



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

September 11, 2017

MEMORANDUM FOR BOARD MEMBERS

KENNEDY, BILYEU, McCRAY,
JONES AND JASIEN

FROM: RAVINDRA DEO
CHIEF INVESTMENT OFFICER

A handwritten signature in blue ink, appearing to be "RD" or "R. Deo", written over a light blue grid background.

SUBJECT: August 2017 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	0.91	0.91	0.90	0.01	0.00
Large Cap	0.31	0.30	0.31	0.00	-0.01
Small Mid Cap	-0.41	-0.41	-0.41	0.00	0.00
International	-0.03	-0.03	-0.04	0.01	0.00

2017 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	3.88	3.86	3.64	0.24	-0.02
Large Cap	11.95	11.93	11.93	0.02	-0.02
Small Mid Cap	8.17	8.16	8.10	0.07	-0.01
International	17.37	17.35	17.05	0.32	-0.02

BlackRock's performance for the F, C, S and I Funds was in-line with indices for the month. BlackRock outperformed the International Index year-to-date by 32 basis points primarily due to tax advantage. BlackRock outperformed the Fixed Income Index year-to-date by 24 basis points primarily due to securities lending. BlackRock outperformed the Small Mid Cap Index by 7 basis points year-to-date primarily due to securities lending. BlackRock's performance for the C Fund was mostly in-line with the Large-Cap Index year-to-date.

The TSP Funds closely tracked the BTC Accounts for the month and year-to-date.

