



Monthly Newsletter: November 2022

ANNOUNCEMENTS

We welcome the following entities who joined TexPool in October 2022:

TexPool

Montgomery County MUD 100
 The Colony MUD 1C
 Live Oak Creek MUD 1
 SH130 Municipal Management District
 Van Economic Development Corporation
 Braination Inc dba Inspire Academies
 The Colony MUD 1F

TexPool Prime

Spring Branch ISD

Upcoming Events

Nov. 2
**GFOAT Fall Conference,
 San Antonio, TX**

TexPool Advisory Board Members

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

Overseen by the State of Texas Comptroller of Public Accounts Glenn Hegar

Operated under the supervision of the Texas Treasury Safekeeping Trust Company

TexPool Participant Services is Now Paperless!

As of January 3, 2022, participants are no longer required to send original documentation for requests that have been submitted via email or fax. For questions, contact 1-866-839-7665.

Economic and Market Commentary: The good old days

November 1, 2022

Thinking about the past in the financial markets should be done selectively. One investment strategy's strong year is another's miserable one.

Cash managers have good reason to look back, however. The Federal Reserve tightening cycle has pushed money market yields to levels not seen since 2006-7. Of course, trouble was brewing in the housing market then, and an unhealthy haze of cigarette smoke permeated trading floors. But the fed funds effective rate topped 4%. The landscape has changed, but with industry yields of liquidity products steadily increasing, it feels like the good old days have returned.

The rising yields are alluring, especially as those of many deposit products continue to underwhelm. But the appeal of cash alternatives today arguably is greater than in the mid-aughts. Then, it competed with robust performance of stocks and bonds. Today, liquidity products also offer a good hiding place for those wanting to take a breather from battered equity and fixed-income markets.

The U.K.'s Conservative Party certainly had no hiding space in September and October. Apparently unconcerned about of the Bank of England's own policy tightening, new

(continued page 6)

Performance as of October 31, 2022

	TexPool	TexPool Prime
Current Invested Balance	\$25,046,808,354	\$9,500,540,972
Weighted Average Maturity**	21 Days	12 Days
Weighted Average Life**	100 Days	61 Days
Net Asset Value	0.99936	0.99944
Total Number of Participants	2,740	467
Management Fee on Invested Balance	0.0450%	0.0550%
Interest Distributed	\$61,116,967.48	\$25,219,277.15
Management Fee Collected	\$764,503.94	\$368,183.35
Standard & Poor's Current Rating	AAAm	AAAm

Month Averages

Average Invested Balance	\$24,557,481,850	\$9,254,183,705
Average Monthly Rate*	2.93%	3.21%
Average Weighted Average Maturity**	23	13
Average Weighted Average Life**	96	67

*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.

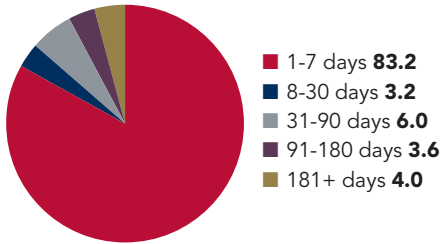
**See page 2 for definitions.

Past performance is no guarantee of future results.



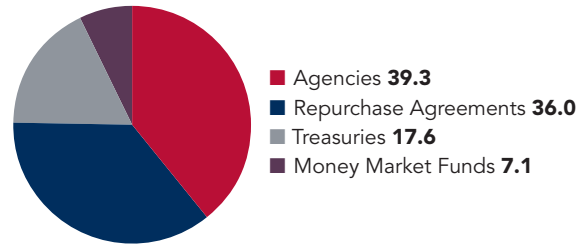
Portfolio by Maturity (%)

As of October 31, 2022



Portfolio by Type of Investment (%)

