



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

June 2, 2017

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: RAVINDRA DEO
CHIEF INVESTMENT OFFICER

SUBJECT: May 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	0.81	0.81	0.77	0.04	0.00
Large Cap	1.41	1.41	1.41	0.00	0.00
Small Mid Cap	-0.77	-0.77	-0.78	0.01	0.00
International	3.77	3.76	3.67	0.10	-0.01

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	2.58	2.57	2.38	0.20	-0.01
Large Cap	8.68	8.67	8.66	0.02	-0.01
Small Mid Cap	4.97	4.96	4.92	0.05	-0.01
International	14.32	14.31	14.01	0.31	-0.01

BlackRock outperformed the International Index for the month by 10 basis points and 31 basis points for the year primarily due to tax advantage. BlackRock outperformed the Fixed Income Index for the month by 4 basis points and 20 basis points for the year primarily due to securities lending. BlackRock outperformed the Small Mid Cap Index by 5 basis points for the year primarily due to securities lending. BlackRock's performance for the C Fund was in-line with the index for the month and year-to-date.

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

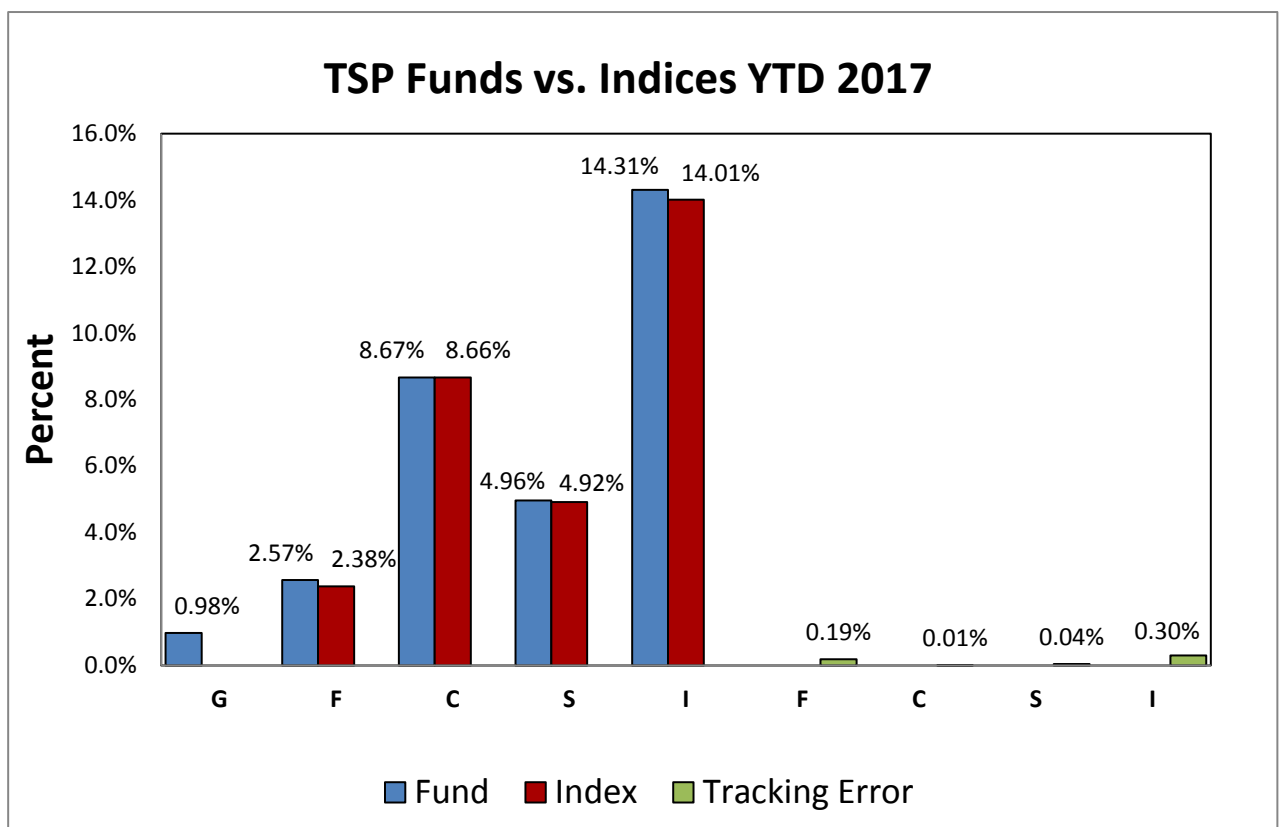
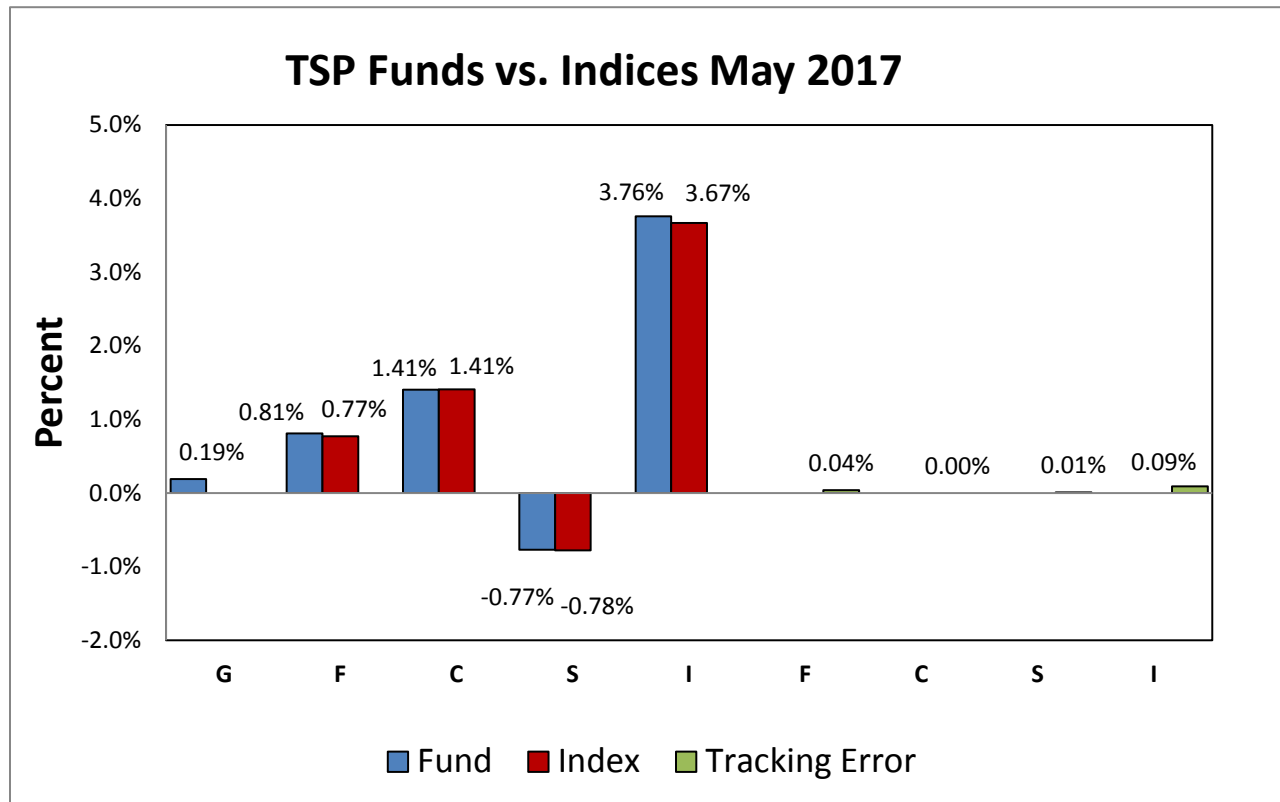
Trading Costs

<u>Trading Costs</u>			
<u>F Fund</u>	<u>Dollar Amount</u> <u>Traded</u>	<u>Dollars</u>	<u>Basis</u> <u>Points</u>
May	389,778,529	4,251	0.1
Year-to-Date	3,015,096,339	5,765	0.0
 <u>C Fund</u>			
May	1,766,025,680	(161,661)	-0.9
Year-to-Date	7,059,915,116	(72,951)	-0.1
 <u>S Fund</u>			
May	1,393,866,756	(129,115)	-0.9
Year-to-Date	8,074,641,384	31,464	0.0
 <u>I Fund</u>			
May	1,046,290,765	1,494,243	14.3
Year-to-Date	4,838,333,022	503,842	1.0

