



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

March 19, 2019

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: SEAN MCCAFFREY
CHIEF INVESTMENT OFFICER

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SUBJECT: February 2019 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	-0.06	-0.06	-0.06	0.00	0.00
Large Cap	3.21	3.21	3.21	0.00	0.00
Small Mid Cap	4.98	4.98	4.97	0.01	0.00
International	2.56	2.55	2.55	0.01	-0.01

2019 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	1.01	1.00	1.00	0.01	-0.01
Large Cap	11.49	11.48	11.48	0.01	-0.01
Small Mid Cap	17.20	17.20	17.15	0.05	0.00
International	9.28	9.32	9.29	-0.01	0.04

BlackRock's performance for the F, C, S and I Funds was in line with the Funds' respective indices for the month. For the S Fund year-to-date, BlackRock outperformed the Small Cap Index by 5 basis points, primarily due to securities sampling. Its performance for the F, C, and I Funds was in line with their respective indices year-to-date.

The TSP Funds closely tracked the BTC Accounts for the month. Year-to-date, the F, C, and S Funds closely tracked the BTC Accounts, while the I Fund was higher by 4 basis points.

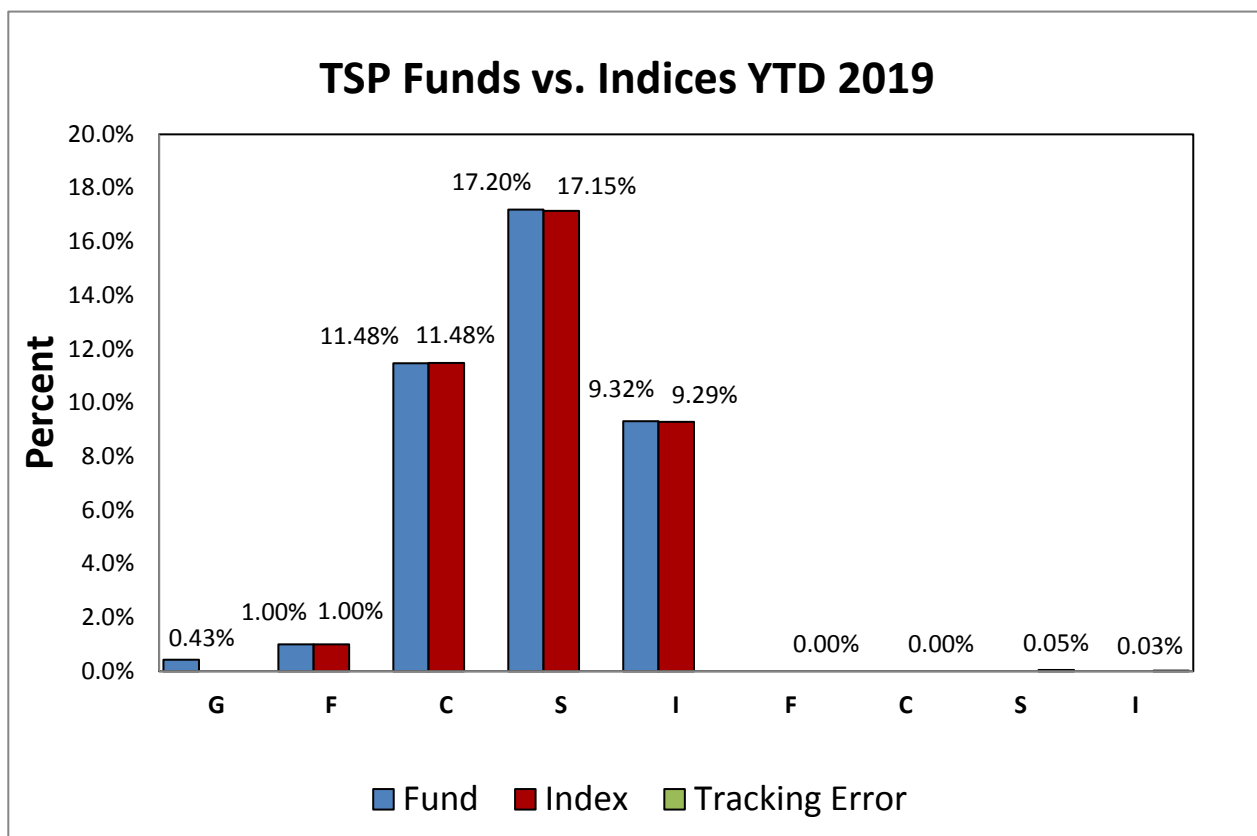
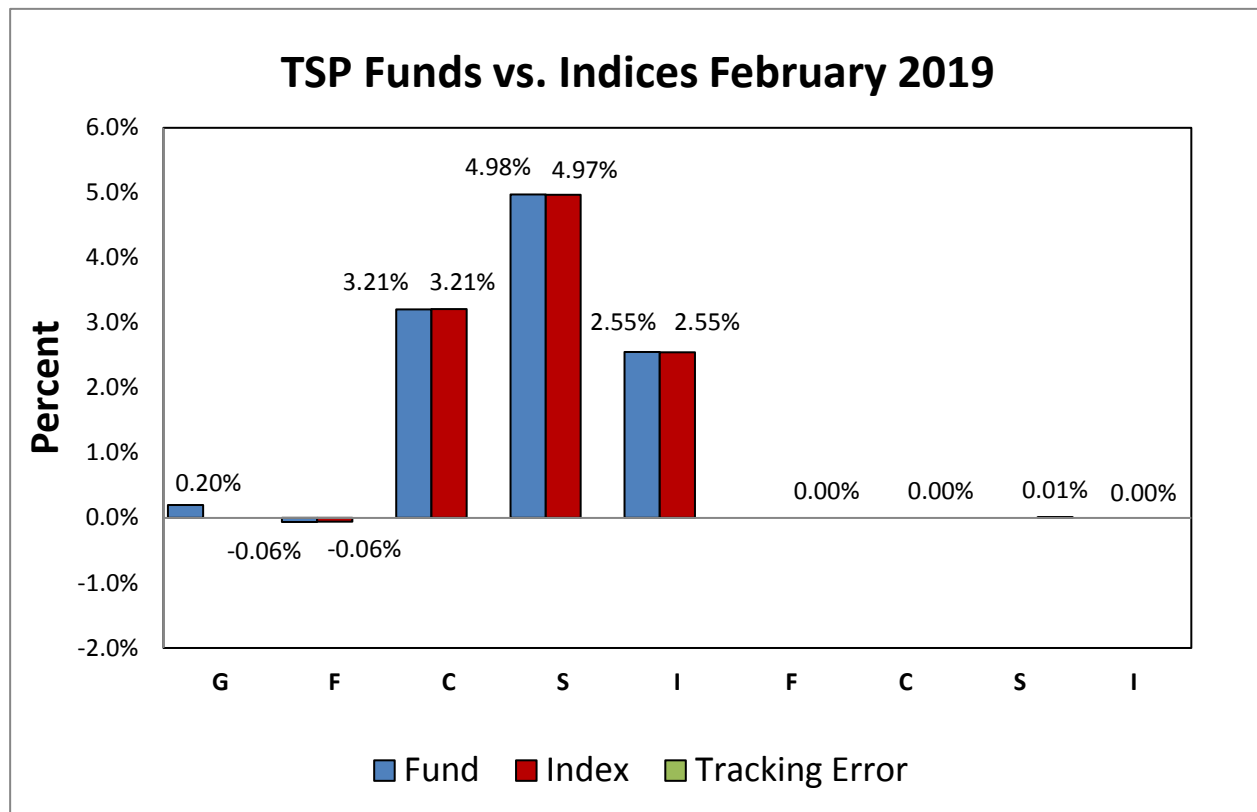
Trading Costs

<u>F Fund</u>	<u>Trading Costs</u>		
	<u>Dollar Amount</u> <u>Traded</u>	<u>Dollars</u>	<u>Basis</u> <u>Points</u>
February	840,476,806	68,733	0.8
Year-to-Date	1,599,720,362	152,021	1.0
 <u>C Fund</u>			
February	1,259,163,536	44,490	0.4
Year-to-Date	5,239,960,977	311,885	0.6
 <u>S Fund</u>			
February	1,253,028,382	(66,779)	-0.5
Year-to-Date	2,859,335,560	(78,485)	-0.3
 <u>I Fund</u>			
February	1,327,720,651	1,066,550	8.0
Year-to-Date	5,065,862,544	(21,668,788)	-42.8

