



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

February 7, 2014

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: TRACEY RAY
CHIEF INVESTMENT OFFICER

A handwritten signature in black ink, appearing to be "TR" or "Tracey Ray", written over a light blue horizontal line.

SUBJECT: January 2014 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 January 2014, investment manager performance and tracking error, trading costs, TSP fund performance, and L Fund participation.

TRACKING ERROR - BlackRock Funds (BTC)

January Tracking Error

<u>Fund</u>	<u>% BTC Fund Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
Fixed Income	1.58	1.48	0.10
Large Cap	-3.45	-3.46	0.01
Small Mid Cap	-1.91	-1.81	-0.10
International	-4.03	-4.03	0.00

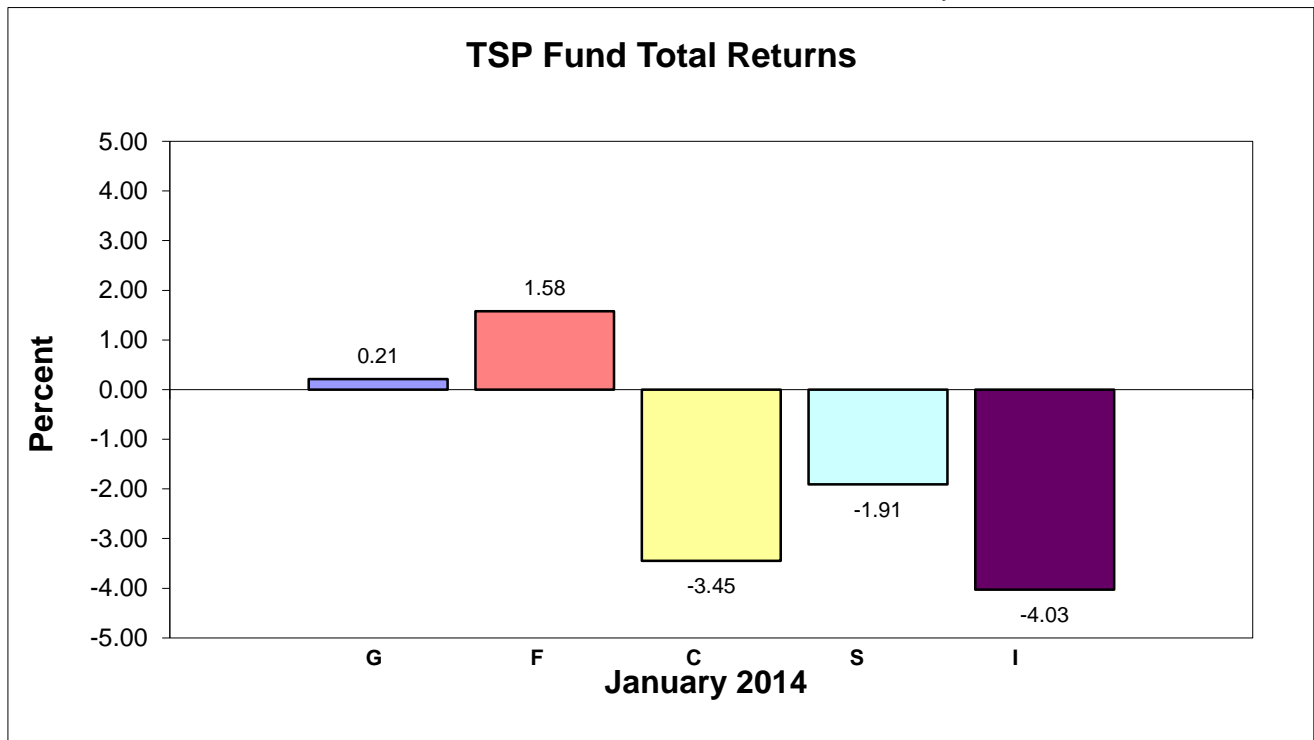
The Fixed Income Fund outperformed the index by 10 basis points this month, primarily due to pricing differences and securities lending. The Black Rock Extended Market Index Fund underperformed by 10 basis points primarily due to the optimization process.

Trading Costs

		<u>Trading Costs</u>	
		<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
January 2014	461,806,174	(101,135)	-2.2
<u>C Fund</u>			
January 2014	1,418,285,705	6,593	0.0
<u>S Fund</u>			
January 2014	1,383,905,880	(919,565)	-6.6
<u>I Fund</u>			
January 2014	735,834,574	(268,002)	-3.6

Performance of TSP Funds

The chart below shows the G, F, C, S, and I Fund net rates of return for January 2014.



