



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

February 16, 2021

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: Sean McCaffrey, Chief Investment Officer

SUBJECT: January 2021 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, interfund transfer activity, and L Funds participation.

RETURNS AND TRACKING ERROR

The table below contains the monthly returns and tracking errors for the separate accounts managed by BlackRock.

January 2021 Returns and Tracking Error

		<u>Fixed Income</u>	<u>Large Cap</u>	<u>Small Mid Cap</u>	<u>International</u>
		<u>(F Fund)</u>	<u>(C Fund)</u>	<u>(S Fund)</u>	<u>(I Fund)</u>
Return (%)	Index	-0.72	-1.01	2.84	-1.07
	BlackRock	-0.71	-1.01	2.86	-1.09
	TSP Fund (Net)	-0.71	-1.01	2.85	-1.09
Tracking Error vs Index (%)	BlackRock	0.01	0.00	0.02	-0.02
	TSP Fund	0.01	0.00	0.01	-0.02

BlackRock's performance for the F, C, S, and I Funds was in line with the Funds' respective indices for the month.

The TSP Funds closely tracked the BlackRock accounts for the month.

TSP Net Returns as of January 31, 2021

	1-Year	3-Year	5-Year	10-Year
G Fund	0.87%	1.99%	2.03%	2.02%

	1-Year	3-Year	5-Year	10-Year
F Fund	4.73%	5.53%	4.11%	3.98%
Bloomberg Barclays US Agg Bond Index	4.72%	5.49%	4.00%	3.75%
Tracking Error	0.01%	0.04%	0.11%	0.23%

	1-Year	3-Year	5-Year	10-Year
C Fund	17.16%	11.65%	16.14%	13.52%
S&P 500 Index	17.25%	11.70%	16.16%	13.50%
Tracking Error	-0.09%	-0.05%	-0.02%	0.02%

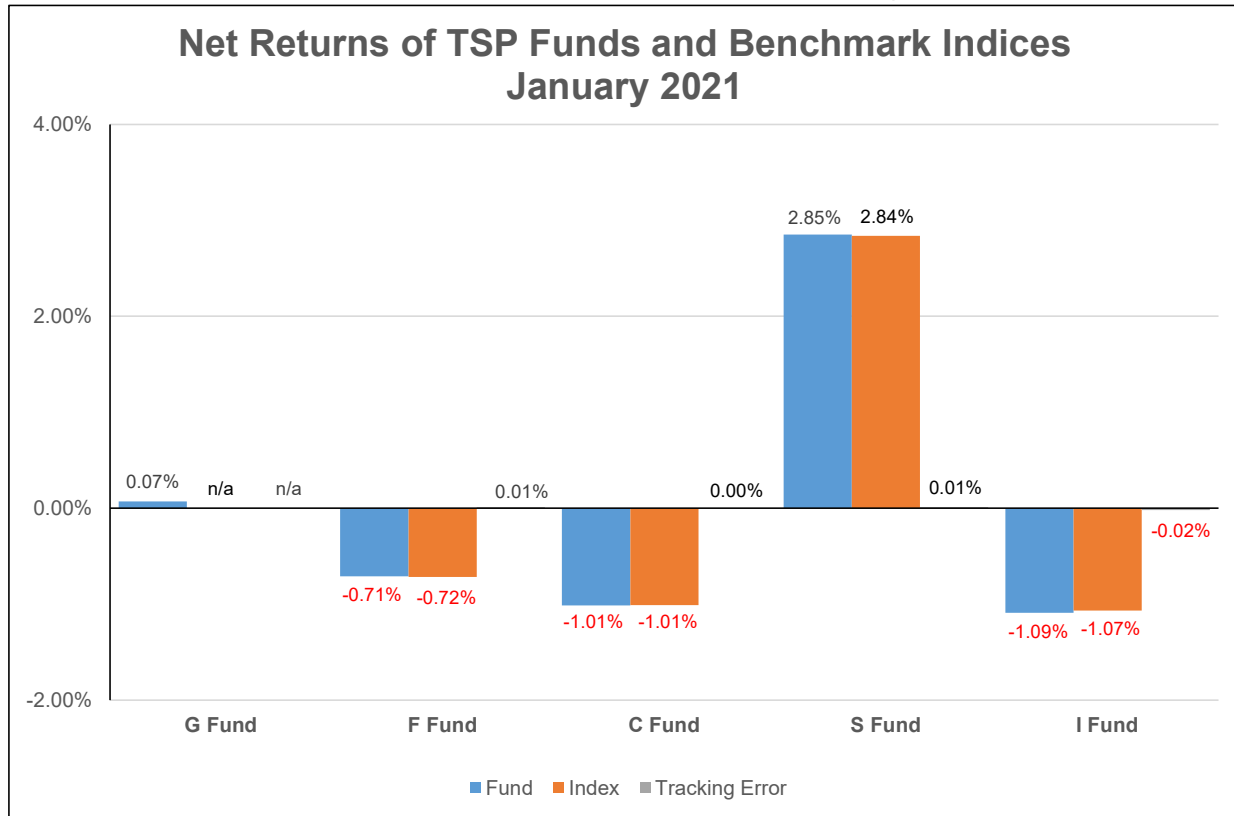
	1-Year	3-Year	5-Year	10-Year
S Fund	36.45%	15.07%	18.87%	13.50%
Dow Jones US Completion TSM Index	36.67%	15.02%	18.72%	13.20%
Tracking Error	-0.22%	0.05%	0.15%	0.30%

