



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD  
77 K Street, NE Washington, DC 20002

December 6, 2013

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: TRACEY RAY  
CHIEF INVESTMENT OFFICER

SUBJECT: November 2013 Performance Review - G, F, C, S, I, and L Funds

**INTRODUCTION**

This report reviews key aspects of the investment performance of the G, F, C, S, I, and L Funds through November 2013, investment manager performance and tracking error, trading costs, TSP fund performance, and L Fund participation.

**TRACKING ERROR - BlackRock Funds (BTC)**

***November Tracking Error***

<b><u>Fund</u></b>	<b><u>% BTC Fund Performance</u></b>	<b><u>% Index Performance</u></b>	<b><u>Tracking Error</u></b>
Fixed Income	-0.35	-0.37	0.02
Large Cap	3.05	3.05	0.00
Small Mid Cap	2.49	2.40	0.09
International	0.75	0.77	-0.02

***2013 Tracking Error***

<b><u>Fund</u></b>	<b><u>% BTC Fund Performance</u></b>	<b><u>% Index Performance</u></b>	<b><u>Tracking Error</u></b>
Fixed Income	-1.13	-1.47	0.34
Large Cap	29.20	29.12	0.08
Small Mid Cap	34.33	34.01	0.32
International	20.29	20.97	-0.68

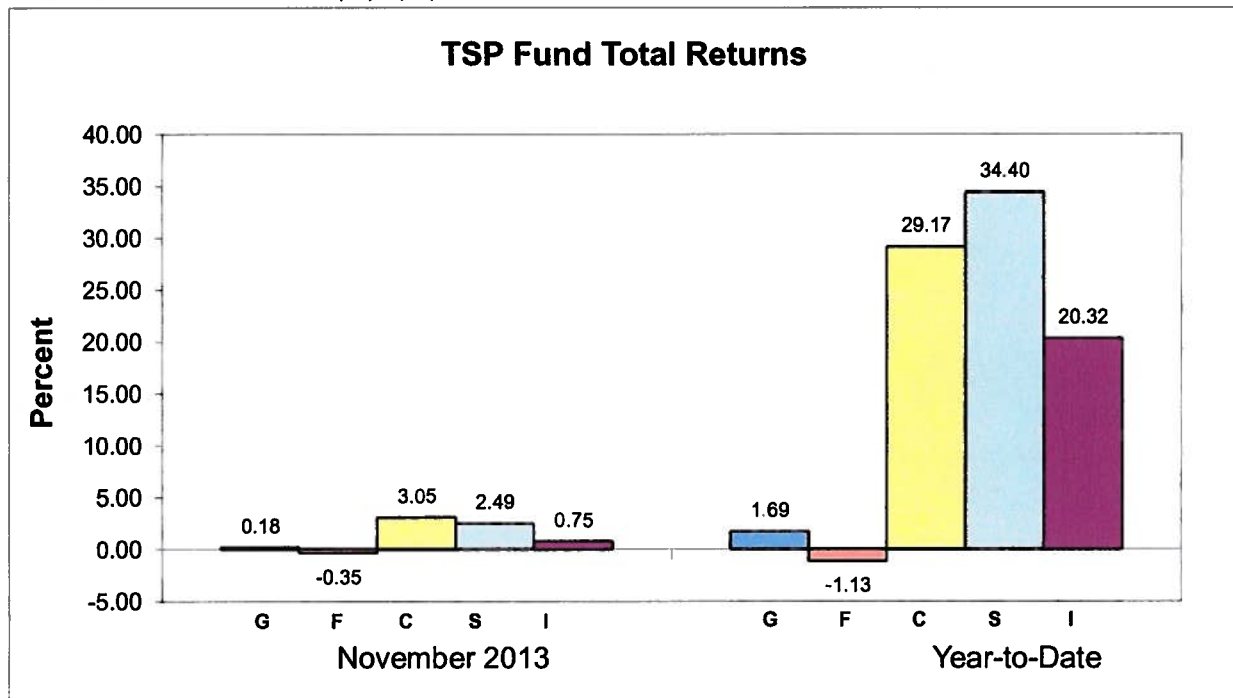
The Fixed Income Index Fund has outperformed by 34 basis points year to date, primarily due to a change in the pricing source for mortgage-backed securities that was implemented by BlackRock in January and securities lending income. The BlackRock Extended Equity Market Fund has outperformed by 32 basis points this year, primarily due to the optimization process and securities lending income. The BlackRock EAFE Equity Index Fund E has underperformed by 68 basis points year to date, primarily as a result of the tax effect and fair valuation on December 28, 2012.

