



Monthly Newsletter: February 2026

ANNOUNCEMENTS

TexPool Presidents' Day Holiday Observance 2026

On **Monday, February 16, 2026**, TexPool will be closed for business in observance of **Presidents' Day**.

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

TexPool

Wharton County ESD 3

TexPool Prime

Wharton County ESD 3

Upcoming Events

6/6/2026

TACCBO 2026 Annual Conference
Forth Worth, TX

4/20/2026

County Treasurers Education Seminar
San Marcos, TX

2/23/2026

Texas Association of School Business Officials (TASBO) Annual Conference
Dallas, TX

2/22/2026

Government Treasurers' Organization of Texas (GTOT) Winter Seminar
San Antonio, TX

TexPool Advisory Board Members

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

Too much Fed news

February 1, 2026

January was a very, very busy month for the Federal Reserve.

First came the Justice Department subpoena served to Chair Jerome Powell; his extraordinary video retort followed; Fed Governor Lisa Cook's Supreme Court hearing began; then the Federal Open Market Committee (FOMC) meeting arrived; and, on the last business day of January came the White House's nomination of Kevin Warsh as Fed chair.

Kevin Warsh has the pedigree for the position. The biggest hurdle to his confirmation and then success as chair will be to convincingly show he won't be unduly influenced by politics. While he is unlikely to be as patient as Chair Powell from the standpoint of continuing the rate-cutting cycle, we think his previous time at the Fed (he was on the Board of Governors from 2006-2011) might lend him to push back against excessive political pressure. The Senate is likely to confirm him, though potentially not until the subpoena is dropped — negotiating tool number one.

The Fed still runs monetary policy, right?

You would be justified in wondering, but the January meeting was simply not eventful enough to push the other stories aside. The FOMC kept the fed funds target range at 3.50-3.75% and the statement essentially the same. The most salient change was the removal of the clause in

(continued page 6)

Performance as of January 31, 2026

	TexPool	TexPool Prime
Current Invested Balance	\$39,115,703,142	\$18,585,547,111
Weighted Average Maturity**	41 Days	44 Days
Weighted Average Life**	96 Days	71 Days
Net Asset Value	1.00009	1.00004
Total Number of Participants	2,976	718
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$118,270,881.87	\$58,717,941.07
Management Fee Collected	\$1,374,703.55	\$836,446.40
Current S&P Global Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$37,618,246,560	\$17,872,623,758
Average Monthly Rate*	3.71%	3.87%
Average Weighted Average Maturity**	38	43
Average Weighted Average Life**	94	72

*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.

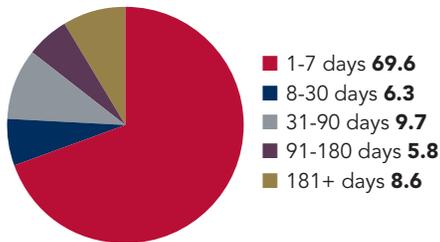
**See page 2 for definitions.

Past performance is no guarantee of future results.



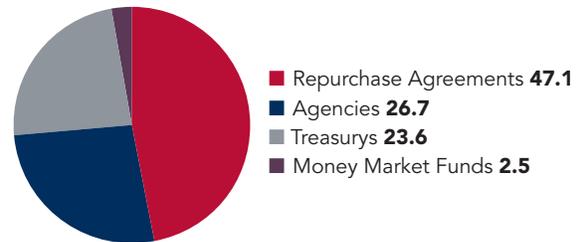
Portfolio by Maturity (%)

As of January 31, 2026



Portfolio by Type of Investment (%)