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

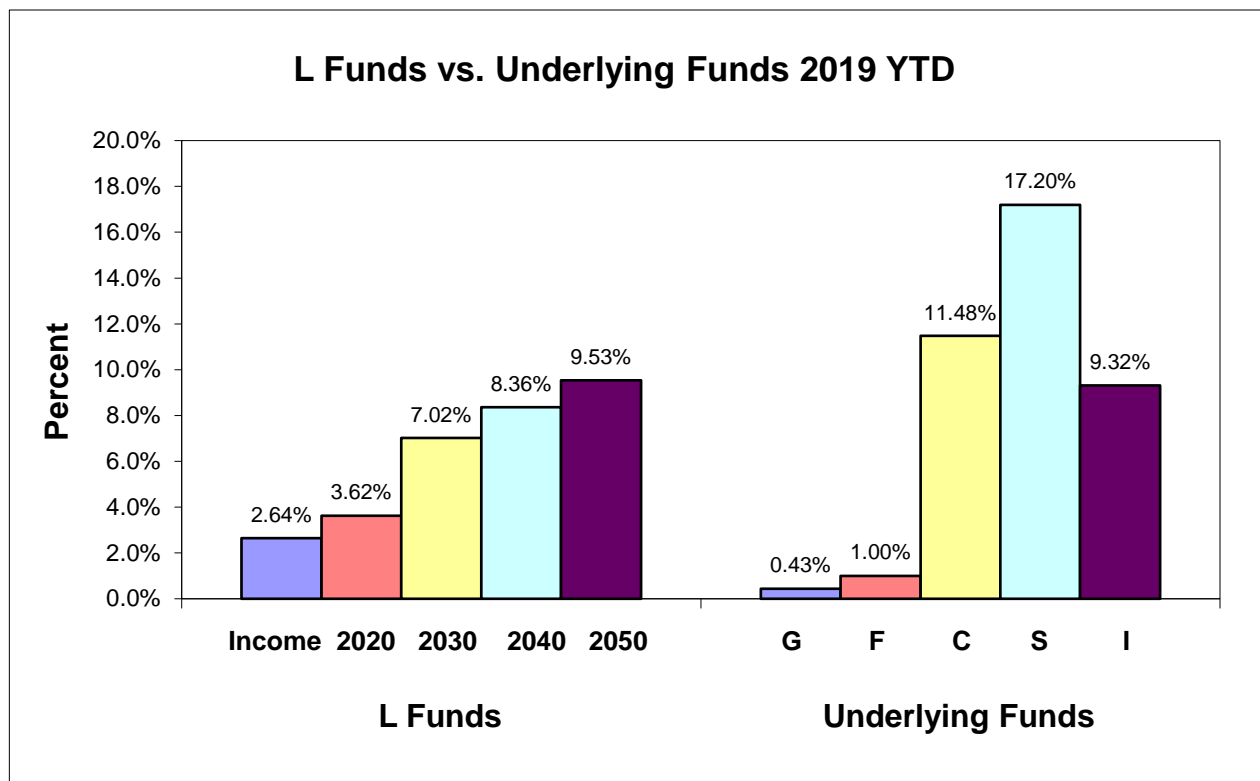
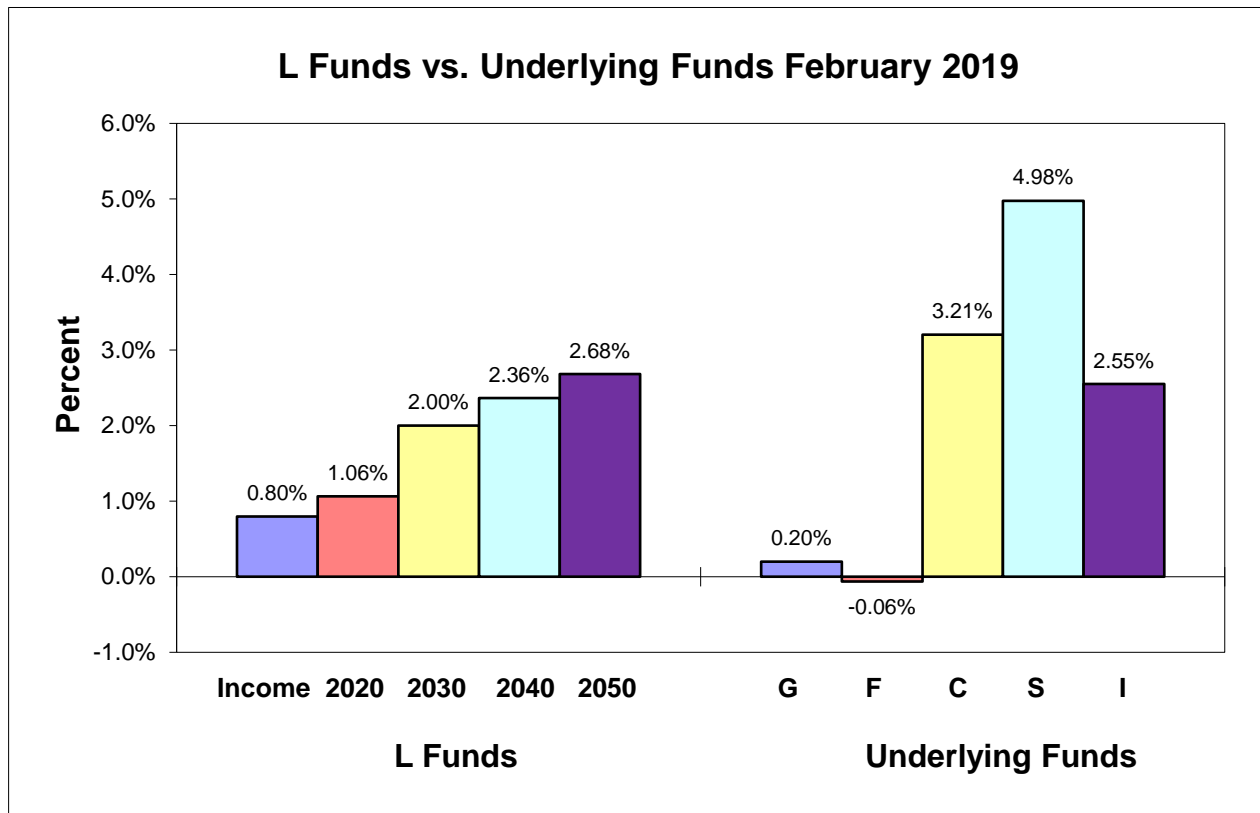
Performance of TSP Funds Total Returns

