



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

February 14, 2020

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: SEAN MCCAFFREY
CHIEF INVESTMENT OFFICER

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SUBJECT: January 2020 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, interfund transfer activity, 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	1.92	1.91	1.92	0.00	-0.01
Large Cap	-0.04	-0.04	-0.04	0.00	0.00
Small Mid Cap	-0.61	-0.62	-0.55	-0.06	-0.01
International	-2.73	-2.73	-2.09	-0.64	0.00

BlackRock's performance for the F and C Funds was in line with the Funds' respective indices for the month. Its performance for the S Fund lagged the Small Mid Cap Index by 6 basis points, primarily due to futures mistracking and securities sampling. BlackRock's performance for the I Fund was behind the International Index by 64 basis points, primarily due to a fair value pricing event on the last trading day of January.

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

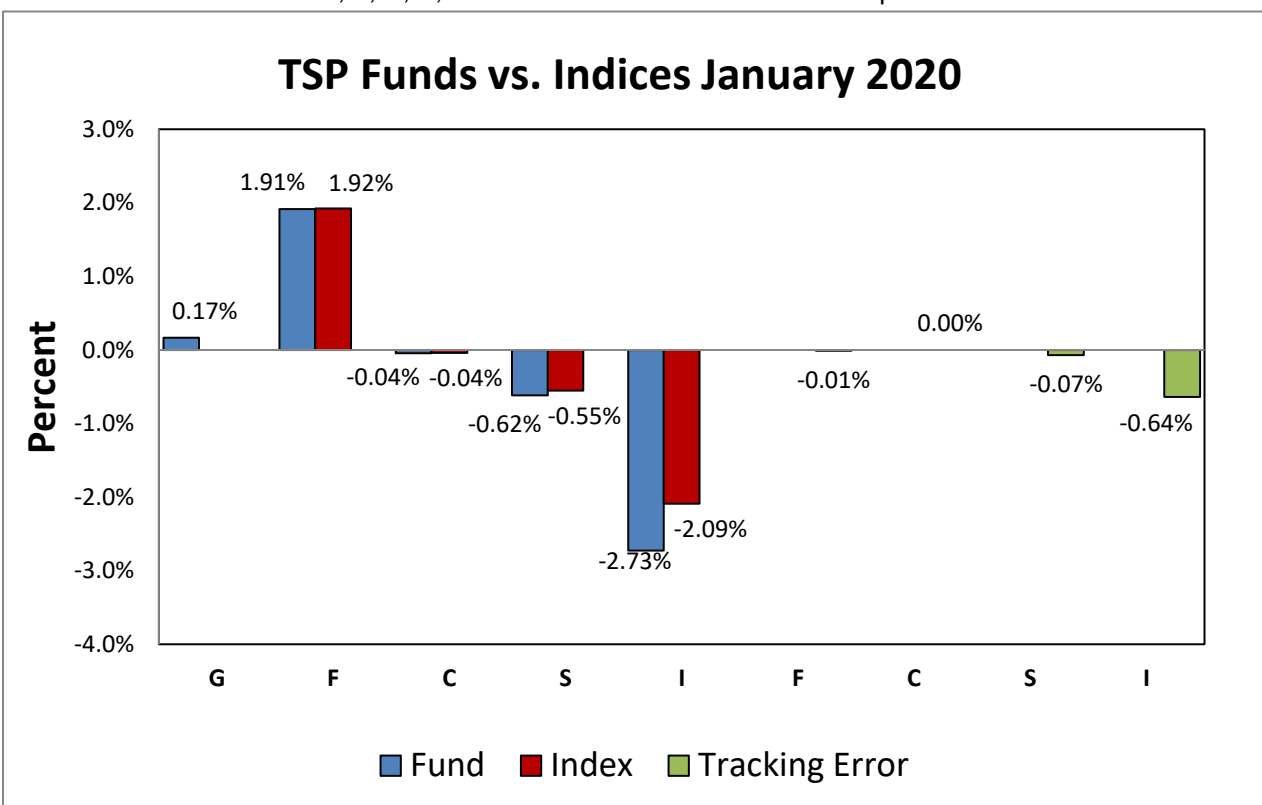
Trading Costs

<u>Trading Costs</u>			
<u>F Fund</u>	<u>Dollar Amount Traded</u>	<u>Dollars</u>	<u>Basis Points</u>
January	2,255,466,882	185,053	0.8
<u>C Fund</u>			
January	4,757,535,275	(1,394,963)	-2.9
<u>S Fund</u>			
January	2,872,579,612	(964,822)	-3.4
<u>I Fund</u>			
January	2,661,757,400	(1,722,326)	-6.5