As of January 31, 2026



Portfolio Asset Summary as of January 31, 2026

	Book Value	Market Value
Uninvested Balance	-\$133.89	-\$133.89
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	66,715,995.53	66,715,995.53
Interest and Management Fees Payable	-118,274,535.93	-118,274,535.93
Payable for Investments Purchased	-1,012,172,777.70	-1,012,172,777.70
Accrued Expenses & Taxes	-139,720.95	-139,720.95
Repurchase Agreements	18,936,925,000.00	18,936,925,000.00
Mutual Fund Investments	1,017,085,200.00	1,017,085,200.00
Government Securities	10,737,578,359.72	10,737,506,331.90
US Treasury Bills	7,349,121,649.40	7,351,585,564.30
US Treasury Notes	2,142,814,660.80	2,144,186,760.07
Total	\$39,119,653,696.98	\$39,123,417,683.33

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	642	\$12,087,493,752.85
Higher Education	60	\$1,987,323,215.83
County	205	\$4,702,679,867.56
Healthcare	99	\$2,201,946,395.30
Utility District	955	\$5,481,246,305.92
City	524	\$10,221,214,147.70
Emergency Districts	123	\$539,914,887.25
Economic Development Districts	95	\$227,832,235.78
Transit/Toll Authorities	15	\$464,711,581.60
River/Port Authorities	18	\$282,602,623.68
Other	240	\$925,459,948.11

**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

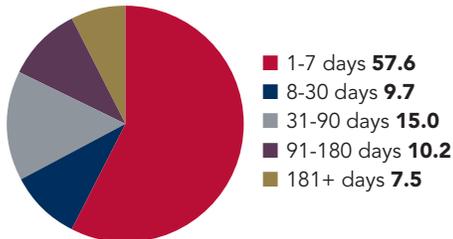
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
1/1	3.8153%	0.000104530	\$36,154,739,296.71	1.00022	35	91
1/2	3.7865%	0.000103739	\$36,451,750,610.05	1.00018	35	90
1/3	3.7865%	0.000103739	\$36,451,750,610.05	1.00018	35	90
1/4	3.7865%	0.000103739	\$36,451,750,610.05	1.00018	35	90
1/5	3.7531%	0.000102825	\$35,859,190,606.67	1.00019	34	91
1/6	3.7267%	0.000102101	\$35,668,541,020.87	1.00019	34	92
1/7	3.7093%	0.000101626	\$36,542,821,875.77	1.00018	34	91
1/8	3.6981%	0.000101317	\$36,878,391,843.84	1.00017	36	92
1/9	3.6992%	0.000101347	\$36,997,710,643.67	1.00014	38	96
1/10	3.6992%	0.000101347	\$36,997,710,643.67	1.00014	38	96
1/11	3.6992%	0.000101347	\$36,997,710,643.67	1.00014	38	96
1/12	3.6983%	0.000101323	\$37,220,490,778.65	1.00015	39	95
1/13	3.6983%	0.000101324	\$37,305,848,783.00	1.00015	39	96
1/14	3.7008%	0.000101391	\$37,305,098,231.90	1.00015	39	96
1/15	3.7024%	0.000101435	\$37,558,803,251.64	1.00012	39	95
1/16	3.6951%	0.000101236	\$37,769,550,335.58	1.00008	39	96
1/17	3.6951%	0.000101236	\$37,769,550,335.58	1.00008	39	96
1/18	3.6951%	0.000101236	\$37,769,550,335.58	1.00008	39	96
1/19	3.6951%	0.000101236	\$37,769,550,335.58	1.00008	39	96
1/20	3.6903%	0.000101105	\$37,863,693,075.00	1.00010	39	95
1/21	3.6884%	0.000101052	\$38,044,482,716.30	1.00010	39	95
1/22	3.6833%	0.000100911	\$38,169,238,743.18	1.00010	40	96
1/23	3.6911%	0.000101125	\$38,438,325,672.81	1.00008	40	96
1/24	3.6911%	0.000101125	\$38,438,325,672.81	1.00008	40	96
1/25	3.6911%	0.000101125	\$38,438,325,672.81	1.00008	40	96
1/26	3.6941%	0.000101207	\$38,791,073,055.90	1.00010	40	95
1/27	3.6941%	0.000101209	\$38,966,095,227.75	1.00011	40	95
1/28	3.6839%	0.000100930	\$39,531,262,580.75	1.00009	39	93
1/29	3.6819%	0.000100874	\$39,332,903,877.79	1.00009	40	95
1/30	3.6880%	0.000101040	\$39,115,703,142.24	1.00009	41	96
1/31	3.6880%	0.000101040	\$39,115,703,142.24	1.00009	41	96
Averages:	3.7098%	0.000101639	\$37,618,246,560.39	1.00013	38	94