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



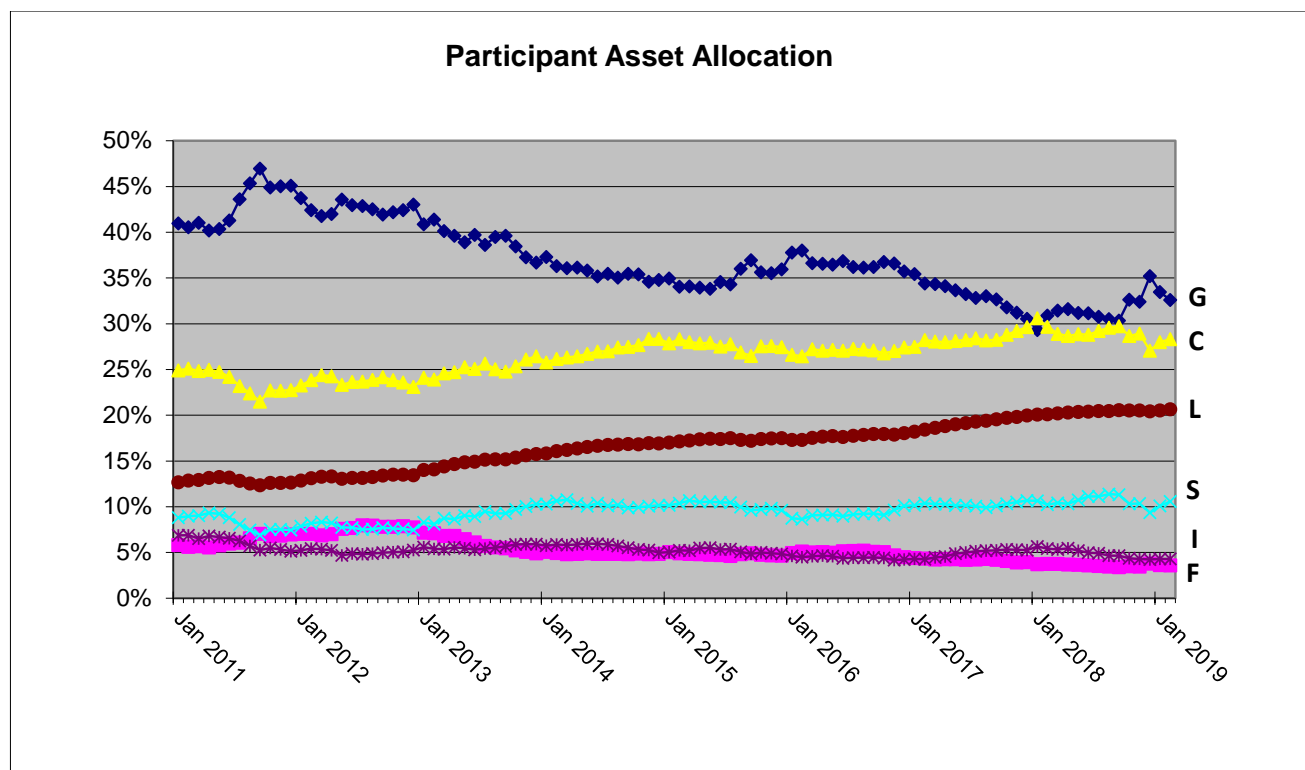
L Funds

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
FEBRUARY 2019**

Attachment 1



**TSP Assets -- Participant Allocation
(February 28, 2019)**