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.

January 2014

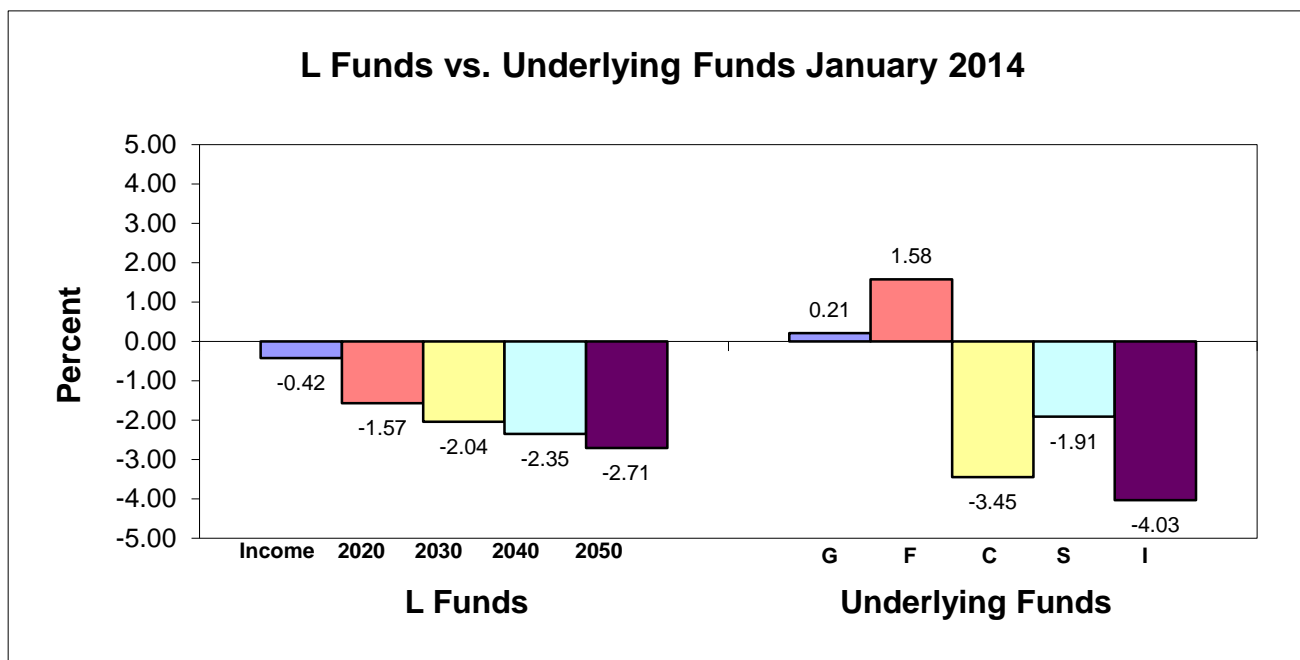
Total Return %

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	1.58	1.58	0.00	1.48
Large Cap	-3.45	-3.45	0.00	-3.46
Small Cap	-1.91	-1.91	0.00	-1.81
International	-4.03	-4.03	0.00	-4.03

The TSP Funds closely tracked the BTC Funds for the month.