	1-Year	3-Year	5-Year	10-Year
I Fund	9.99%	2.61%	9.01%	5.50%
MSCI EAFE Index	8.94%	2.23%	8.84%	5.15%
Tracking Error	1.05%	0.38%	0.17%	0.35%

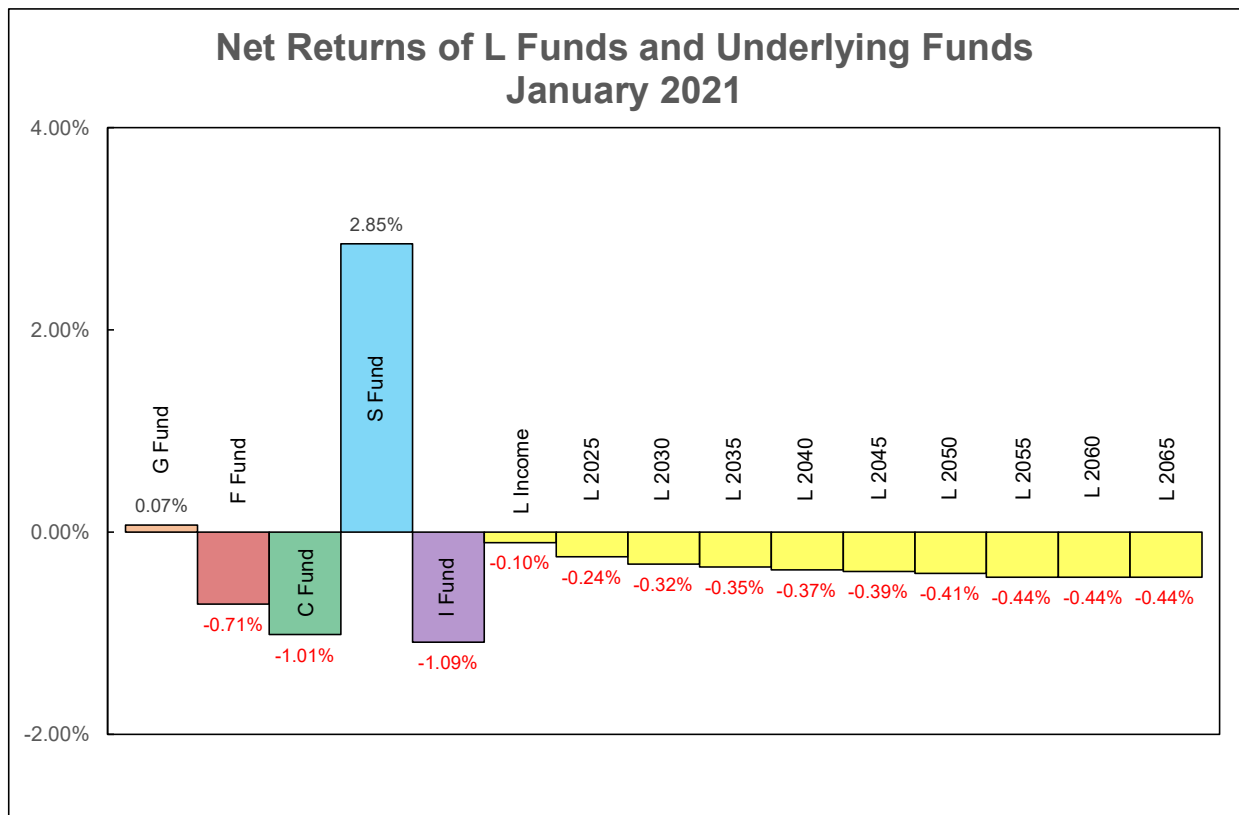
	1-Year	3-Year	5-Year	10-Year
L Income Fund	5.04%	4.03%	4.79%	4.18%
L 2025 Fund	N/A	N/A	N/A	N/A
L 2030 Fund	11.41%	6.84%	9.85%	8.15%
L 2035 Fund	N/A	N/A	N/A	N/A
L 2040 Fund	13.41%	7.68%	11.23%	9.11%
L 2045 Fund	N/A	N/A	N/A	N/A
L 2050 Fund	15.14%	8.36%	12.45%	9.90%
L 2055 Fund	N/A	N/A	N/A	N/A
L 2060 Fund	N/A	N/A	N/A	N/A
L 2065 Fund	N/A	N/A	N/A	N/A
Inception date for L 2025, L 2035, L 2045, L 2055, L 2060, L 2065: July 1, 2020				

