



# FEDERAL RETIREMENT THRIFT INVESTMENT BOARD

77 K Street, NE Washington, DC 20002

May 5, 2015

## MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: RAVINDRA DEO  
CHIEF INVESTMENT OFFICER

A handwritten signature in blue ink, appearing to be "RD", is written over the name "RAVINDRA DEO".

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

### TRACKING ERROR - BlackRock Funds (BTC)

#### *April Tracking Error*

<u>Fund</u>	<u>% BTC Fund Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
<b>Fixed Income</b>	<b>-0.28</b>	<b>-0.36</b>	<b>0.08</b>
Large Cap	0.97	0.96	0.01
Small Mid Cap	-1.50	-1.55	0.05
International	4.11	4.08	0.03

#### *2015 Tracking Error*

<u>Fund</u>	<u>% BTC Fund Performance</u>	<u>% Index Performance</u>	<u>Tracking Error</u>
<b>Fixed Income</b>	<b>1.41</b>	<b>1.24</b>	<b>0.17</b>
Large Cap	1.95	1.92	0.03
<b>Small Mid Cap</b>	<b>3.82</b>	<b>3.68</b>	<b>0.14</b>
<b>International</b>	<b>10.07</b>	<b>9.16</b>	<b>0.91</b>

The Fixed Income Fund outperformed the index by 8 basis points for the month due to pricing differences and securities lending. The F Fund outperformed by 17 basis points for the year due to securities lending. The International Fund outperformed the index by 91 basis points for the year primarily due to a fair value pricing adjustment on December 31, 2014. The Small Mid Cap Fund outperformed the index by 14 basis points for the year due to securities sampling and securities lending.