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

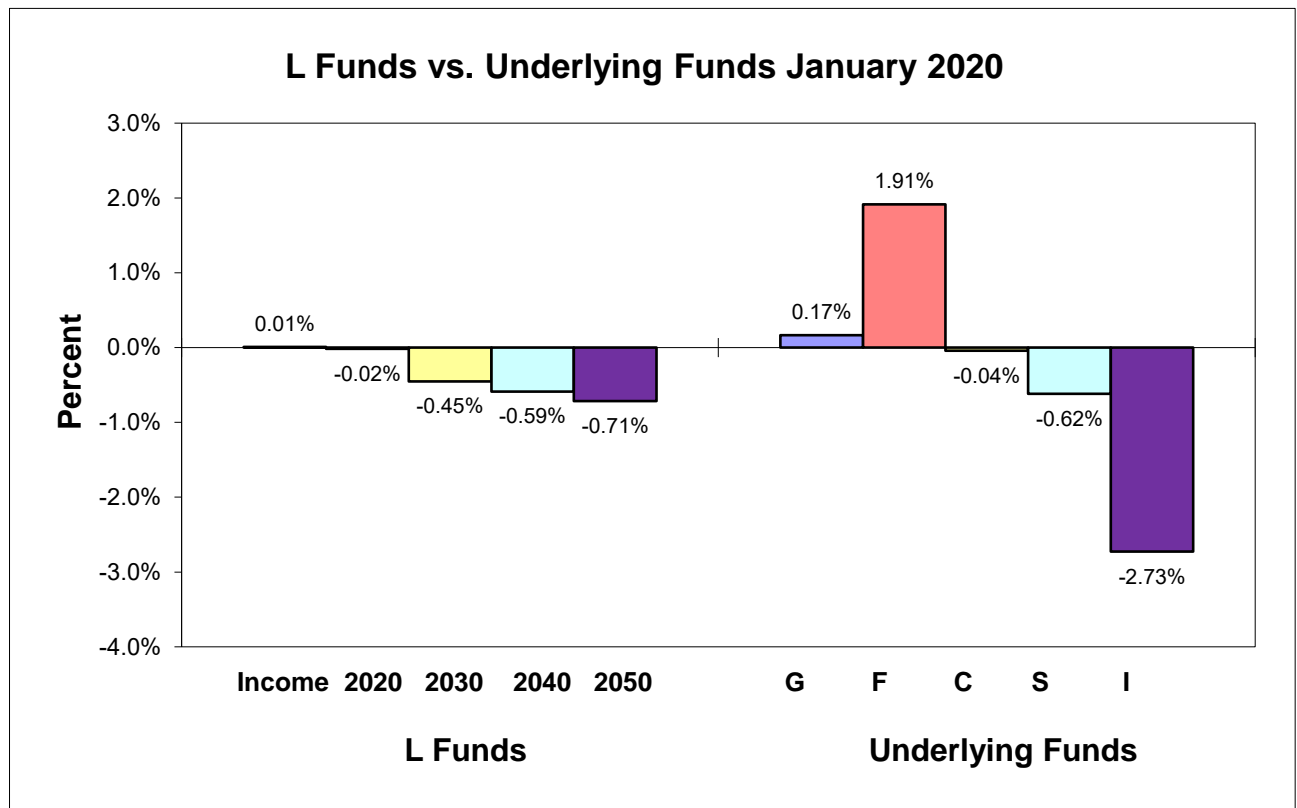
Performance of TSP Funds Total Returns

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



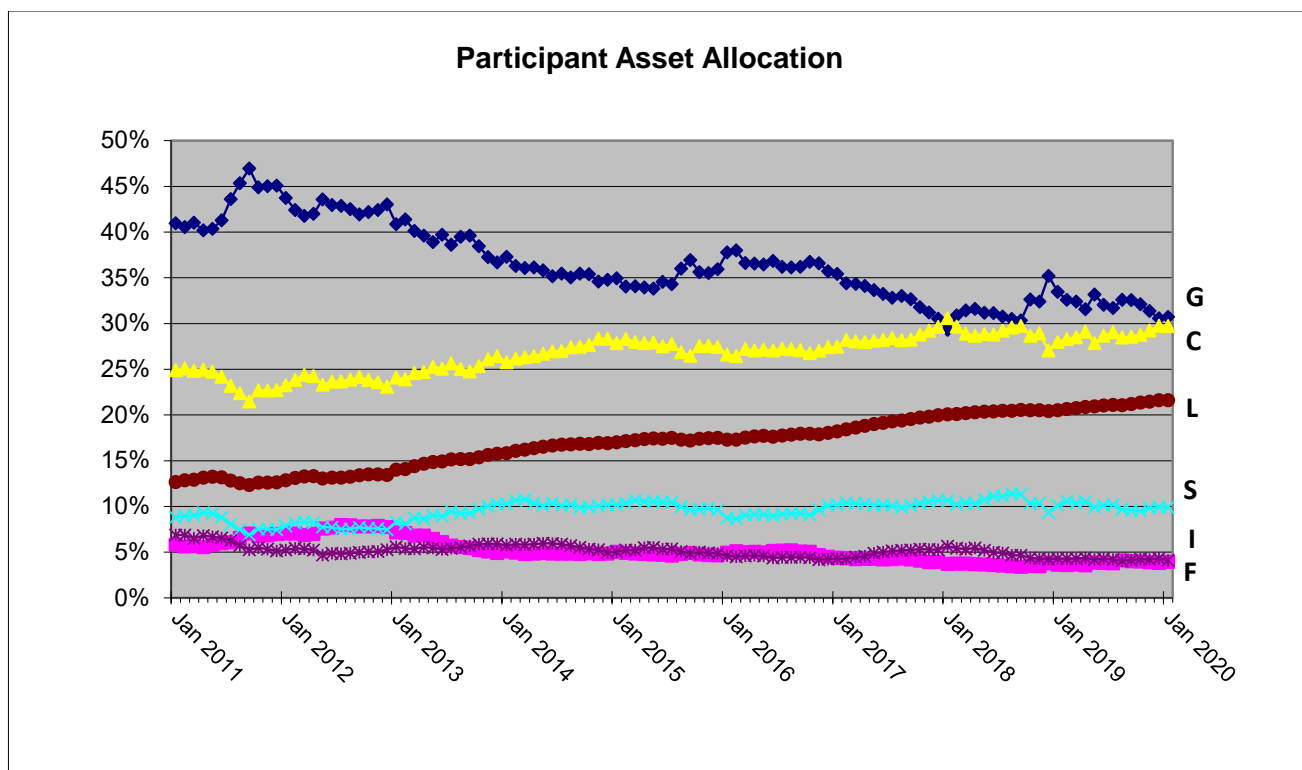
L Funds

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
