



Monthly Newsletter: April 2021

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in March 2021:

TexPool

City of Garland TX Zions Bancorporation NA aba
Amegy Bank as TTEE

TexPool Prime

No New Participants

Upcoming Events

April 19 2021 - April 22 2021
49th Annual County Treasurers Continuing
Education Seminar

**Embassy Suites San Marcos Hotel &
Conference Center, San Marcos, Texas**

June 14, 2021 - June 16, 2021,
TASBO Summer Solutions Conference
Round Rock

June 17, 2021 - June 19, 2021
AWBD Annual Conference
**Henry B. Gonzalez Convention Center
San Antonio, Texas**

TexPool Advisory Board Members

David Garcia	Jerry Dale
Patrick Krishock	David Landeros
Belinda Weaver	Sharon Matthews
Deborah Lauder milk	Vivian Wood

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: Questions, questions

April 1, 2021

With concern about inflation on many minds, Federal Reserve officials took countless questions last month about when they will scale back accommodative policy. To Chair Jerome Powell, it probably sounded like kids in the back seat of a car on a trip—“Are we there yet?”—to which he had to repeat, “Not yet!”

Policymakers do not think that the backup in long rates means inflation is even on the tarmac, let alone ready to take off. In testimony on Capitol Hill, Chair Powell said the surge in the 10-year Treasury yield had more to do with the progress of vaccinations and expectations of growth. The Fed is not going to change policy for “some time,” the same indefinite period in which it will let core inflation exceed 2%. Projections from the March Federal Open Market Committee meeting showed a slight shift earlier to a 2022 timeframe, but that’s it. The news from the meeting that disappointed cash managers was that the committee didn’t lift its rates on overnight lending.

The rise in the 10-year yield so dominated the financial press, you’d think the \$1.9 trillion American Rescue Plan didn’t pass. So far, most of the dispersed dollars have gone to personal stimulus checks, but the Plan provides substantial direct aid

(continued page 6)

Performance as of March 31, 2021

	TexPool	TexPool Prime
Current Invested Balance	\$26,406,501,473.55	\$9,633,215,680.86
Weighted Average Maturity**	29	51
Weighted Average Life**	89	59
Net Asset Value	1.00017	1.00008
Total Number of Participants	2,644	441
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$436,469.97	\$784,187.10
Management Fee Collected	\$1,042,733.57	\$438,380.91
Standard & Poor’s Current Rating	AAAm	AAAm
Month Averages		
Average Invested Balance	\$27,359,749,358.29	\$10,092,786,950.20
Average Monthly Rate*	0.02%	0.09%
Average Weighted Average Maturity**	30	52
Average Weighted Average Life**	87	60

*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.

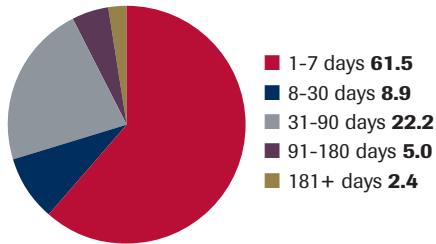
**See page 2 for definitions.

Past performance is no guarantee of future results.



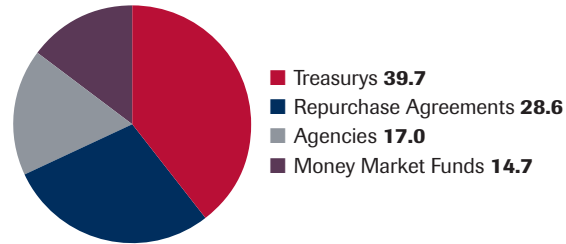
Portfolio by Maturity (%)

As of March 31, 2021



Portfolio by Type of Investment (%)