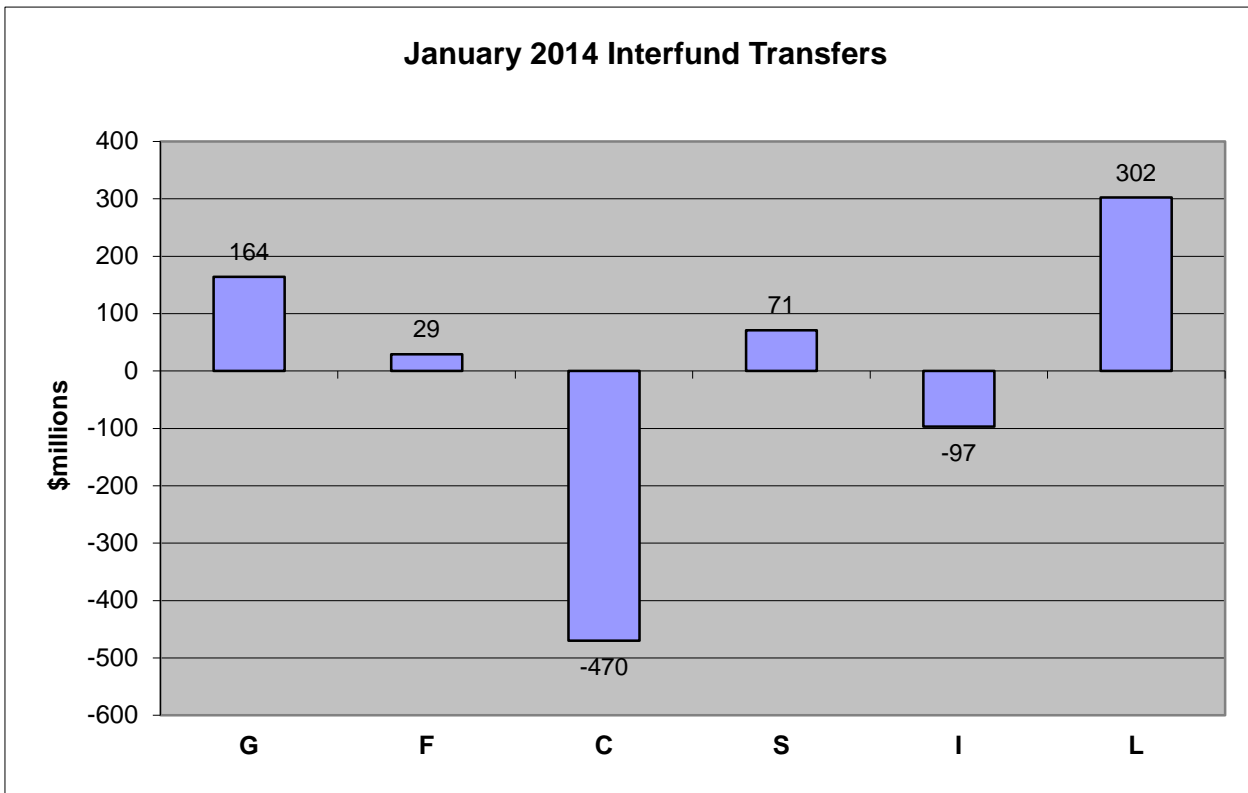
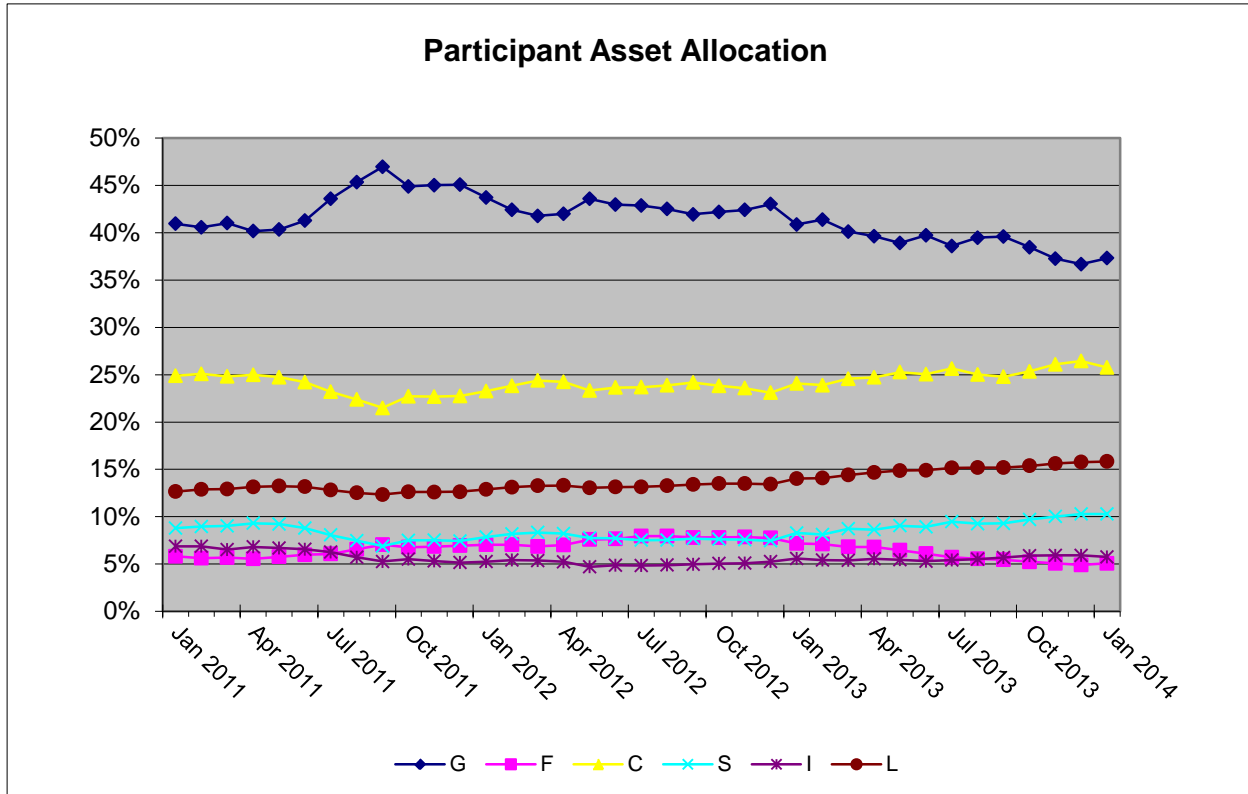
L Funds