Performance of TSP Funds

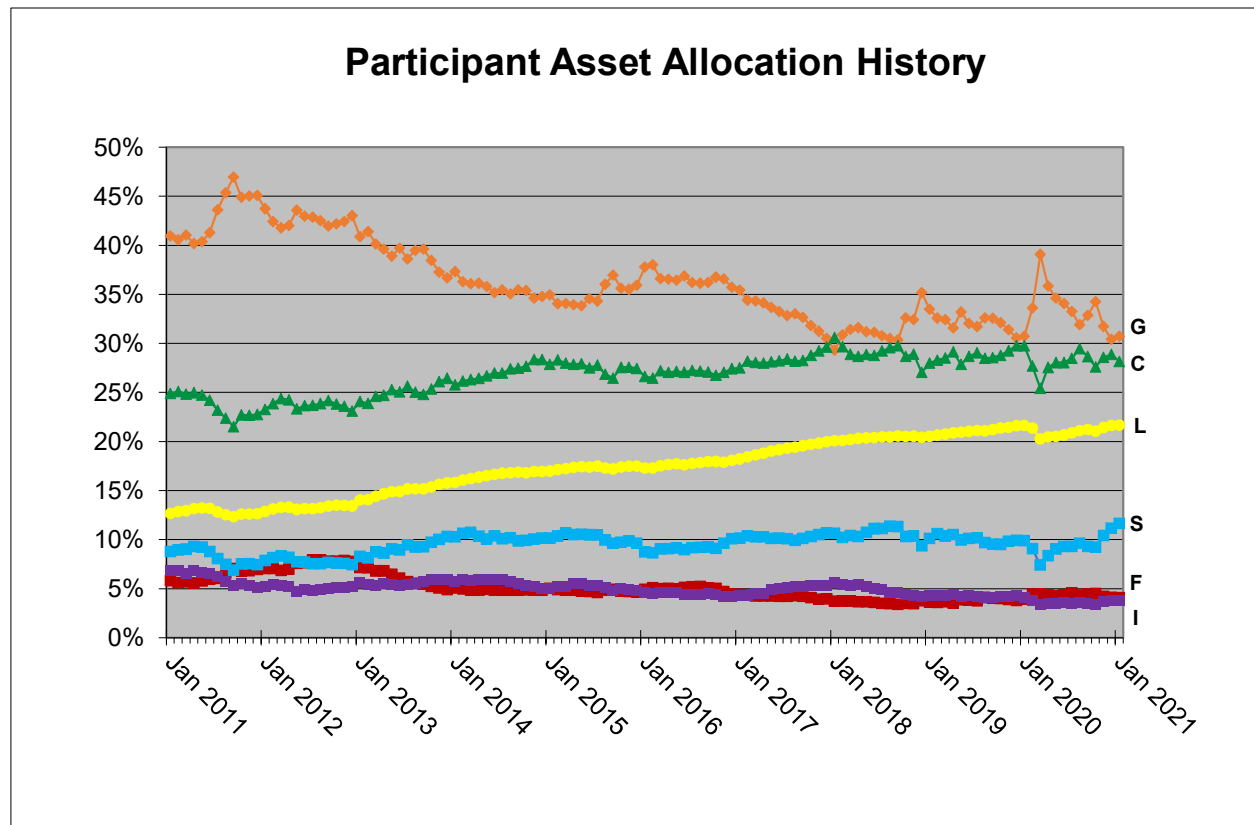
The charts below show the G, F, C, S, and I Fund net rates of return vs. their respective benchmark indices.



