



FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

77 K Street, NE Washington, DC 20002

May 2, 2014

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: TRACEY RAY
CHIEF INVESTMENT OFFICER

A handwritten signature in black ink, appearing to read "TRAY", located to the right of the "FROM:" line.

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

TRACKING ERROR - BlackRock Funds (BTC)

April Tracking Error

<u>Fund</u>	<u>% BTC Fund Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
Fixed Income	0.90	0.84	0.06
Large Cap	0.75	0.74	0.01
Small Mid Cap	-2.47	-2.57	0.10
International	1.52	1.45	0.07

2014 Tracking Error

<u>Fund</u>	<u>% BTC Fund Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
Fixed Income	2.98	2.70	0.28
Large Cap	2.60	2.56	0.04
Small Mid Cap	0.15	0.18	-0.03
International	2.29	2.12	0.17

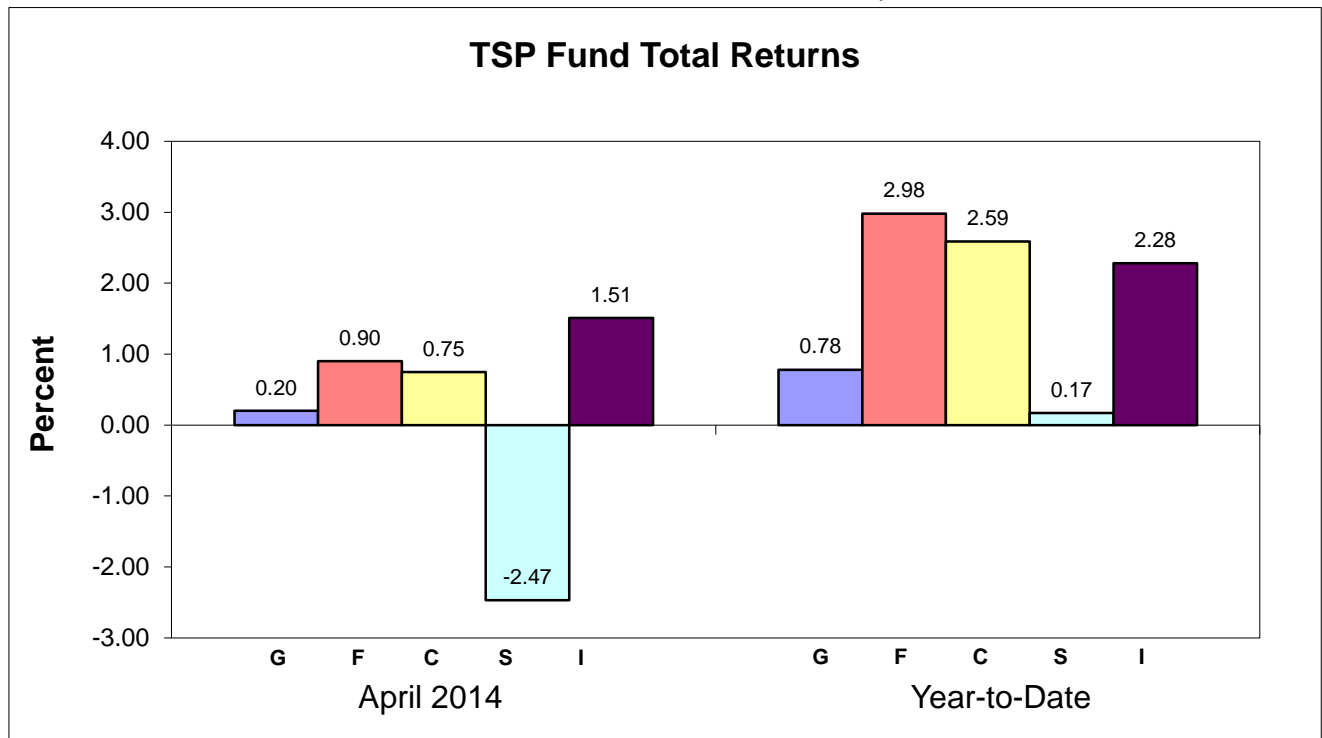
The Black Rock Extended Market Index Fund outperformed by 10 basis points for the month, primarily as a result of the optimization process. The Fixed Income Fund outperformed the index by 28 basis points for the year to date, primarily due to securities lending and pricing differences. The International Fund outperformed the index by 17 basis points for the year due to the tax effect.