As of October 31, 2022



Portfolio Asset Summary as of October 31, 2022

	Book Value	Market Value
Uninvested Balance	\$1,512.54	\$1,512.54
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	40,895,217.62	40,895,217.62
Interest and Management Fees Payable	-61,116,974.45	-61,116,974.45
Payable for Investments Purchased	-215,000,000.00	-215,000,000.00
Accrued Expenses & Taxes	-24,942.37	-24,942.37
Repurchase Agreements	9,103,879,000.00	9,103,879,000.00
Mutual Fund Investments	1,794,074,000.00	1,794,085,200.00
Government Securities	9,922,513,519.87	9,911,889,145.12
US Treasury Bills	2,471,908,822.57	2,467,565,583.46
US Treasury Notes	1,989,678,197.76	1,988,584,571.74
Total	\$25,046,808,353.54	\$25,030,758,313.66

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	601	\$6,774,838,486.46
Higher Education	60	\$1,313,364,521.46
County	196	\$2,973,890,497.61
Healthcare	91	\$1,561,037,298.47
Utility District	904	\$3,890,853,570.76
City	484	\$7,192,367,477.03
Emergency Districts	99	\$312,224,009.64
Economic Development Districts	85	\$168,276,778.88
Other	220	\$859,941,476.75

**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

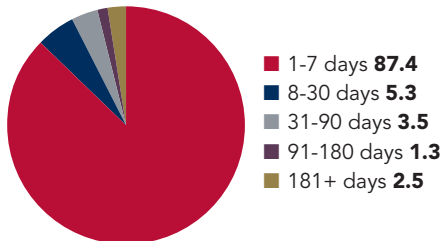
Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Invested Balance	NAV	WAM Days	WAL Days
10/1	2.8465%	0.000077987	\$24,157,195,382.33	0.99941	25	94
10/2	2.8465%	0.000077987	\$24,157,195,382.33	0.99941	25	94
10/3	2.8255%	0.000077412	\$24,471,256,506.36	0.99942	23	91
10/4	2.8820%	0.000078960	\$24,570,296,291.55	0.99942	22	93
10/5	2.8789%	0.000078874	\$24,585,458,043.29	0.99942	22	93
10/6	2.8848%	0.000079036	\$24,540,627,333.70	0.99941	22	93
10/7	2.8876%	0.000079111	\$24,377,620,668.03	0.99939	24	95
10/8	2.8876%	0.000079111	\$24,377,620,668.03	0.99939	24	95
10/9	2.8876%	0.000079111	\$24,377,620,668.03	0.99939	24	95
10/10	2.8876%	0.000079111	\$24,377,620,668.03	0.99939	24	95
10/11	2.8825%	0.000078972	\$24,447,060,696.41	0.99942	23	93
10/12	2.9105%	0.000079741	\$24,450,361,695.10	0.99942	23	93
10/13	2.9157%	0.000079883	\$24,425,646,637.80	0.99935	23	93
10/14	2.9236%	0.000080099	\$24,485,223,678.69	0.99935	24	95
10/15	2.9236%	0.000080099	\$24,485,223,678.69	0.99935	24	95
10/16	2.9236%	0.000080099	\$24,485,223,678.69	0.99935	24	95
10/17	2.9263%	0.000080173	\$24,600,328,233.83	0.99934	22	93
10/18	2.9479%	0.000080765	\$24,491,745,657.86	0.99934	23	92
10/19	2.9671%	0.000081291	\$24,535,614,918.97	0.99930	24	95
10/20	2.9636%	0.000081194	\$24,495,414,704.66	0.99930	23	96
10/21	2.9638%	0.000081201	\$24,428,656,500.34	0.99935	25	100
10/22	2.9638%	0.000081201	\$24,428,656,500.34	0.99935	25	100
10/23	2.9638%	0.000081201	\$24,428,656,500.34	0.99935	25	100
10/24	2.9729%	0.000081448	\$24,305,646,949.35	0.99932	23	99
10/25	2.9976%	0.000082127	\$25,031,723,134.02	0.99937	23	99
10/26	3.0043%	0.000082309	\$24,997,064,425.92	0.99939	23	102
10/27	3.0069%	0.000082381	\$24,878,623,123.53	0.99939	22	102
10/28	3.0097%	0.000082458	\$24,947,248,894.82	0.99939	23	103
10/29	3.0097%	0.000082458	\$24,947,248,894.82	0.99939	23	103
10/30	3.0097%	0.000082458	\$24,947,248,894.82	0.99939	23	103
10/31	3.0392%	0.000083266	\$25,046,808,353.54	0.99936	21	100
Average:	2.9336%	0.000080372	\$24,557,481,850.46	0.99937	23	96