As of March 31, 2021



Portfolio Asset Summary as of March 31, 2021

	Book Value	Market Value
Uninvested Balance	-\$1,141,021.34	-\$1,141,021.34
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	9,910,977.64	9,910,977.64
Interest and Management Fees Payable	-436,565.37	-436,565.37
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-32,555.96	-32,555.96
Repurchase Agreements	7,544,780,725.00	7,544,780,725.00
Mutual Fund Investments	3,889,074,000.00	3,889,074,000.00
Government Securities	4,438,301,198.68	4,441,564,910.24
U.S. Treasury Bills	8,909,440,562.13	8,910,133,904.28
U.S. Treasury Notes	1,616,604,152.77	1,617,047,752.90
Total	\$26,406,501,473.55	\$26,410,902,127.39

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	599	\$8,220,772,532.58
Higher Education	60	\$1,467,956,260.91
County	192	\$2,886,689,250.25
Healthcare	90	\$1,539,207,200.22
Utility District	839	\$3,521,210,636.27
City	483	\$6,549,042,581.46
Emergency Districts	200	\$1,824,000,624.30
Economic Development Districts	98	\$276,396,098.46
Other	83	\$121,203,533.11

**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 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

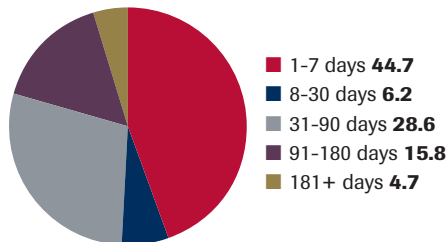
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
3/1	0.0215%	0.000000590	\$28,092,155,031.74	1.00016	31	86
3/2	0.0272%	0.000000746	\$28,250,493,484.81	1.00015	30	86
3/3	0.0334%	0.000000914	\$28,248,180,030.65	1.00015	30	85
3/4	0.0267%	0.000000732	\$27,998,633,565.94	1.00015	30	87
3/5	0.0235%	0.000000644	\$27,797,618,456.55	1.00015	31	87
3/6	0.0235%	0.000000644	\$27,797,618,456.55	1.00015	31	87
3/7	0.0235%	0.000000644	\$27,797,618,456.55	1.00015	31	87
3/8	0.0221%	0.000000605	\$27,751,452,154.65	1.00014	31	86
3/9	0.0225%	0.000000617	\$27,713,953,802.81	1.00015	30	85
3/10	0.0215%	0.000000588	\$27,540,754,317.90	1.00015	30	85
3/11	0.0203%	0.000000557	\$27,490,686,031.48	1.00015	30	87
3/12	0.0189%	0.000000517	\$27,590,755,793.46	1.00015	31	87
3/13	0.0189%	0.000000517	\$27,590,755,793.46	1.00015	31	87
3/14	0.0189%	0.000000517	\$27,590,755,793.46	1.00015	31	87
3/15	0.0166%	0.000000455	\$27,495,385,138.68	1.00016	29	85
3/16	0.0159%	0.000000435	\$27,526,650,319.00	1.00016	29	84
3/17	0.0158%	0.000000432	\$27,455,153,528.08	1.00017	28	84
3/18	0.0154%	0.000000423	\$27,446,333,063.04	1.00017	28	85
3/19	0.0143%	0.000000391	\$27,282,597,200.11	1.00017	29	86
3/20	0.0143%	0.000000391	\$27,282,597,200.11	1.00017	29	86
3/21	0.0143%	0.000000391	\$27,282,597,200.11	1.00017	29	86
3/22	0.0144%	0.000000395	\$27,222,669,301.11	1.00017	30	86
3/23	0.0144%	0.000000395	\$27,012,052,921.87	1.00017	30	86
3/24	0.0147%	0.000000402	\$26,885,616,678.14	1.00017	29	86
3/25	0.0150%	0.000000410	\$26,737,218,824.94	1.00017	31	91
3/26	0.0154%	0.000000423	\$26,623,855,939.60	1.00017	32	92
3/27	0.0154%	0.000000423	\$26,623,855,939.60	1.00017	32	92
3/28	0.0154%	0.000000423	\$26,623,855,939.60	1.00017	32	92
3/29	0.0155%	0.000000424	\$26,534,845,547.69	1.00017	29	90
3/30	0.0158%	0.000000432	\$26,459,012,721.89	1.00017	29	89
3/31	0.0157%	0.000000429	\$26,406,501,473.55	1.00017	29	89
Average:	0.0187%	0.000000513	\$27,359,749,358.29	1.00016	30	87