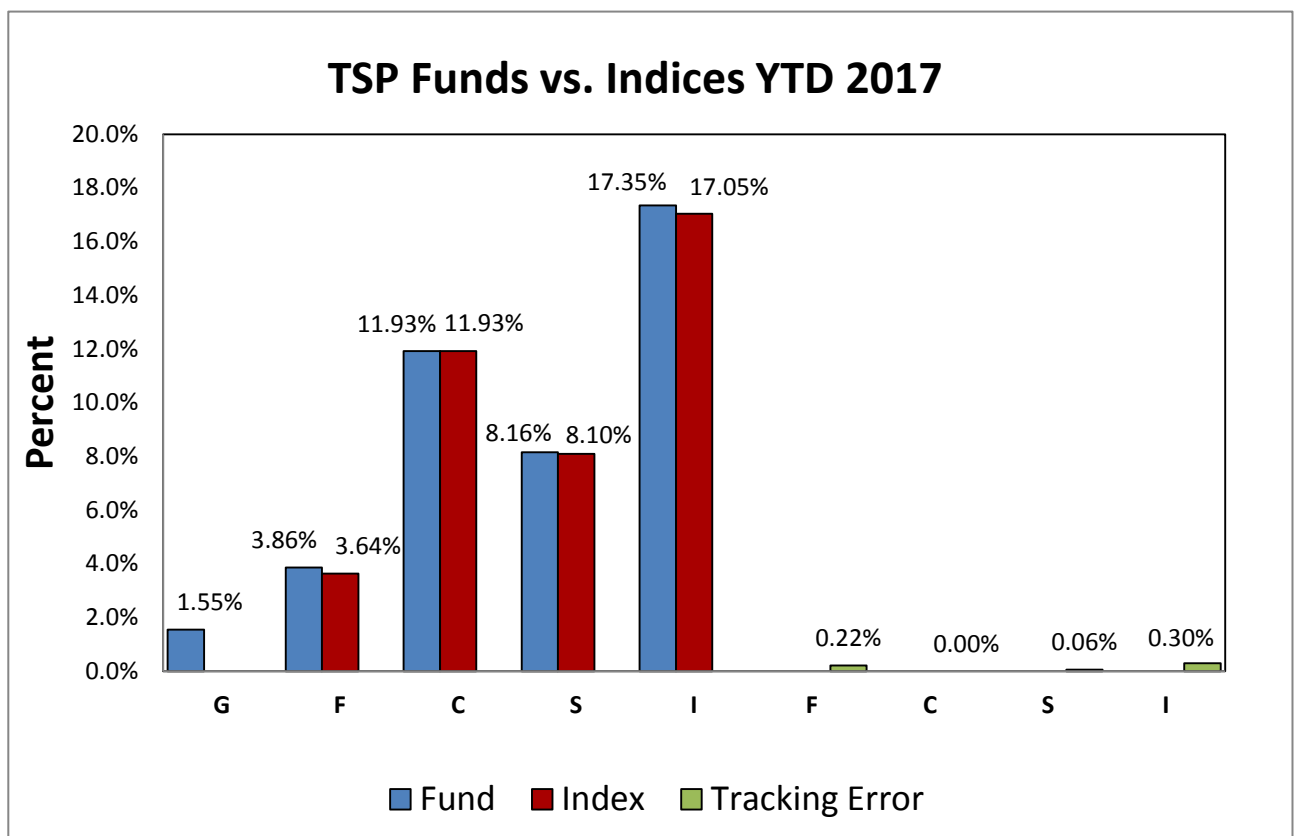