JANUARY 2020**

Attachment 1



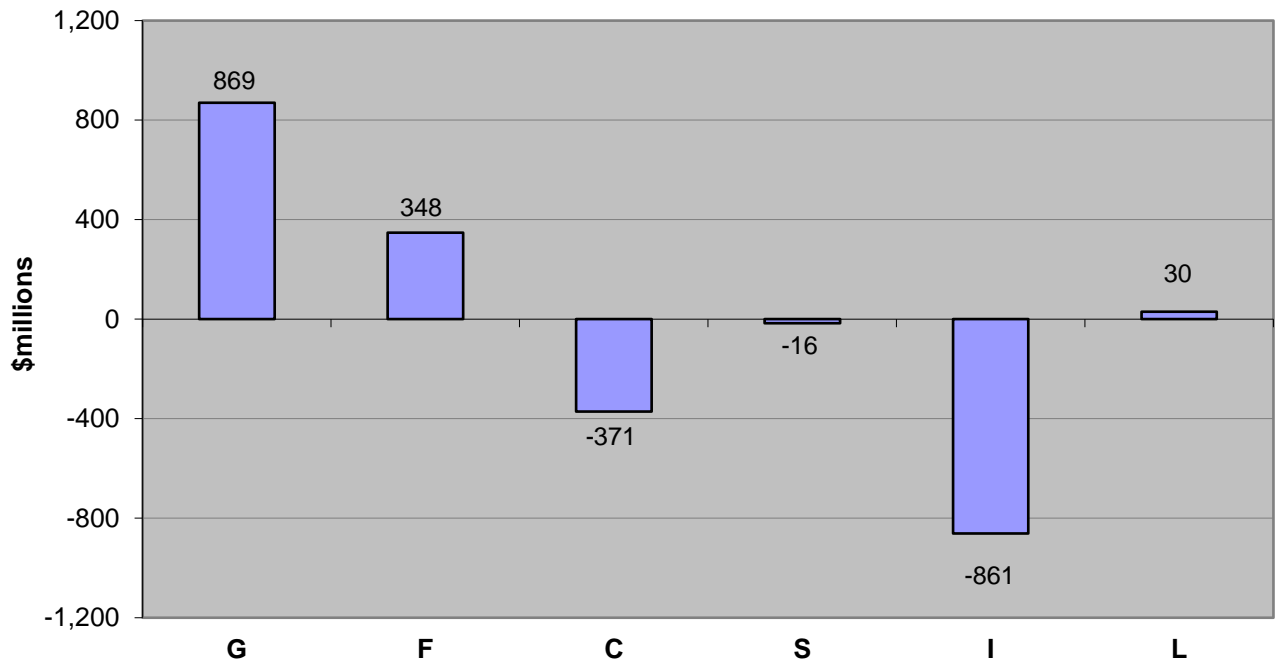
TSP Assets -- Participant Allocation (January 31, 2020)		
<u>Fund</u>	<u>Assets (Billion USD)</u>	<u>Percent</u>
G Fund	\$194.3	30.8%
F Fund	\$24.8	3.9%
C Fund	\$187.6	29.7%
S Fund	\$62.4	9.9%
I Fund	\$25.8	4.1%
L Funds	<u>\$136.5</u>	<u>21.6%</u>
Total	\$631.4	100%

TSP Assets -- By Core Funds (January 31, 2020)		
<u>Fund</u>	<u>Assets (Billion USD)</u>	<u>Percent</u>
G Fund	\$244.8	38.8%
F Fund	\$34.5	5.5%
C Fund	\$225.8	35.8%
S Fund	\$73.6	11.7%
I Fund	<u>\$52.7</u>	<u>8.3%</u>
Total	\$631.4	100%

