



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

February 4, 2015

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: TRACEY RAY
CHIEF INVESTMENT OFFICER

A handwritten signature in black ink, appearing to be "TR" or "Tracey Ray", written over a light blue horizontal line.

SUBJECT: January 2015 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 through January 2015, investment manager performance and tracking error, trading costs, TSP fund performance, and L Fund participation.

TRACKING ERROR - BlackRock Funds (BTC)

January Tracking Error

<u>Fund</u>	<u>% BTC Fund Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
Fixed Income	2.13	2.10	0.03
Large Cap	-2.99	-3.00	0.01
Small Mid Cap	-1.85	-1.89	0.04
International	1.20	0.49	0.71

The International Fund outperformed the index by 71 basis points as a result of a fair value pricing adjustment on December 31, 2014.

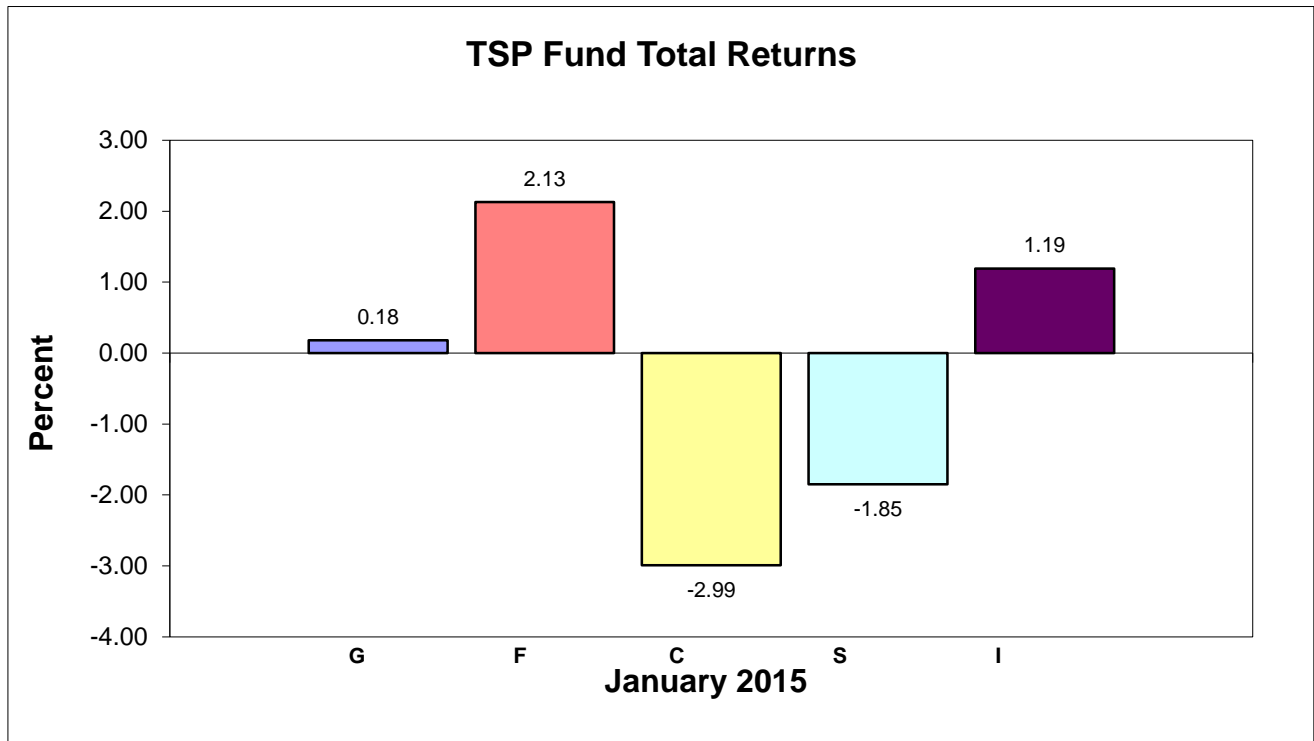
Trading Costs

		<u>Trading Costs</u>	
		<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
January 2015	738,968,332	128,657	1.7
<u>C Fund</u>			
January 2015	2,326,445,506	(167,367)	-0.7
<u>S Fund</u>			
January 2015	1,241,043,062	222,537	1.8
<u>I Fund</u>			
January 2015	1,187,060,075	1,111,636	9.4

* -- 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

The chart below shows the G, F, C, S, and I Fund net rates of return for January 2015.



The table below compares the net rates of return for the F, C, S, and I Funds to the returns of the corresponding BlackRock funds.