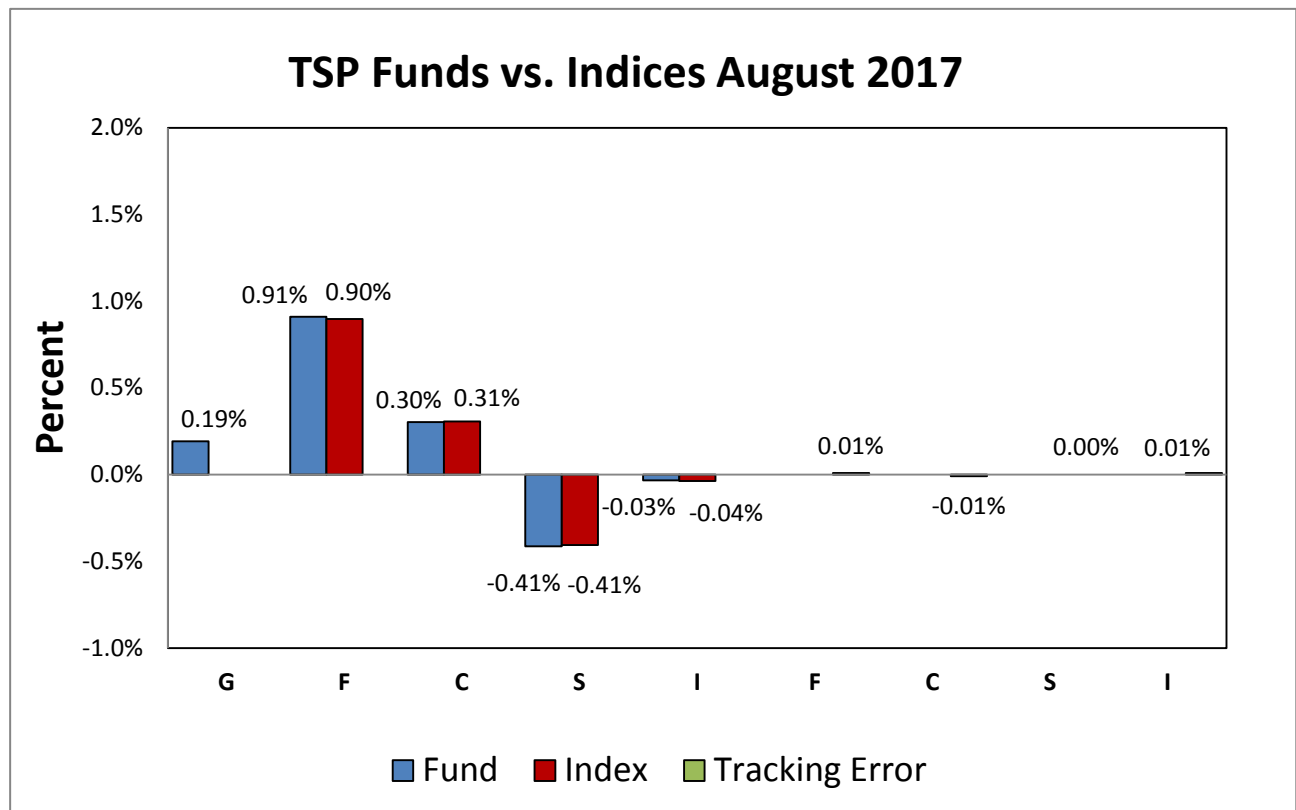
Trading Costs