**Trading Costs**

		<u>Trading Costs</u>	
	<u>Dollar Amount Traded</u>	<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
November 2013	283,252,686	(88)	0.0
Year-to-Date	8,911,066,792	1,490,799	1.7
<u>C Fund</u>			
November 2013	1,690,360,227	407,346	2.4
Year-to-Date	18,489,338,961	1,388,843	0.8
<u>S Fund</u>			
November 2013	1,116,861,097	604,351	5.4
Year-to-Date	17,367,350,896	(285,187)	-0.2
<u>I Fund</u>			
November 2013	894,869,025	1,198,112	13.4
Year-to-Date	10,805,817,456	(959,398)	-0.9

### Performance of TSP Funds

The chart below shows the G, F, C, S, and I Fund net rates of return for November 2013 and 2013.



The table below compares the net rates of return for the F, C, S, and I Funds to the returns of the corresponding BlackRock funds.

#### **November 2013**

##### **Total Return %**

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	-0.35	-0.35	0.00	-0.37
Large Cap	3.05	3.05	0.00	3.05
Small Cap	2.49	2.49	0.00	2.40
International	0.75	0.75	0.00	0.77

#### **2013**

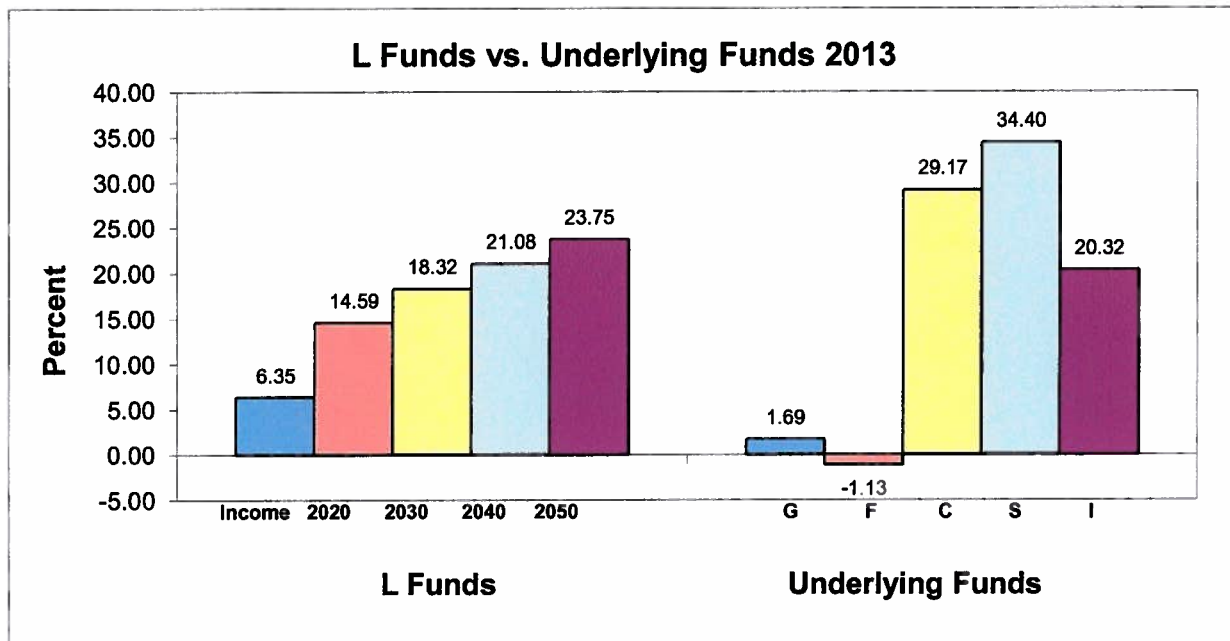
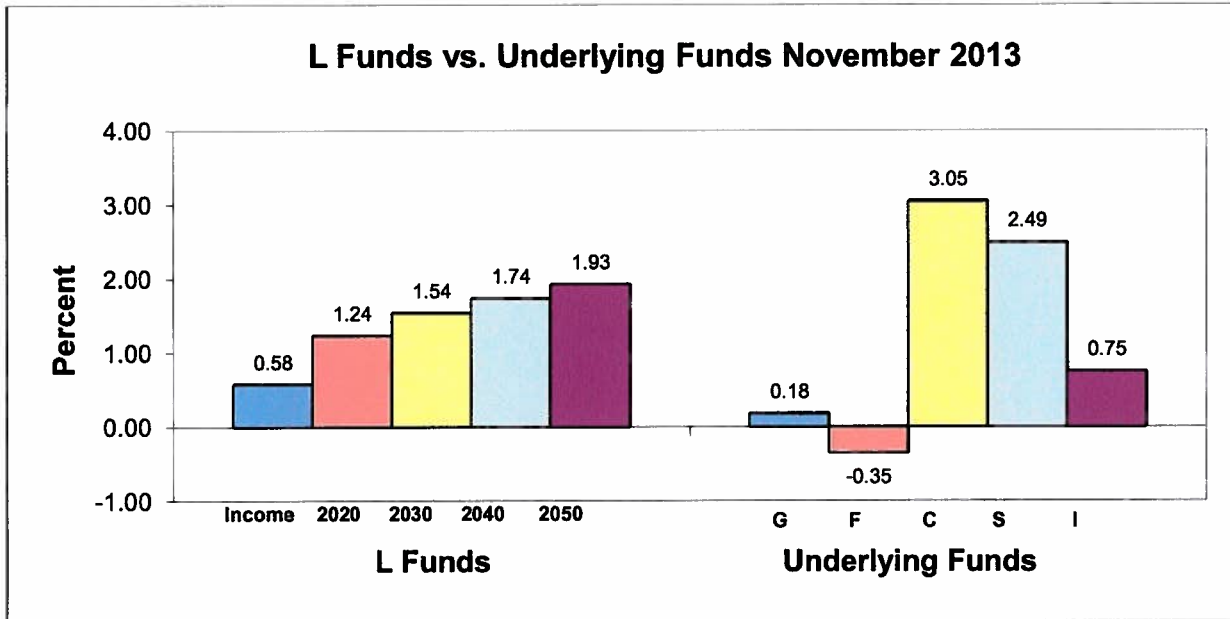
##### **Total Return %**

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	-1.13	-1.13	0.00	-1.47
Large Cap	29.17	29.20	-0.03	29.12
Small Cap	34.40	34.33	0.07	34.01
International	20.32	20.29	0.03	20.97

The TSP Funds closely tracked the BTC Funds for the month and year-to-date.

