



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

August 9, 2017

MEMORANDUM FOR BOARD MEMBERS

KENNEDY, BILYEU, McCRAY,
JONES AND JASIEN

FROM: RAVINDRA DEO
CHIEF INVESTMENT OFFICER

A handwritten signature in blue ink, appearing to be "RD", located next to the name of the Chief Investment Officer.

SUBJECT: July 2017 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, investment manager performance and tracking error, trading costs, TSP fund performance, and L Fund participation.

TRACKING ERROR - TSP Separate Accounts at BlackRock (BTC)

Monthly Tracking Error

<u>Fund</u>	<u>% BTC Returns</u>	<u>% TSP Returns</u>	<u>% Index Returns</u>	<u>BTC T.E.</u>	<u>TSP vs. BTC</u>
Fixed Income	0.43	0.43	0.43	0.00	0.00
Large Cap	2.06	2.05	2.06	0.00	-0.01
Small Mid Cap	1.11	1.11	1.11	0.00	0.00
International	2.89	2.88	2.88	0.01	-0.01

2017 Year-to-Date (YTD) Tracking Error

<u>Fund</u>	<u>% BTC Returns</u>	<u>% TSP Returns</u>	<u>% Index Returns</u>	<u>BTC T.E.</u>	<u>TSP vs. BTC</u>
Fixed Income	2.94	2.92	2.71	0.23	-0.02
Large Cap	11.61	11.59	11.59	0.02	-0.02
Small Mid Cap	8.62	8.61	8.54	0.08	-0.01
International	17.41	17.39	17.09	0.32	-0.02

BlackRock's performance for the F, C, S and I Funds was in-line with indices for the month. BlackRock outperformed the International Index for the year-to-date by 32 basis points primarily due to tax advantage. BlackRock outperformed the Fixed Income Index for the year-to-date by 23 basis points primarily due to securities lending. BlackRock outperformed the Small Mid Cap Index by 8 basis points for the year-to-date primarily due to securities lending. BlackRock's performance for the C Fund was mostly in-line with the index for the year-to-date.

