



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

November 7, 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" or "R. Deo", written over a light blue grid background.

SUBJECT: October 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***

<b><u>Fund</u></b>	<b><u>% BTC Returns</u></b>	<b><u>% TSP Returns</u></b>	<b><u>% Index Returns</u></b>	<b><u>BTC T.E.</u></b>	<b><u>TSP vs. BTC</u></b>
<b>Fixed Income</b>	0.08	0.07	0.06	0.02	-0.01
Large Cap	2.33	2.33	2.33	0.00	0.00
Small Mid Cap	1.41	1.41	1.40	0.01	0.00
<b>International</b>	1.54	1.54	1.52	0.02	0.00

***2017 Year-to-Date (YTD) Tracking Error***

<b><u>Fund</u></b>	<b><u>% BTC Returns</u></b>	<b><u>% TSP Returns</u></b>	<b><u>% Index Returns</u></b>	<b><u>BTC T.E.</u></b>	<b><u>TSP vs. BTC</u></b>
<b>Fixed Income</b>	<b>3.47</b>	<b>3.44</b>	<b>3.20</b>	<b>0.27</b>	<b>-0.03</b>
Large Cap	16.93	16.90	16.91	0.02	-0.03
<b>Small Mid Cap</b>	<b>14.37</b>	<b>14.35</b>	<b>14.24</b>	<b>0.13</b>	<b>-0.02</b>
<b>International</b>	<b>22.18</b>	<b>22.15</b>	<b>21.78</b>	<b>0.40</b>	<b>-0.03</b>

BlackRock's performance for the F, C, S and I Funds was in-line with indices for the month. BlackRock outperformed the International Index year-to-date by 40 basis points primarily due to tax advantage. BlackRock outperformed the Fixed Income Index year-to-date by 27 basis points primarily due to securities lending. BlackRock outperformed the Small Mid Cap Index by 13 basis points year-to-date primarily due to securities lending. BlackRock's performance for the C Fund was mostly in-line with the Large-Cap Index year-to-date.