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
January 2014

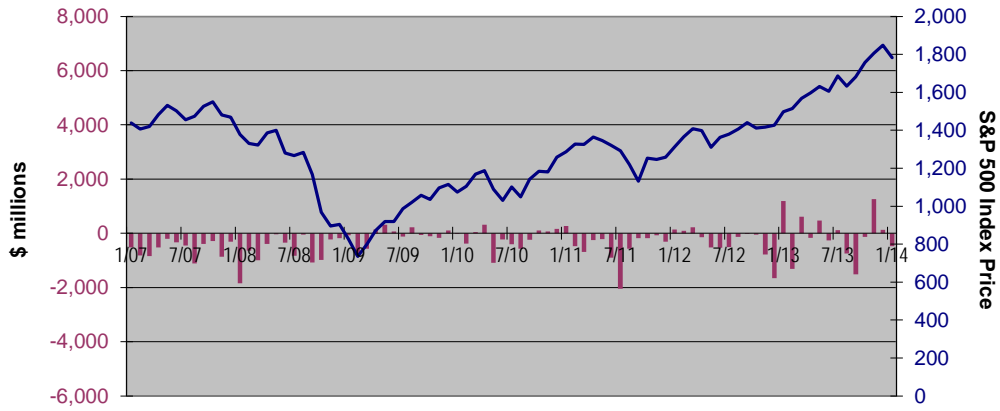
Attachment 1



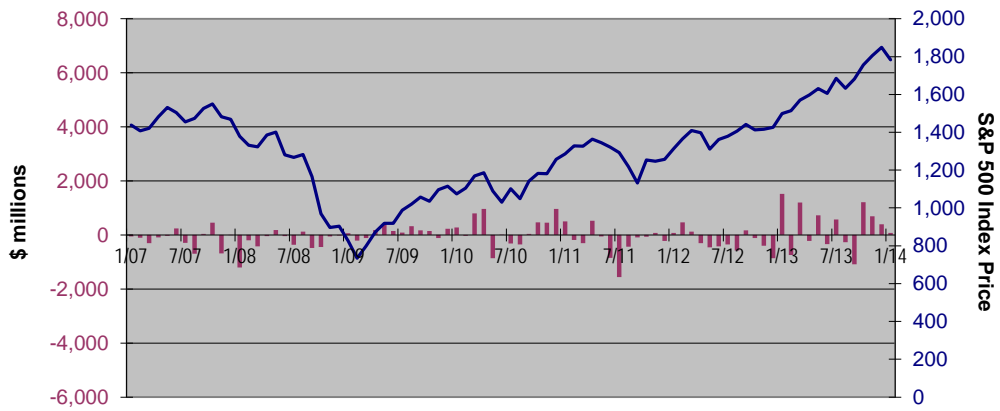
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January 2014

