



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

June 10, 2019

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: SEAN MCCAFFREY  
CHIEF INVESTMENT OFFICER

A handwritten signature in dark ink, appearing to read "SM", located to the right of the "FROM" line.

SUBJECT: May 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***

<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>
Fixed Income	1.77	1.77	1.78	-0.01	0.00
Large Cap	-6.36	-6.36	-6.35	-0.01	0.00
Small Mid Cap	-6.98	-6.99	-6.95	-0.03	-0.01
International	-4.68	-4.69	-4.80	0.12	-0.01

***2019 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>
Fixed Income	4.81	4.79	4.80	0.01	-0.02
Large Cap	10.75	10.73	10.74	0.01	-0.02
Small Mid Cap	11.89	11.87	11.88	0.01	-0.02
International	7.98	8.00	7.64	0.34	0.02

BlackRock's performance for the F and C Funds was in-line with indices for the month. For the S Fund, BlackRock underperformed the Small Cap Index by 3 basis points, primarily due to securities sampling. Its performance for the I Fund was ahead of the International Index by 12 basis points, primarily due to tax effect. For the F, C, and S Funds year-to date, BlackRock's performance was in-line with the Funds' respective indices. Year-to-date, BlackRock outperformed the International Index by 34 basis points, primarily due to tax effect.

The TSP Funds closely tracked the BTC Accounts for the month. Year-to-date, the F, C, S, and I Funds closely tracked the BTC Accounts.

