-------------------------------------|------------------|------------------|
| Average Invested Balance | \$33,415,223,691 | \$15,617,132,298 |
| Average Monthly Rate* | 4.31% | 4.42% |
| Average Weighted Average Maturity** | 43 | 46 |
| Average Weighted Average Life** | 100 | 74 |

**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.*

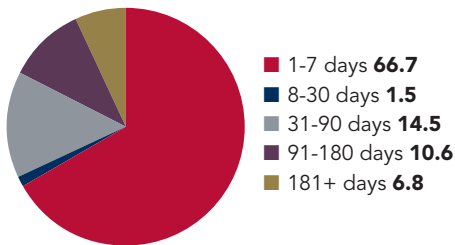
***See page 2 for definitions.*

Past performance is no guarantee of future results.



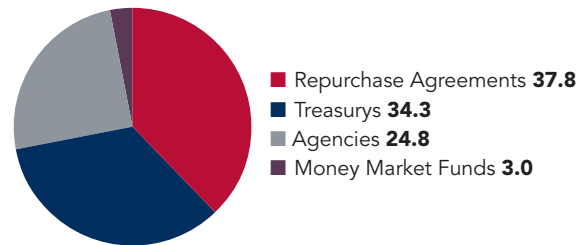
Portfolio by Maturity (%)

As of August 31, 2025



Portfolio by Type of Investment (%)

As of August 31, 2025



Portfolio Asset Summary as of August 31, 2025

| | Book Value | Market Value |
|--------------------------------------|----------------------------|----------------------------|
| Uninvested Balance | \$337.15 | \$337.15 |
| Receivable for Investments Sold | 0.00 | 0.00 |
| Accrual of Interest Income | 78,974,618.83 | 78,974,618.83 |
| Interest and Management Fees Payable | -121,862,387.78 | -121,862,387.78 |
| Payable for Investments Purchased | -763,282,683.86 | -763,282,683.86 |
| Accrued Expenses & Taxes | -115,842.21 | -115,842.21 |
| Repurchase Agreements | 12,767,447,000.00 | 12,767,447,000.00 |
| Mutual Fund Investments | 1,017,085,200.00 | 1,017,085,200.00 |
| Government Securities | 8,381,304,044.66 | 8,381,663,910.12 |
| US Treasury Bills | 9,965,445,159.70 | 9,970,213,571.60 |
| US Treasury Notes | 1,614,670,038.50 | 1,614,984,433.25 |
| Total | \$32,939,665,484.99 | \$32,945,108,157.10 |

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 | 639 | \$9,492,504,135.35 |
| Higher Education | 60 | \$1,580,931,674.76 |
| County | 205 | \$3,298,867,128.63 |
| Healthcare | 97 | \$1,488,258,495.17 |
| Utility District | 951 | \$5,242,908,911.60 |
| City | 523 | \$9,095,232,673.08 |
| Emergency Districts | 118 | \$509,738,082.85 |
| Economic Development Districts | 95 | \$216,232,022.71 |
| Transit/Toll Authorities | 15 | \$705,777,668.85 |
| River/Port Authorities | 18 | \$309,452,061.75 |
| Other | 231 | \$999,571,667.73 |