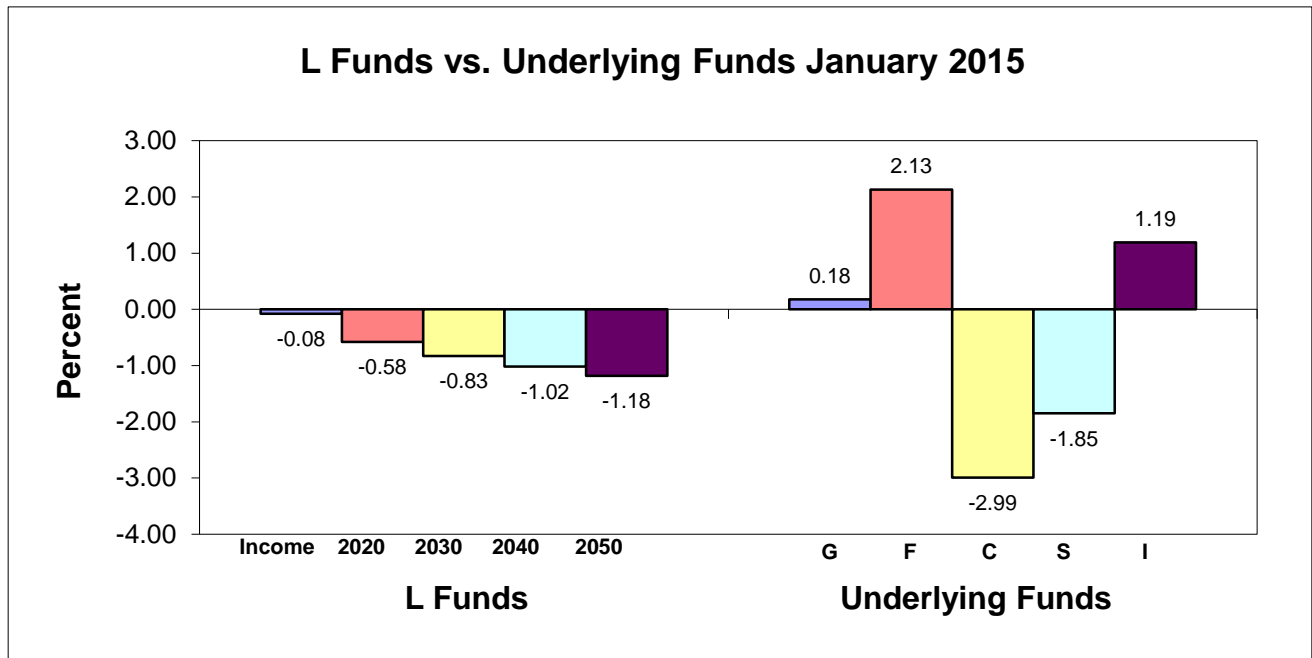
January 2015 Total Return % Fund

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	2.13	2.13	0.00	2.10
Large Cap	-2.99	-2.99	0.00	-3.00
Small Cap	-1.85	-1.85	0.00	-1.89
International	1.19	1.20	-0.01	0.49