Trading Costs

	<u>Dollar Amount Traded</u>	<u>Trading Costs</u>	
		<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
April 2014	535,197,155	47,648	0.9
Year-to-Date	4,117,240,497	(83,247)	-0.2
<u>C Fund</u>			
April 2014	1,340,058,713	(188,759)	-1.4
Year-to-Date	4,892,561,031	(468,758)	-1.0
<u>S Fund</u>			
April 2014	1,398,608,839	838,549	6.0
Year-to-Date	5,935,349,369	63,634	0.1
<u>I Fund</u>			
April 2014	700,455,106	314,388	4.5
Year-to-Date	3,247,168,596	79,858	0.2

Performance of TSP Funds

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

April 2014

Total Return %

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	0.90	0.90	0.00	0.84
Large Cap	0.75	0.75	0.00	0.74
Small Cap	-2.47	-2.47	0.00	-2.57
International	1.51	1.52	-0.01	1.45

2014

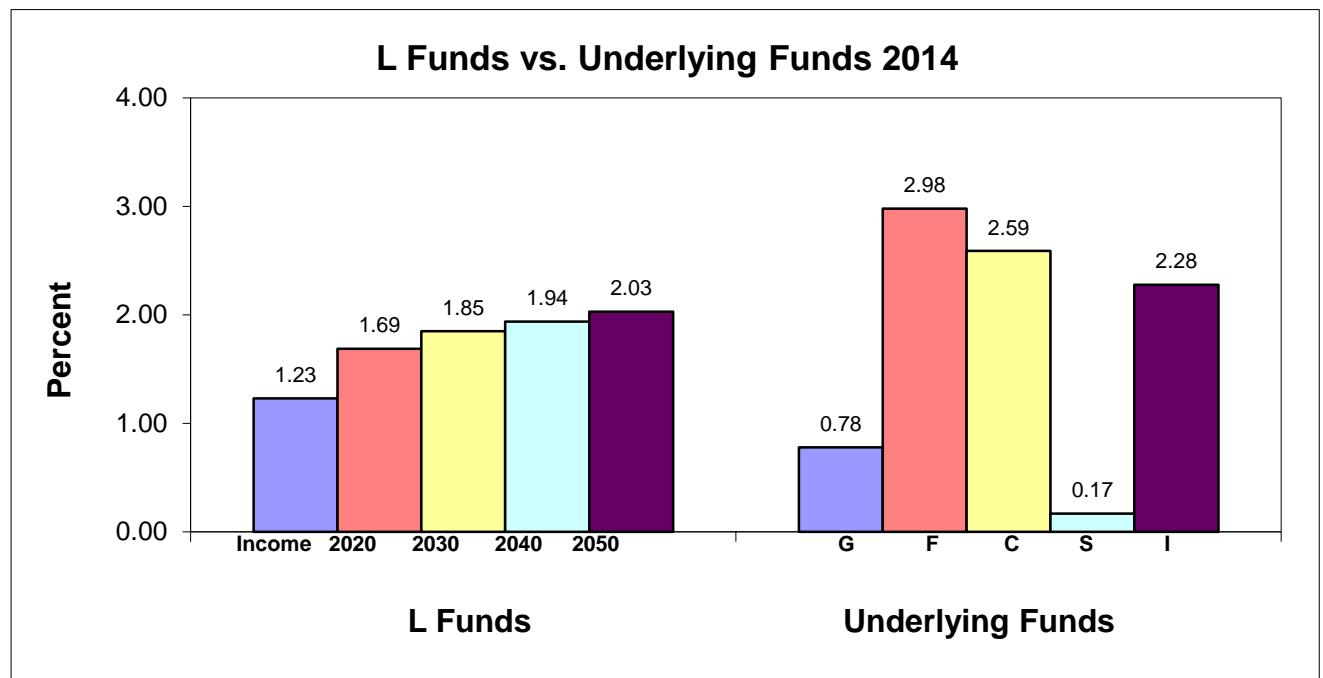
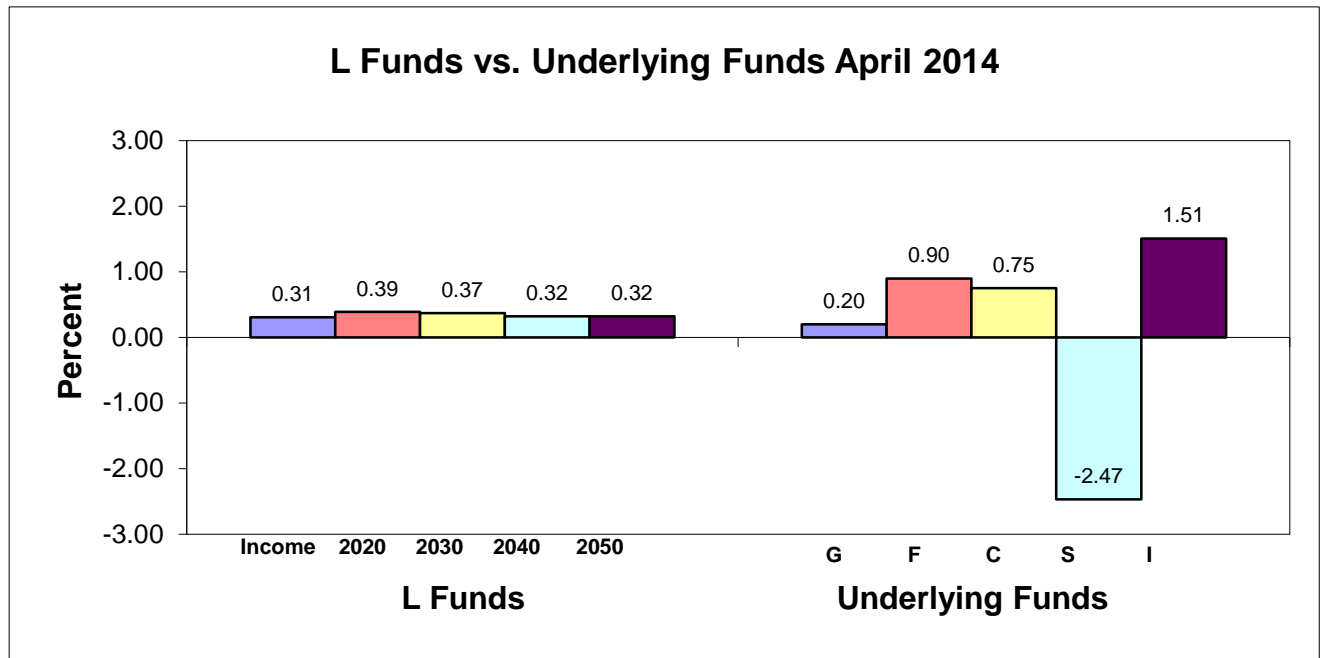
Total Return %