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

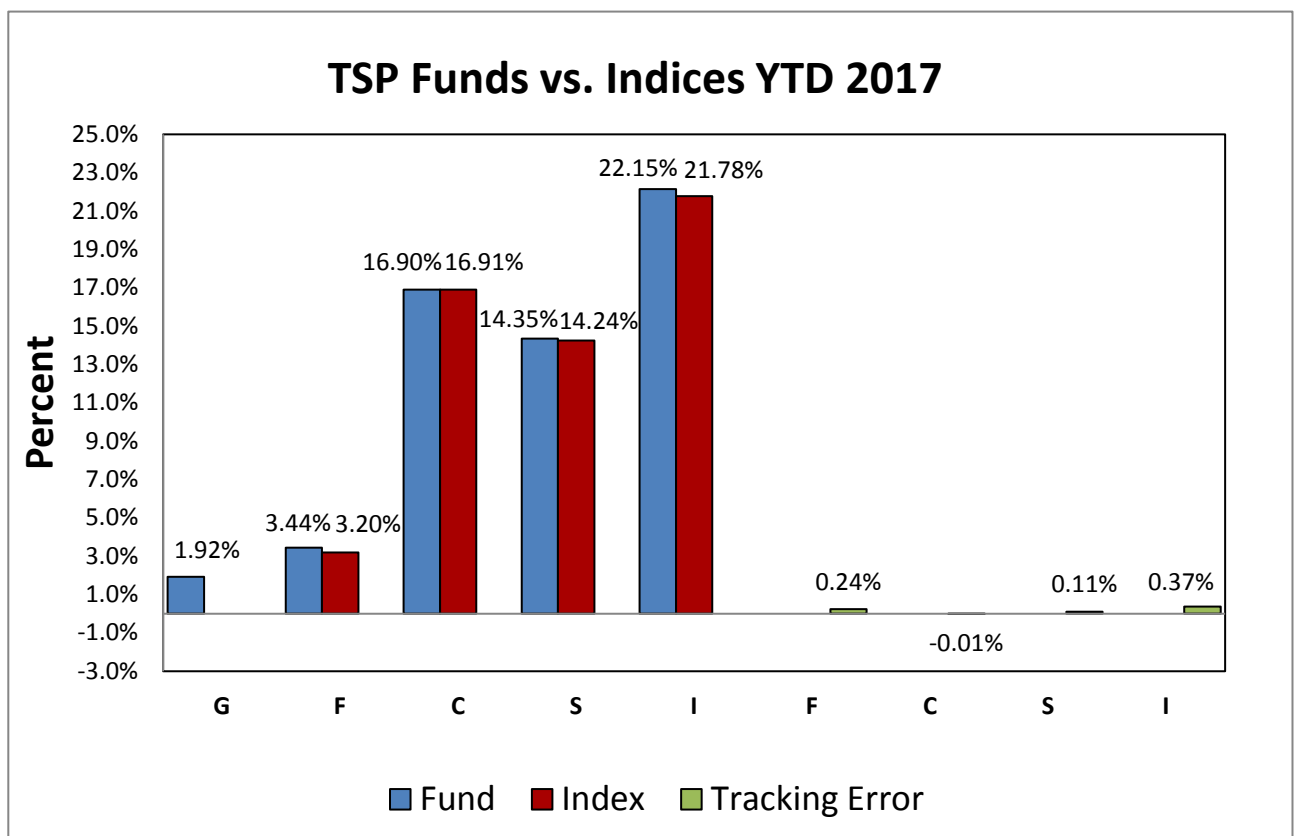