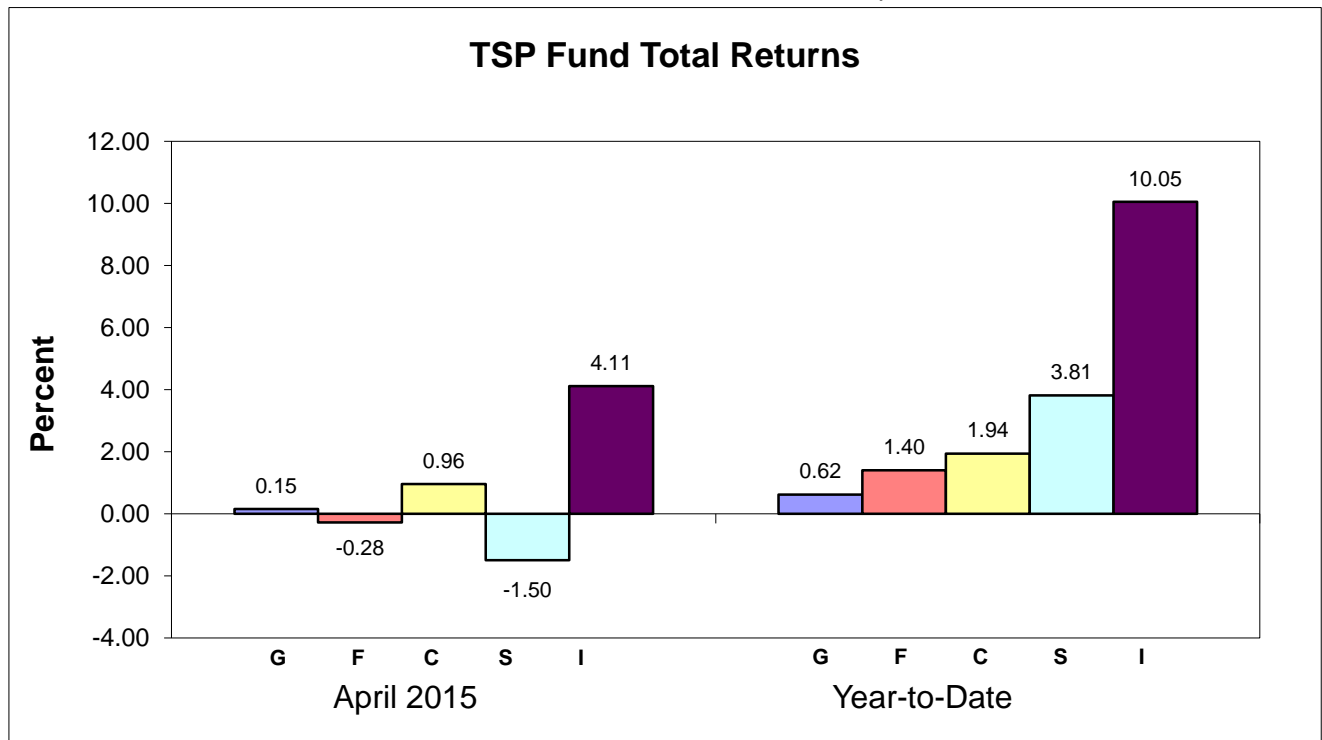
**Trading Costs**

	<u>Dollar Amount Traded</u>	<u>Trading Costs*</u>	
		<u>\$</u>	<u>Basis Points</u>
<u>F Fund</u>			
April 2015	533,186,885	47,257	0.9
Year-to-Date	2,739,949,789	264,176	1.0
<u>C Fund</u>			
April 2015	1,610,464,015	(51,625)	-0.3
Year-to-Date	7,945,005,442	(406,521)	-0.5
<u>S Fund</u>			
April 2015	891,963,982	(264,779)	-3.0
Year-to-Date	5,026,808,711	488,366	1.0
<u>I Fund</u>			
April 2015	840,498,929	(394,469)	-4.7
Year-to-Date	4,063,611,682	2,256,993	5.6

\* -- 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 April 2015 and 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.

### April 2015

#### Total Return %

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	-0.28	-0.28	0.00	-0.36
Large Cap	0.96	0.97	-0.01	0.96
Small Cap	-1.50	-1.50	0.00	-1.55
International	4.11	4.11	0.00	4.08