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

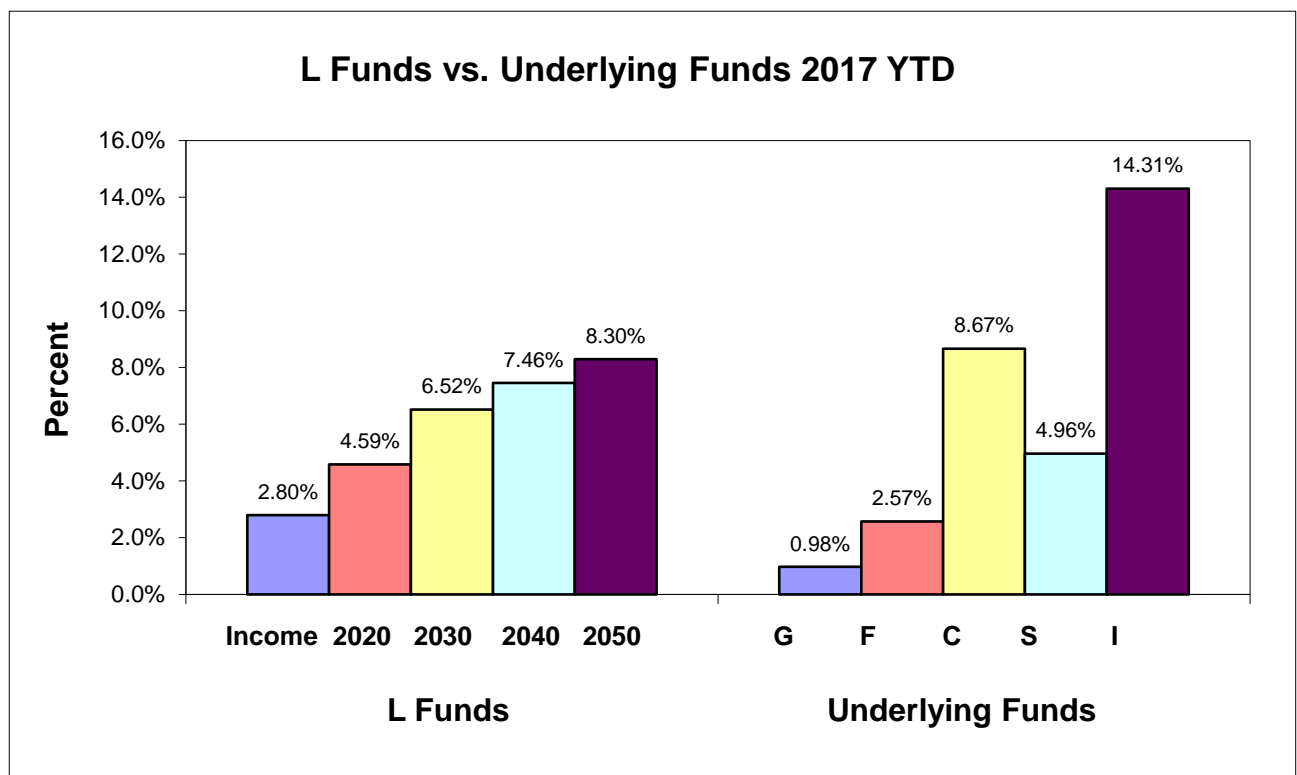