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

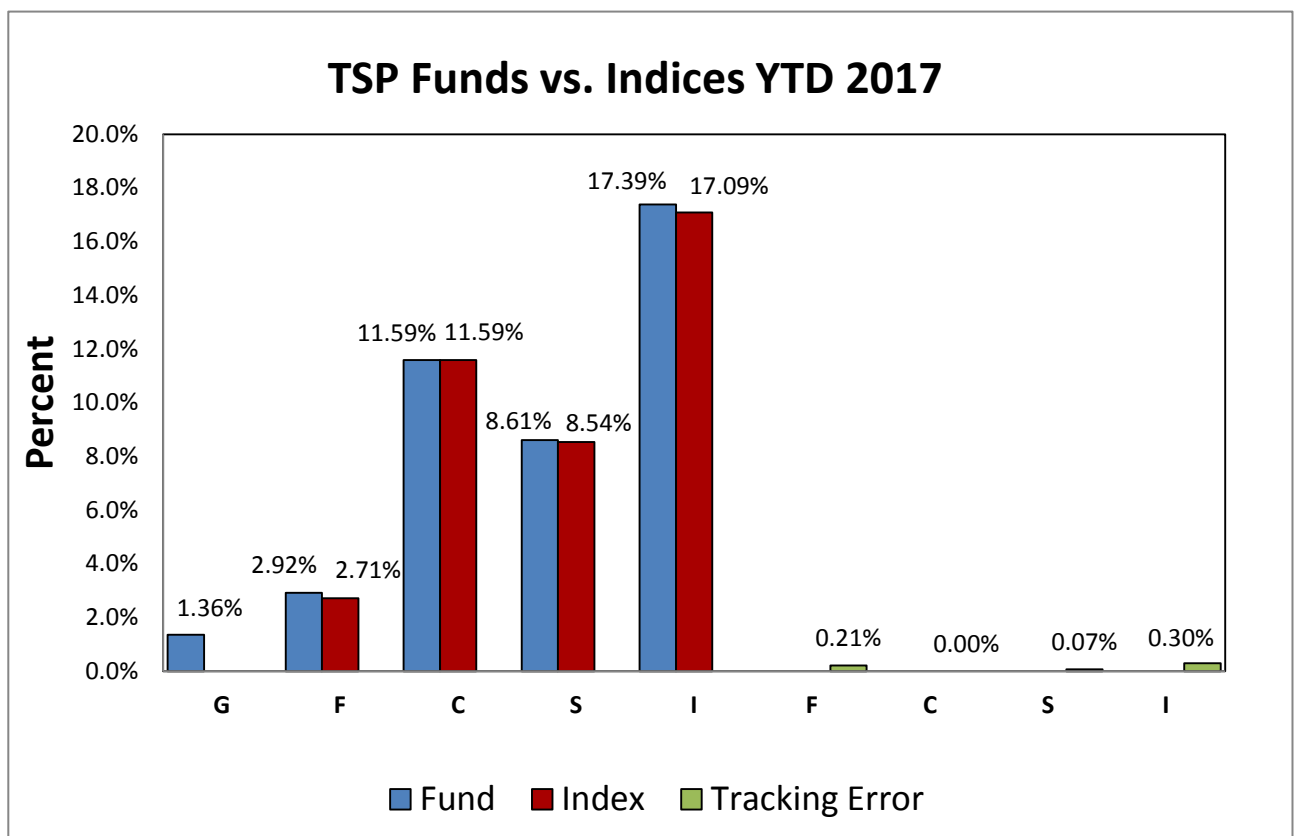
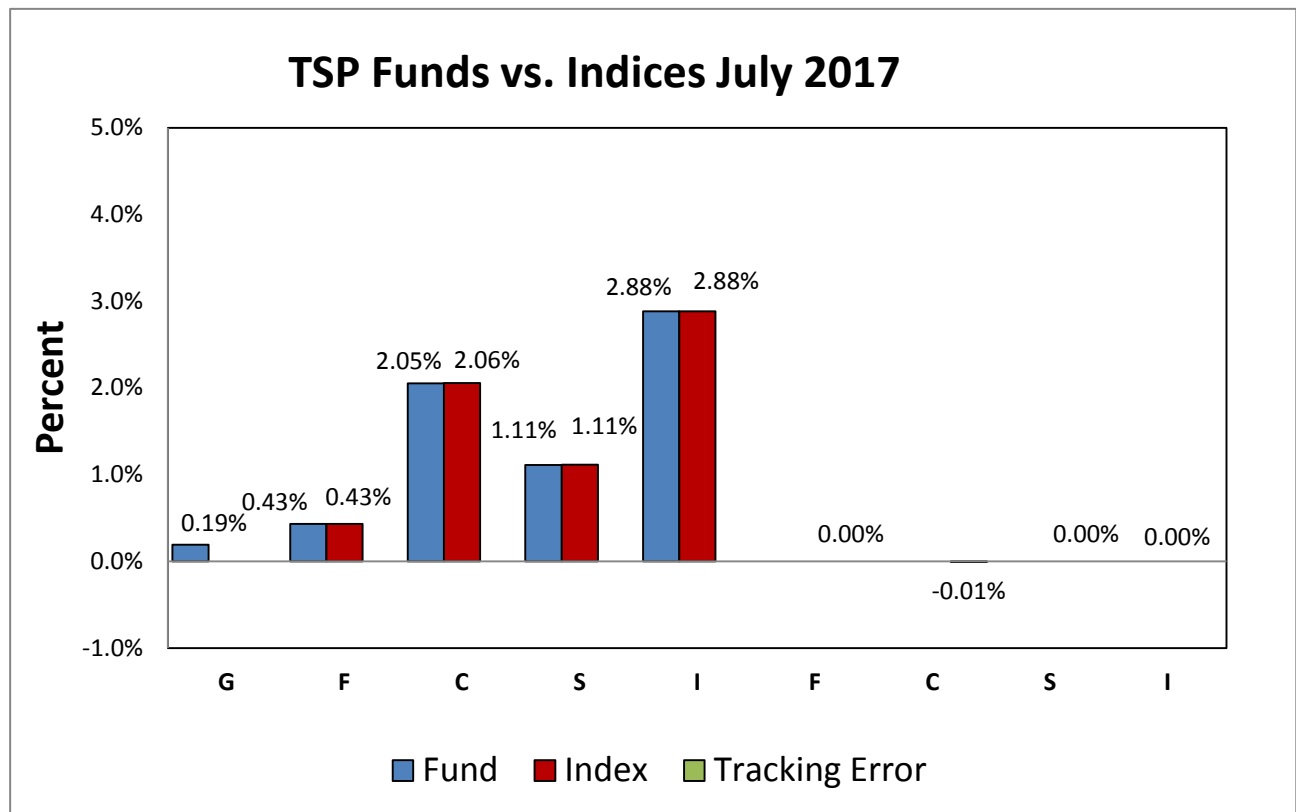
Trading Costs