Net rates of return for the L Funds are shown below, along with comparable returns for the G, F, C, S, and I Funds.



Asset Allocation

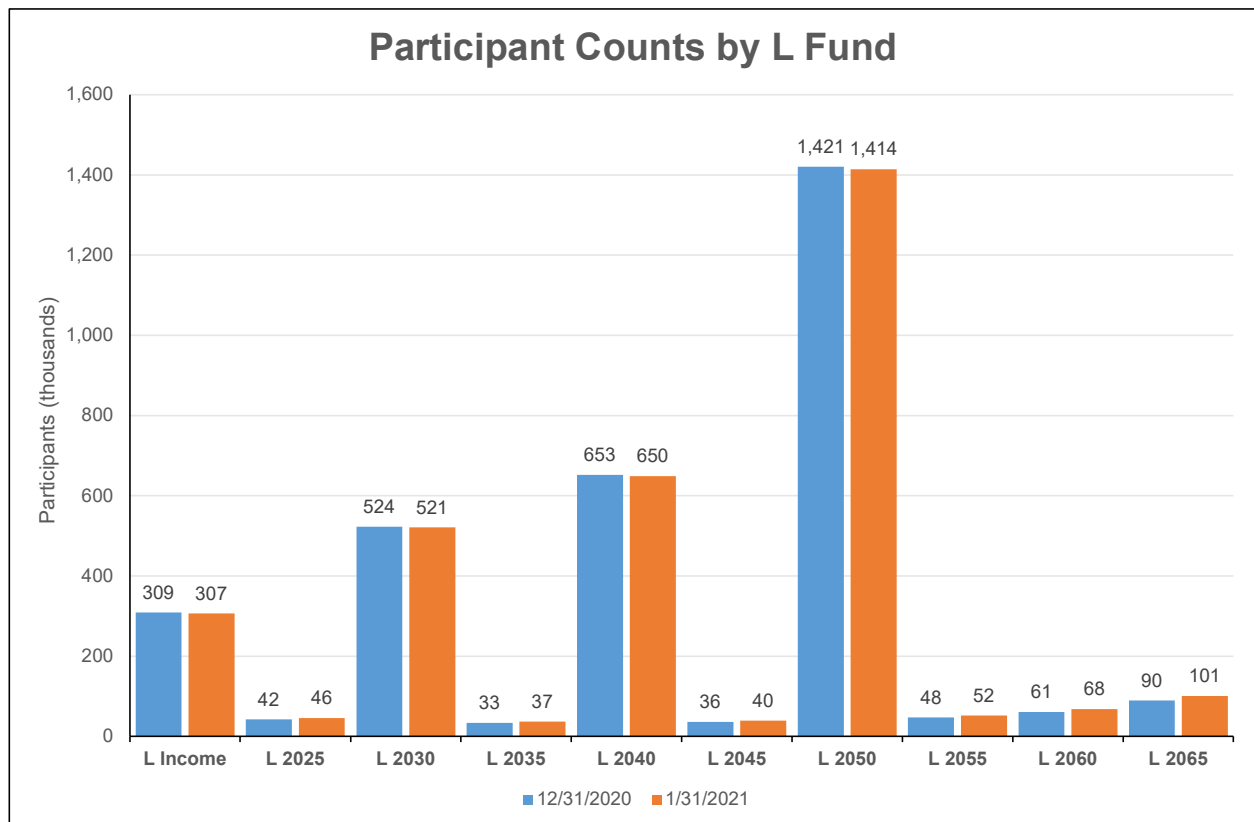
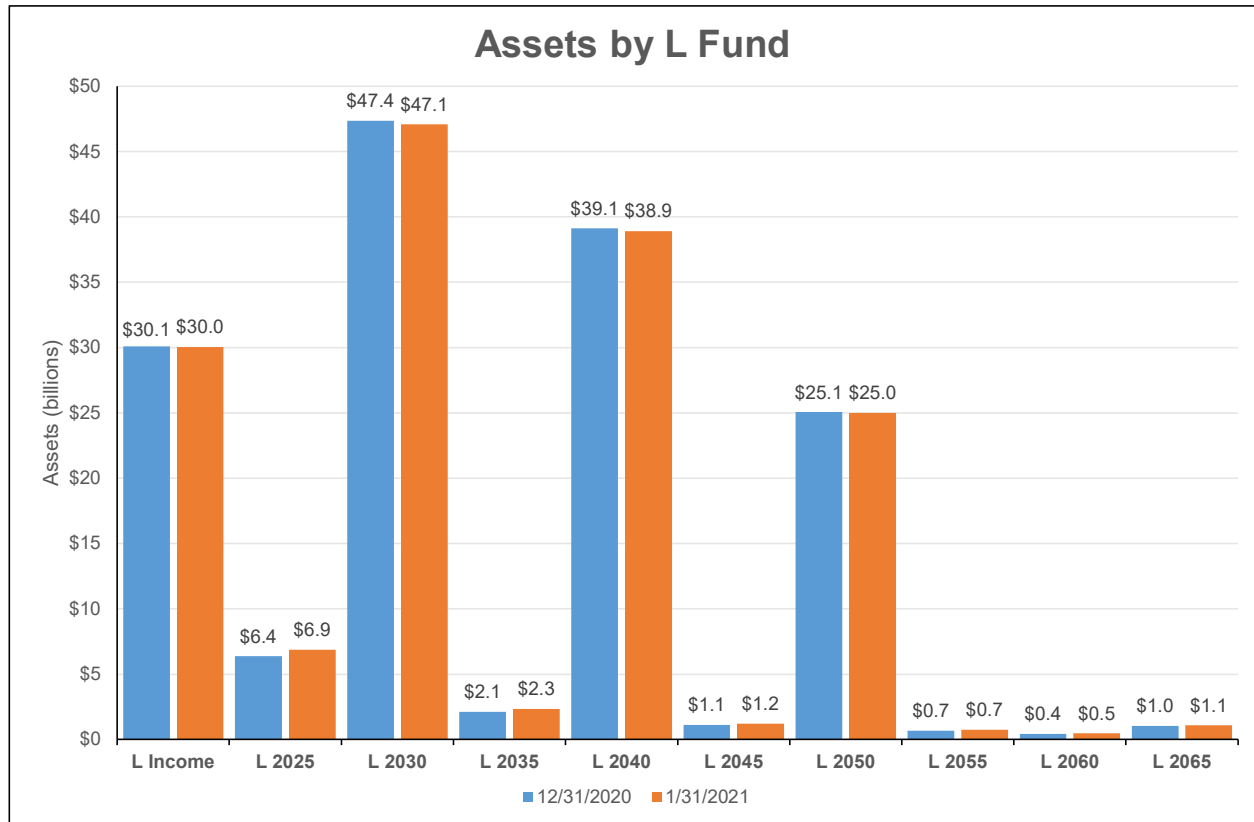