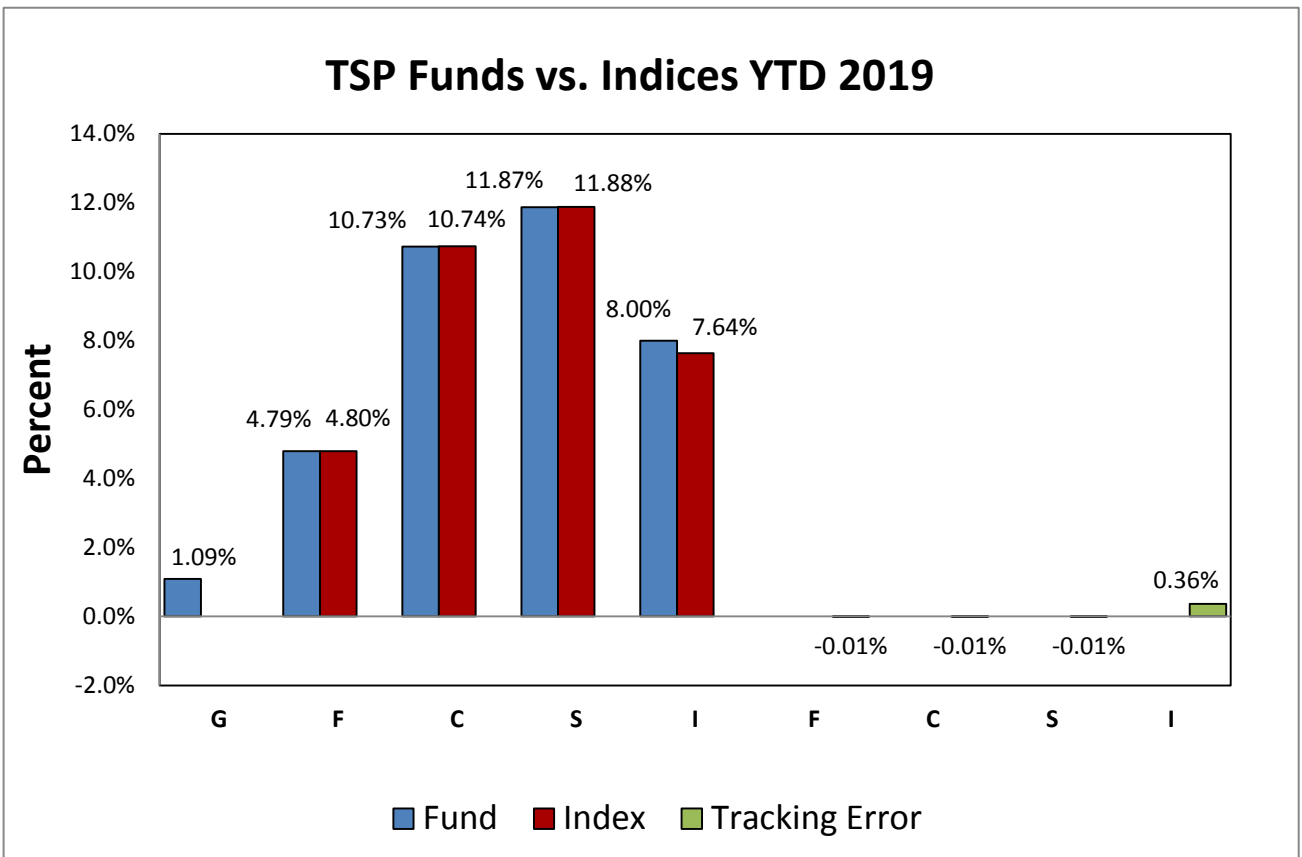
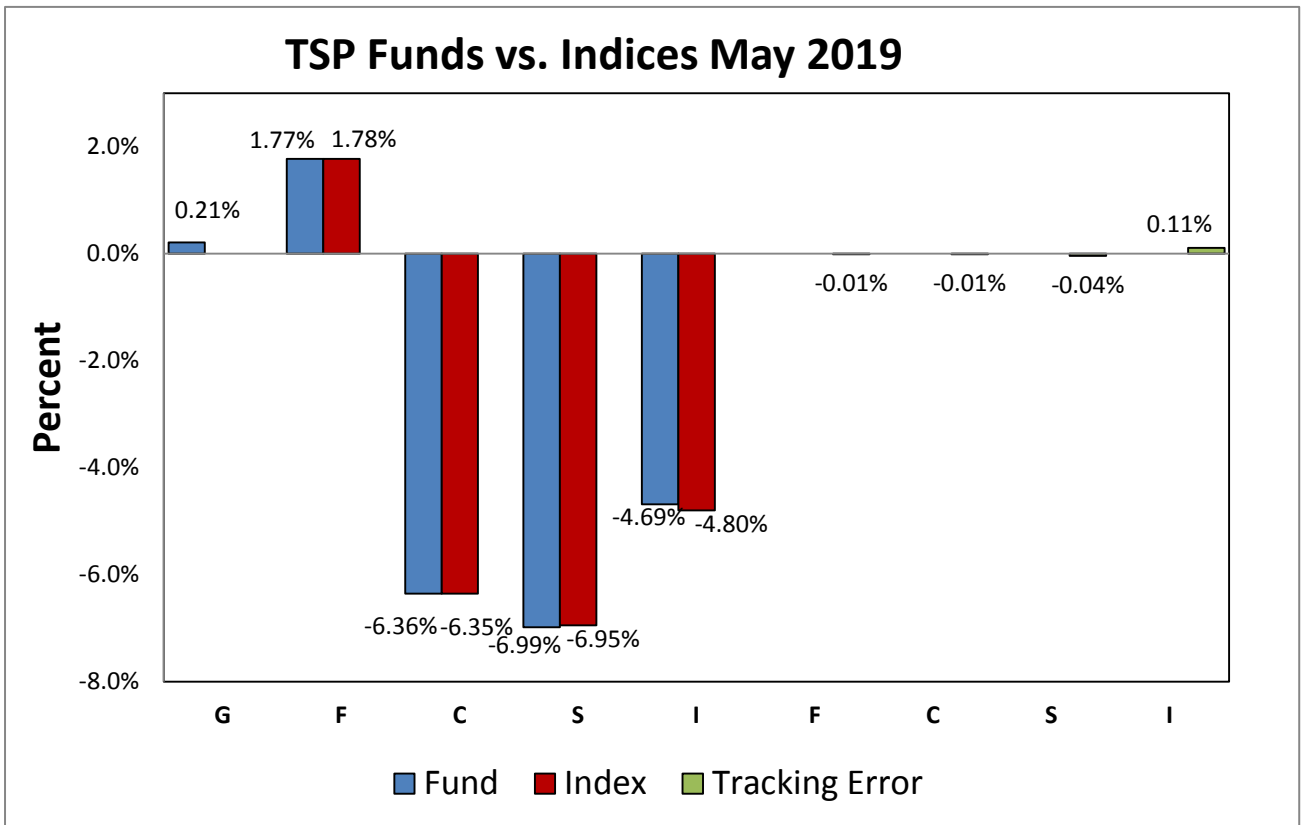
## Trading Costs