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	2.98	2.98	0.00	2.70
Large Cap	2.59	2.60	-0.01	2.56
Small Cap	0.17	0.15	0.02	0.18
International	2.28	2.29	-0.01	2.12

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

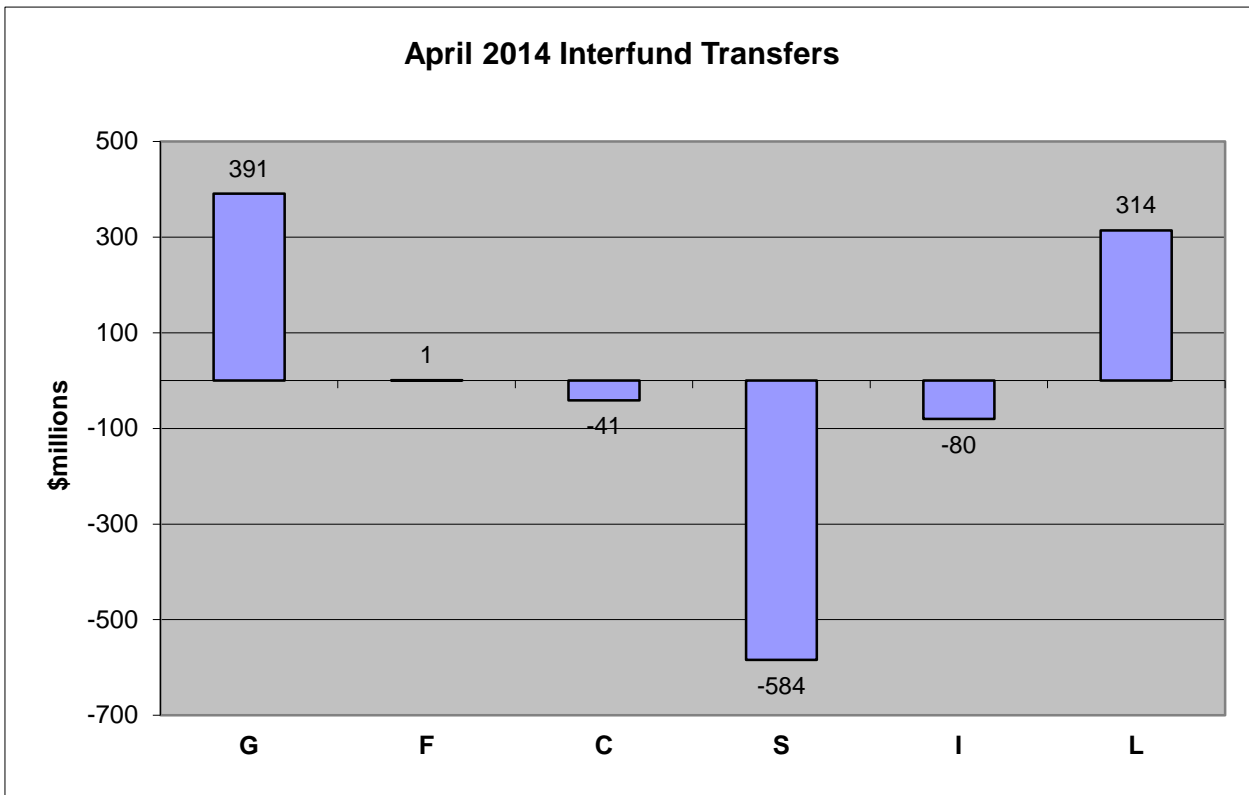
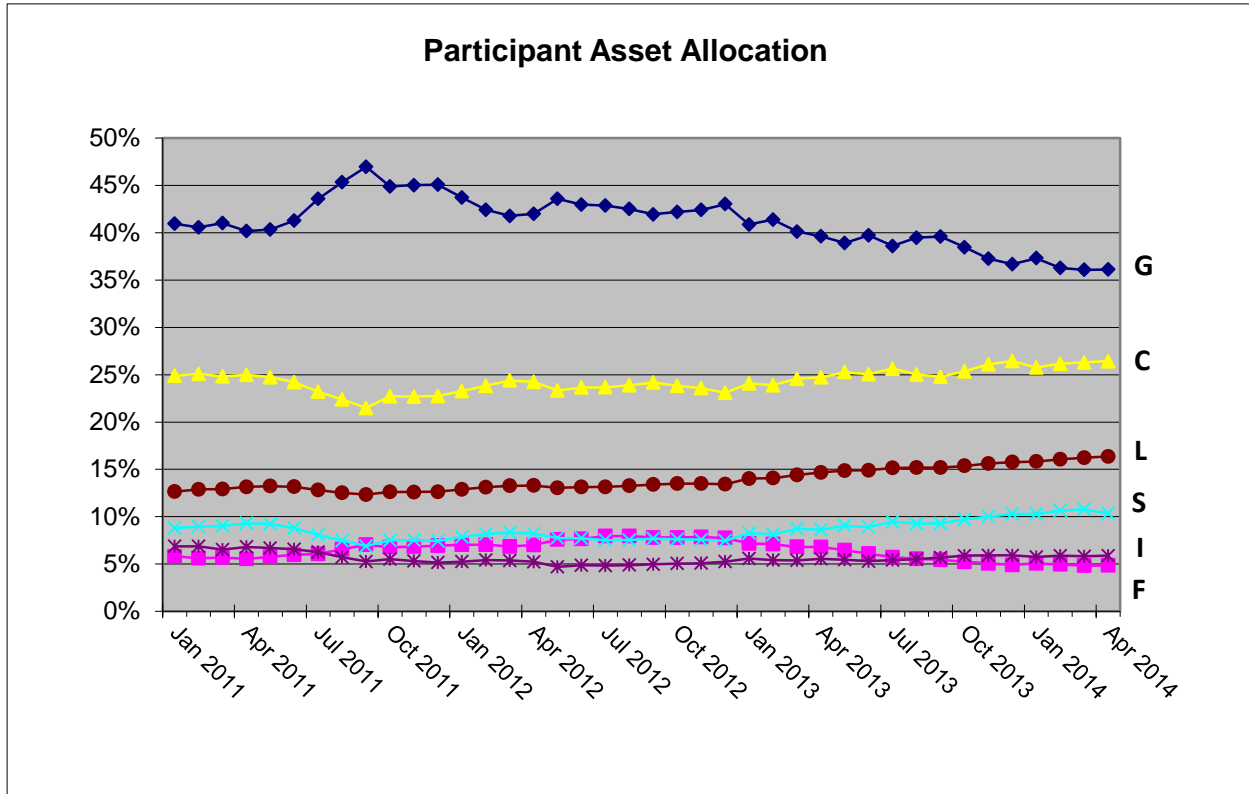
L Funds