**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

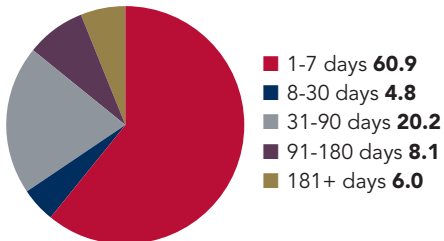
| Date | Money Mkt. Fund Equiv. (SEC Std.) | Dividend Factor | TexPool Invested Balance | NAV | WAM Days | WAL Days |
|------------------|--------------------------------------|--------------------|-----------------------------|----------------|-----------|------------|
| 8/1 | 4.3149% | 0.000118217 | \$34,026,147,940.91 | 1.00007 | 44 | 103 |
| 8/2 | 4.3149% | 0.000118217 | \$34,026,147,940.91 | 1.00007 | 44 | 103 |
| 8/3 | 4.3149% | 0.000118217 | \$34,026,147,940.91 | 1.00007 | 44 | 103 |
| 8/4 | 4.2994% | 0.000117791 | \$33,924,858,975.38 | 1.00010 | 42 | 101 |
| 8/5 | 4.3031% | 0.000117892 | \$34,118,154,534.52 | 1.00008 | 42 | 100 |
| 8/6 | 4.3024% | 0.000117873 | \$34,152,813,443.40 | 1.00010 | 42 | 99 |
| 8/7 | 4.3051% | 0.000117947 | \$34,208,479,706.59 | 1.00008 | 43 | 99 |
| 8/8 | 4.3070% | 0.000117999 | \$34,379,706,054.28 | 1.00008 | 44 | 99 |
| 8/9 | 4.3070% | 0.000117999 | \$34,379,706,054.28 | 1.00008 | 44 | 99 |
| 8/10 | 4.3070% | 0.000117999 | \$34,379,706,054.28 | 1.00008 | 44 | 99 |
| 8/11 | 4.3058% | 0.000117967 | \$34,172,129,137.83 | 1.00008 | 43 | 98 |
| 8/12 | 4.3041% | 0.000117921 | \$34,033,762,297.09 | 1.00011 | 44 | 101 |
| 8/13 | 4.3015% | 0.000117850 | \$33,676,932,614.22 | 1.00015 | 45 | 102 |
| 8/14 | 4.2948% | 0.000117666 | \$33,157,706,517.35 | 1.00013 | 46 | 102 |
| 8/15 | 4.3042% | 0.000117924 | \$33,014,776,764.60 | 1.00010 | 47 | 104 |
| 8/16 | 4.3042% | 0.000117924 | \$33,014,776,764.60 | 1.00010 | 47 | 104 |
| 8/17 | 4.3042% | 0.000117924 | \$33,014,776,764.60 | 1.00010 | 47 | 104 |
| 8/18 | 4.3048% | 0.000117940 | \$32,954,802,733.61 | 1.00011 | 45 | 100 |
| 8/19 | 4.2929% | 0.000117615 | \$32,839,506,923.46 | 1.00012 | 42 | 99 |
| 8/20 | 4.2877% | 0.000117472 | \$32,646,295,601.11 | 1.00011 | 42 | 99 |
| 8/21 | 4.2866% | 0.000117442 | \$32,620,907,925.07 | 1.00006 | 43 | 98 |
| 8/22 | 4.2986% | 0.000117769 | \$32,530,982,780.24 | 1.00013 | 44 | 99 |
| 8/23 | 4.2986% | 0.000117769 | \$32,530,982,780.24 | 1.00013 | 44 | 99 |
| 8/24 | 4.2986% | 0.000117769 | \$32,530,982,780.24 | 1.00013 | 44 | 99 |
| 8/25 | 4.3127% | 0.000118157 | \$32,916,401,028.20 | 1.00011 | 41 | 96 |
| 8/26 | 4.3169% | 0.000118272 | \$33,335,774,339.38 | 1.00012 | 41 | 95 |
| 8/27 | 4.3262% | 0.000118527 | \$33,229,197,681.73 | 1.00013 | 41 | 97 |
| 8/28 | 4.3142% | 0.000118198 | \$33,210,373,881.77 | 1.00012 | 41 | 96 |
| 8/29 | 4.3096% | 0.000118071 | \$32,939,665,484.99 | 1.00017 | 42 | 97 |
| 8/30 | 4.3096% | 0.000118071 | \$32,939,665,484.99 | 1.00017 | 42 | 97 |
| 8/31 | 4.3096% | 0.000118071 | \$32,939,665,484.99 | 1.00017 | 42 | 97 |
| Averages: | 4.3052% | 0.000117951 | \$33,415,223,690.83 | 1.00011 | 43 | 100 |



TEXPOOL Prime

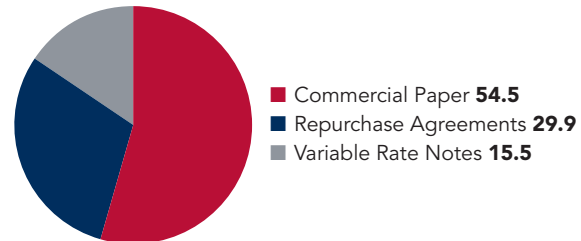
Portfolio by Maturity (%)

As of August 31, 2025



Portfolio by Type of Investment (%)