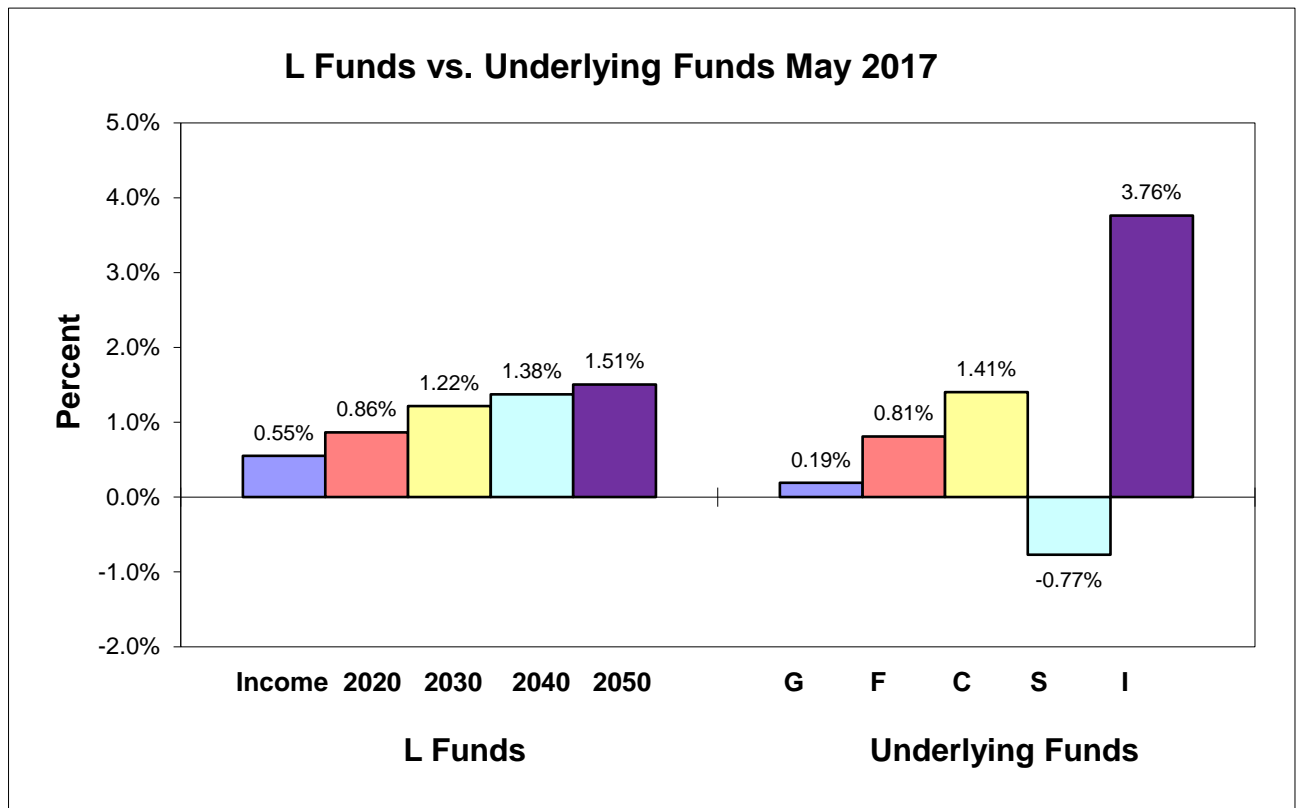
Performance of TSP Funds Total Returns