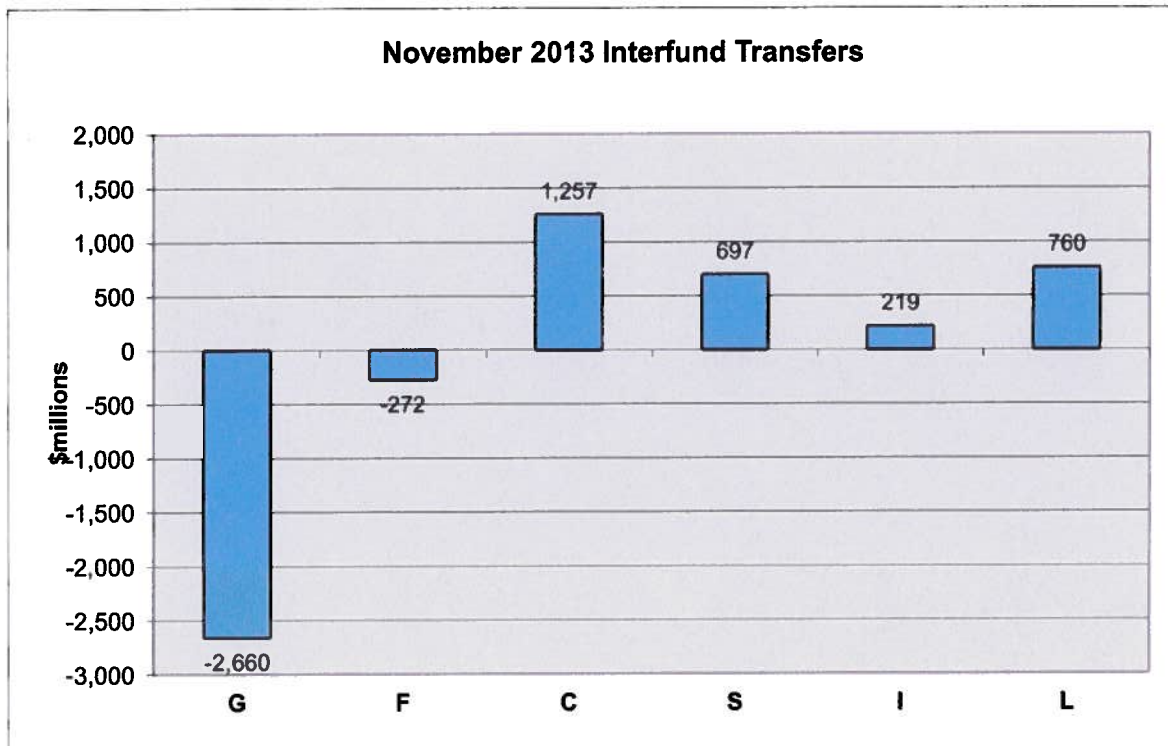
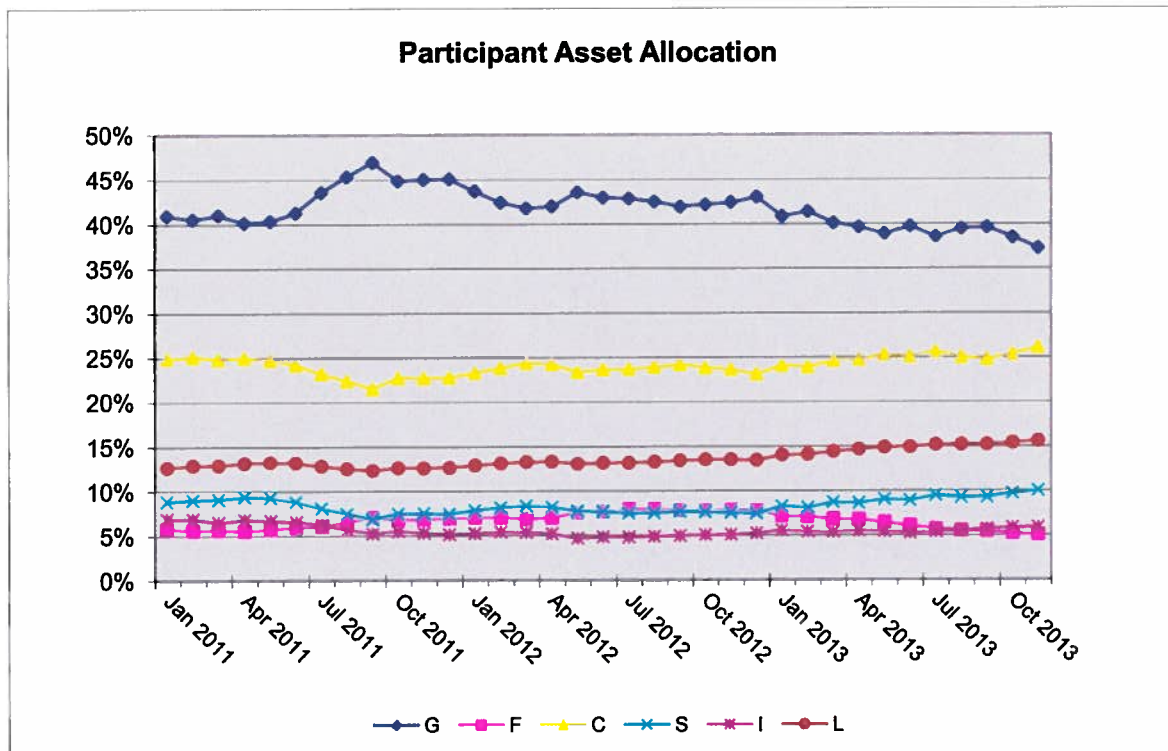
## L Funds

The net rates of return for the L Funds are shown below along with comparable returns for the G, F, C, S, and I Funds.