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 April 2014

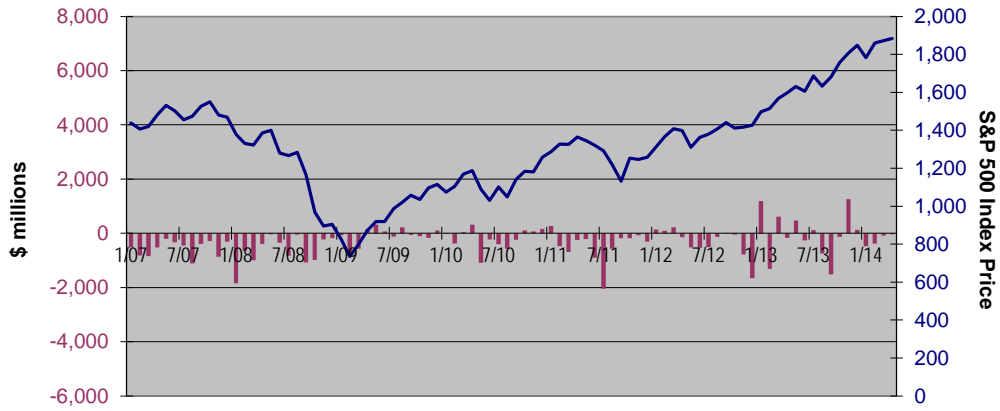
Attachment 1



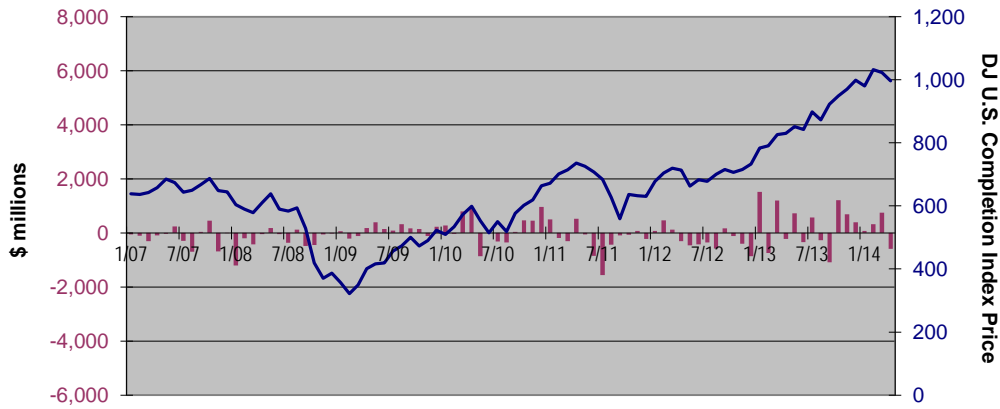
THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