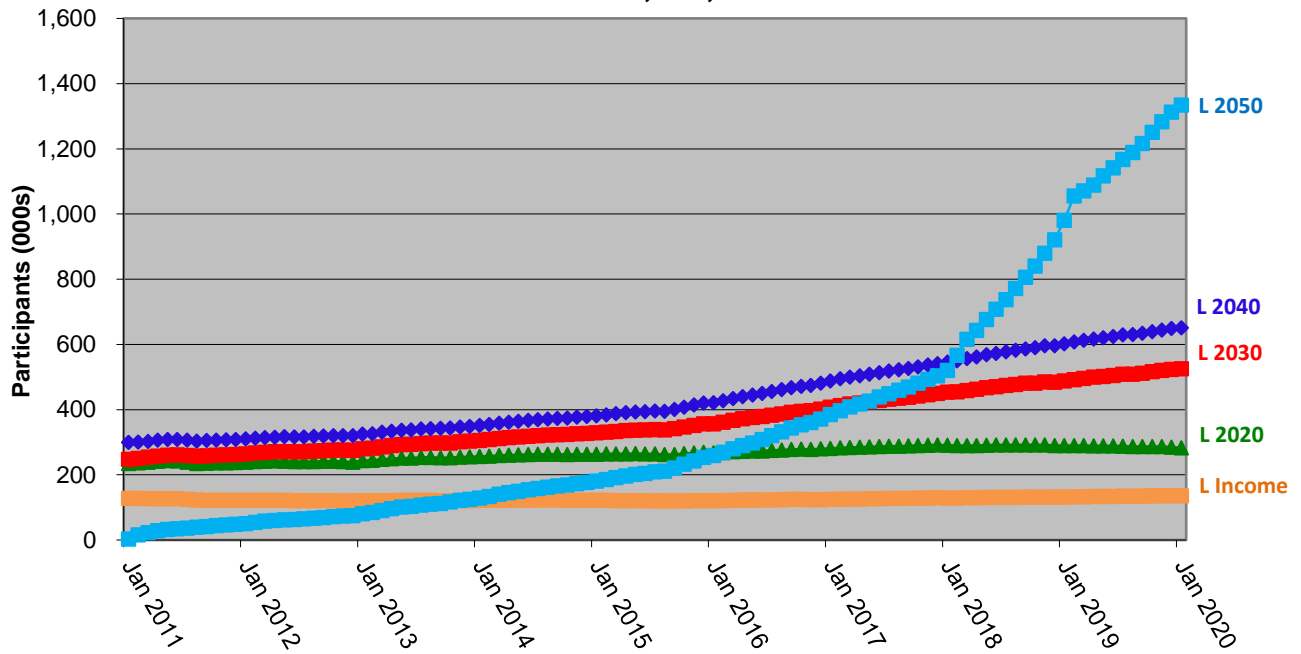
Components may not sum to totals because of rounding.