<u>Trading Costs</u>			
<u>F Fund</u>	<u>Dollar Amount</u> <u>Traded</u>	<u>Dollars</u>	<u>Basis</u> <u>Points</u>
July	851,948,949	37,853	0.4
Year-to-Date	4,263,779,850	67,532	0.2
 <u>C Fund</u>			
July	1,233,023,322	(9,167)	-0.1
Year-to-Date	9,804,566,372	(249,220)	-0.3
 <u>S Fund</u>			
July	1,426,070,595	(493,654)	-3.5
Year-to-Date	11,987,791,456	(1,356,158)	-1.1
 <u>I Fund</u>			
July	940,899,638	365,598	3.9
Year-to-Date	7,331,318,979	1,743,730	2.4

* -- Trading Costs are comprised of commissions, fees, and the difference between where a security is traded and the closing index price.

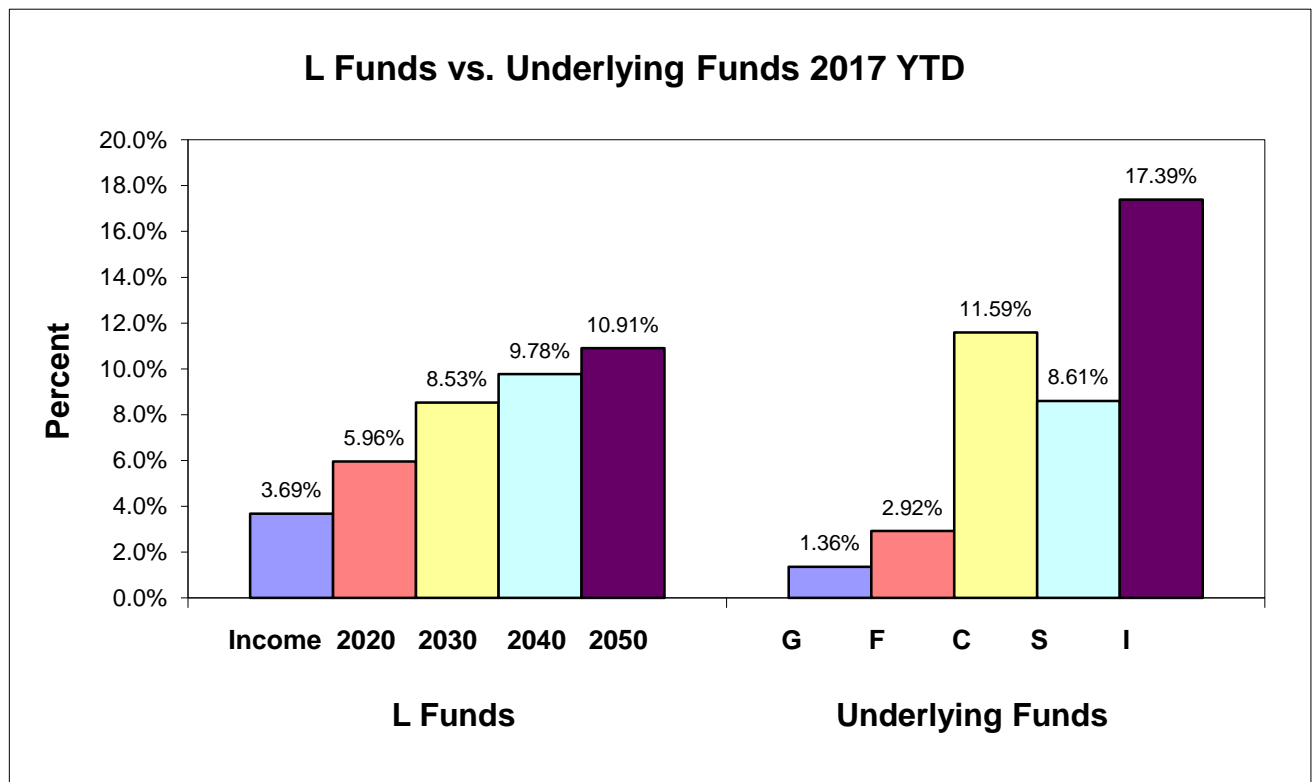
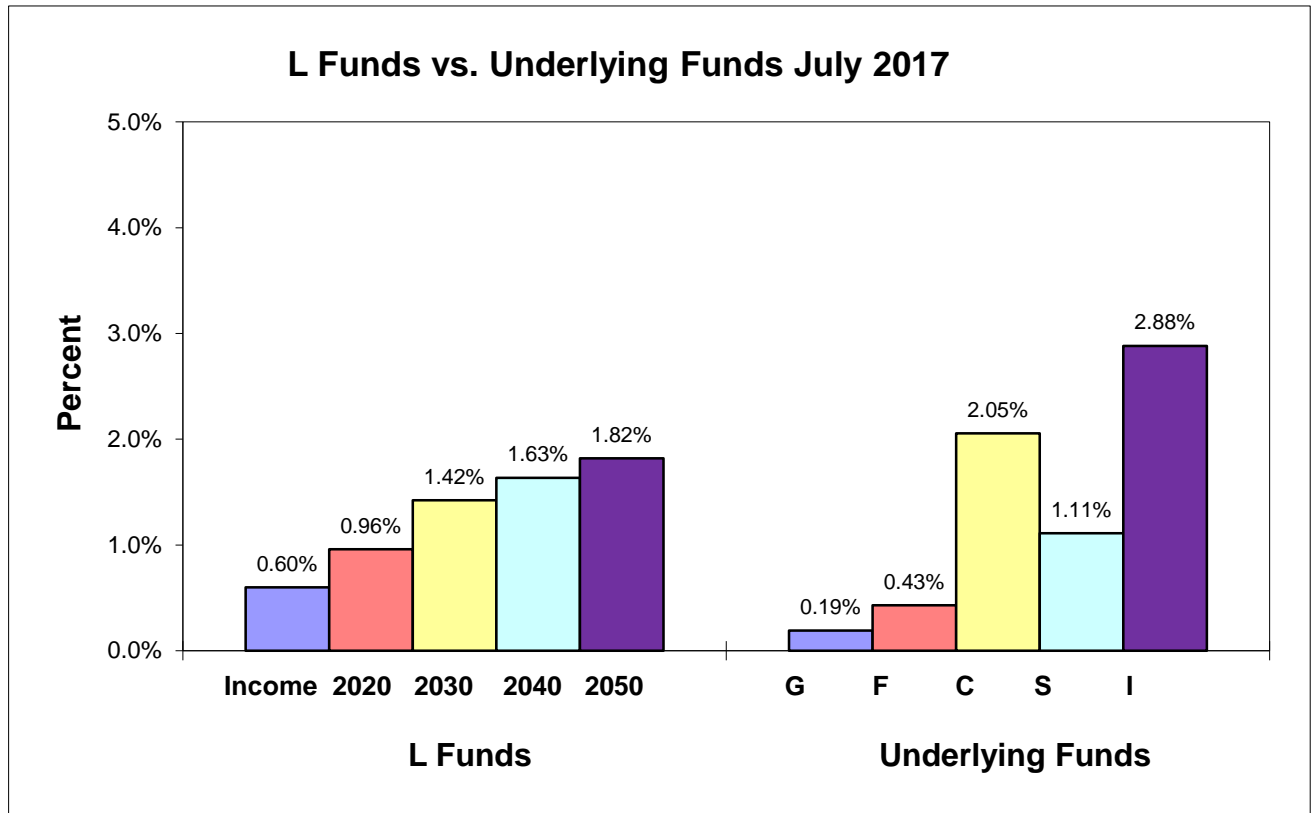
Performance of TSP Funds Total Returns