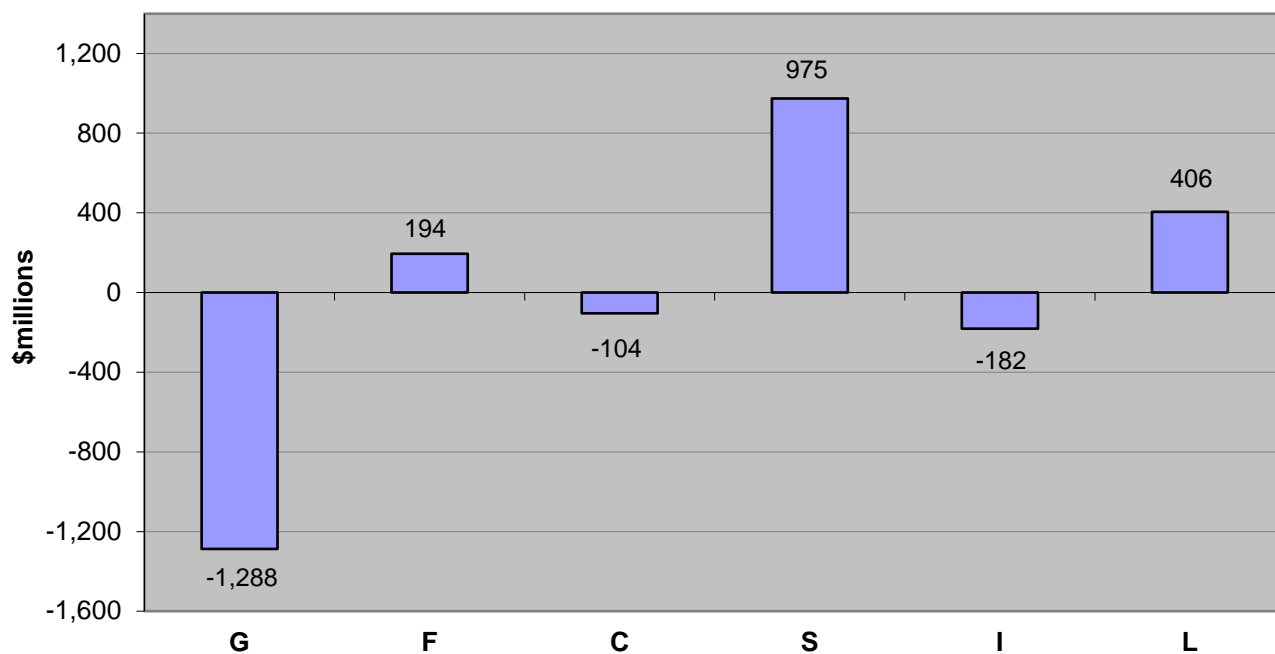
<u>Fund</u>	<u>Dollars (Billion USD)</u>	<u>Percent</u>
G Fund	\$186.0	32.5%
F Fund	\$20.7	3.6%
C Fund	\$162.4	28.3%
S Fund	\$60.7	10.6%
I Fund	\$24.7	4.3%
L Fund	<u>\$118.3</u>	<u>20.6%</u>
Total	\$572.9	100%