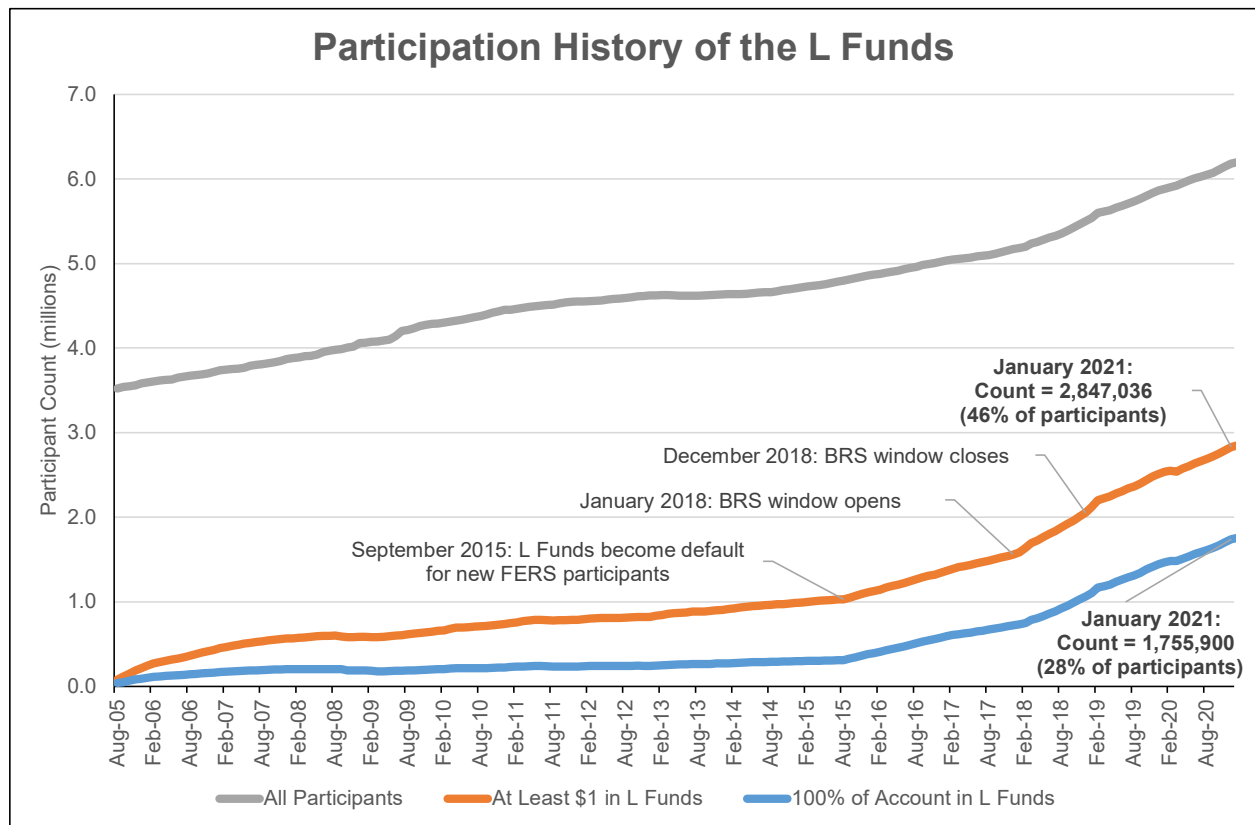
Asset Allocation as of January 31, 2021

	<u>Participant Allocation</u>		<u>Core TSP Funds</u>	
	<u>Assets (Billions)</u>	<u>Share of Total</u>	<u>Assets (Billions)</u>	<u>Share of Total</u>
G Fund	\$217.7	30.7%	\$269.7	38.0%
F Fund	\$28.9	4.1%	\$39.6	5.6%
C Fund	\$199.8	28.2%	\$245.8	34.7%
S Fund	\$82.5	11.6%	\$95.6	13.5%
I Fund	\$26.4	3.7%	\$58.3	8.2%
<u>L Funds</u>	<u>\$153.8</u>	<u>21.7%</u>	<u>n/a</u>	<u>n/a</u>
Total	\$709.0	100%	\$709.0	100%

*Components may not sum to totals because of rounding.

Lifecycle (L) Funds





Interfund Transfer Activity