The charts below show the G, F, C, S, and I Fund net rates of return vs. respective benchmark indices.



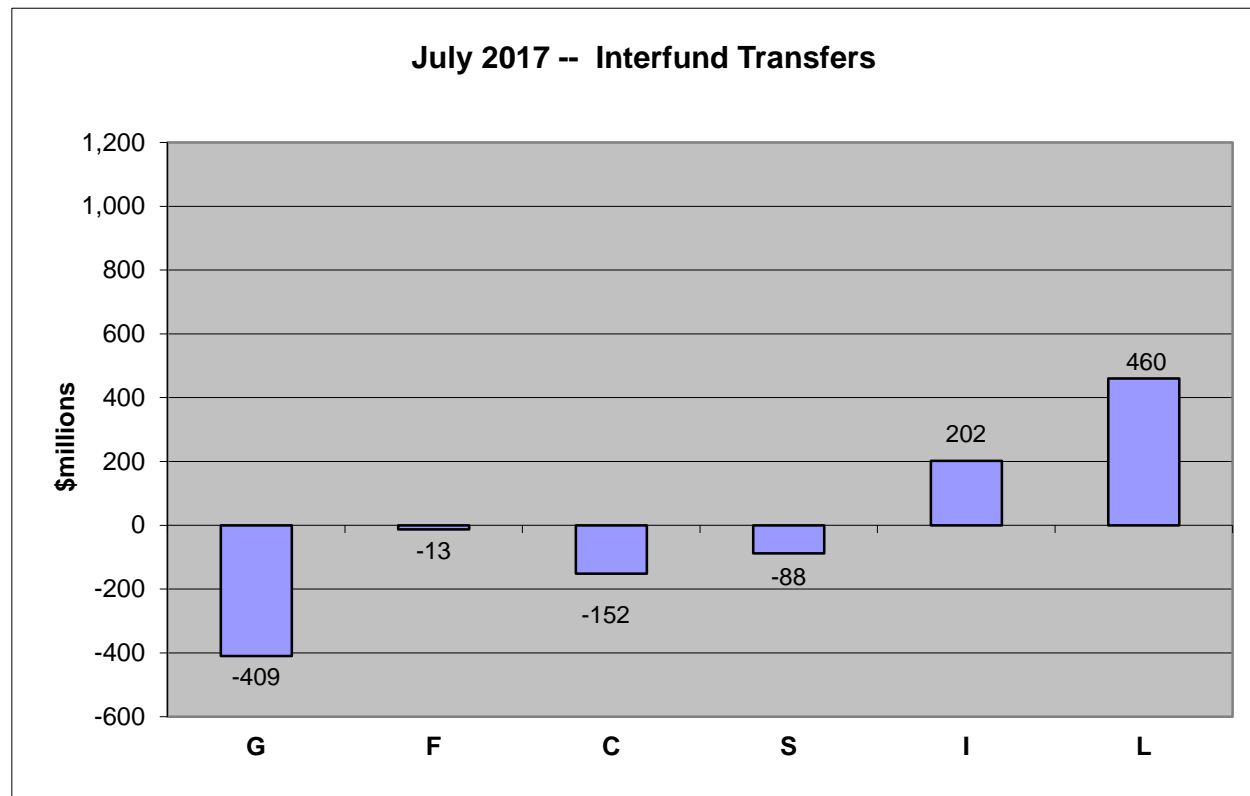
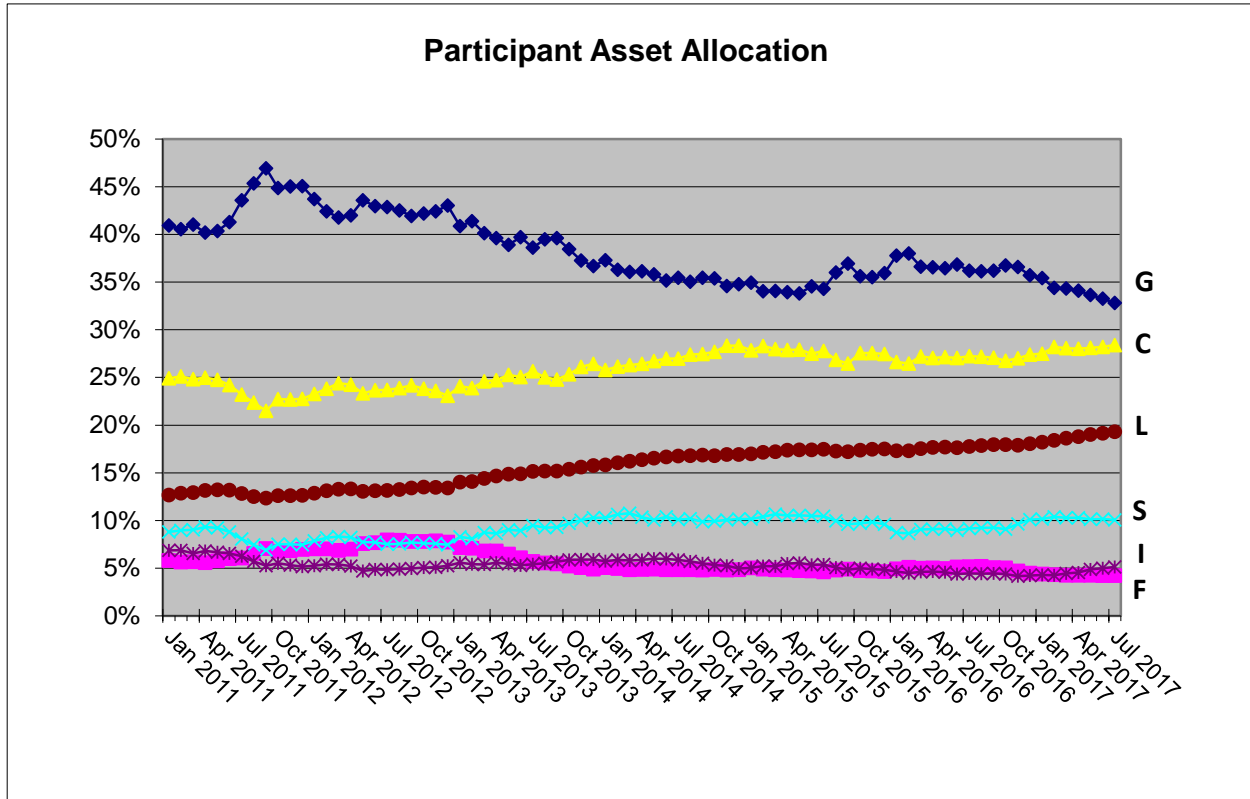
L Funds

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.