April 2014

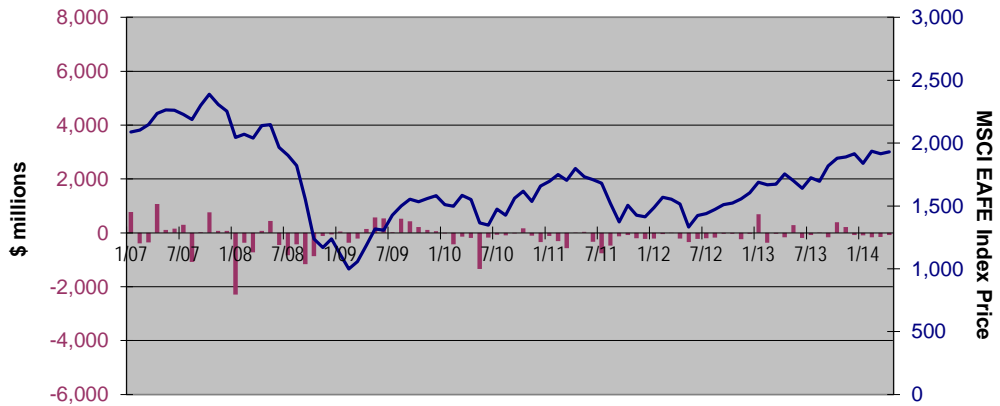
Monthly Interfund Transfers
C Fund



Monthly Interfund Transfers
S Fund



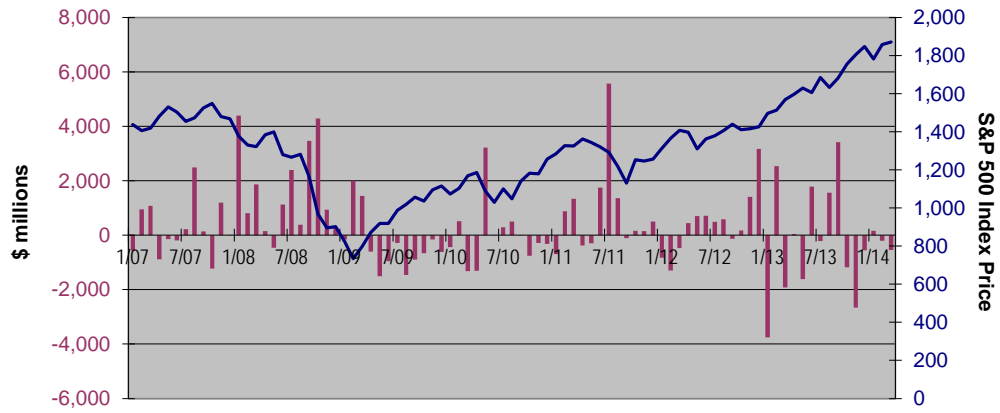
Monthly Interfund Transfers
I Fund



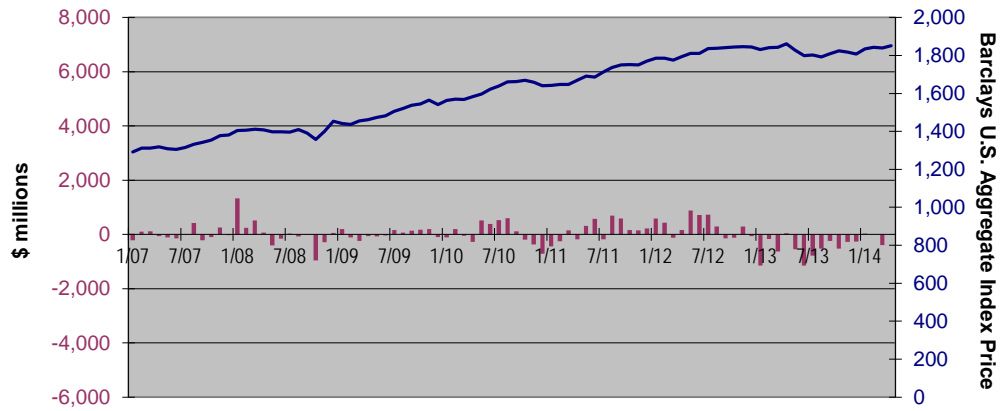
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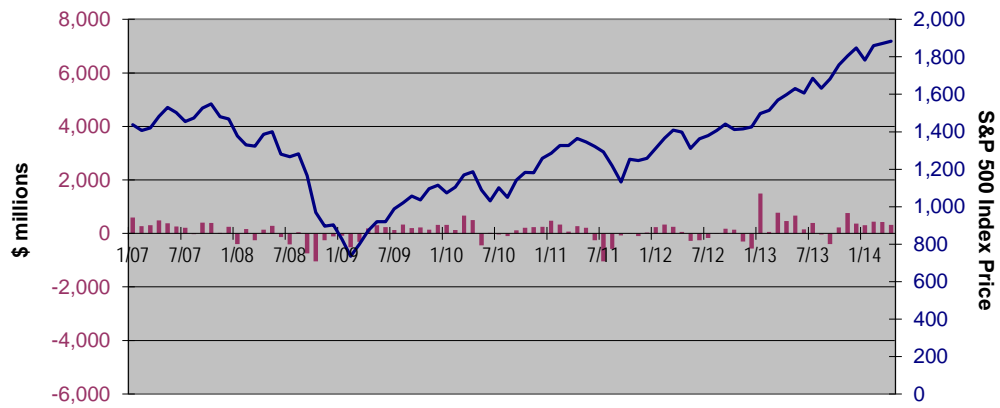
Monthly Interfund Transfers
G Fund



Monthly Interfund Transfers
F Fund



Monthly Interfund Transfers
L Funds



THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

April 2014