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



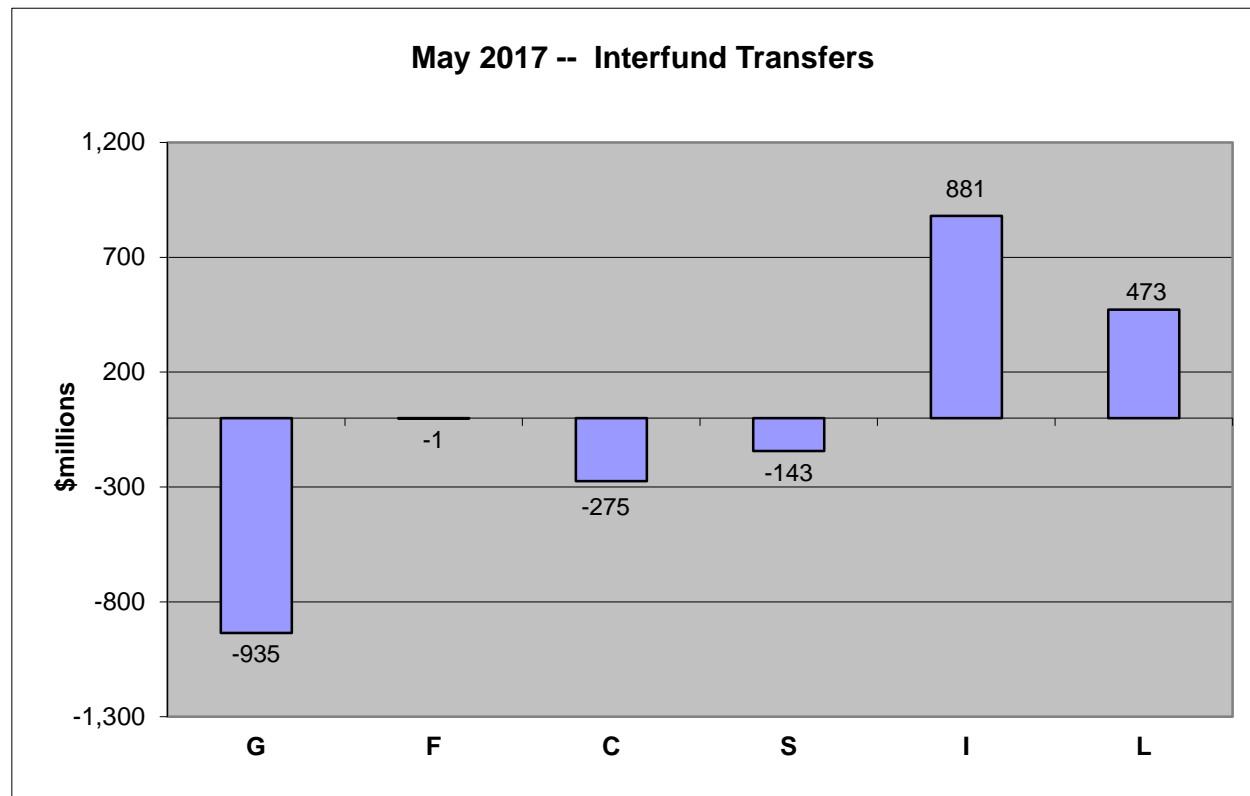
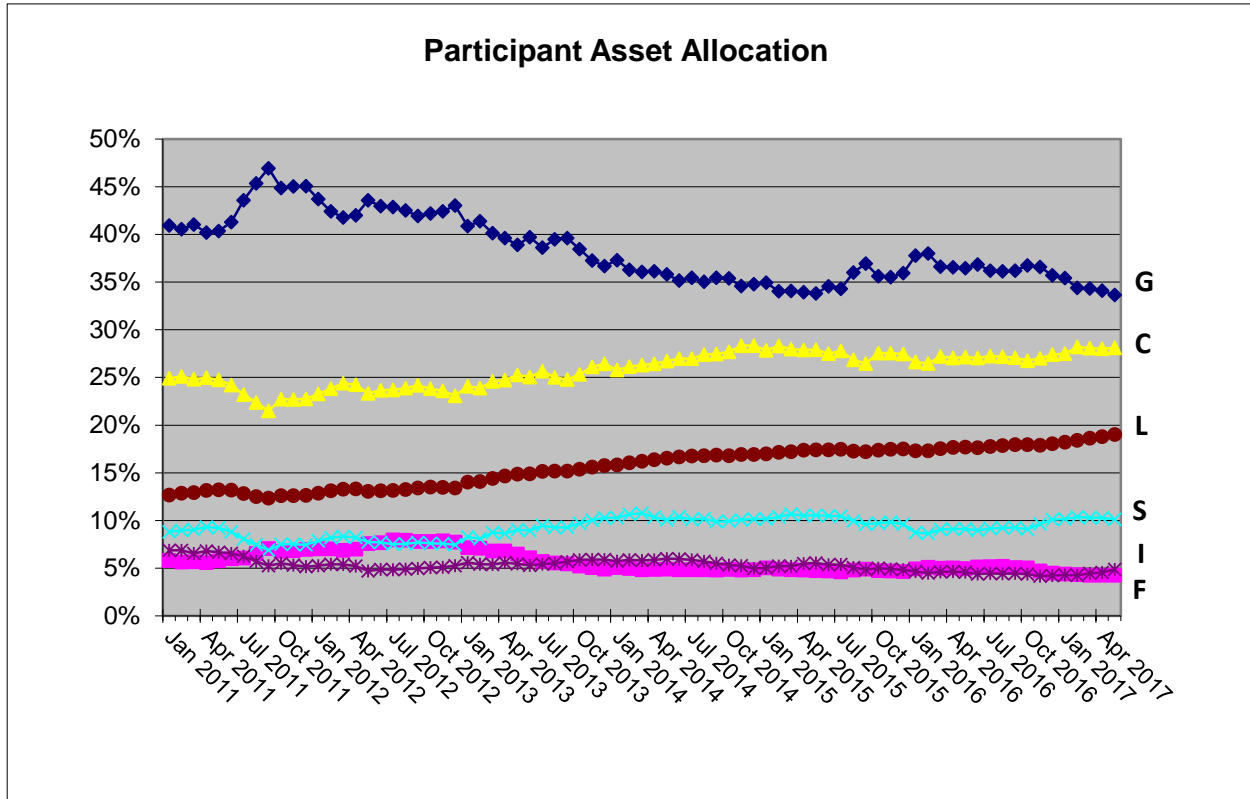
L Funds