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

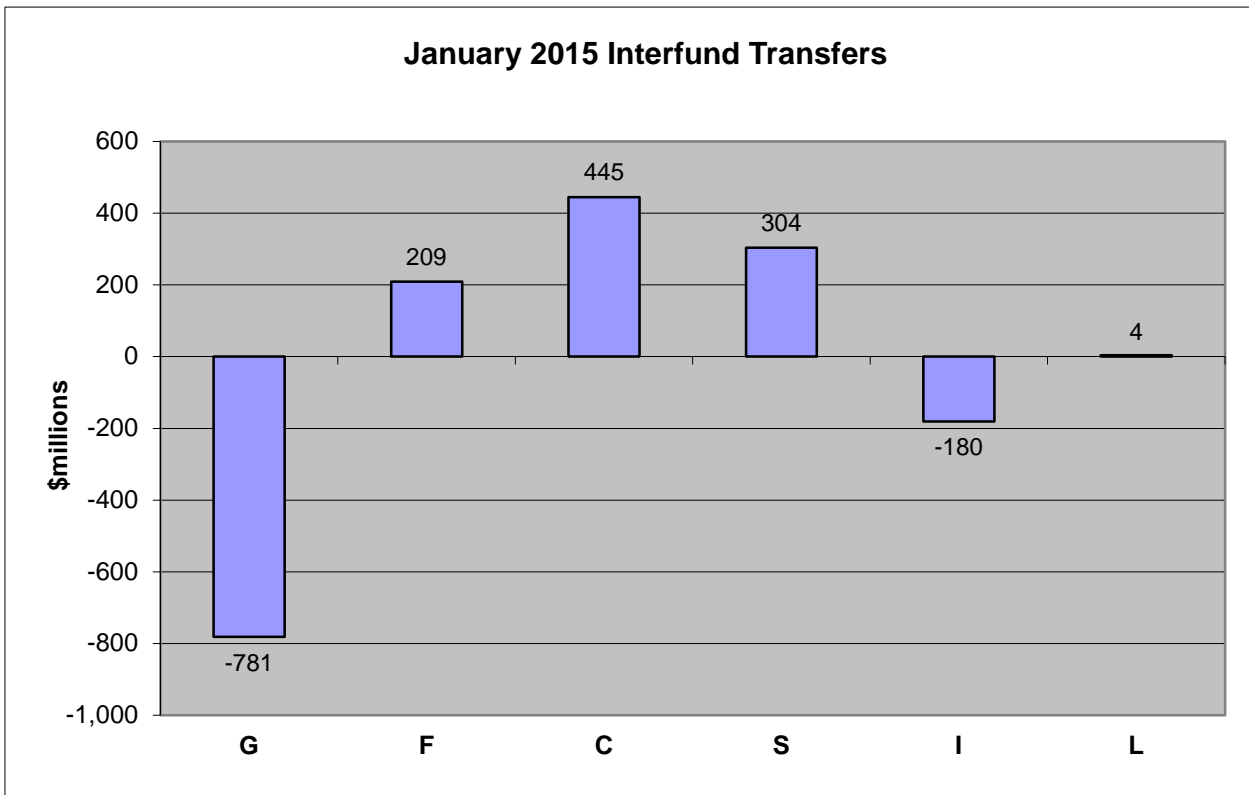
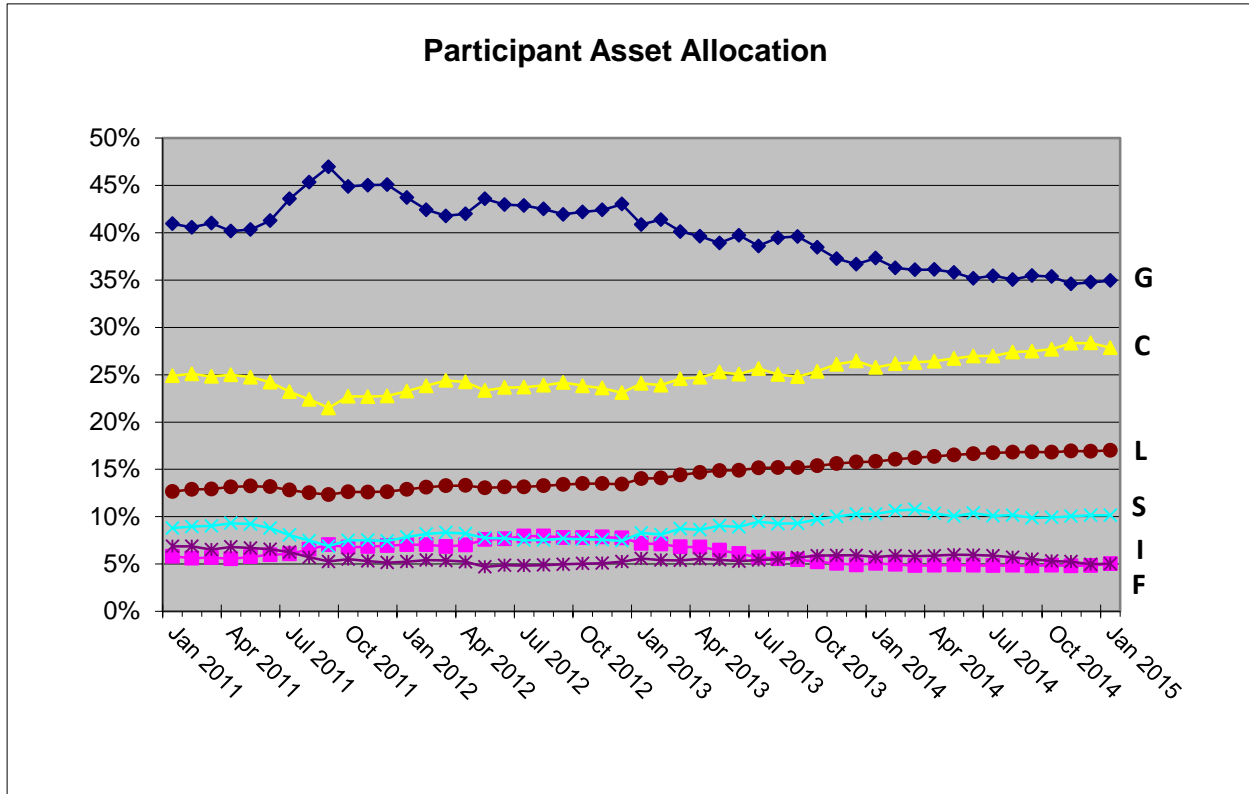
L Funds