<u>Trading Costs</u>			
<u>F Fund</u>	<u>Dollar Amount</u> <u>Traded</u>	<u>Dollars</u>	<u>Basis</u> <u>Points</u>
May	1,111,413,064	68,512	0.6
Year-to-Date	3,910,546,223	278,742	0.7
 <u>C Fund</u>			
May	3,494,877,498	(1,483,286)	-4.2
Year-to-Date	11,675,251,129	(1,169,020)	-1.0
 <u>S Fund</u>			
May	2,407,158,979	(295,401)	-1.2
Year-to-Date	7,860,135,656	(143,031)	-0.2
 <u>I Fund</u>			
May	1,576,032,544	3,450,859	21.9
Year-to-Date	9,181,087,523	(17,881,930)	-19.5

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

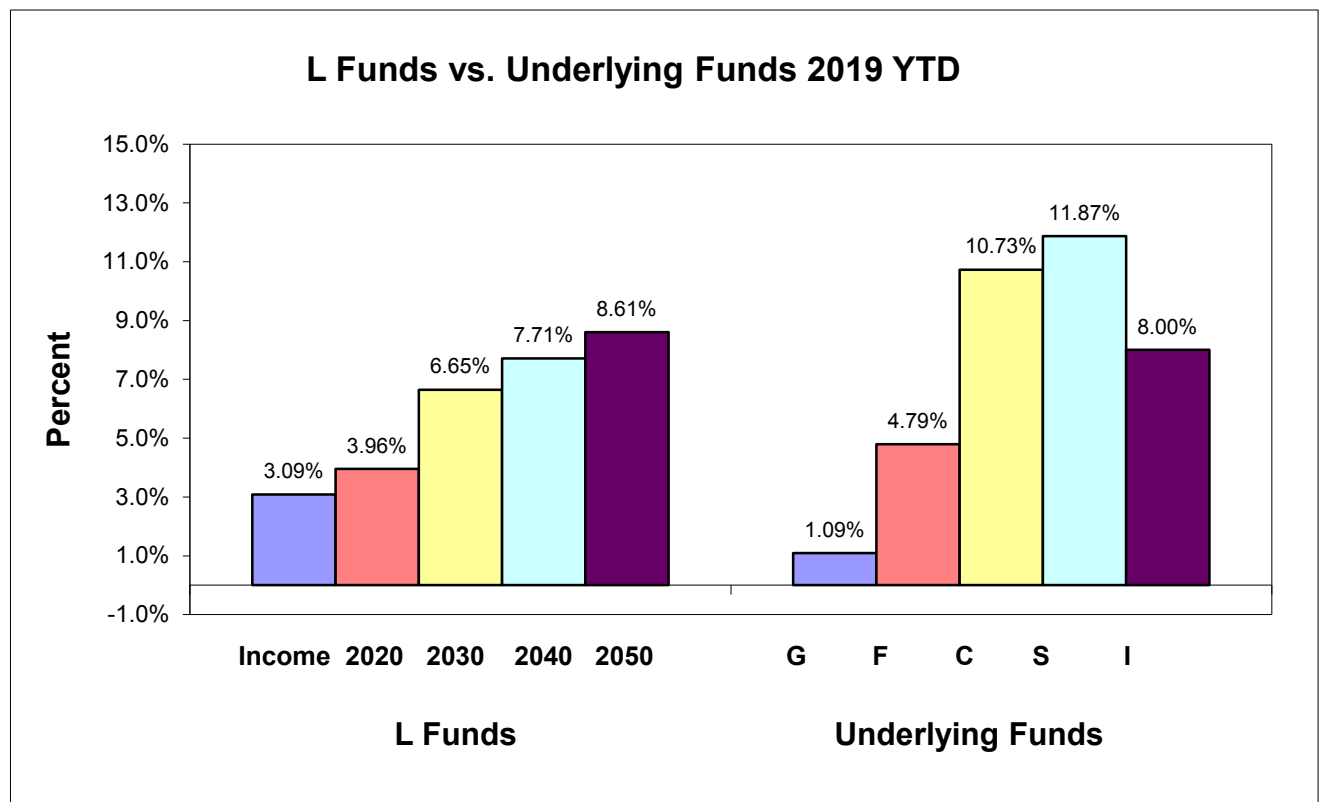
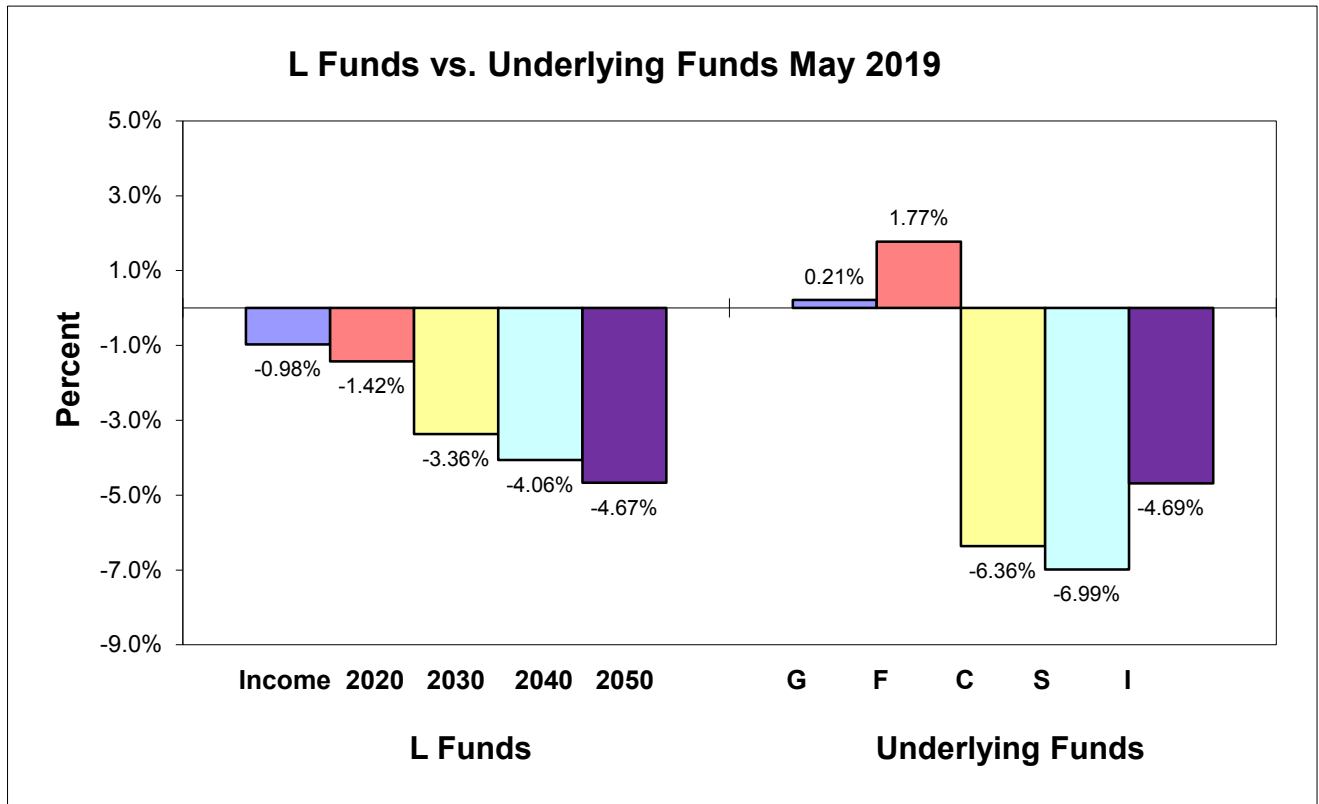
## Performance of TSP Funds Total Returns