<u>Trading Costs</u>			
<u>F Fund</u>	<u>Dollar Amount</u> <u>Traded</u>	<u>Dollars</u>	<u>Basis</u> <u>Points</u>
August	1,033,595,005	65,166	0.6
Year-to-Date	5,297,374,855	132,699	0.3
<u>C Fund</u>			
August	1,953,970,876	30,334	0.2
Year-to-Date	11,758,537,248	(218,887)	-0.2
<u>S Fund</u>			
August	1,896,081,156	(894,562)	-4.7
Year-to-Date	13,883,872,612	(2,250,720)	-1.6
<u>I Fund</u>			
August	874,878,569	343,516	3.9
Year-to-Date	8,206,197,548	2,087,246	2.5

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

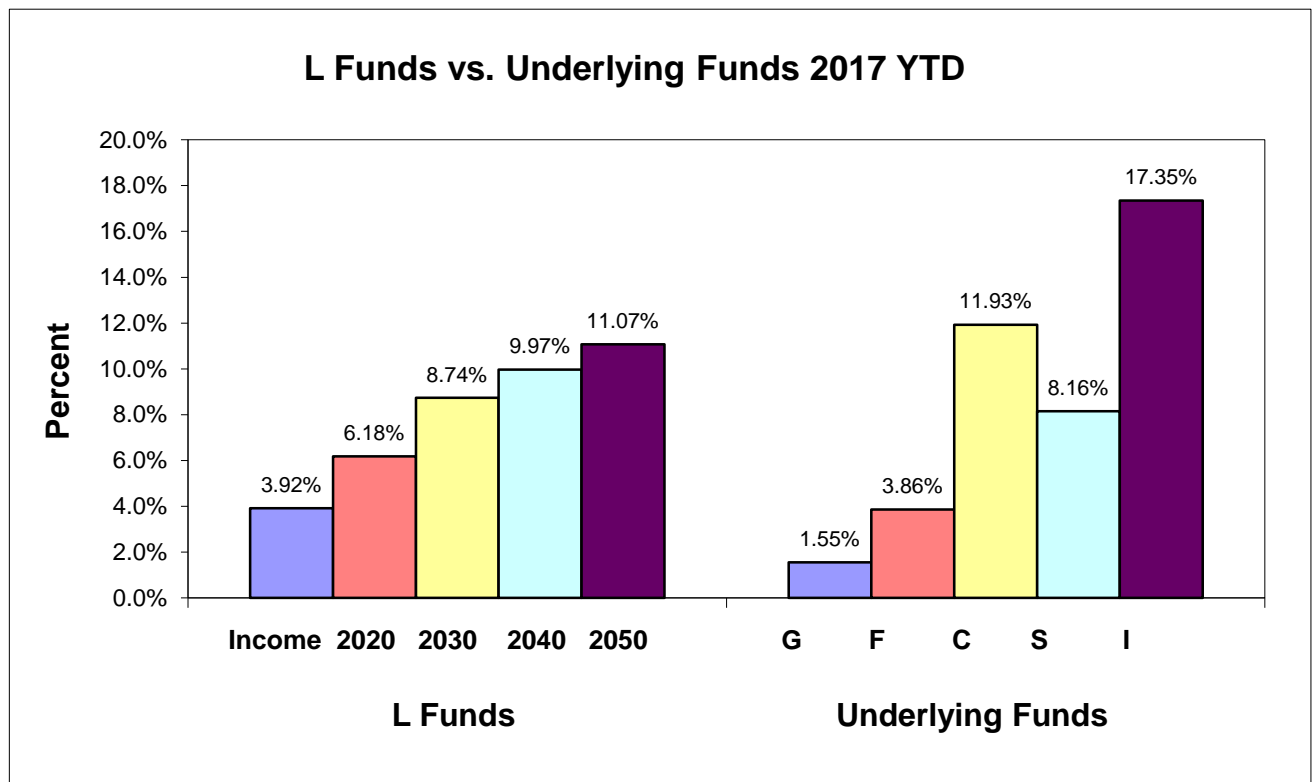
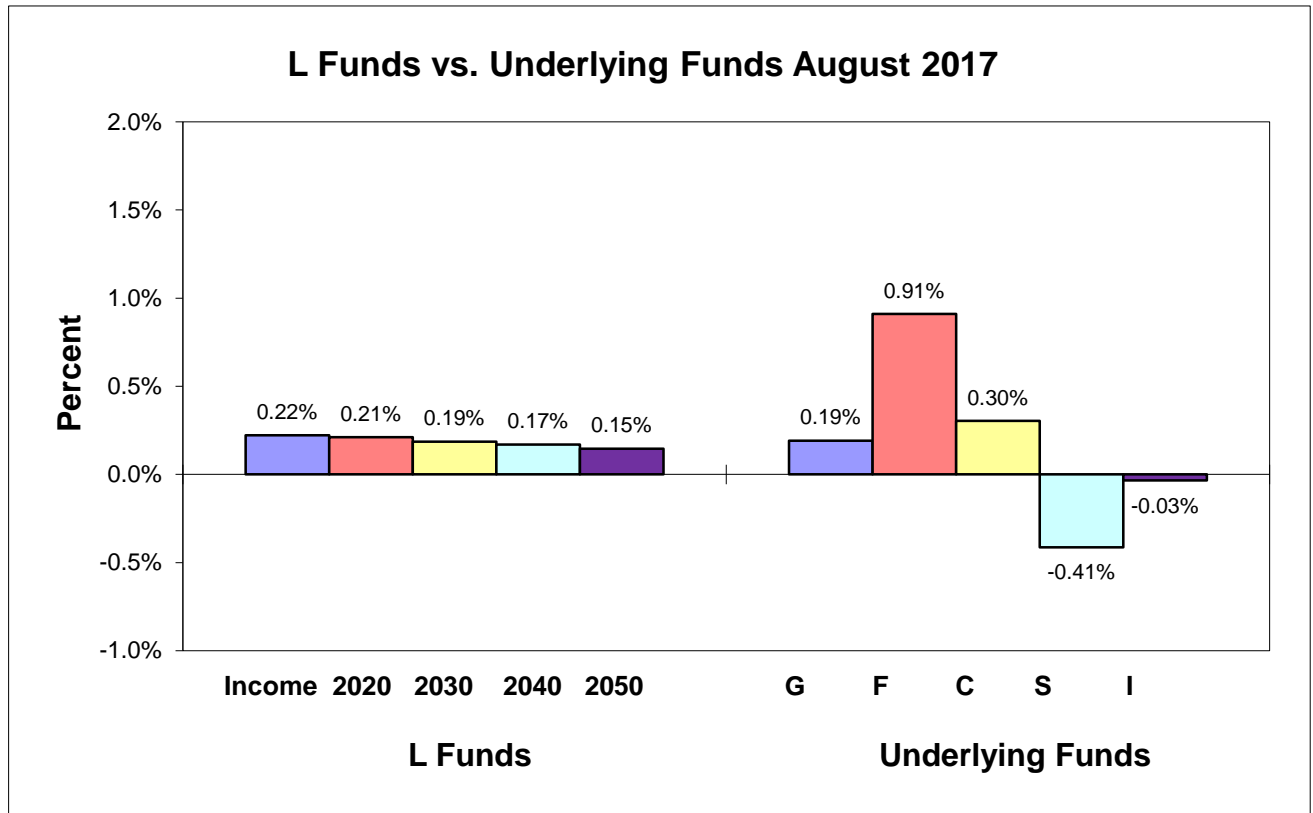
Performance of TSP Funds Total Returns