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 2017

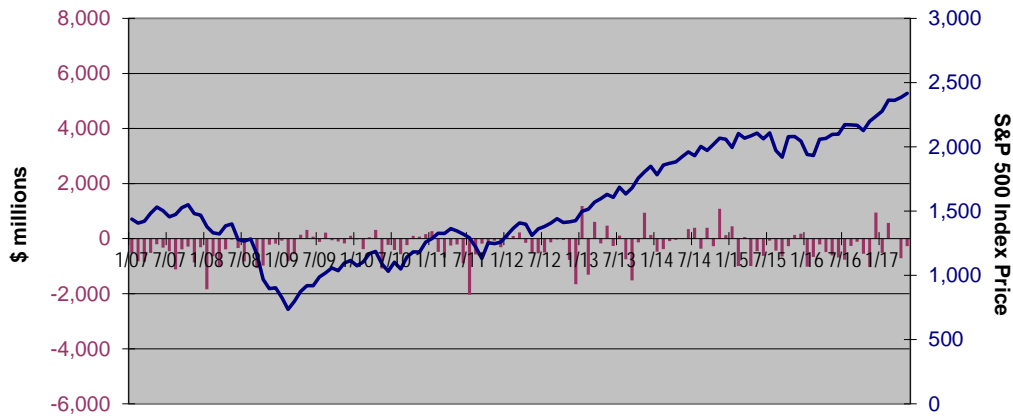
Attachment 1



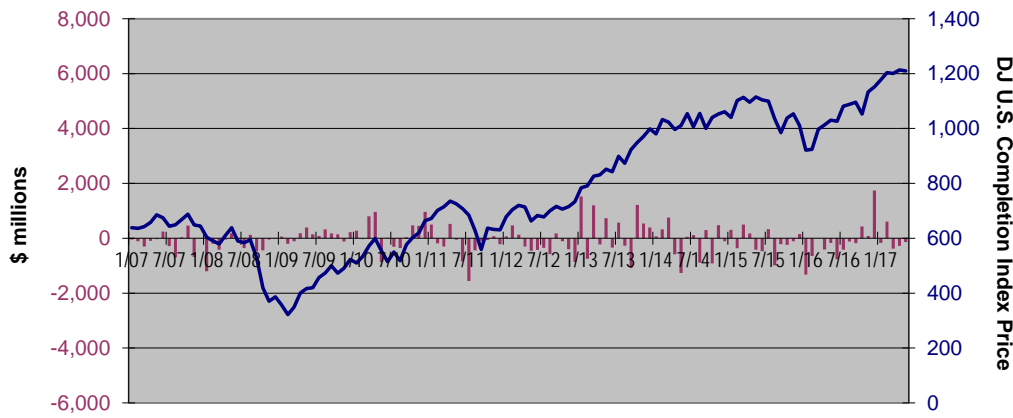
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May 2017