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



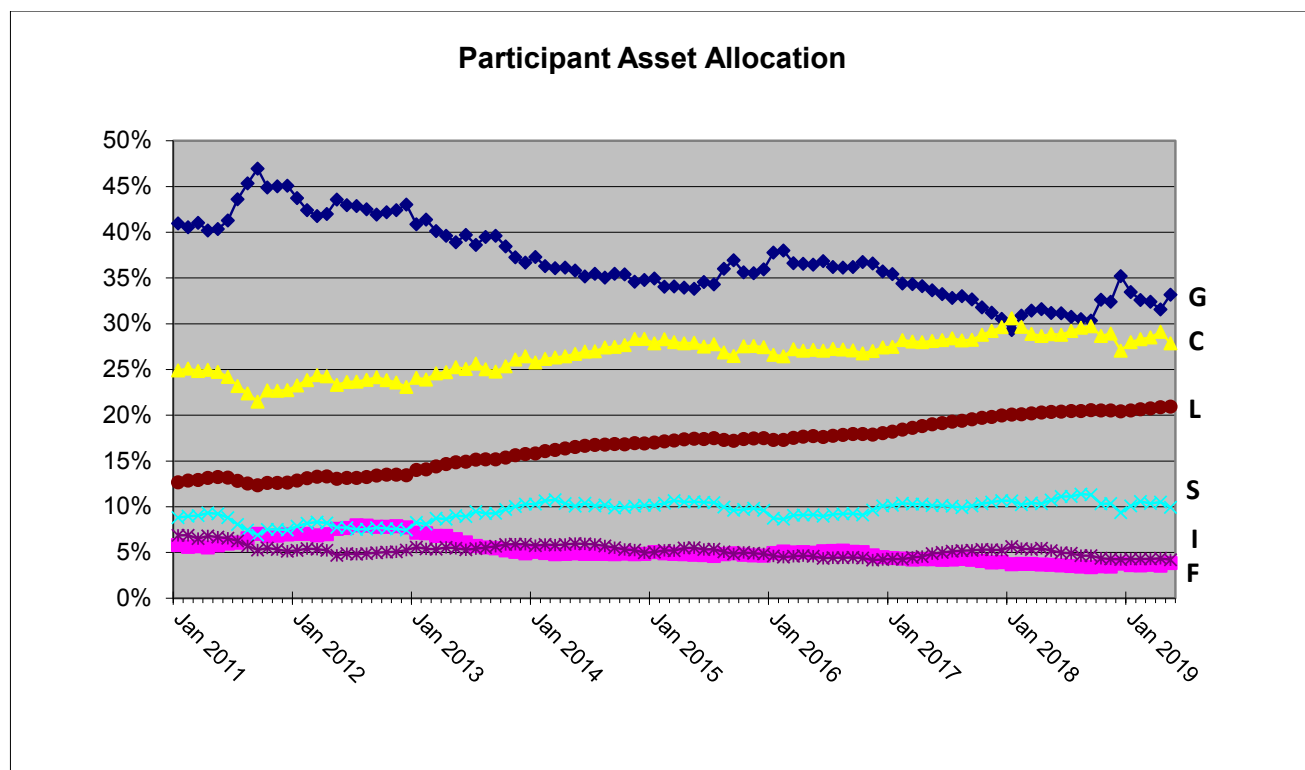
## L Funds

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  
MAY 2019**

Attachment 1



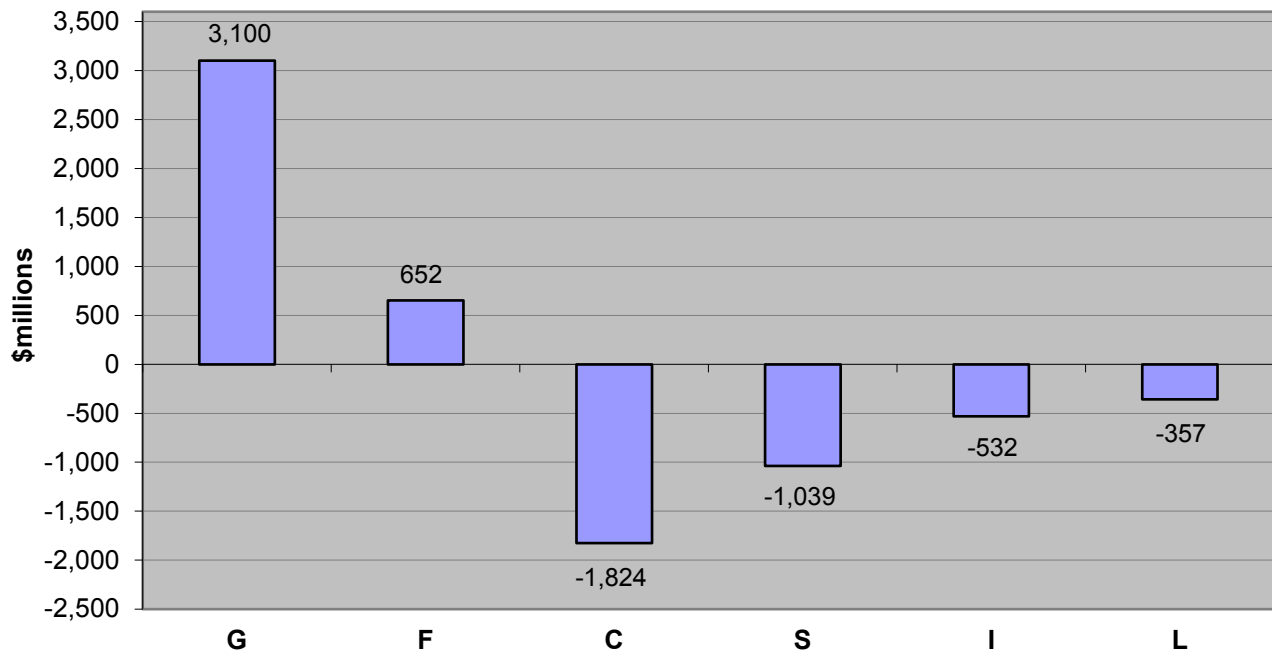
TSP Assets -- Participant Allocation (May 31, 2019)		
<u>Fund</u>	<u>Dollars (Billion USD)</u>	<u>Percent</u>
<b>G Fund</b>	\$190.2	33.2%
<b>F Fund</b>	\$22.0	3.8%
<b>C Fund</b>	\$159.4	27.9%
<b>S Fund</b>	\$56.9	9.9%
<b>I Fund</b>	\$24.1	4.2%
<b>L Funds</b>	<u>\$119.8</u>	<u>20.9%</u>
<b>Total</b>	\$572.4	100%