### 2015

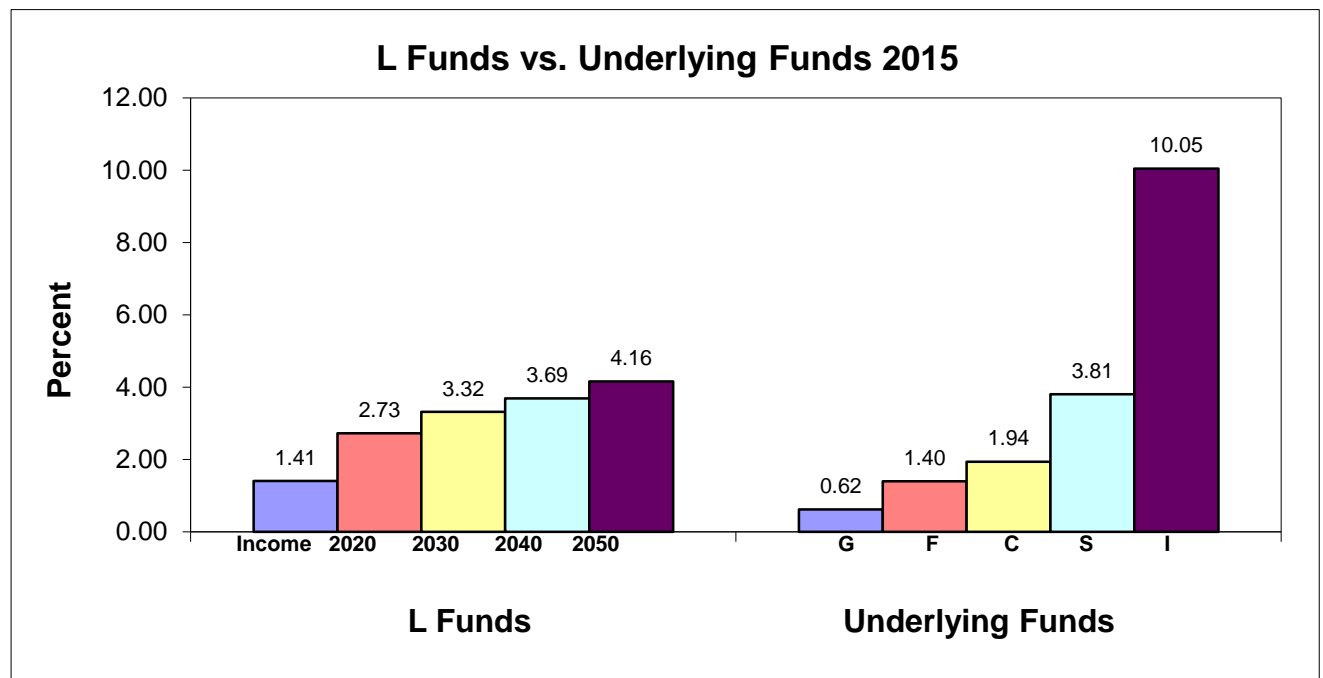
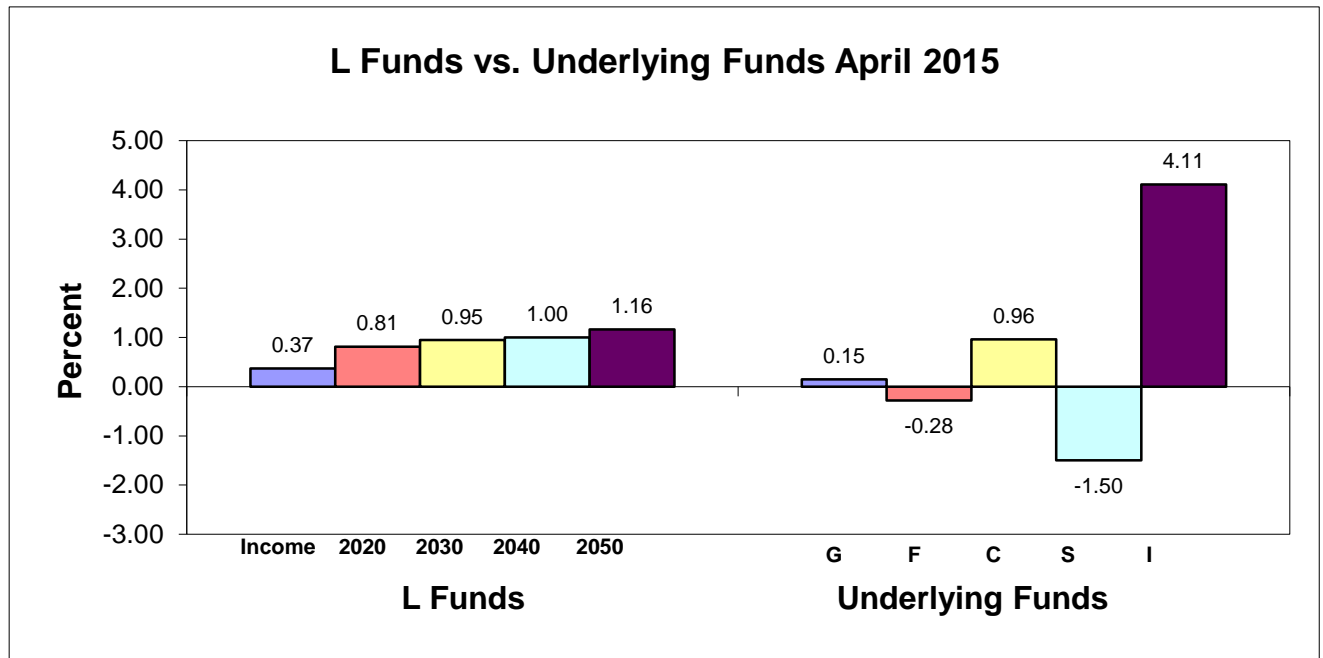
#### Total Return %