TEXPOOL Prime

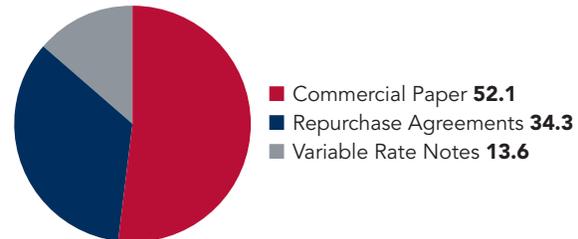
Portfolio by Maturity (%)

As of January 31, 2026



Portfolio by Type of Investment (%)

As of January 31, 2026



Portfolio Asset Summary as of January 31, 2026

	Book Value	Market Value
Uninvested Balance	\$1,183.60	\$1,183.60
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	11,674,225.36	11,674,225.36
Interest and Management Fees Payable	-58,717,969.01	-58,717,969.01
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-84,016.89	-84,016.89
Repurchase Agreements	6,394,549,000.00	6,394,549,000.00
Commercial Paper	11,706,087,444.80	11,706,676,952.85
Mutual Fund Investments	0.00	0.00
Government Securities	0.00	0.00
Variable Rate Notes	534,000,000.00	534,256,321.40
Total	\$18,587,509,867.86	\$18,588,355,697.31

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	182	\$5,813,319,481.83
Higher Education	20	\$1,130,055,861.01
County	62	\$1,858,627,144.22
Healthcare	29	\$740,129,062.53
Utility District	95	\$505,140,918.04
City	138	\$3,680,952,562.80
Emergency Districts	46	\$270,274,032.66
Economic Development Districts	25	\$50,184,437.58
Transit/Toll Authorities	10	\$1,658,049,944.35
River/Port Authorities	8	\$914,688,878.02
Other	103	\$1,964,107,003.04



TEXPOOL *Prime*

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool <i>Prime</i> Invested Balance	NAV	WAM Days	WAL Days
1/1	3.9784%	0.000108998	\$16,513,278,204.65	1.00025	42	68
1/2	3.8762%	0.000106196	\$17,558,150,952.26	1.00011	40	62
1/3	3.8762%	0.000106196	\$17,558,150,952.26	1.00011	40	62
1/4	3.8762%	0.000106196	\$17,558,150,952.26	1.00011	40	62
1/5	3.9110%	0.000107152	\$17,717,312,875.12	1.00021	38	68
1/6	3.9097%	0.000107116	\$17,086,591,696.14	1.00020	41	73
1/7	3.8953%	0.000106721	\$17,115,609,028.41	1.00020	40	71
1/8	3.8809%	0.000106327	\$17,276,063,296.14	1.00021	40	71
1/9	3.8693%	0.000106008	\$17,736,488,608.71	1.00007	42	71
1/10	3.8693%	0.000106008	\$17,736,488,608.71	1.00007	42	71
1/11	3.8693%	0.000106008	\$17,736,488,608.71	1.00007	42	71
1/12	3.8654%	0.000105902	\$17,822,556,021.71	1.00018	39	68
1/13	3.8689%	0.000105996	\$17,795,690,953.47	1.00018	42	71
1/14	3.8689%	0.000105997	\$17,901,910,889.06	1.00018	46	75
1/15	3.8777%	0.000106237	\$17,811,788,443.44	1.00018	46	76
1/16	3.8607%	0.000105773	\$17,723,454,727.25	0.99999	48	78
1/17	3.8607%	0.000105773	\$17,723,454,727.25	0.99999	48	78
1/18	3.8607%	0.000105773	\$17,723,454,727.25	0.99999	48	78
1/19	3.8607%	0.000105773	\$17,723,454,727.25	0.99999	48	78
1/20	3.8532%	0.000105566	\$17,942,765,931.67	1.00016	45	74
1/21	3.8490%	0.000105453	\$18,029,872,746.92	1.00016	45	74
1/22	3.8472%	0.000105403	\$18,187,594,741.11	1.00015	45	73
1/23	3.8514%	0.000105517	\$18,282,528,684.49	1.00003	45	74
1/24	3.8514%	0.000105517	\$18,282,528,684.49	1.00003	45	74
1/25	3.8514%	0.000105517	\$18,282,528,684.49	1.00003	45	74
1/26	3.8526%	0.000105552	\$18,324,770,745.38	1.00014	42	71
1/27	3.8526%	0.000105552	\$18,393,735,059.68	1.00014	43	71
1/28	3.8467%	0.000105388	\$18,509,249,899.47	1.00015	43	71
1/29	3.8449%	0.000105341	\$18,826,128,111.98	1.00015	43	70
1/30	3.8546%	0.000105606	\$18,585,547,110.71	1.00004	44	71
1/31	3.8546%	0.000105606	\$18,585,547,110.71	1.00004	44	71
Averages:	3.8692%	0.000106005	\$17,872,623,758.42	1.00011	43	72