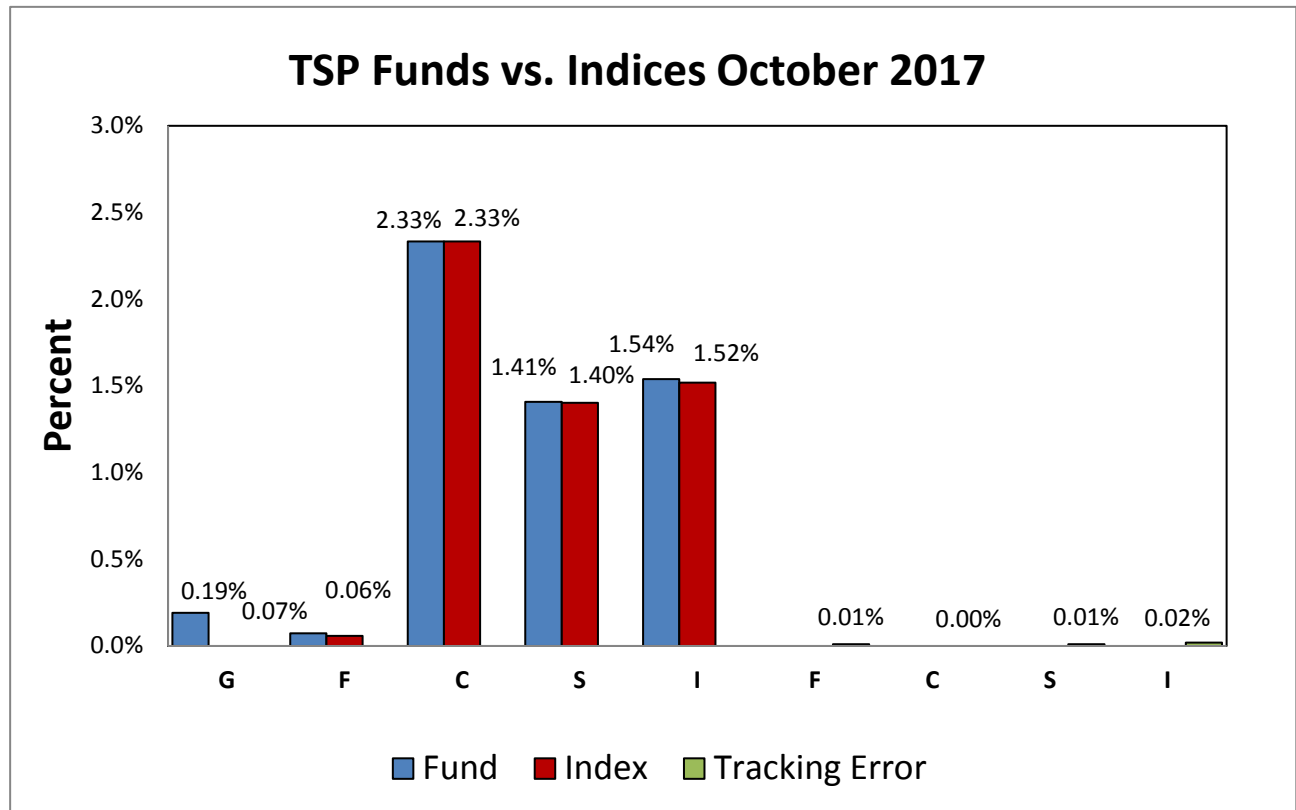
## Trading Costs