<u>Fund</u>	<u>TSP</u>	<u>BTC</u>	<u>Difference</u>	<u>Index</u>
Fixed Income	1.40	1.41	-0.01	1.24
Large Cap	1.94	1.95	-0.01	1.92
Small Cap	3.81	3.82	-0.01	3.68
International	10.05	10.07	-0.02	9.16

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

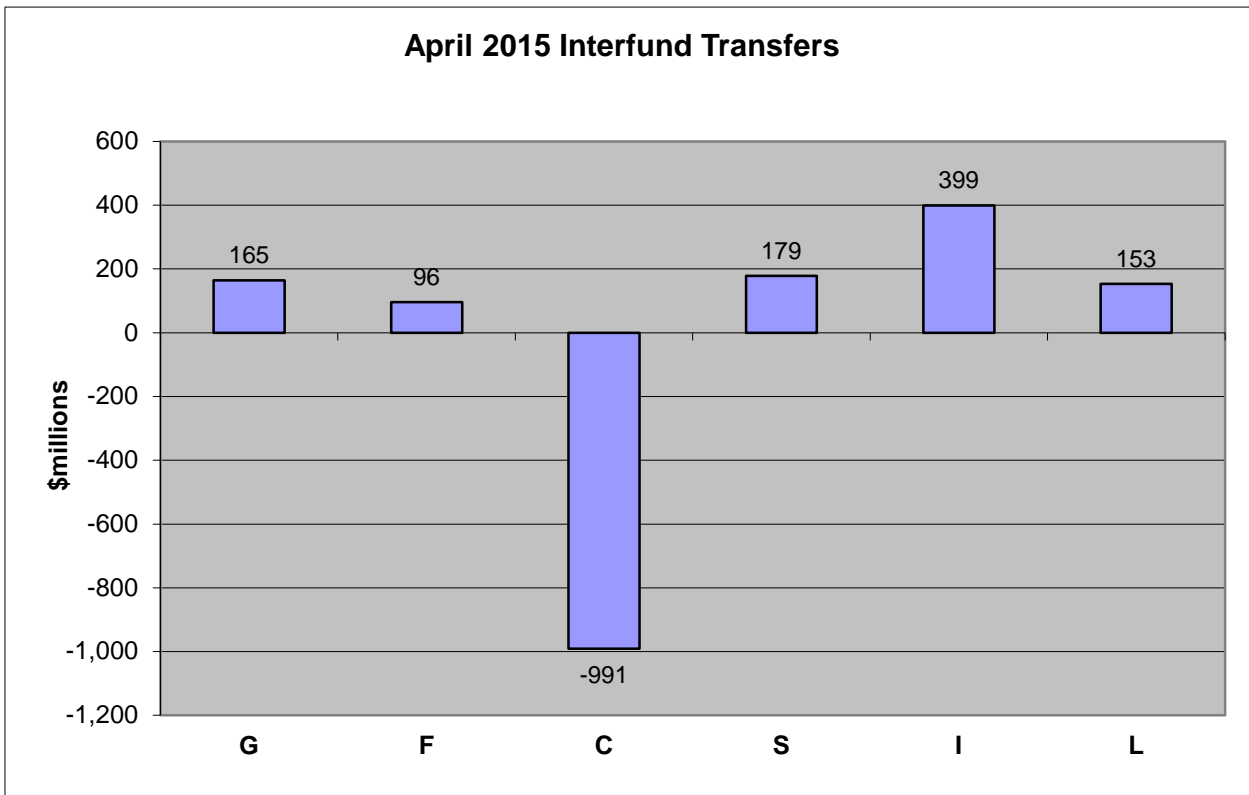
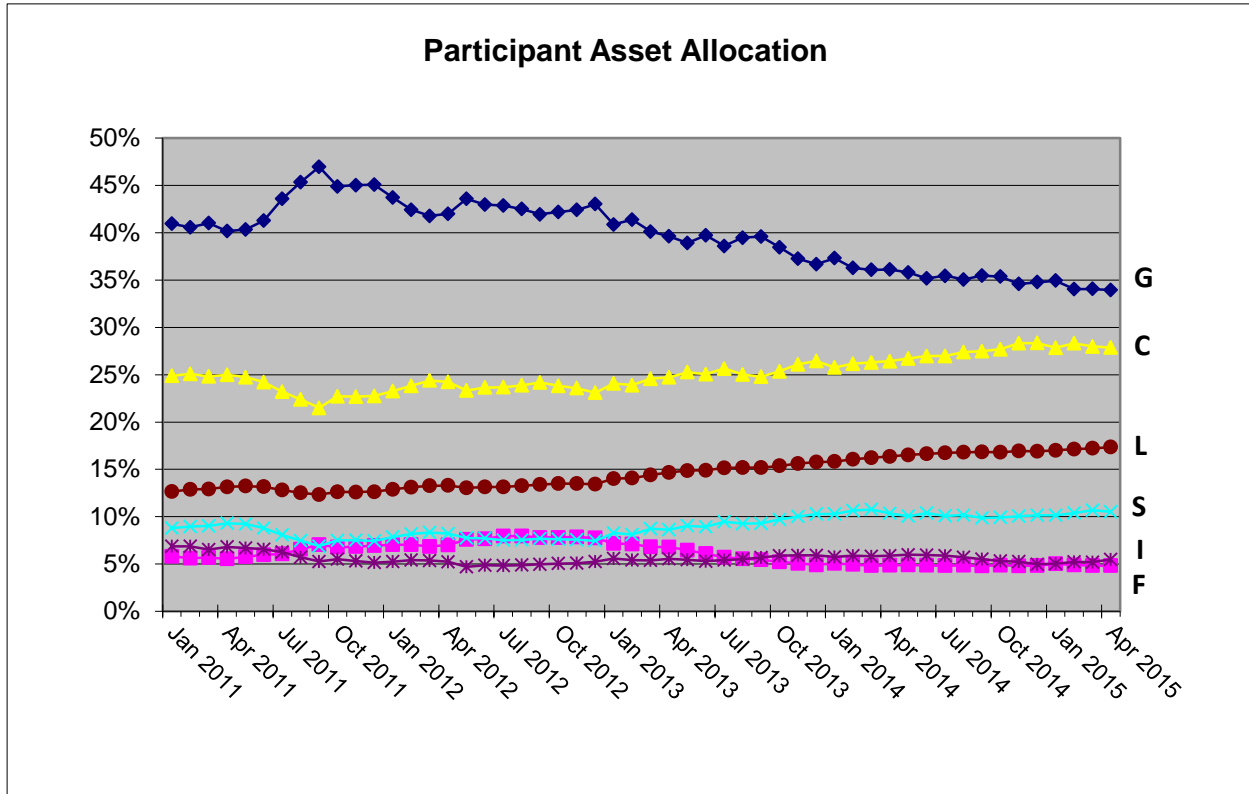
## L Funds