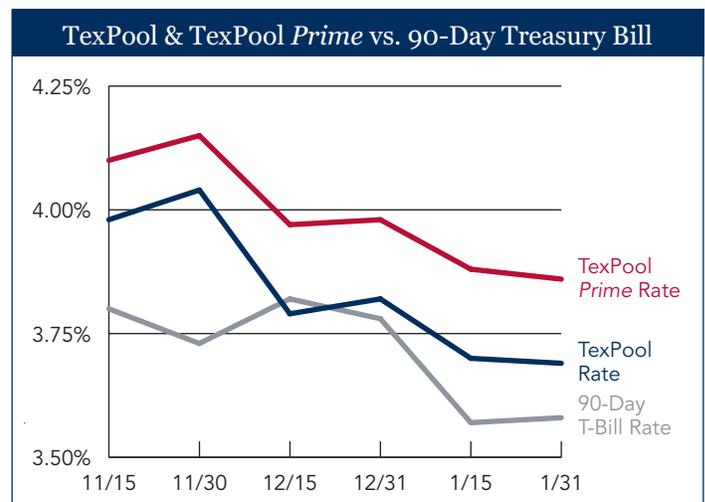


Participant Services
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 Houston, TX 77002

the December statement that “downside risks to employment rose in recent months.” Combined with other alterations and Powell’s remarks, the gist is that policymakers are less concerned about a weakening labor market, so the mandate scale is now balanced between that and inflation. The New York Fed will continue to purchase \$40 billion of Treasury bills per month to ease overnight funding operations.

Also relatively notable was the rotation of Fed regional bank presidents, that barely shifted the FOMC dove/hawk composition. It doesn’t alter our view that the next ease will be in June at the earliest. Somewhat surprisingly, the front end of the US Treasury yield curve was unchanged throughout January. That’s fine with us. The curve’s positive slope allows industry money managers to buy securities with longer maturities and potentially higher yields than those likely after a rate cut. And a terminal fed funds rate anywhere above 3% makes the case for liquidity products strong.

Lastly, the White House’s announcement directing Freddie Mac and Fannie Mae to buy \$200 billion additional mortgage-backed securities (MBS) doesn’t impact the front end directly but could lead to more front-end issuance. Additional supply from these Government Sponsored Entities (GSEs) would be welcome, as the dominant issuer in the front end is the Federal Home Loan Bank System. At month-end, yields on 1-, 3-, 6- and 12-month US Treasuries were 3.69%, 3.66%, 3.64% and 3.48%, 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.