<u>F Fund</u>	<u>Dollar Amount Traded</u>	<u>Trading Costs</u>	
		<u>Dollars</u>	<u>Basis Points</u>
October	513,087,821	4,513	0.1
Year-to-Date	6,293,252,467	154,974	0.2
 <u>C Fund</u>			
October	1,581,245,875	(226,921)	-1.4
Year-to-Date	14,245,989,314	(441,931)	-0.3
 <u>S Fund</u>			
October	1,278,016,169	(408,851)	-3.2
Year-to-Date	16,049,998,233	(2,440,235)	-1.5
 <u>I Fund</u>			
October	1,001,189,111	(282,877)	-2.8
Year-to-Date	10,104,007,533	2,544,114	2.5

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

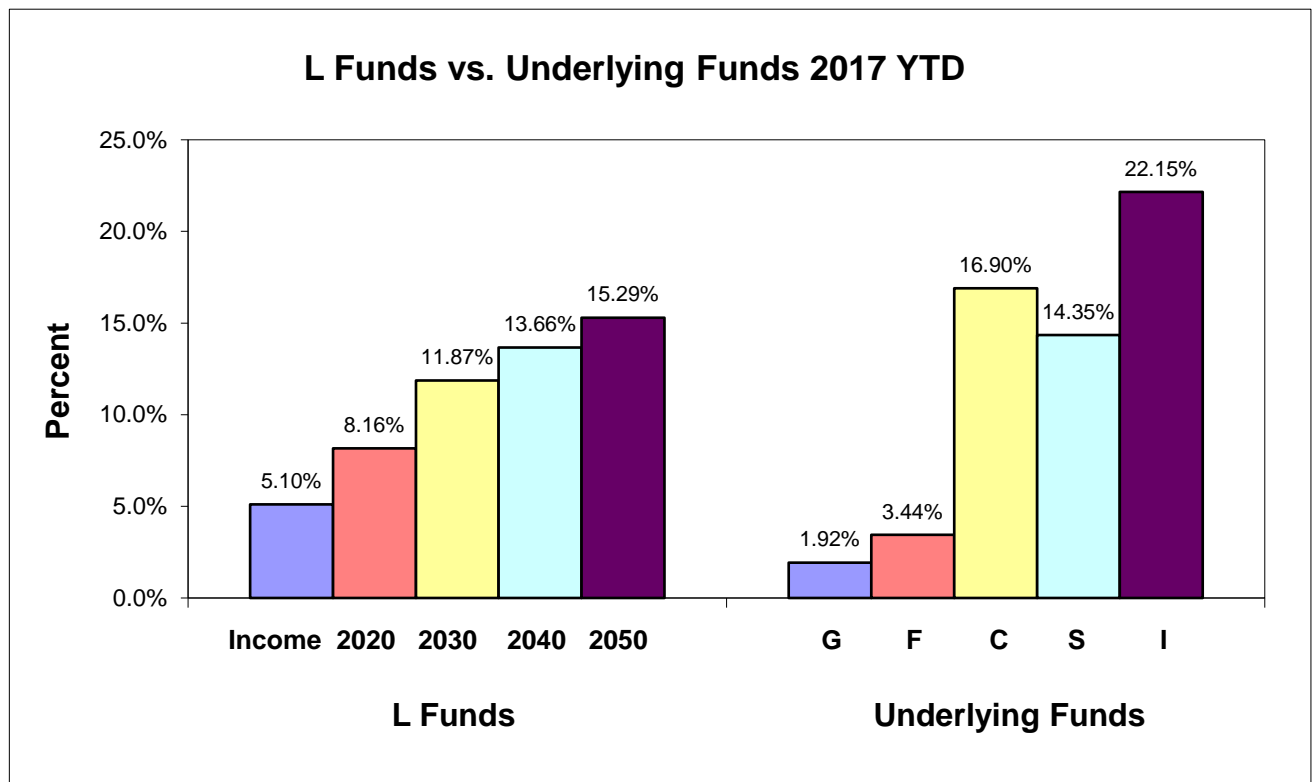
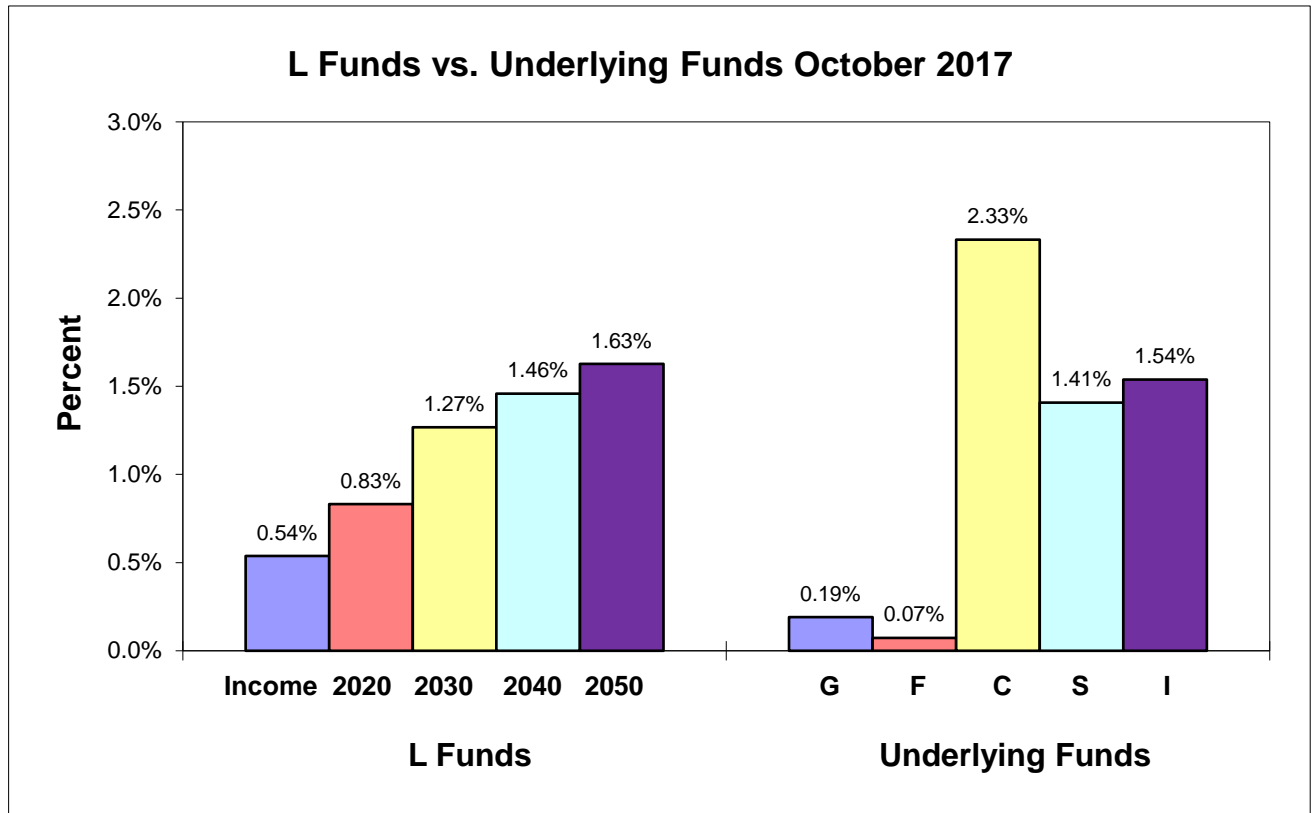
## Performance of TSP Funds Total Returns