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**  
**April 2015**

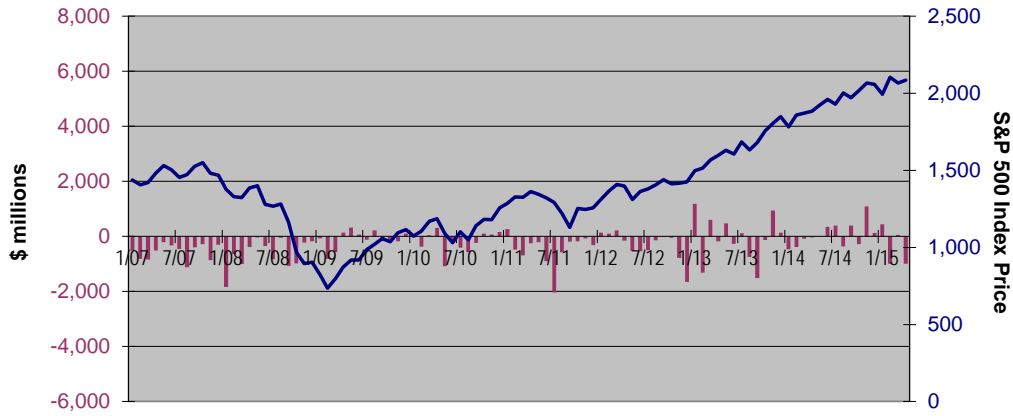
Attachment 1



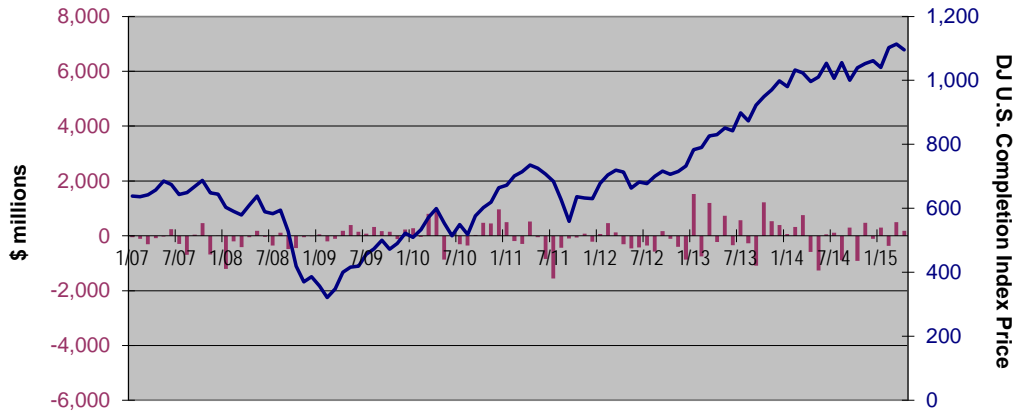
# THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