TSP Assets -- By Core Funds (May 31, 2019)		
<u>Fund</u>	<u>Dollars (Billion USD)</u>	<u>Percent</u>
<b>G Fund</b>	\$235.3	41.1%
<b>F Fund</b>	\$30.3	5.3%
<b>C Fund</b>	\$192.6	33.7%
<b>S Fund</b>	\$66.7	11.6%
<b>I Fund</b>	<u>\$47.4</u>	<u>8.3%</u>
<b>Total</b>	\$572.4	100%

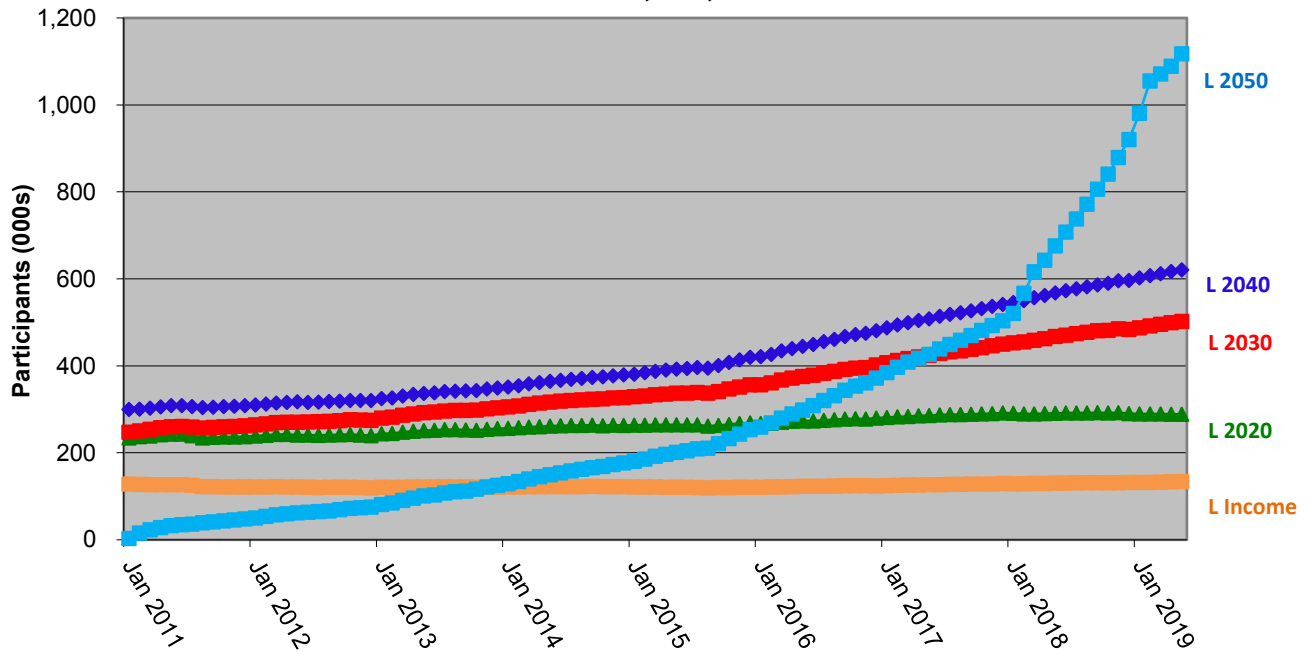
Components may not sum to totals because of rounding.

# THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY MAY 2019

## May 2019 - Interfund Transfers

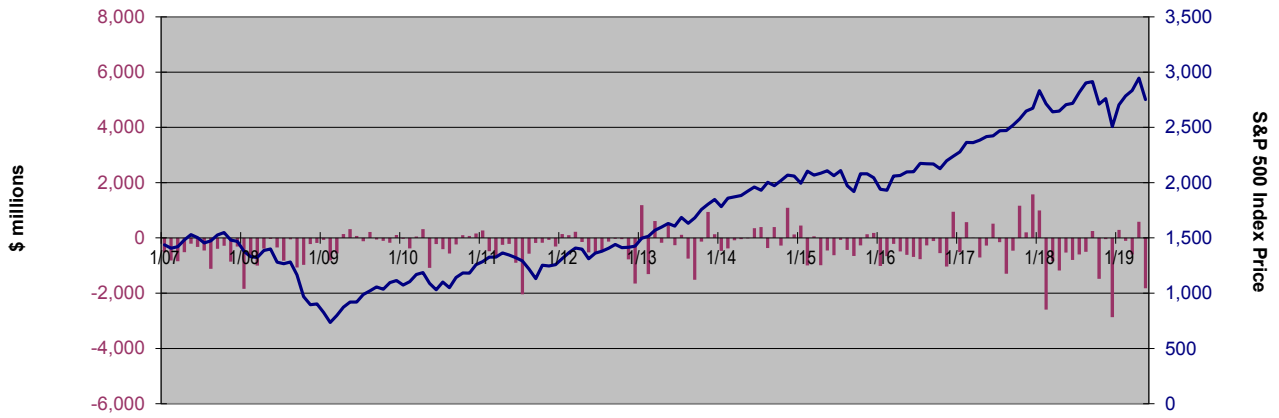


## Number of L Fund Participants Total = 2,281,275

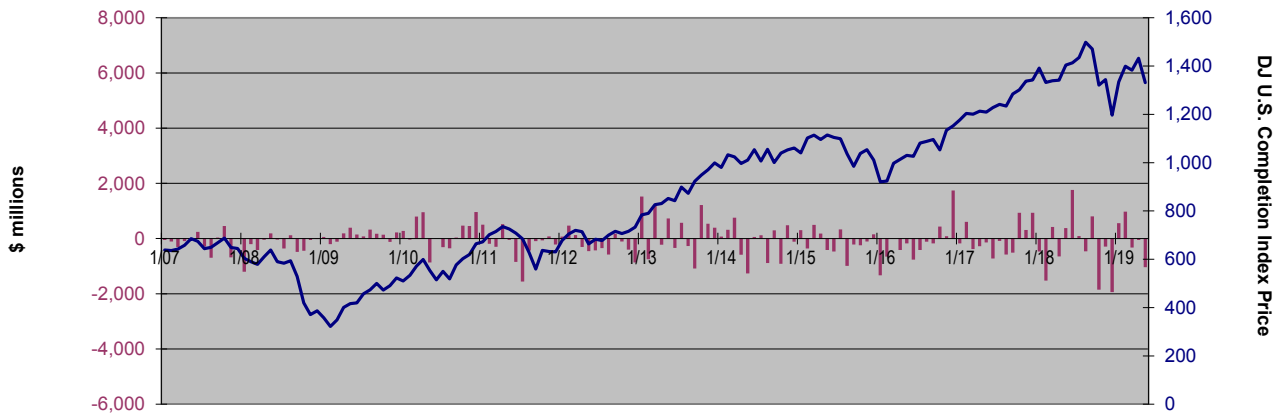


**THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY  
MAY 2019**

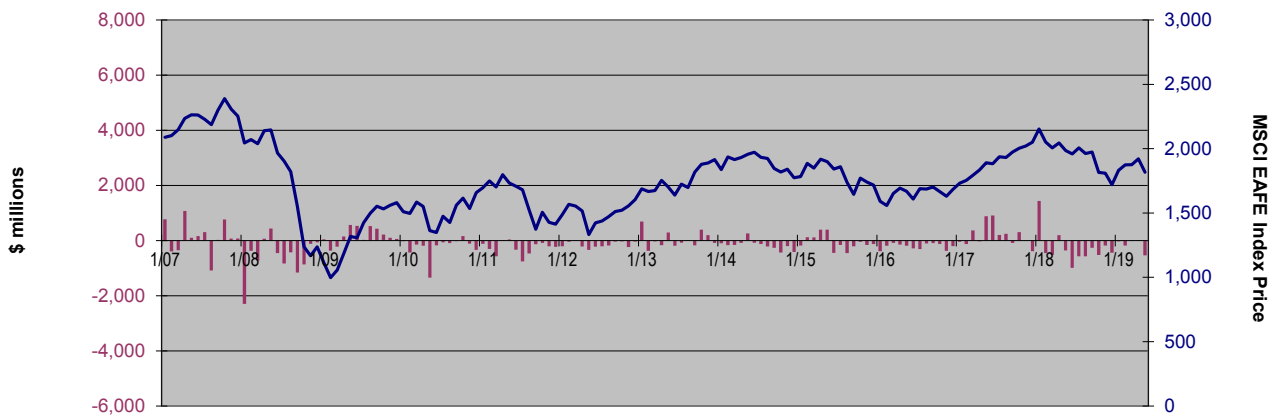
**Monthly Interfund Transfers  
C Fund**