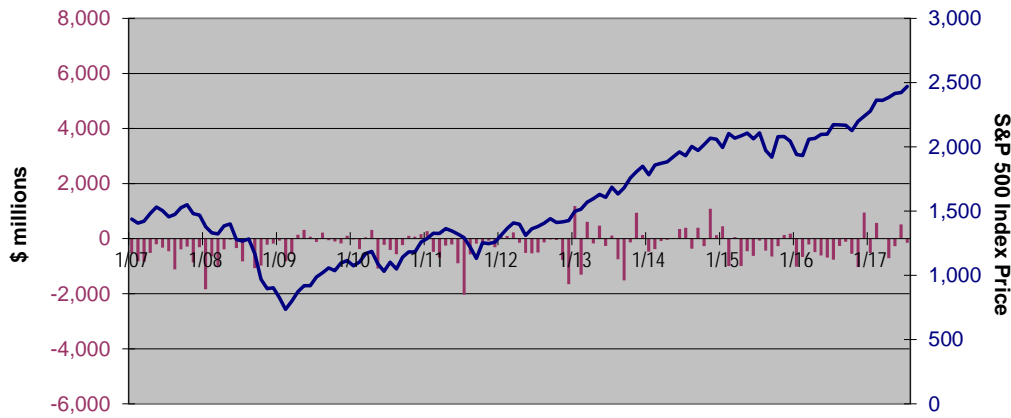
THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
July 2017