TEXPOOL Prime

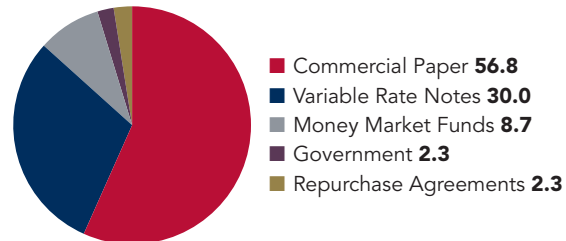
Portfolio by Maturity (%)

As of October 31, 2022



Portfolio by Type of Investment (%)

As of October 31, 2022



Portfolio Asset Summary as of October 31, 2022

	Book Value	Market Value
Uninvested Balance	-\$5,060.53	-\$5,060.53
Receivable for Investments Sold	0.00	0.00
Accrual of Interest Income	10,576,400.62	10,576,400.62
Interest and Management Fees Payable	-25,219,270.87	-25,219,270.87
Payable for Investments Purchased	-68,942,377.78	-68,942,377.78
Accrued Expenses & Taxes	-12,050.89	-12,050.89
Repurchase Agreements	219,200,000.00	219,200,000.00
Commercial Paper	5,396,294,492.41	5,394,126,977.93
Mutual Fund Investments	830,153,483.22	829,445,089.21
Government Securities	199,242,833.40	199,158,371.00
Variable Rate Notes	2,939,252,522.42	2,936,833,877.33
Total	\$9,500,540,972.00	\$9,495,161,956.02

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	133	\$2,506,026,874.14
Higher Education	19	\$681,360,378.03
County	50	\$798,757,012.16
Healthcare	19	\$389,170,665.28
Utility District	50	\$477,181,807.11
City	90	\$2,125,381,493.72
Emergency Districts	21	\$51,526,767.10
Economic Development Districts	17	\$30,029,684.59
Other	68	\$2,440,980,532.81



TEXPOOL Prime

Daily Summary

Date	Money Mkt. Fund Equiv. (SEC Std.)	Dividend Factor	TexPool Prime Invested Balance	NAV	WAM Days	WAL Days
10/1	3.1307%	0.000085772	\$9,448,375,410.80	0.99982	14	71
10/2	3.1307%	0.000085772	\$9,448,375,410.80	0.99982	14	71
10/3	3.1872%	0.000087321	\$9,198,881,279.19	0.99982	13	71
10/4	3.1477%	0.000086237	\$9,183,987,195.60	0.99980	13	71
10/5	3.1611%	0.000086605	\$9,184,961,679.92	0.99980	13	70
10/6	3.1709%	0.000086873	\$9,220,366,192.17	0.99973	12	70
10/7	3.1735%	0.000086946	\$9,119,513,218.36	0.99957	14	71
10/8	3.1735%	0.000086946	\$9,119,513,218.36	0.99957	14	71
10/9	3.1735%	0.000086946	\$9,119,513,218.36	0.99957	14	71
10/10	3.1735%	0.000086946	\$9,119,513,218.36	0.99957	14	71
10/11	3.1756%	0.000087003	\$9,114,836,249.93	0.99966	11	68
10/12	3.1923%	0.000087461	\$9,169,443,918.10	0.99962	13	68
10/13	3.2050%	0.000087808	\$9,128,756,147.51	0.99959	13	69
10/14	3.1990%	0.000087644	\$9,077,187,094.96	0.99948	14	69
10/15	3.1990%	0.000087644	\$9,077,187,094.96	0.99948	14	69
10/16	3.1990%	0.000087644	\$9,077,187,094.96	0.99948	14	69
10/17	3.2146%	0.000088071	\$9,209,455,176.77	0.99957	12	65
10/18	3.2259%	0.000088380	\$9,259,756,747.55	0.99955	12	65
10/19	3.2242%	0.000088334	\$9,265,445,683.10	0.99948	12	64
10/20	3.2390%	0.000088741	\$9,231,544,921.45	0.99942	12	64
10/21	3.2342%	0.000088607	\$9,189,154,896.67	0.99934	14	65
10/22	3.2342%	0.000088607	\$9,189,154,896.67	0.99934	14	65
10/23	3.2342%	0.000088607	\$9,189,154,896.67	0.99934	14	65
10/24	3.2288%	0.000088459	\$9,237,514,665.25	0.99943	11	62
10/25	3.2246%	0.000088345	\$9,287,829,032.90	0.99944	11	62
10/26	3.2416%	0.000088811	\$9,424,046,997.08	0.99943	12	61
10/27	3.2581%	0.000089263	\$9,590,050,131.07	0.99945	12	62
10/28	3.2872%	0.000090061	\$9,499,482,728.32	0.99936	14	64
10/29	3.2872%	0.000090061	\$9,499,482,728.32	0.99936	14	64
10/30	3.2872%	0.000090061	\$9,499,482,728.32	0.99936	14	64
10/31	3.3072%	0.000090608	\$9,500,540,972.00	0.99944	12	61
Average:	3.2103%	0.000087954	\$9,254,183,704.66	0.99954	13	67