**Monthly Interfund Transfers  
S Fund**

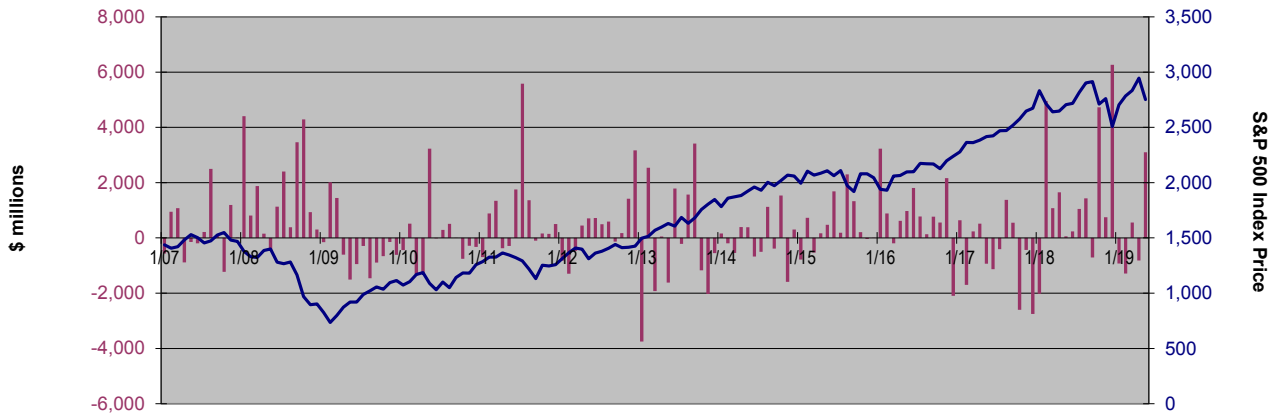


**Monthly Interfund Transfers  
I Fund**

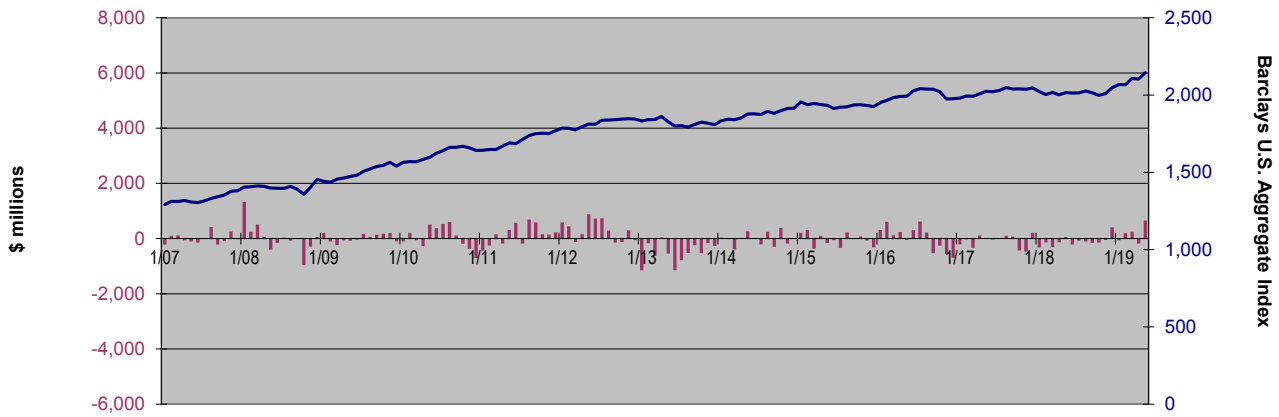


**THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY  
MAY 2019**

**Monthly Interfund Transfers  
G Fund**



**Monthly Interfund Transfers  
F Fund**



**Monthly Interfund Transfers  
L Funds**