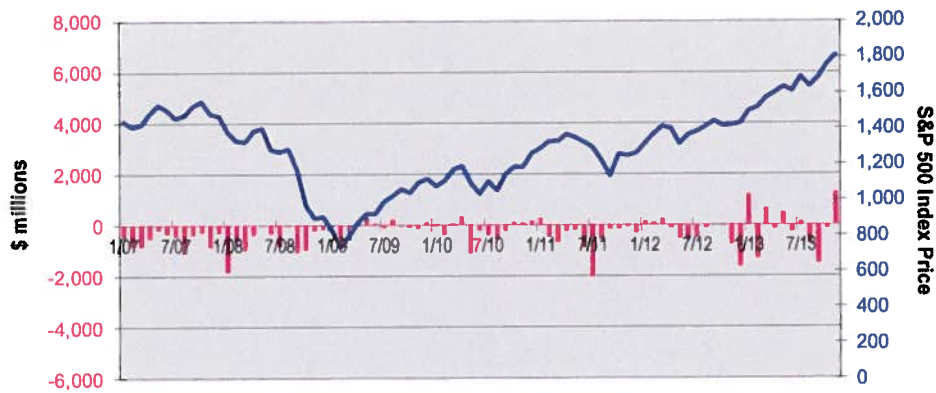
# THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY November 2013

Attachment 1

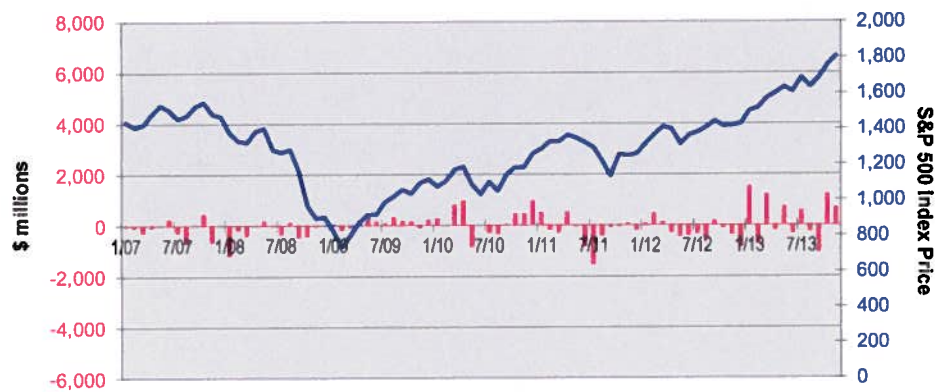


# **THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY** **November 2013**

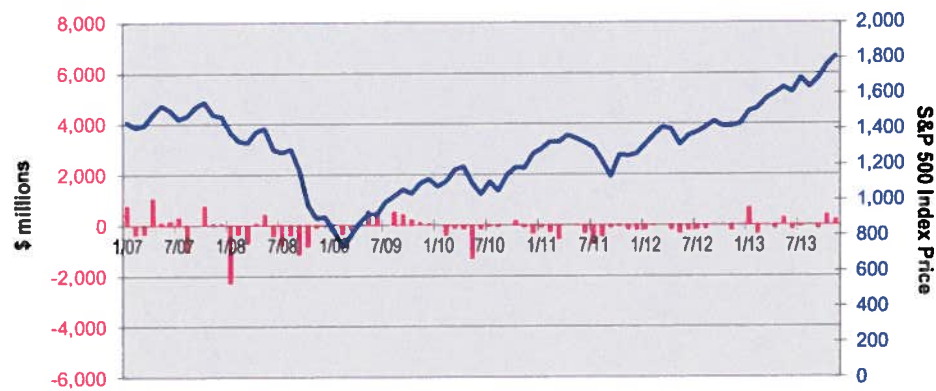
**Monthly Interfund Transfers  
C Fund**