As of August 31, 2025



Portfolio Asset Summary as of August 31, 2025

| | Book Value | Market Value |
|--------------------------------------|----------------------------|----------------------------|
| Uninvested Balance | \$451.01 | \$451.01 |
| Receivable for Investments Sold | 0.00 | 0.00 |
| Accrual of Interest Income | 20,309,971.08 | 20,309,971.08 |
| Interest and Management Fees Payable | -58,588,718.27 | -58,588,718.27 |
| Payable for Investments Purchased | 0.00 | 0.00 |
| Accrued Expenses & Taxes | -71,040.72 | -71,040.72 |
| Repurchase Agreements | 4,716,618,000.00 | 4,716,618,000.00 |
| Commercial Paper | 9,952,798,672.23 | 9,951,934,337.99 |
| Mutual Fund Investments | 0.00 | 0.00 |
| Government Securities | 0.00 | 0.00 |
| Variable Rate Notes | 1,084,000,000.00 | 1,084,274,944.20 |
| Total | \$15,715,067,335.33 | \$15,714,477,945.29 |

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 | 176 | \$4,881,937,810.93 |
| Higher Education | 20 | \$1,277,687,208.09 |
| County | 60 | \$1,229,104,068.89 |
| Healthcare | 26 | \$447,027,706.68 |
| Utility District | 91 | \$553,045,022.51 |
| City | 136 | \$2,996,901,600.83 |
| Emergency Districts | 41 | \$280,685,868.22 |
| Economic Development Districts | 25 | \$53,363,457.06 |
| Transit/Toll Authorities | 10 | \$1,186,318,456.57 |
| River/Port Authorities | 8 | \$1,123,974,522.75 |
| Other | 93 | \$1,685,018,404.39 |



TEXPOOL Prime

Daily Summary

| Date | Money Mkt. Fund Equiv. (SEC Std.) | Dividend Factor | TexPool Prime Invested Balance | NAV | WAM Days | WAL Days |
|------------------|--------------------------------------|--------------------|-----------------------------------|----------------|-----------|-----------|
| 8/1 | 4.4135% | 0.000120917 | \$16,150,578,786.63 | 0.99992 | 42 | 71 |
| 8/2 | 4.4135% | 0.000120917 | \$16,150,578,786.63 | 0.99992 | 42 | 71 |
| 8/3 | 4.4135% | 0.000120917 | \$16,150,578,786.63 | 0.99992 | 42 | 71 |
| 8/4 | 4.4107% | 0.000120841 | \$16,142,722,398.00 | 1.00008 | 41 | 70 |
| 8/5 | 4.4095% | 0.000120808 | \$16,104,742,048.97 | 1.00008 | 40 | 69 |
| 8/6 | 4.4091% | 0.000120798 | \$16,092,177,421.63 | 1.00007 | 40 | 69 |
| 8/7 | 4.4122% | 0.000120882 | \$16,090,121,960.96 | 1.00009 | 40 | 68 |
| 8/8 | 4.4139% | 0.000120929 | \$16,084,899,700.29 | 0.99996 | 43 | 70 |
| 8/9 | 4.4139% | 0.000120929 | \$16,084,899,700.29 | 0.99996 | 43 | 70 |
| 8/10 | 4.4139% | 0.000120929 | \$16,084,899,700.29 | 0.99996 | 43 | 70 |
| 8/11 | 4.4156% | 0.000120974 | \$15,903,821,564.85 | 1.00007 | 46 | 74 |
| 8/12 | 4.4144% | 0.000120942 | \$15,846,508,816.07 | 1.00008 | 49 | 77 |
| 8/13 | 4.4175% | 0.000121027 | \$15,605,517,243.16 | 1.00011 | 51 | 79 |
| 8/14 | 4.4158% | 0.000120982 | \$15,245,227,901.09 | 1.00010 | 51 | 80 |
| 8/15 | 4.4213% | 0.000121132 | \$15,168,220,126.35 | 0.99994 | 52 | 81 |
| 8/16 | 4.4213% | 0.000121132 | \$15,168,220,126.35 | 0.99994 | 52 | 81 |
| 8/17 | 4.4213% | 0.000121132 | \$15,168,220,126.35 | 0.99994 | 52 | 81 |
| 8/18 | 4.4233% | 0.000121187 | \$15,194,428,716.31 | 1.00006 | 50 | 78 |
| 8/19 | 4.4202% | 0.000121101 | \$15,063,586,148.57 | 1.00005 | 50 | 78 |
| 8/20 | 4.4139% | 0.000120930 | \$15,453,002,201.01 | 1.00006 | 48 | 76 |
| 8/21 | 4.4121% | 0.000120879 | \$15,406,593,444.05 | 1.00005 | 48 | 75 |
| 8/22 | 4.4189% | 0.000121067 | \$15,194,411,979.89 | 0.99997 | 49 | 76 |
| 8/23 | 4.4189% | 0.000121067 | \$15,194,411,979.89 | 0.99997 | 49 | 76 |
| 8/24 | 4.4189% | 0.000121067 | \$15,194,411,979.89 | 0.99997 | 49 | 76 |
| 8/25 | 4.4272% | 0.000121292 | \$15,074,172,288.65 | 1.00007 | 48 | 75 |
| 8/26 | 4.4319% | 0.000121423 | \$15,062,740,290.38 | 1.00007 | 47 | 75 |
| 8/27 | 4.4318% | 0.000121418 | \$15,173,862,570.50 | 1.00008 | 46 | 73 |
| 8/28 | 4.4230% | 0.000121178 | \$15,732,342,446.69 | 1.00009 | 44 | 70 |
| 8/29 | 4.4190% | 0.000121069 | \$15,715,067,335.33 | 0.99996 | 45 | 70 |
| 8/30 | 4.4190% | 0.000121069 | \$15,715,067,335.33 | 0.99996 | 45 | 70 |
| 8/31 | 4.4190% | 0.000121069 | \$15,715,067,335.33 | 0.99996 | 45 | 70 |
| Averages: | 4.4177% | 0.000121032 | \$15,617,132,298.27 | 1.00001 | 46 | 74 |