Attachment 1

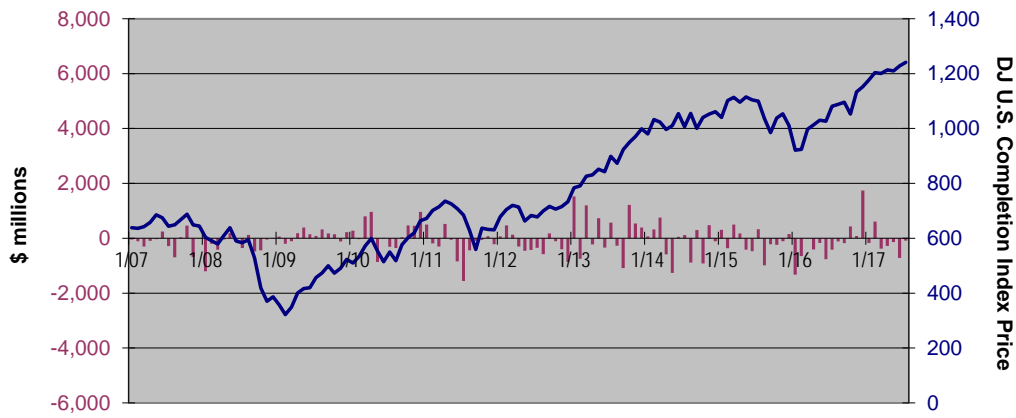


THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY July 2017

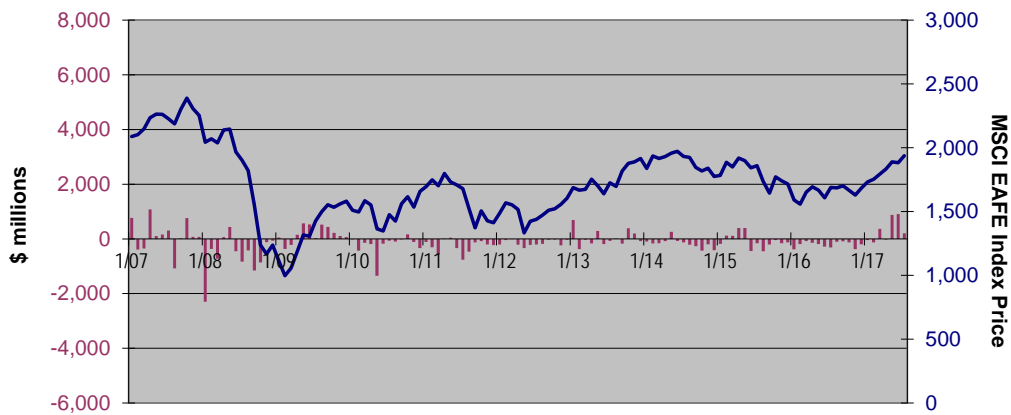
**Monthly Interfund Transfers
C Fund**



**Monthly Interfund Transfers
S Fund**



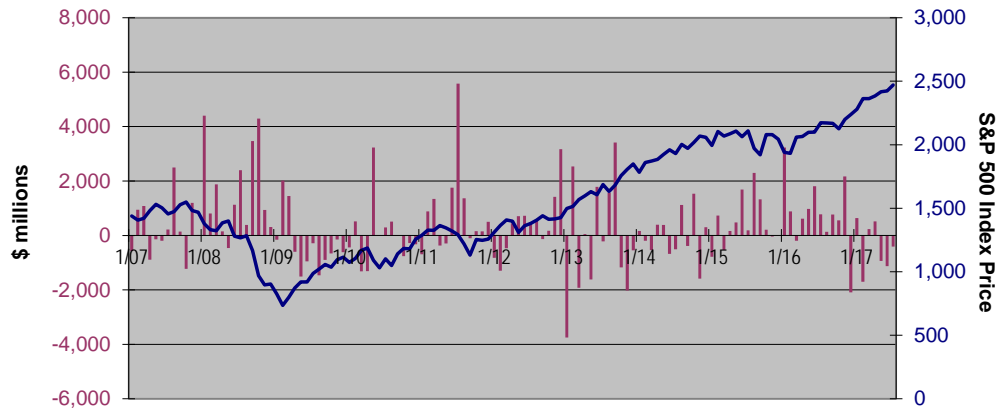
**Monthly Interfund Transfers
I Fund**