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 2015

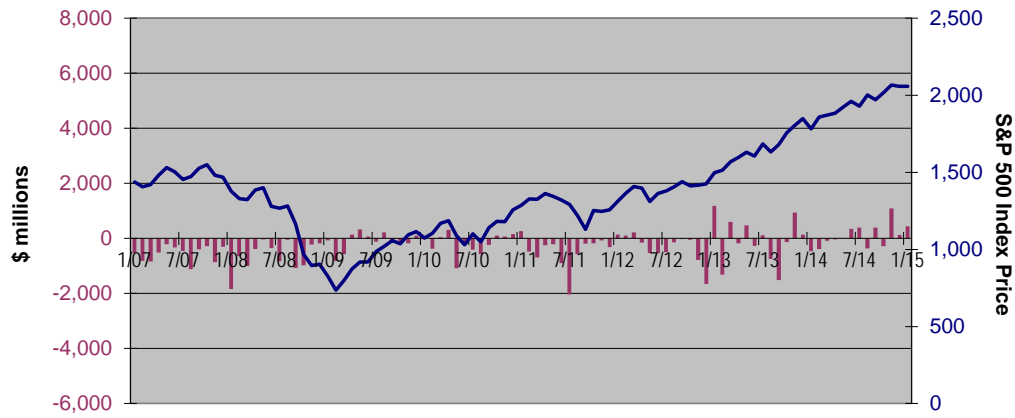
Attachment 1



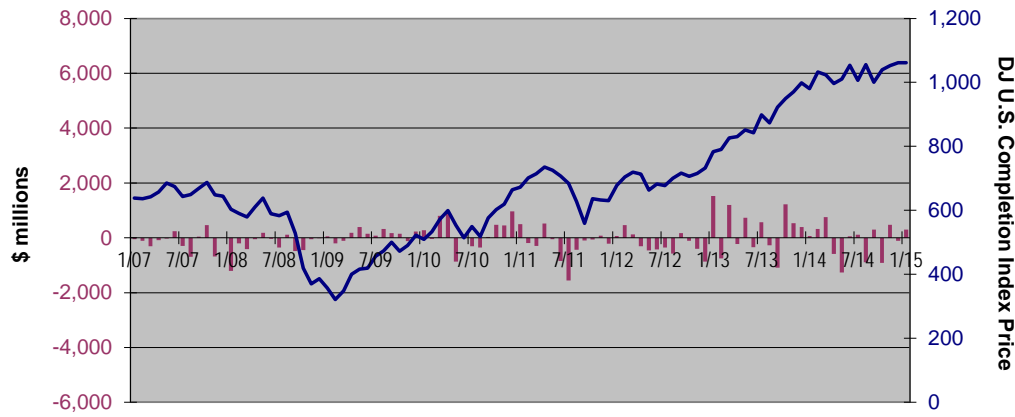
THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