**TSP Assets -- By Core Funds
(February 28, 2019)**

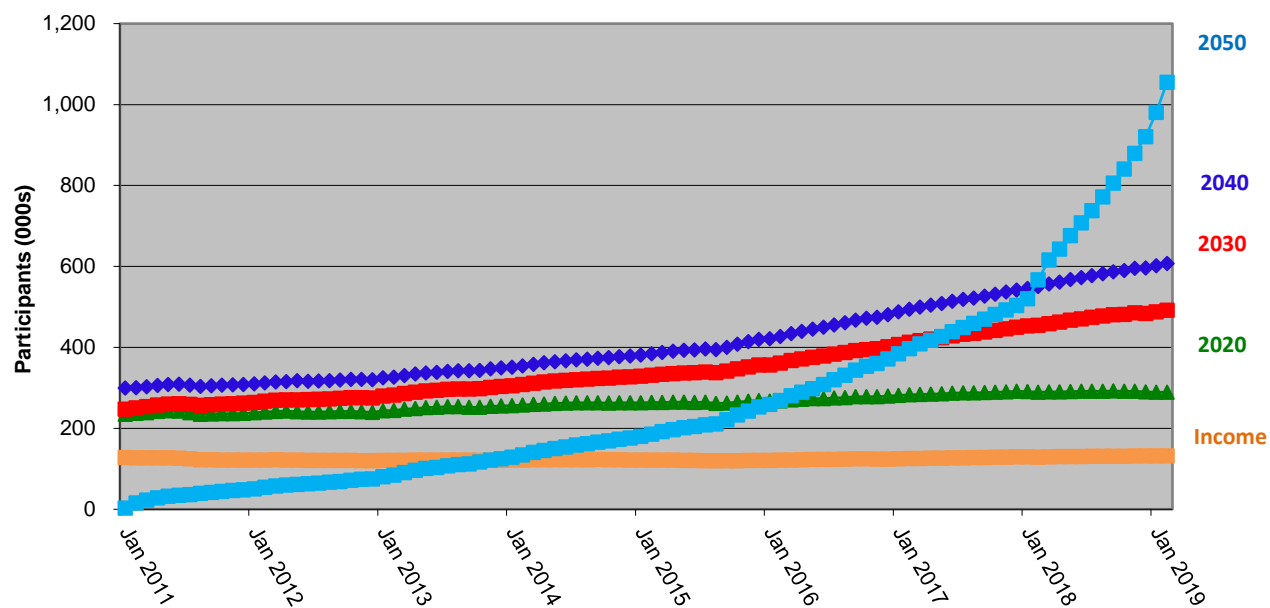
<u>Fund</u>	<u>Dollars (Billion USD)</u>	<u>Percent</u>
G Fund	\$231.4	40.4%
F Fund	\$28.6	5.0%
C Fund	\$194.9	34.0%
S Fund	\$70.3	12.3%
I Fund	<u>\$47.6</u>	<u>8.3%</u>
Total	\$572.9	100.0%

THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY FEBRUARY 2019

February 2019 - Interfund Transfers

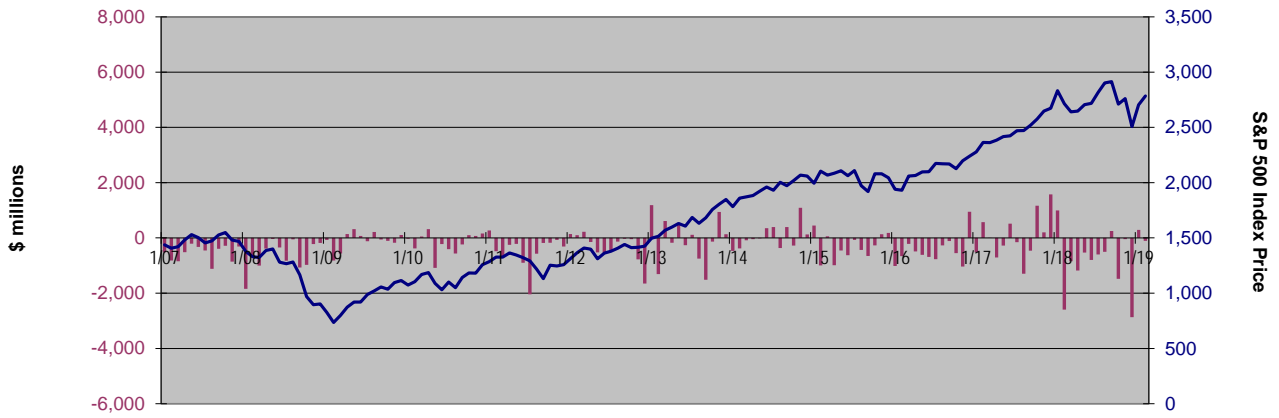


Number of L Fund Participants Total = 2,201,559

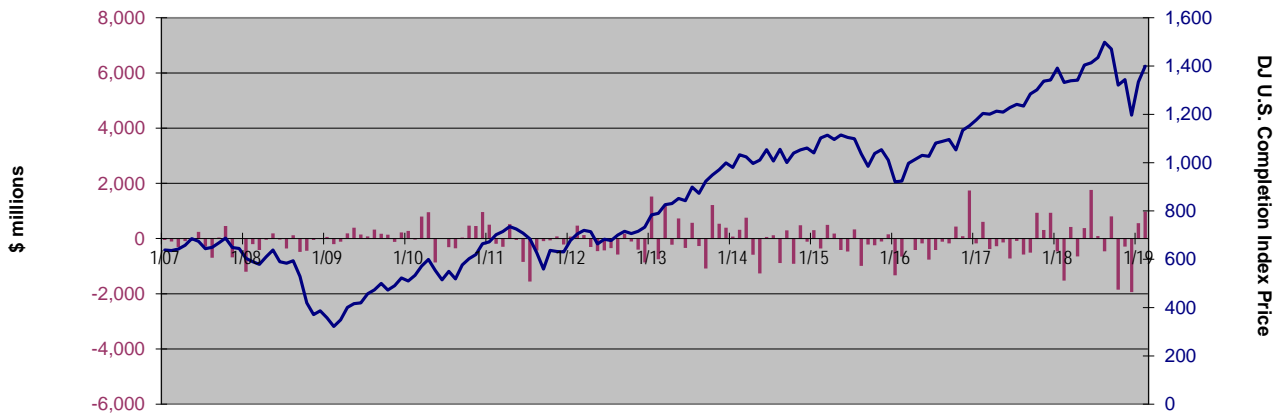


THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY FEBRUARY 2019

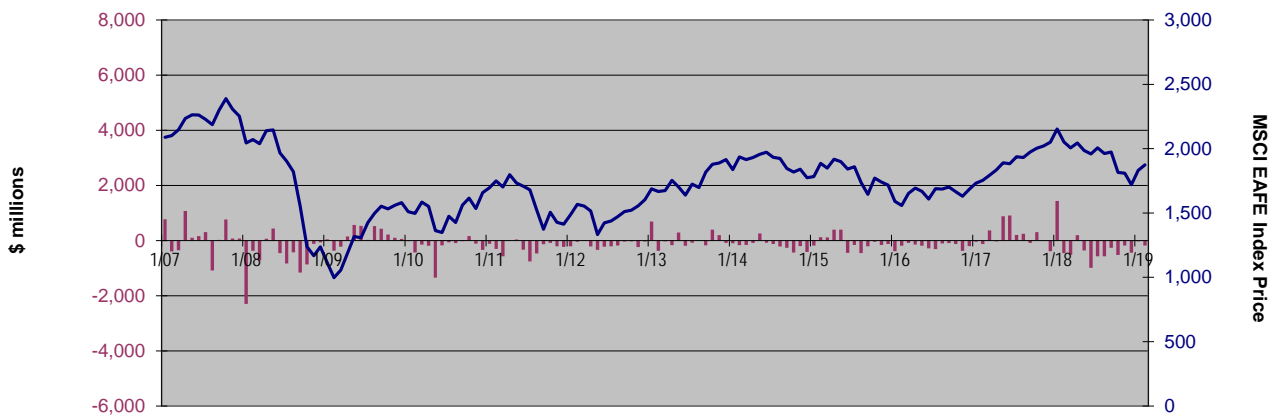
Monthly Interfund Transfers