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



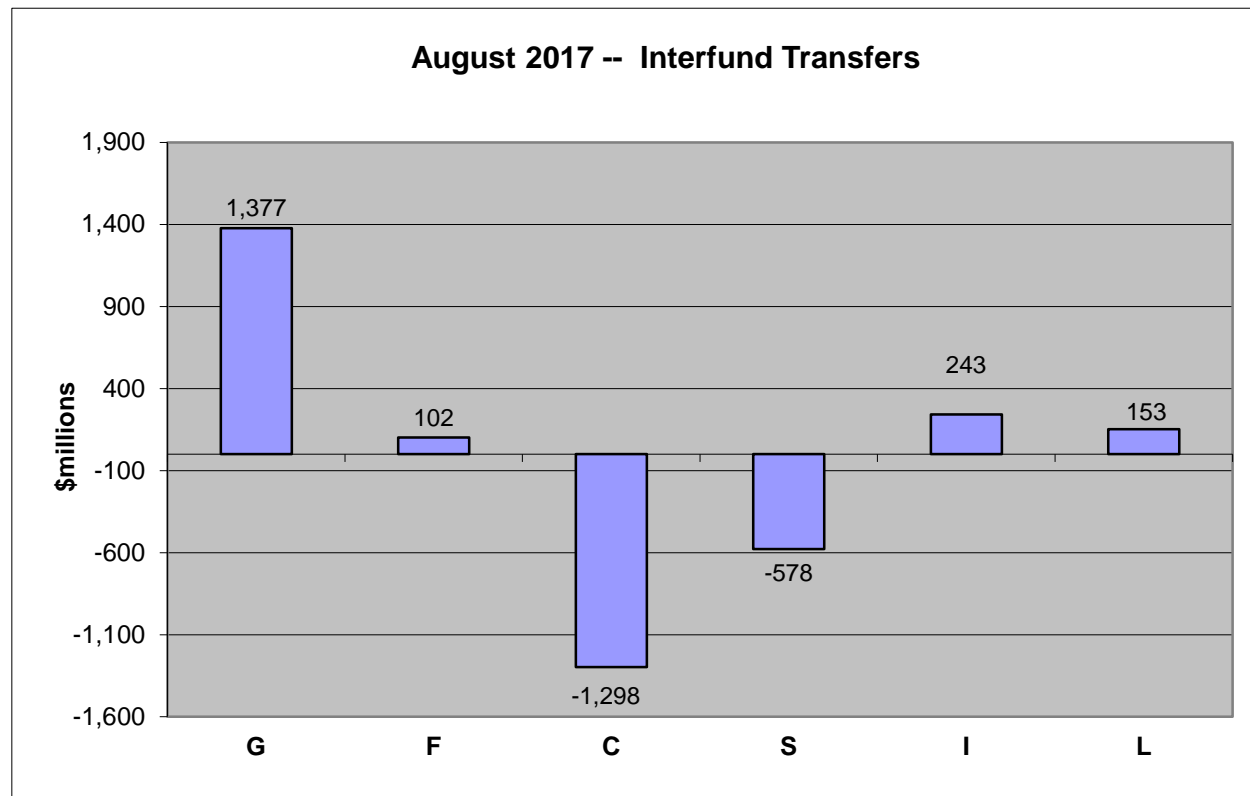
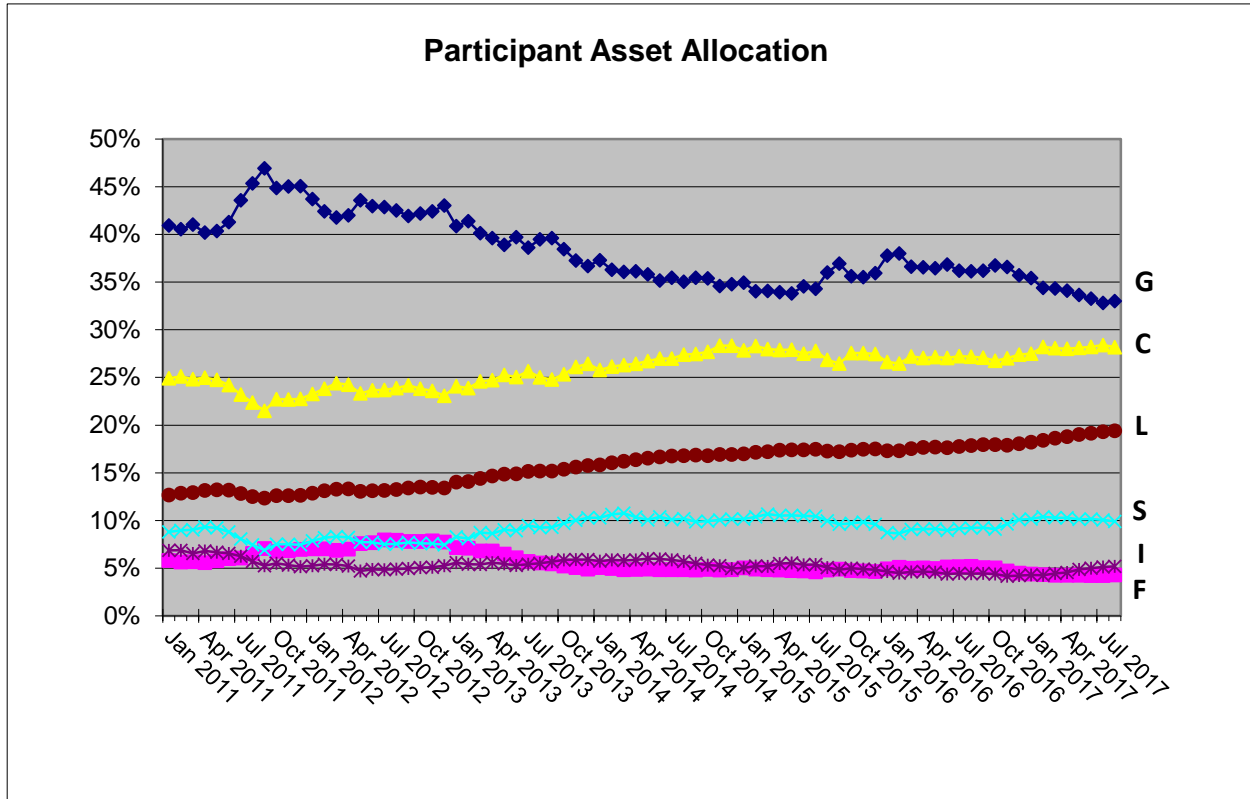
L Funds