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



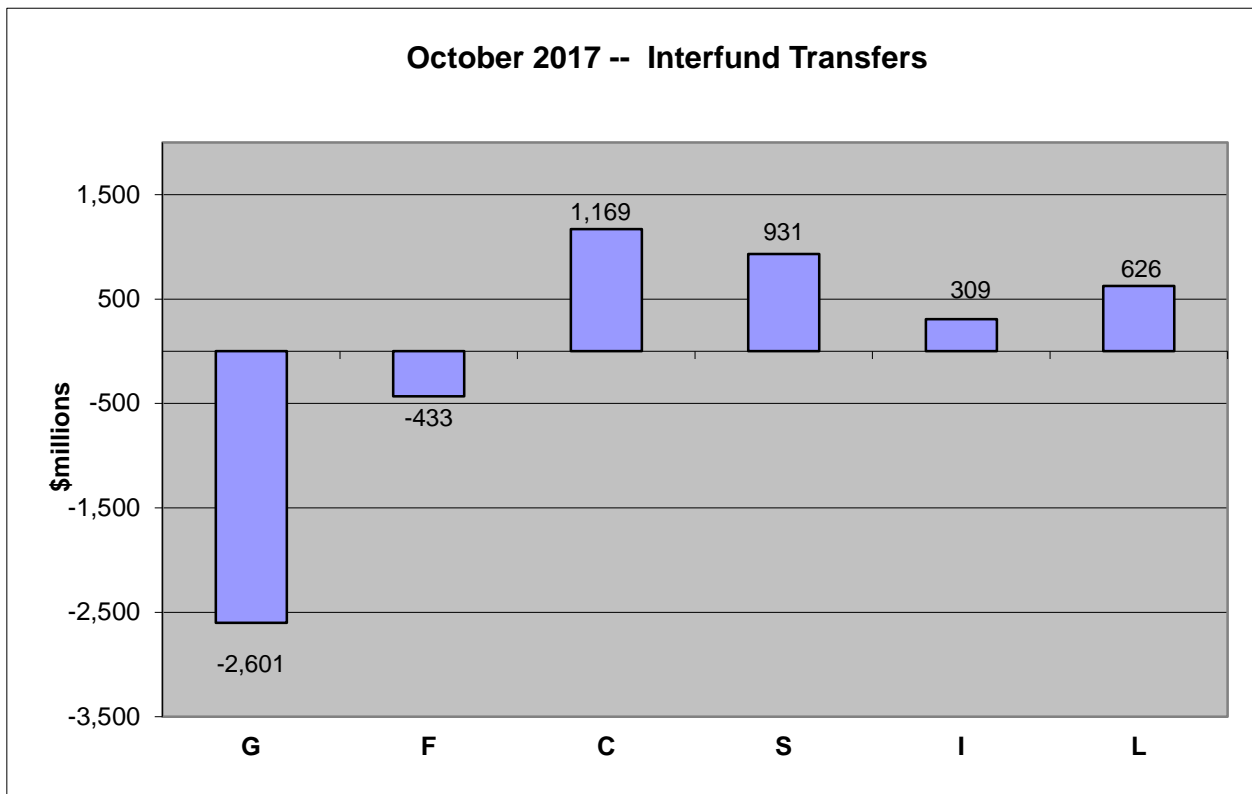
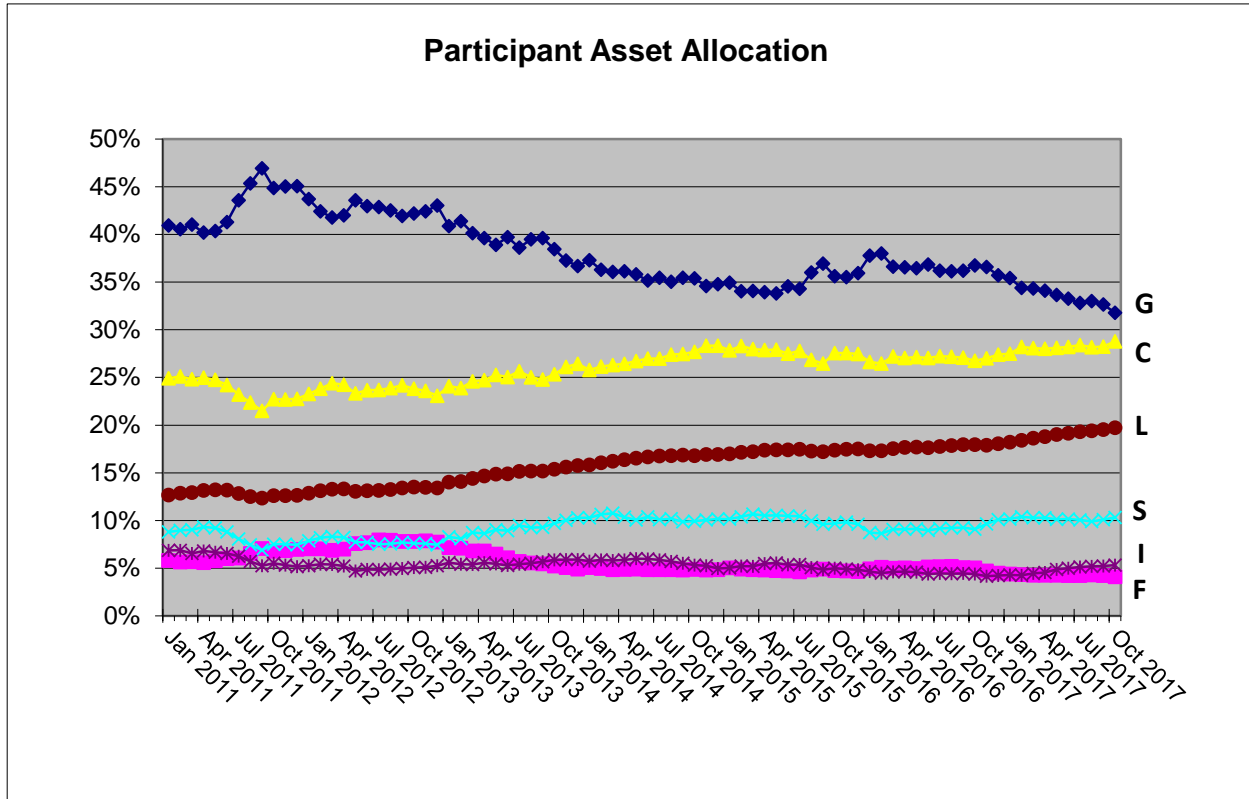
## L Funds