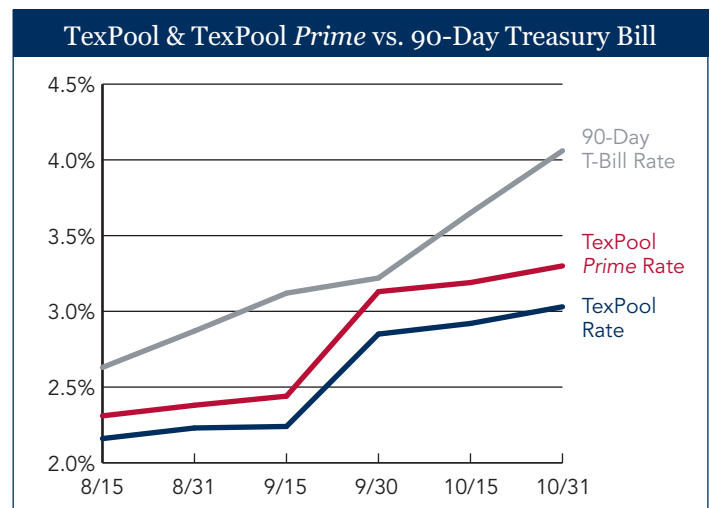


Participant Services
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Prime Minister Liz Truss pushed through a fiscal plan rife with unfunded tax cuts. James Carville’s famous quip about how the bond market can intimidate anyone rang true again, as it bullied Truss right out of office. We believe the volatility is in the rearview mirror. But the U.K. markets are on edge and likely will react the same way if the Rishi Sunak administration isn’t careful. Conservative has a different meaning for cash management at Federated Hermes. It describes our disciplined approach to managing portfolios with an abundance of liquidity, diligent credit analysis and broad diversification. The chaos in Britain is a reminder that cautious is best.

The U.S. economy continues to fight the Fed. The personal consumption expenditures index increased at the same pace in September as August, and the preliminary reading of third-quarter gross domestic product growth returned to positive territory at 2.6% year-over-year after two quarters in the red. This indicates we probably were not in a recession in the first half of the year, but gives little comfort about avoiding one in the future. Tough inflation presents no reason to think the Fed is leaving the ring.

At the end of October, yields on 1-, 3-, 6- and 12-month U.S. Treasuries were 3.63%, 4.03%, 4.40% and 4.69%, respectively; the 1-, 3-, 6- and 12-month Bloomberg Short-Term Bank Yield Index rates (BSBY) were 3.66%, 4.31%, 4.99% and 5.40%, respectively; and the 1-, 3-, 6- and 12-month London interbank offered rates were 3.84%, 4.46%, 4.92% and 5.45%, 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.