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
August 2017

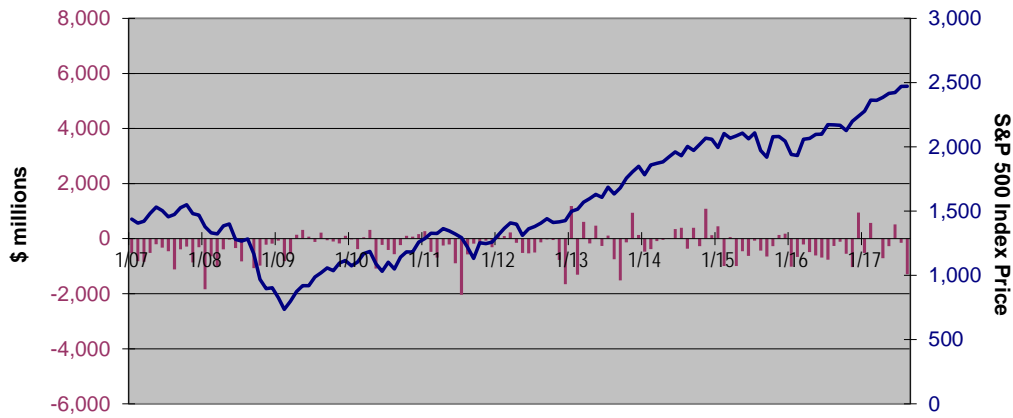
Attachment 1



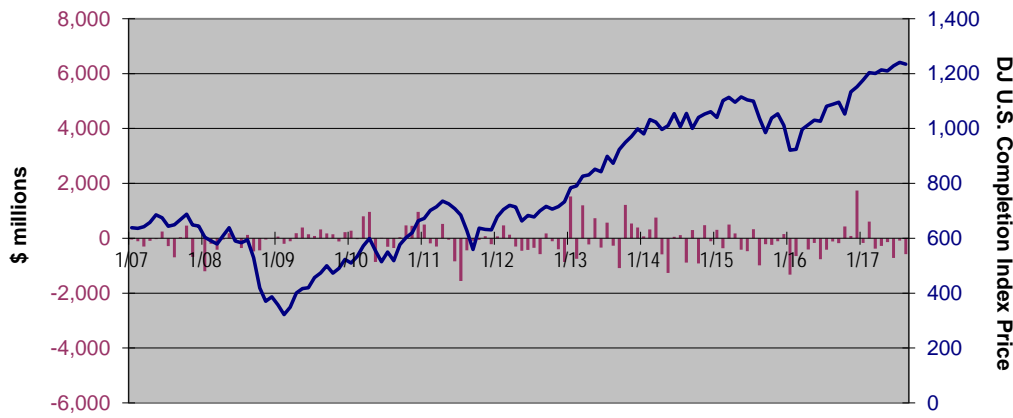
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August 2017