TEXPOOL Prime

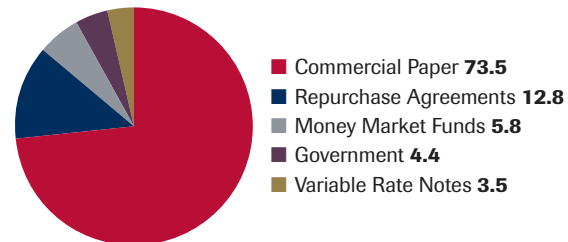
Portfolio by Maturity (%)

As of March 31, 2021



Portfolio by Type of Investment (%)

As of March 31, 2021



Portfolio Asset Summary as of March 31, 2021

	Book Value	Market Value
Uninvested Balance	-\$468,440.04	-\$468,440.04
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	253,444.30	253,444.30
Interest and Management Fees Payable	-784,188.08	-784,188.08
Payable for Investments Purchased	0.00	0.00
Accrued Expenses & Taxes	-13,457.58	-13,457.58
Repurchase Agreements	1,231,220,000.00	1,231,220,000.00
Commercial Paper	7,081,073,147.04	7,081,762,407.23
Bank Instruments	0.00	0.00
Mutual Fund Investments	562,126,501.31	562,052,003.75
Government Securities	419,808,673.91	419,861,648.92
Variable Rate Notes	340,000,000.00	340,145,825.00
Total	\$9,633,215,680.86	\$9,634,029,243.50

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	127	\$3,616,330,731.89
Higher Education	19	\$690,657,600.21
County	44	\$789,263,443.50
Healthcare	18	\$379,992,579.53
Utility District	49	\$311,019,075.11
City	90	\$2,233,322,714.82
Emergency Districts	21	\$37,287,370.16
Economic Development Districts	15	\$20,517,058.10
Other	58	\$1,554,828,420.70



TEXPOOL Prime

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
3/1	0.0889%	0.000002435	\$10,442,150,497.01	1.00008	48	56
3/2	0.0924%	0.000002532	\$10,453,915,385.64	1.00008	51	59
3/3	0.0952%	0.000002608	\$10,409,445,698.40	1.00008	51	59
3/4	0.0854%	0.000002339	\$10,452,739,184.26	1.00008	51	59
3/5	0.0881%	0.000002415	\$10,371,037,721.49	1.00007	52	60
3/6	0.0881%	0.000002415	\$10,371,037,721.49	1.00007	52	60
3/7	0.0881%	0.000002415	\$10,371,037,721.49	1.00007	52	60
3/8	0.0855%	0.000002342	\$10,335,059,530.78	1.00007	50	58
3/9	0.0919%	0.000002518	\$10,247,227,422.67	1.00008	54	62
3/10	0.0948%	0.000002596	\$10,209,921,303.58	1.00007	54	62
3/11	0.0956%	0.000002619	\$10,171,709,868.15	1.00007	53	62
3/12	0.0952%	0.000002607	\$10,167,498,247.23	1.00007	53	61
3/13	0.0952%	0.000002607	\$10,167,498,247.23	1.00007	53	61
3/14	0.0952%	0.000002607	\$10,167,498,247.23	1.00007	53	61
3/15	0.0940%	0.000002576	\$10,128,176,798.36	1.00007	51	59
3/16	0.0919%	0.000002517	\$10,125,998,749.88	1.00007	50	58
3/17	0.0906%	0.000002482	\$10,135,362,188.67	1.00007	51	59
3/18	0.0916%	0.000002510	\$10,121,401,195.64	1.00007	50	58
3/19	0.0935%	0.000002562	\$10,084,447,346.09	1.00007	53	61
3/20	0.0935%	0.000002562	\$10,084,447,346.09	1.00007	53	61
3/21	0.0935%	0.000002562	\$10,084,447,346.09	1.00007	53	61
3/22	0.0915%	0.000002508	\$10,078,848,511.81	1.00007	51	59
3/23	0.0910%	0.000002493	\$10,049,178,977.96	1.00008	51	59
3/24	0.0910%	0.000002494	\$9,938,993,744.00	1.00008	51	59
3/25	0.0935%	0.000002563	\$9,776,705,631.78	1.00008	53	61
3/26	0.0930%	0.000002547	\$9,676,962,815.83	1.00008	54	62
3/27	0.0930%	0.000002547	\$9,676,962,815.83	1.00008	54	62
3/28	0.0930%	0.000002547	\$9,676,962,815.83	1.00008	54	62
3/29	0.0914%	0.000002503	\$9,640,995,984.43	1.00008	52	60
3/30	0.0881%	0.000002415	\$9,625,510,710.52	1.00009	52	60
3/31	0.0849%	0.000002325	\$9,633,215,680.86	1.00008	51	59
Average:	0.0916%	0.000002509	\$10,092,786,950.20	1.00007	52	60