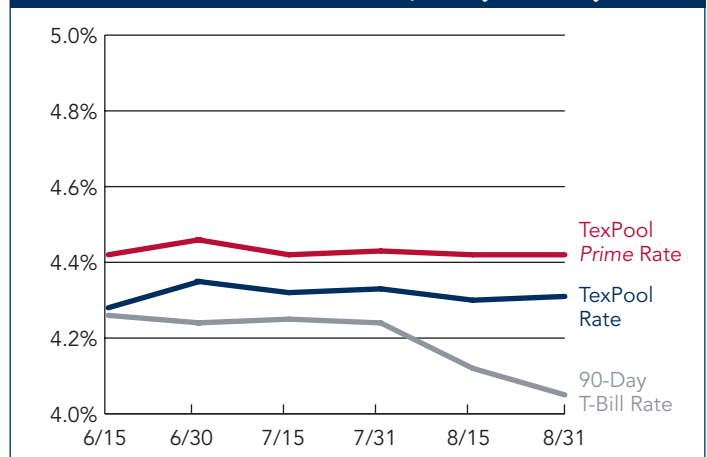
Participant Services
1001 Texas Ave. Suite 1150
Houston, TX 77002

each Fed official their own opportunity to make an educated guess about what level each personally thinks the fed funds rate will be at the end of 2025 and beyond. We expect this “dot plot” will indicate that another 25 basis-point cut is on the way before year-end. It seems many traders and investors have the same opinion. There will be two meetings before the calendar flips, in October and December.

August was another positive month for the broad money markets. It’s no wonder that the financial media, advisors, investors and, of course, firms within the industry have focused on the attractive yields of stable value investments over the last three years. It’s been an extraordinary run, which we think could continue even after the Fed eases rates further. But less noticed is the excellent state of the fundamentals. We think that overnight trading is the healthiest since 2008, judging by the robust supply brought or sponsored by traditional counterparties that has greatly reduced the use of the Fed’s Reverse Repo and the Standing Repo facilities. While TexPool and TexPool Prime do not use those facilities, they are an excellent indicator of the health of the money markets in general. Banks are the major players, and their credit continues to be high, with low nonperforming assets, fewer charge-offs and elevated liquidity. The whole system works best in conditions like this and should inspire continued confidence for cash managers.

At the end of the month, yields on 1-, 3-, 6- and 12-month US Treasuries were 4.32%, 4.14%, 3.98% and 3.84%, 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.

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.