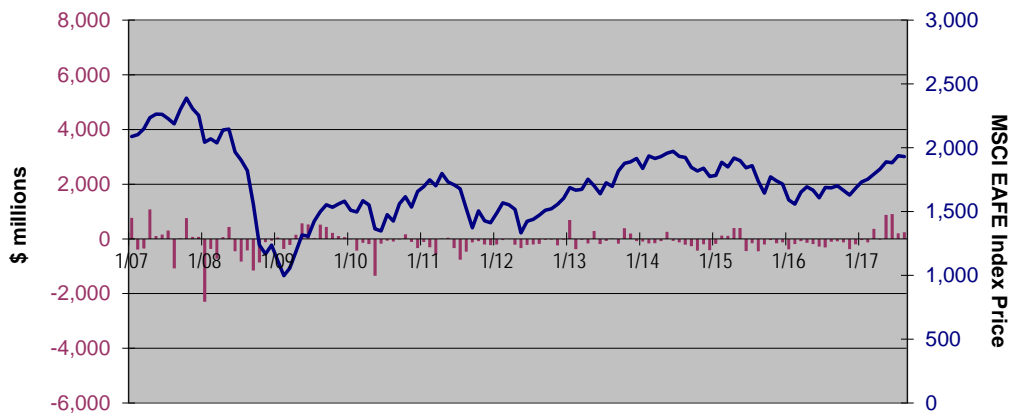
Monthly Interfund Transfers
C Fund



Monthly Interfund Transfers
S Fund



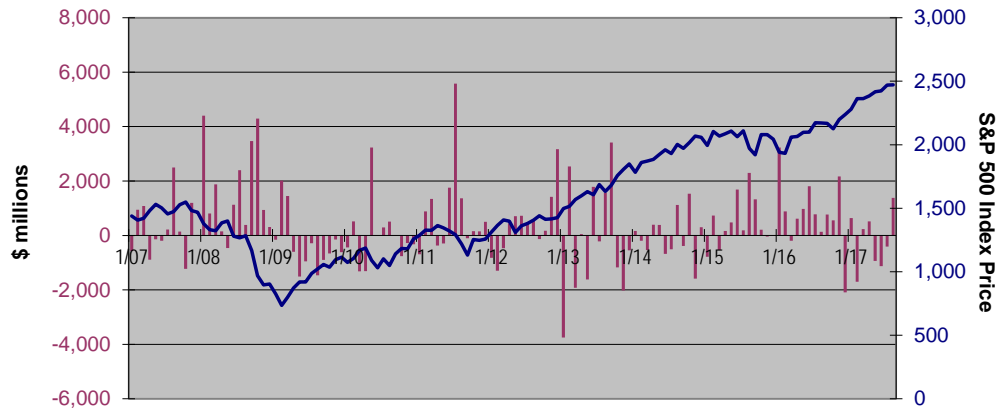
Monthly Interfund Transfers
I Fund



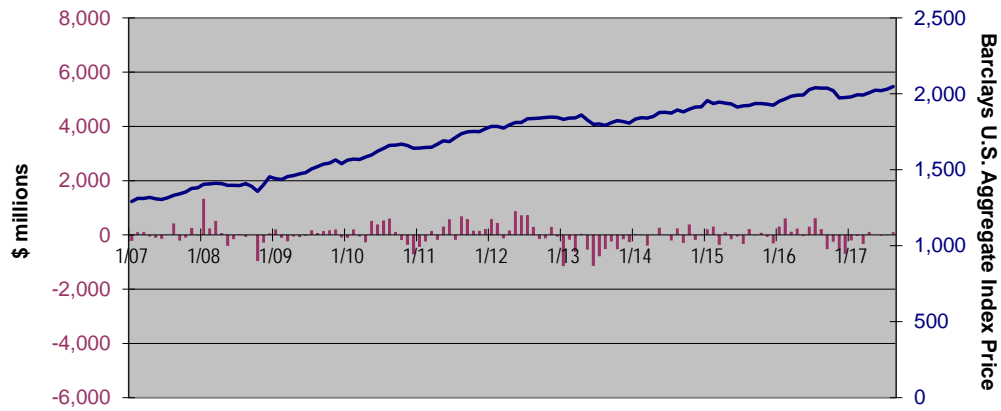
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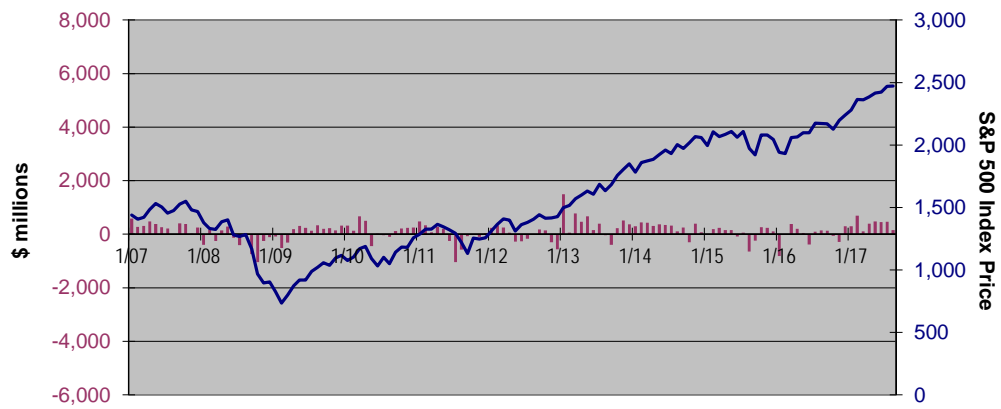
Monthly Interfund Transfers
G Fund



Monthly Interfund Transfers
F Fund



Monthly Interfund Transfers
L Funds



THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

August 2017