## April 2015

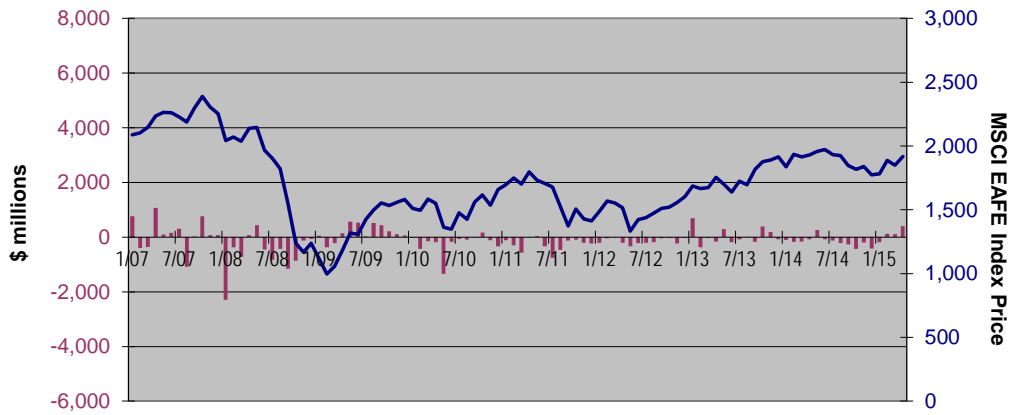
Monthly Interfund Transfers  
C Fund



Monthly Interfund Transfers  
S Fund



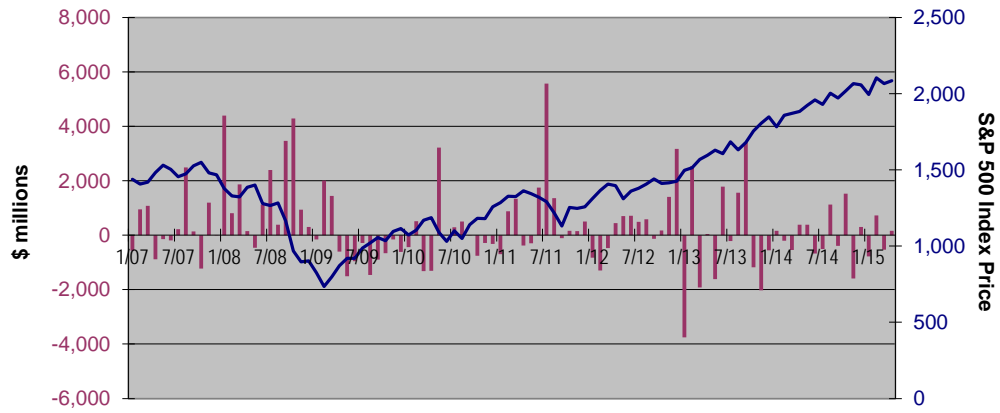
Monthly Interfund Transfers  
I Fund



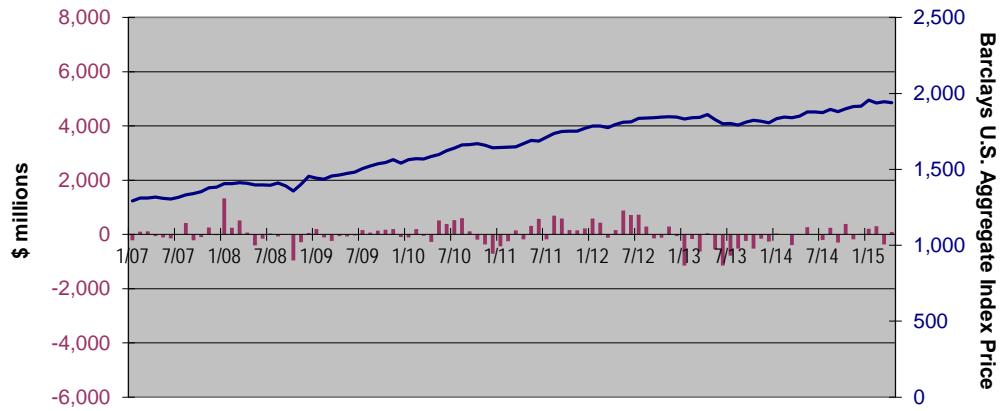
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## April 2015

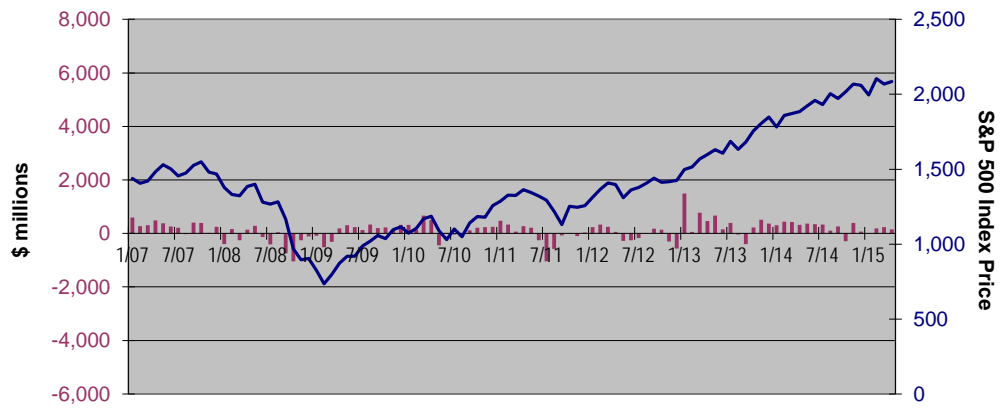
Monthly Interfund Transfers  
G Fund



Monthly Interfund Transfers  
F Fund



Monthly Interfund Transfers  
L Funds



# THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY

## April 2015