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**  
**October 2017**

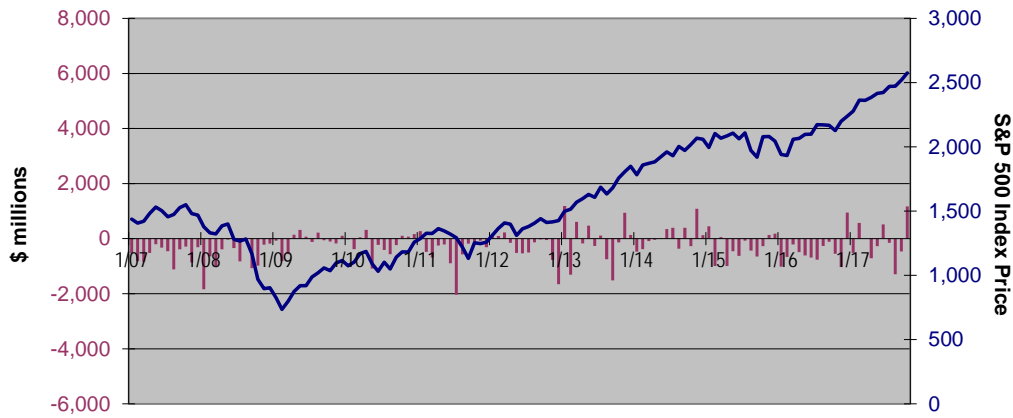
Attachment 1



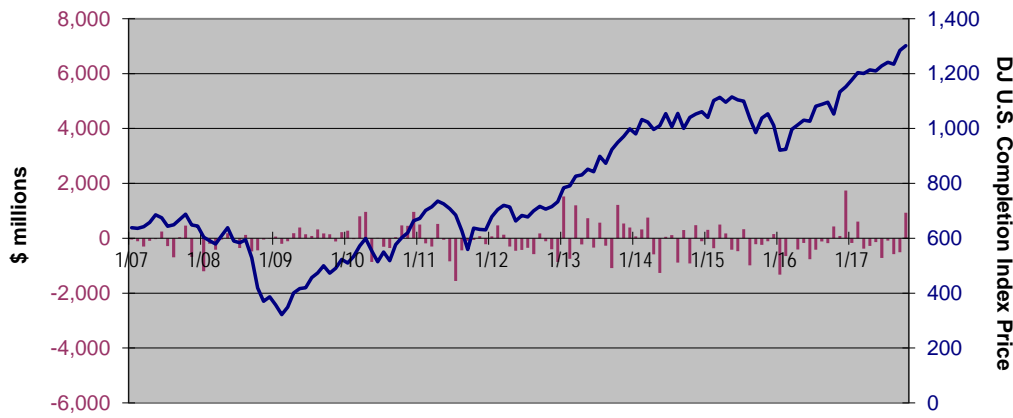
# THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

