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Fund Performance Update

December 31, 2022

Comments by Mellon, Investment Manager

Custodian Bank: State Street Bank

Investment Managers:

*American Beacon Advisors and
Mellon Investments Corp (Dreyfus)*

The Lone Star Investment Pool is endorsed by:



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U.S. Treasury yields in the five- to ten-year area of the curve rose the most in December as the yield curve became slightly less inverted during the month. Yields on securities maturing within one year experienced the most stable month of 2022. Equity prices continued to struggle as the S&P 500 index fell nearly 6% in December. For all of 2022, the S&P 500 index fell 19.44%. The Dow performed a bit better in 2022, but still lost 8.78%. After hiking by 75 basis points at the last four FOMC meetings, the Fed raised its target rate range by 50 bps to a range of 4.25-4.50% at the December 14 meeting. There was a bit of a surprise in the Summary of Economic Projections as the 2023 median “dot” increased to 5.1% and growth expectations were downgraded for 2023 and 2024. Also of note was the dispersion in peak policy rate projections for the cycle, which shifted upward. The range of estimates is now between 4.9-5.6%. Chair Jerome Powell stressed that the FOMC remained resolute in fighting inflation. The next FOMC meeting is scheduled for February 1. According to Fed fund futures, the market is somewhat mixed between expecting a 25 or 50 basis point rate hike.

Active Participants This Month

Schools and Colleges	574
Other Governmental Entities	79
<i>Total</i>	653



Government Overnight Fund

Return Information

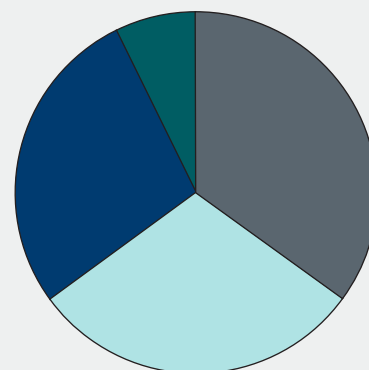
December 31, 2022

Average Monthly Return (a)	4.08%
SEC 7-day Fund Yield (b)	4.26%
Weighted Average Maturity One (c)	9 days
Weighted Average Maturity Two (c)	68 days
Portfolio Maturing beyond One Year	6%
Net Asset Value (NAV)	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAm

Inventory Position

	Book Value	Market Value
Cash/Repo	1,702,431,475.42	1,702,431,475.42
US Treasuries	425,189,624.82	425,134,438.00
Agencies	2,007,674,933.73	2,007,867,222.80
Money Market Funds	1,599,190,598.57	1,599,190,598.57
Total Assets	5,734,486,632.54	5,734,623,734.79

Investment Distribution



Agencies	35%
Cash/Repo	30%
Money Market	28%
Treasuries	7%

(a) The return information represents the average annualized rate of return on investments for the time period referenced. Return rates reflect a partial waiver of the Lone Star Investment Pool operating expense. Past performance is no guarantee of future results.

Corporate Overnight Fund

Return Information

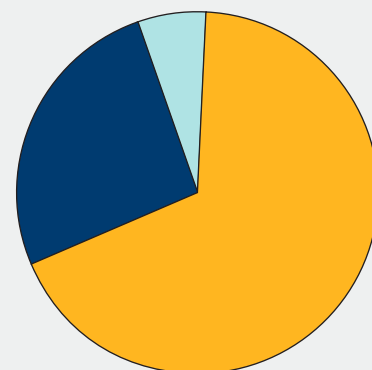
December 31, 2022

Average Monthly Return (a)	4.33%
SEC 7-day Fund Yield (b)	4.49%
Weighted Average Maturity One (c)	20 days
Weighted Average Maturity Two (c)	57 days
Portfolio Maturing beyond One Year	0%
Net Asset Value (NAV)	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAm

Inventory Position

	Book Value	Market Value
Cash/Repo	190,093,287.29	190,093,287.29
US Treasuries	-	-
Agencies	-	-
Commercial Paper	2,314,357,389.26	2,314,570,825.89
Money Market Funds	900,513,829.90	900,626,283.67
Total Assets	3,404,964,506.45	3,405,290,396.85

Investment Distribution



Commercial Paper	68%
Money Market	26%
Cash/Repo	6%

(b) **SEC 7-Day Yield Calculation**

$$\text{Yield} = 2 \left[\left[\frac{a-b}{cd} + 1 \right]^6 - 1 \right]$$

a - Dividend and interest income
b - Expenses accrued for the period
c - Average daily number of shares outstanding during the period that was entitled to dividends
d - Maximum offering price per share on the last day of the period

Corporate Overnight Plus Fund

Return Information

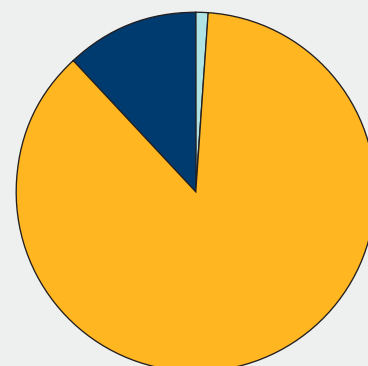
December 31, 2022

Average Monthly Return (a)	4.39%
SEC 7-day Fund Yield (b)	4.57%
Weighted Average Maturity One (c)	28 days
Weighted Average Maturity Two (c)	71 days
Portfolio Maturing beyond One Year	0%
Net Asset Value (NAV)	\$1.00
Annualized Expense Ratio	0.06%
Standard & Poor's Rating	AAAf/S1+

Inventory Position

	Book Value	Market Value
Cash/Repo	111,881,929.01	111,881,929.01
US Treasuries	-	-
Agencies	-	-
Commercial Paper	7,318,492,712.64	7,318,835,855.47
Money Market Funds	1,040,375,482.91	1,040,414,198.73
Total Assets	8,470,750,124.56	8,471,131,983.21

Investment Distribution



Commercial Paper	87%
Money Market	12%
Cash/Repo	1%

(c) The Weighted Average Maturity One calculation uses the industry standard definition of state maturity for floating rate instruments, the number of days until the next reset date. The Weighted Average Maturity Two calculation uses the final maturity of any floating rate instruments, as opined in Texas Attorney General Opinion No. JC0359.