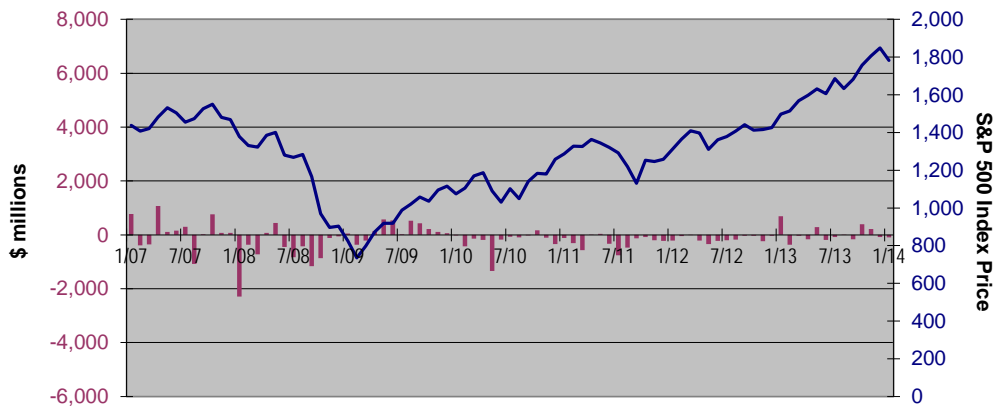
Monthly Interfund Transfers
C Fund



Monthly Interfund Transfers
S Fund



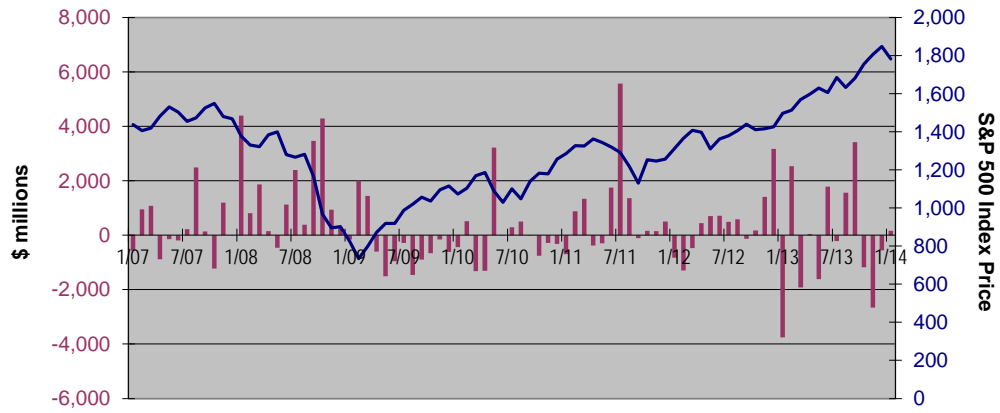
Monthly Interfund Transfers
I Fund



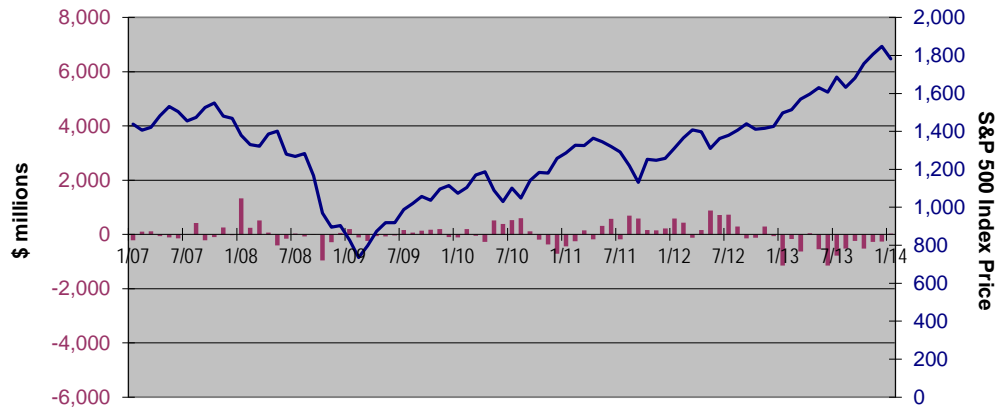
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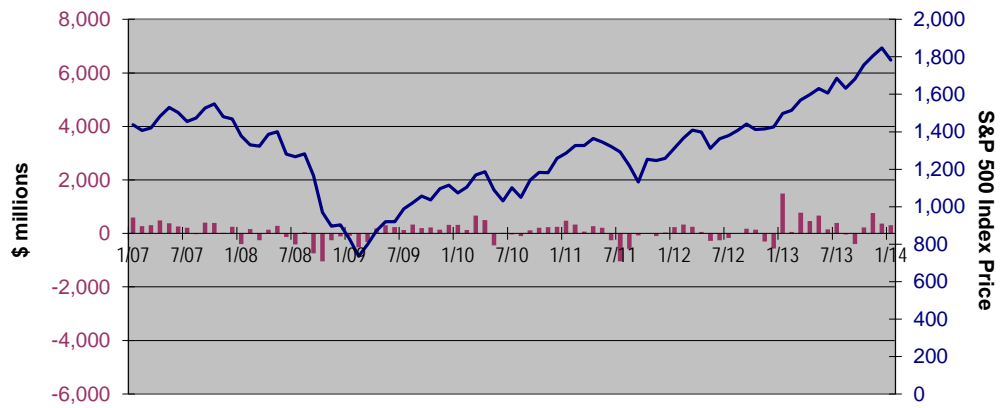
Monthly Interfund Transfers
G Fund



Monthly Interfund Transfers
F Fund



Monthly Interfund Transfers
L Funds



THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

January 2014