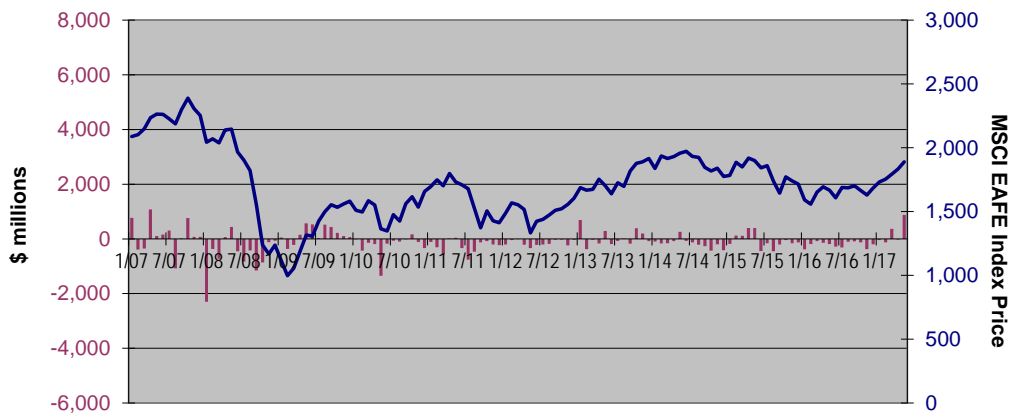
Monthly Interfund Transfers
C Fund



Monthly Interfund Transfers
S Fund



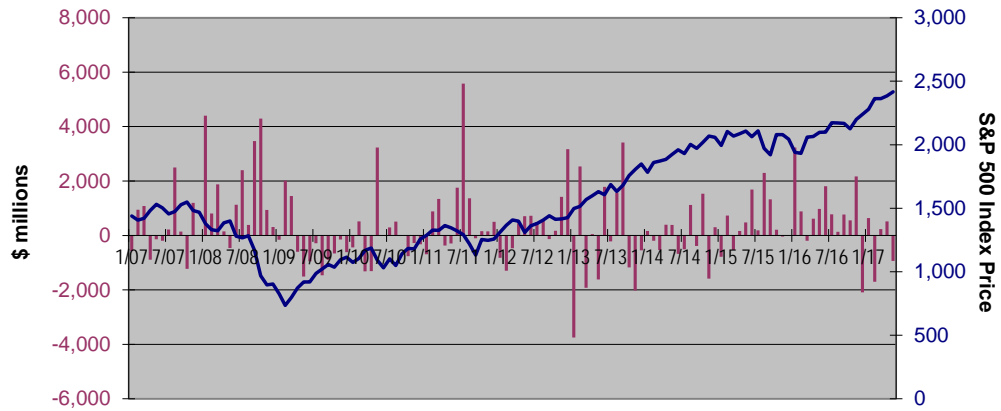
Monthly Interfund Transfers
I Fund



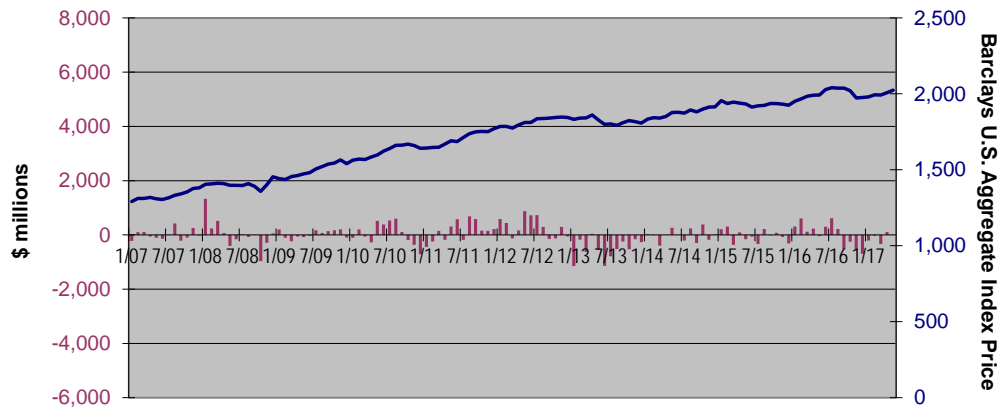
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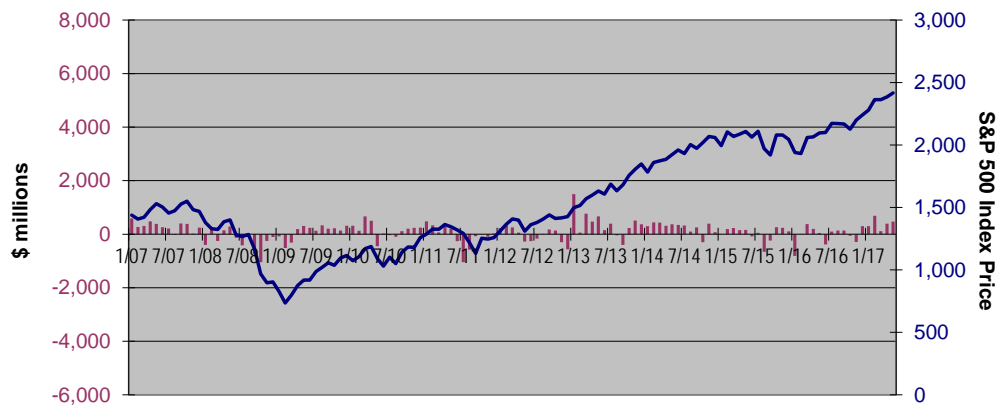
Monthly Interfund Transfers
G Fund



Monthly Interfund Transfers
F Fund



Monthly Interfund Transfers
L Funds



THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

May 2017