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY JANUARY 2020

Interfund Transfers January 2020

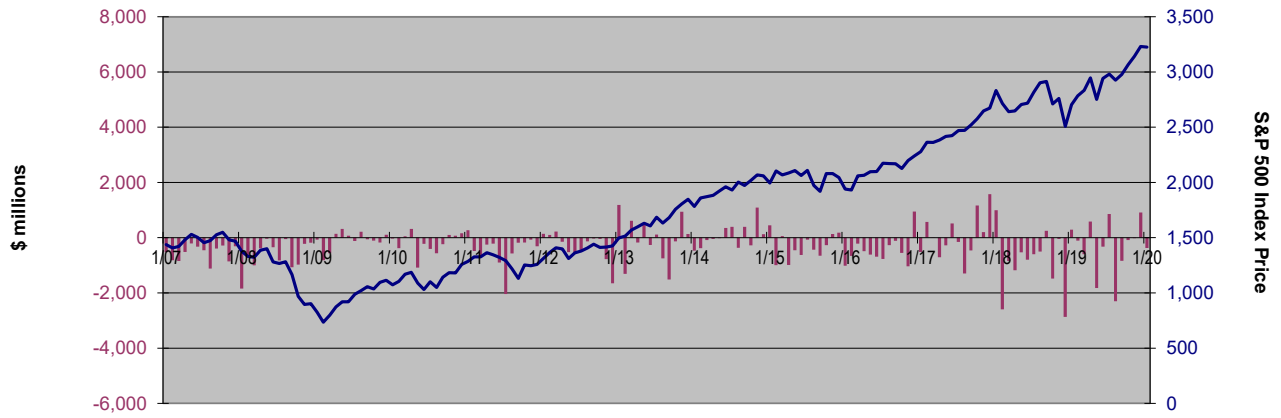


Number of L Fund Participants Total = 2,537,604

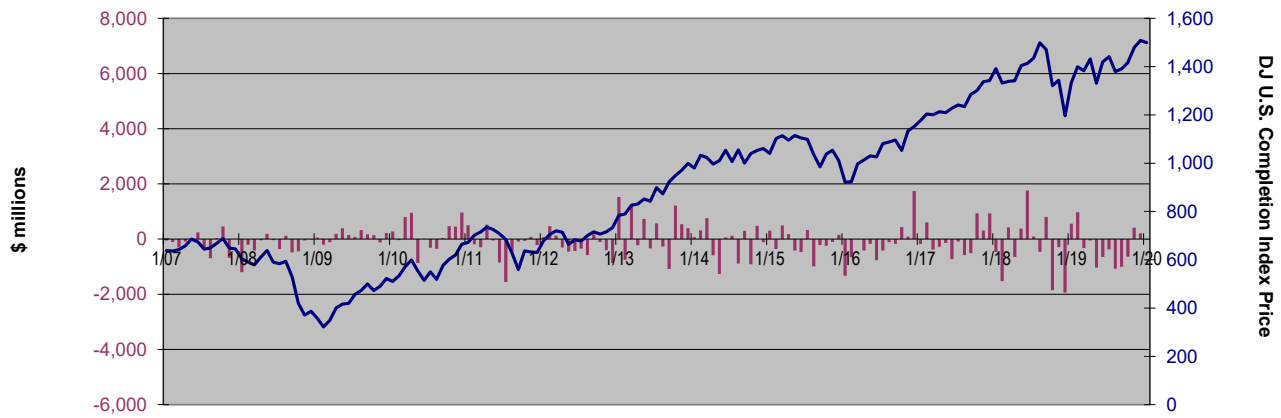


**THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
JANUARY 2020**

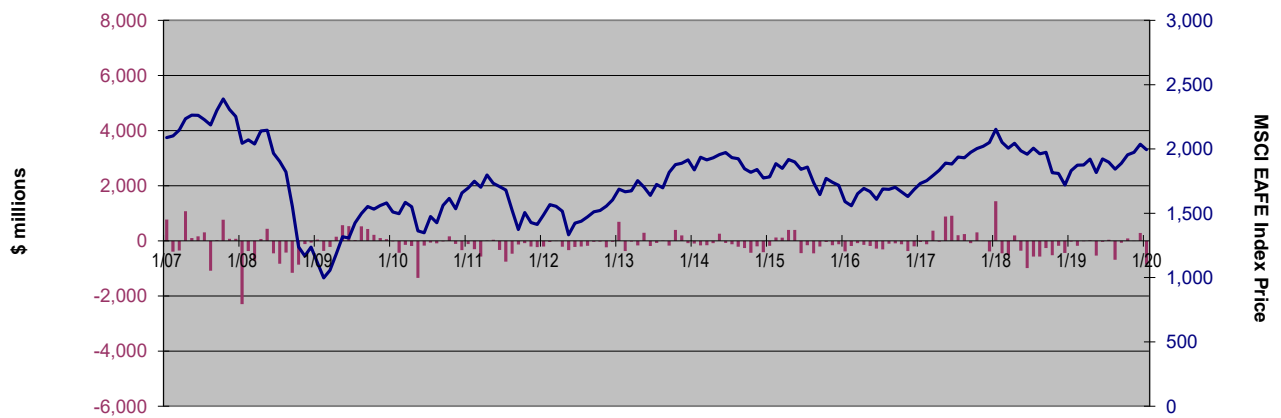
**Monthly Interfund Transfers
C Fund**