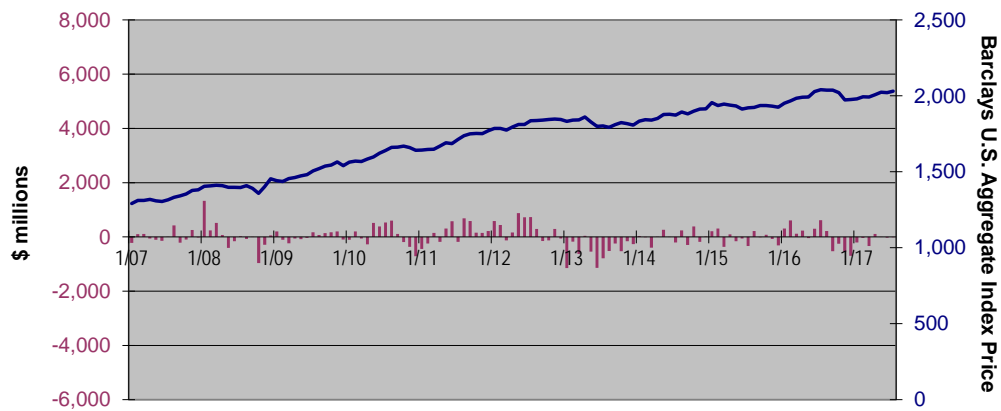
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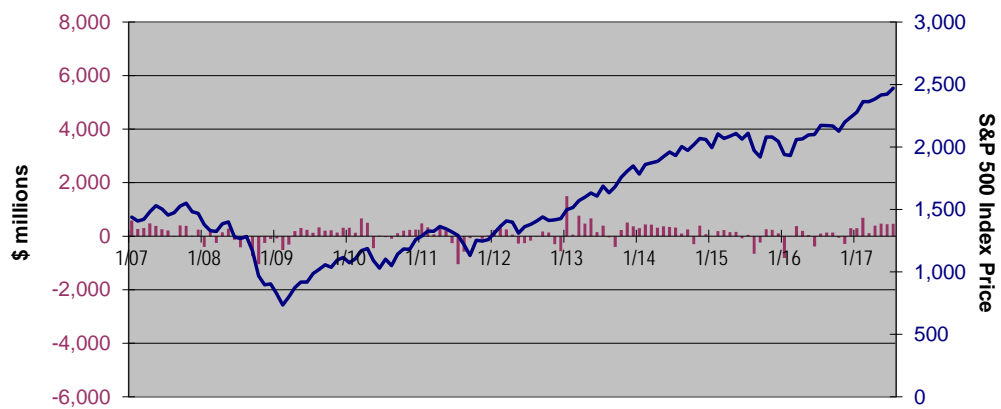
Monthly Interfund Transfers
G Fund



Monthly Interfund Transfers
F Fund



Monthly Interfund Transfers
L Funds



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July 2017