C Fund



Monthly Interfund Transfers
S Fund

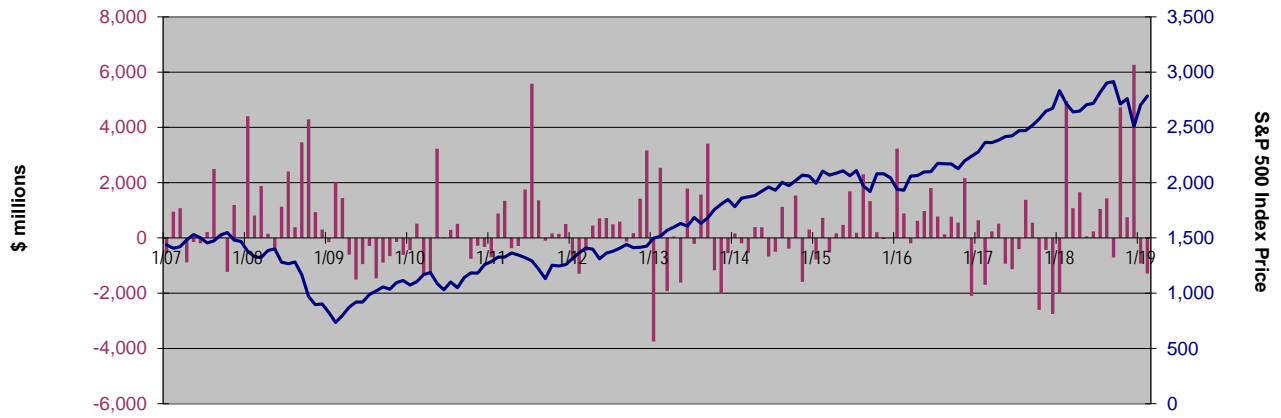


Monthly Interfund Transfers
I Fund

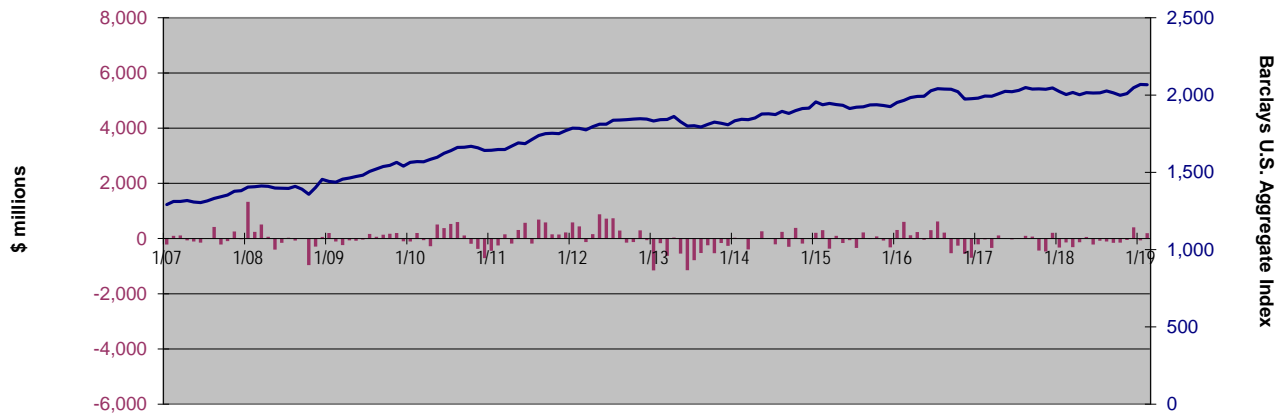


**THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY
FEBRUARY 2019**

**Monthly Interfund Transfers
G Fund**



**Monthly Interfund Transfers
F Fund**



**Monthly Interfund Transfers
L Funds**