**Monthly Interfund Transfers
S Fund**

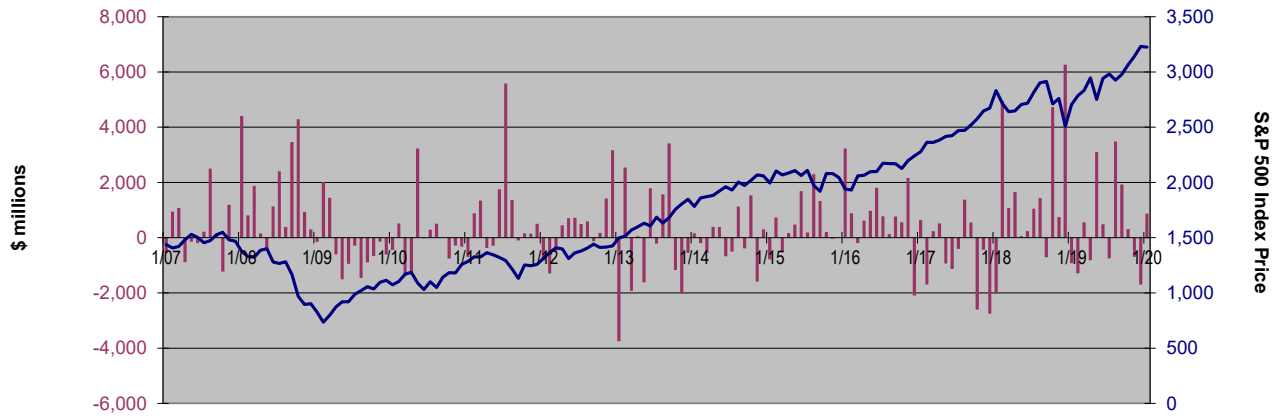


**Monthly Interfund Transfers
I Fund**

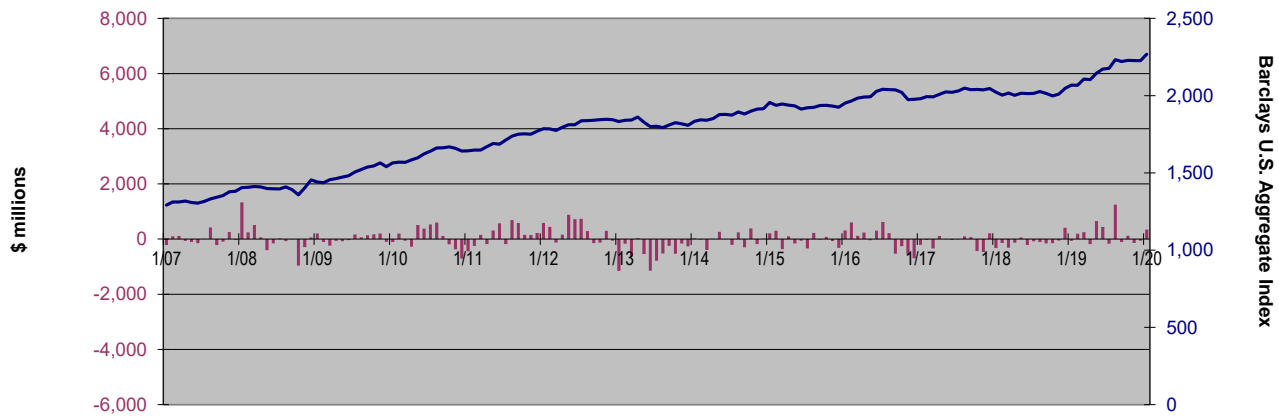


**THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
JANUARY 2020**

**Monthly Interfund Transfers
G Fund**



**Monthly Interfund Transfers
F Fund**



**Monthly Interfund Transfers
L Funds**