**Monthly Interfund Transfers  
S Fund**

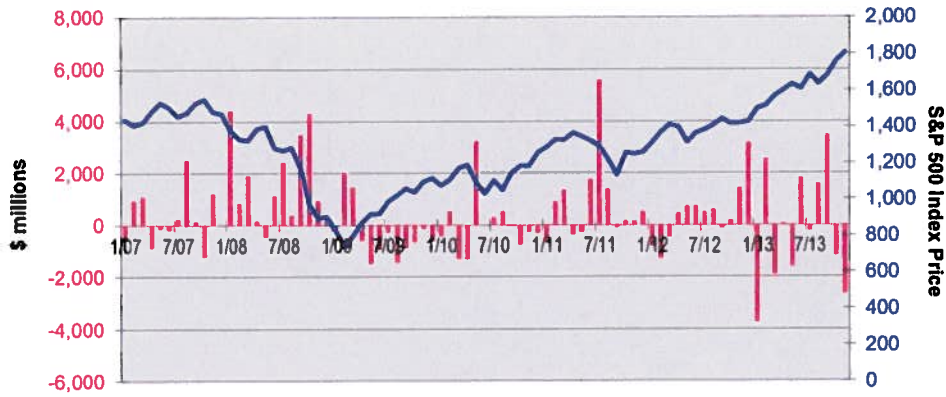


**Monthly Interfund Transfers  
I Fund**

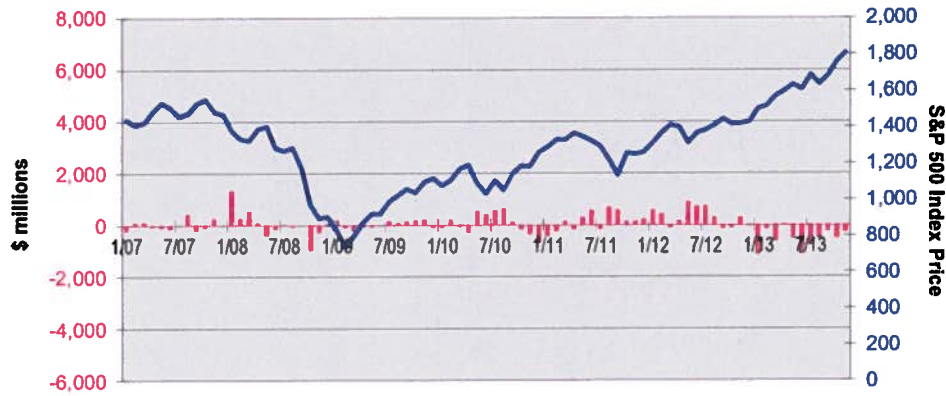


# **THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY** **November 2013**

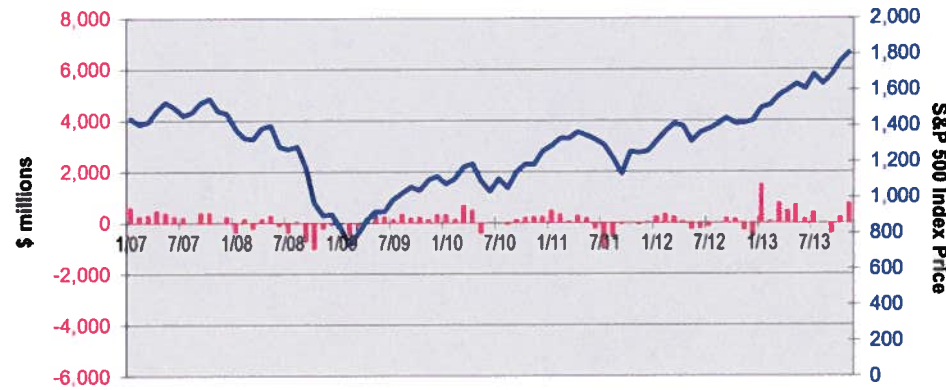
**Monthly Interfund Transfers  
G Fund**



**Monthly Interfund Transfers  
F Fund**



**Monthly Interfund Transfers  
L Funds**





## THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY November 2013