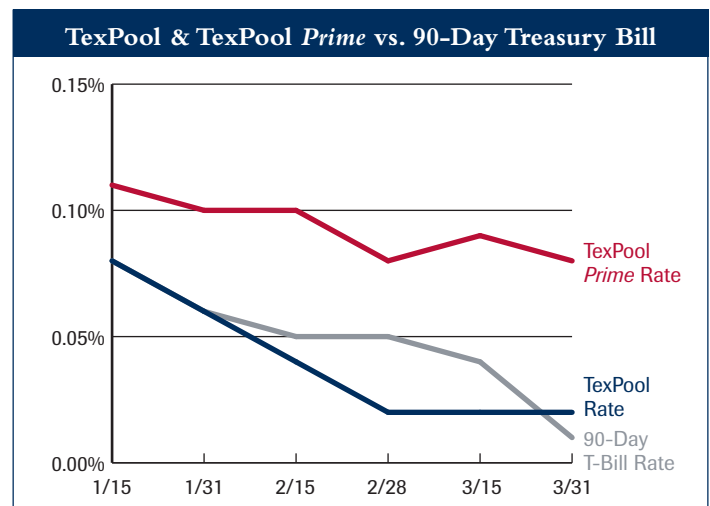


Participant Services
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to state and local governments. We still expect that the U.S. Treasury will have to issue enough bills when funding it to reduce pressures on short rates somewhat. But the wild card from a supply perspective is that the Fed let the temporary exemption of the Supplementary Leverage Ratio (SLR) expire. Part of the regulations that emerged from the global financial crisis, the SLR essentially forces the biggest U.S. banks to hold more reserves to better counter market disruptions. But the rule hurt liquidity during the depth of the pandemic crisis and the Fed suspended it, allowing banks to exclude Treasuries when calculating the ratio.

It will be intriguing how this development plays out. Banks are going to have to hold more capital if they keep their balance sheets the same (though most top banks already have excess capital, so it likely would be marginal). Will they sell securities? Will they reduce their bids in Treasury auctions? Both actions could increase supply in the market. Or will they downsize their total balance sheets and begin shedding excess deposits in the process? The former could increase supply and potentially lift rates slightly. The latter is less clear, but certainly could lead to the opposite if capital flows into the money markets. There are plenty of variables, and things will get interesting.

Treasury yields ended the quarter with 1-month at 0.01%, 3-month at 0.02%, 6-month at 0.04%, and 12-month at 0.07%. The London interbank offered rate (Libor) ended the quarter



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.

with 1-month at 0.11%, 3-month at 0.19%, 6-month at 0.21% and 12-month at 0.28%. The weighted average maturity (WAM) at month-end was 30 days for TexPool and 52 days for TexPool Prime.