## October 2017

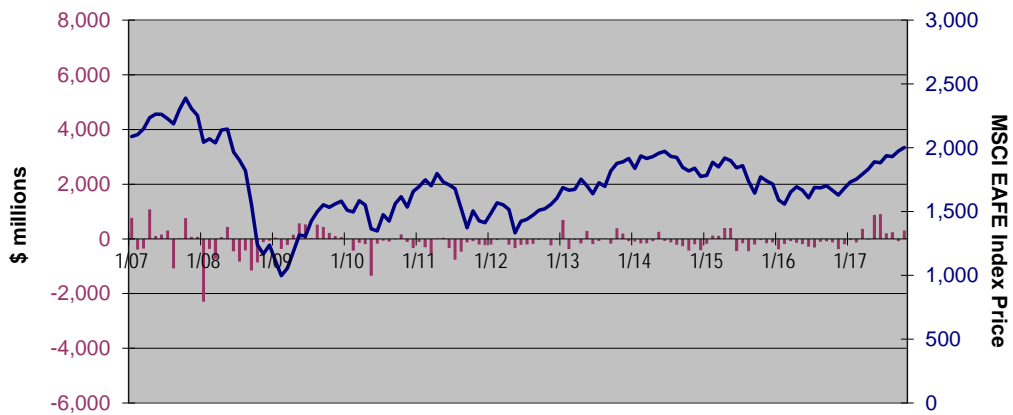
Monthly Interfund Transfers  
C Fund



Monthly Interfund Transfers  
S Fund



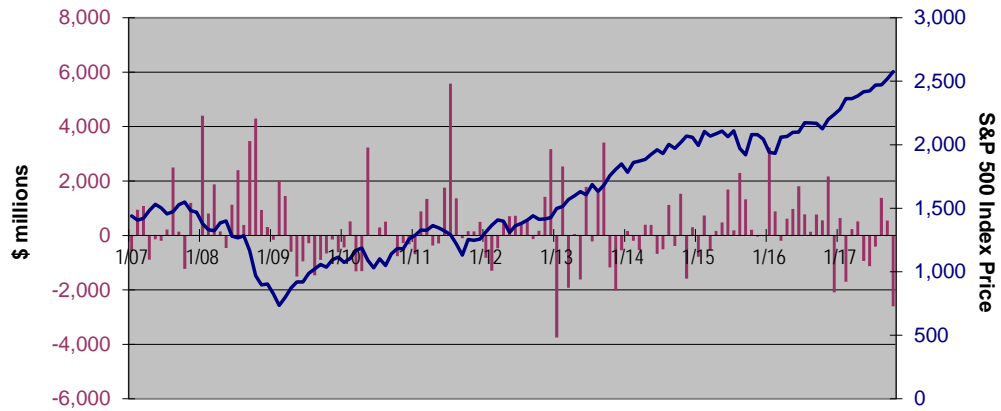
Monthly Interfund Transfers  
I Fund



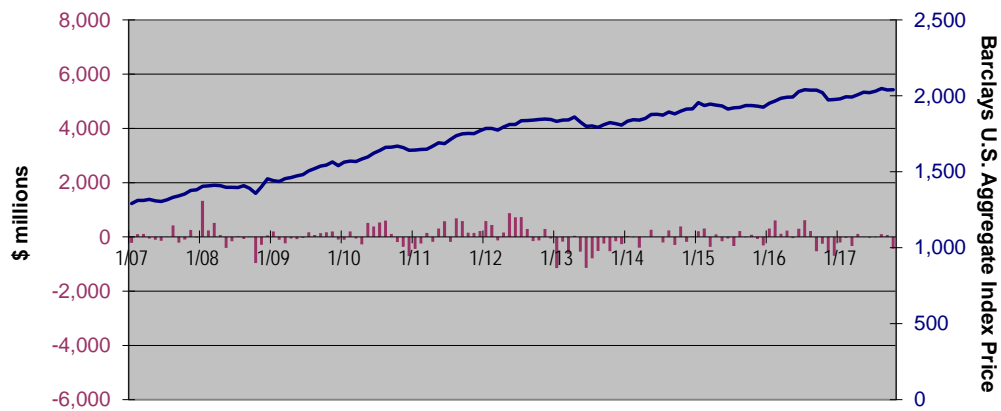
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## October 2017

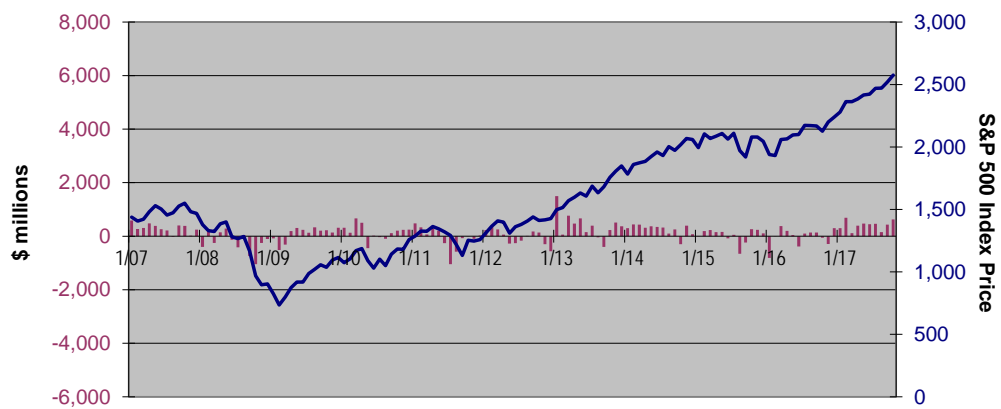
Monthly Interfund Transfers  
G Fund



Monthly Interfund Transfers  
F Fund



Monthly Interfund Transfers  
L Funds



# THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

## October 2017