January 2015

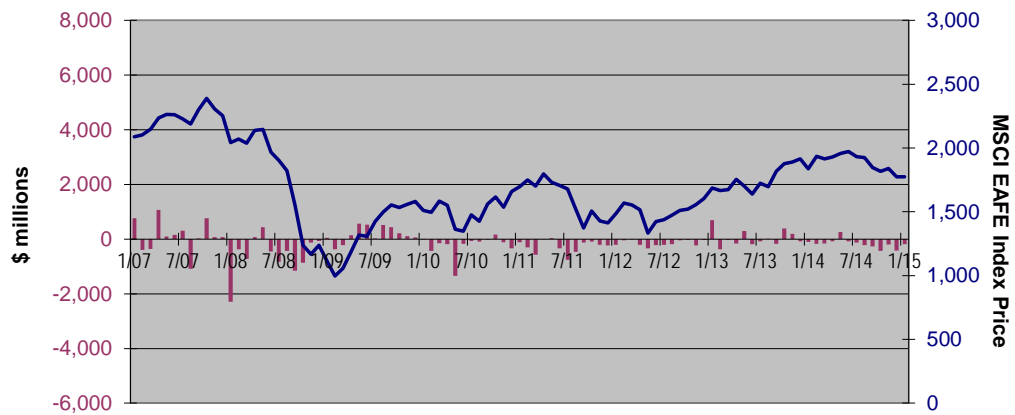
Monthly Interfund Transfers
C Fund



Monthly Interfund Transfers
S Fund



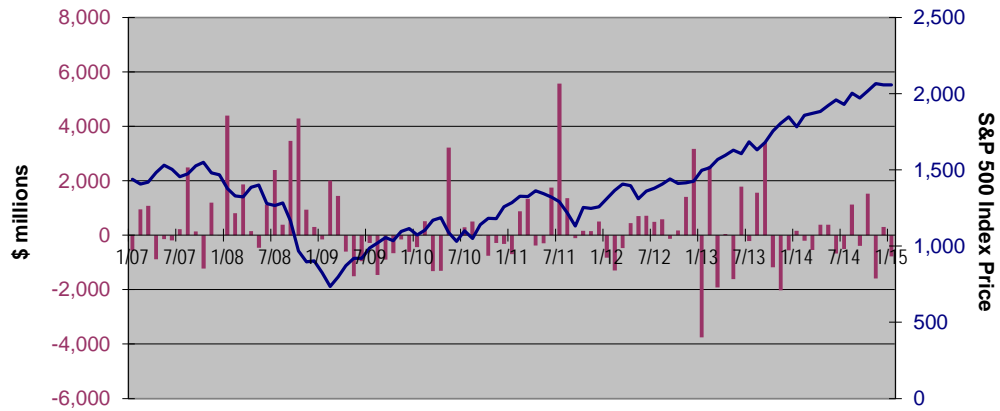
Monthly Interfund Transfers
I Fund



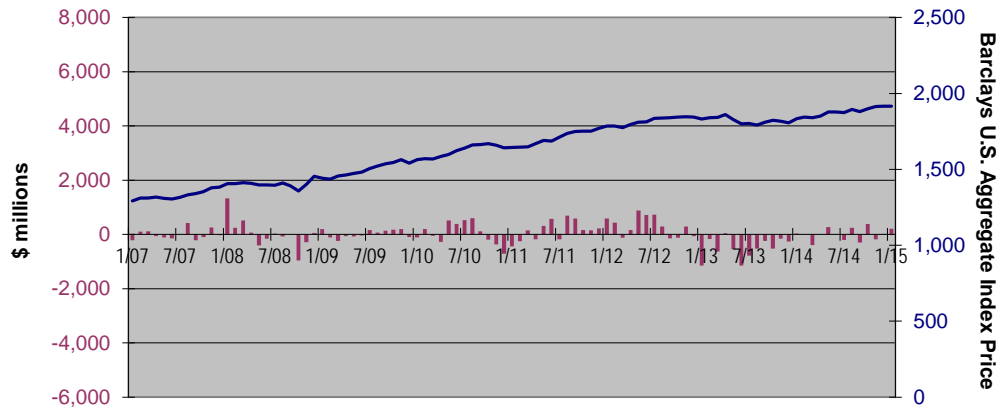
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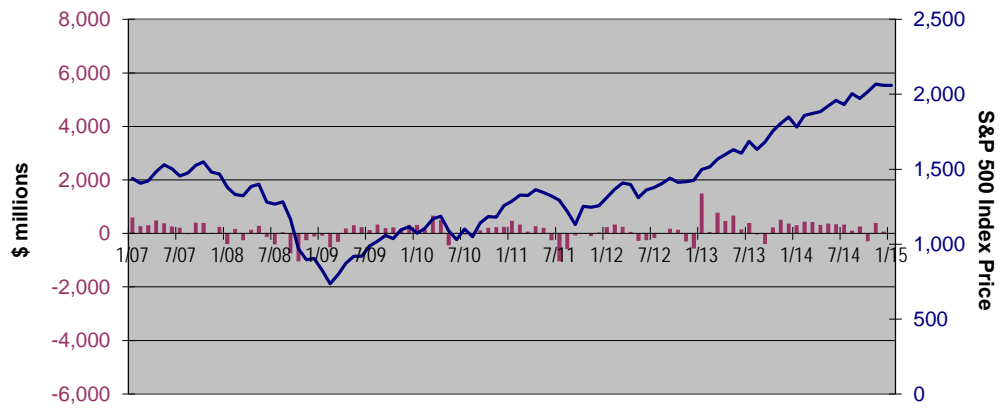
Monthly Interfund Transfers
G Fund



Monthly Interfund Transfers
F Fund



Monthly Interfund Transfers
L Funds



THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

January 2015

