



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

September 6, 2019

MEMORANDUM FOR THE EXECUTIVE DIRECTOR

FROM: SEAN MCCAFFREY  
CHIEF INVESTMENT OFFICER

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

SUBJECT: August 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	2.61	2.60	2.59	0.02	-0.01
Large Cap	-1.59	-1.59	-1.58	-0.01	0.00
Small Mid Cap	-4.19	-4.19	-4.18	-0.01	0.00
International	-1.76	-1.77	-2.59	0.83	-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	9.13	9.11	9.10	0.03	-0.02
Large Cap	18.35	18.32	18.34	0.01	-0.03
Small Mid Cap	16.36	16.34	16.36	0.00	-0.02
International	10.04	10.04	9.66	0.38	0.00

BlackRock's performance for the F, C, and S Funds was in-line with the Funds' respective indices for the month. Its performance for the I Fund was above the International Index by 83 basis points, primarily due to the reversal of a fair value pricing event that occurred in late July. 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 38 basis points due to tax advantage.

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.

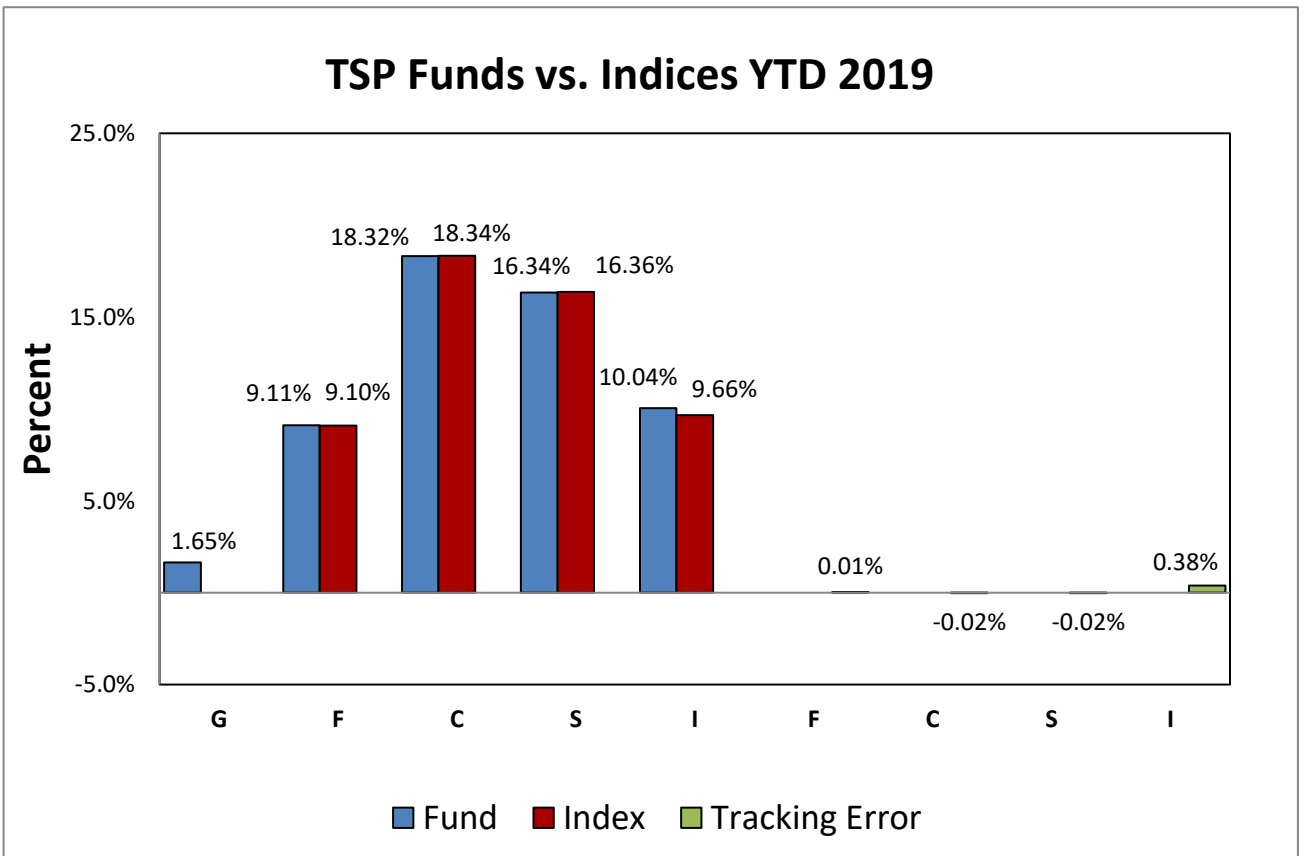
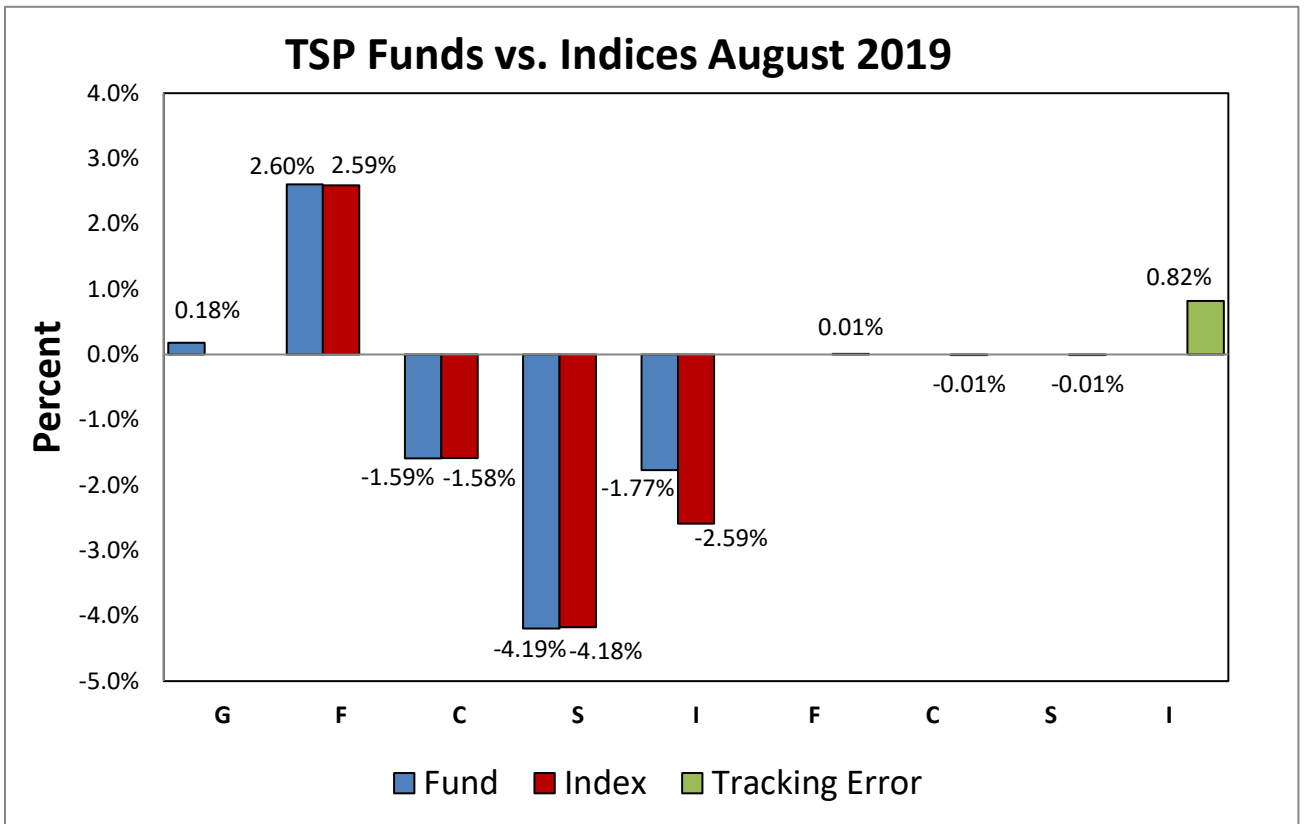
## Trading Costs

<u>Trading Costs</u>			
<u>F Fund</u>	<u>Dollar Amount</u> <u>Traded</u>	<u>Dollars</u>	<u>Basis</u> <u>Points</u>
August	1,665,205,281	276,825	1.7
Year-to-Date	7,046,853,091	617,762	0.9
 <u>C Fund</u>			
August	5,529,827,478	(2,651,127)	-4.8
Year-to-Date	21,876,050,110	(5,009,616)	-2.3
 <u>S Fund</u>			
August	2,069,097,393	(878,037)	-4.2
Year-to-Date	12,855,074,401	(1,045,066)	-0.8
 <u>I Fund</u>			
August	1,421,490,492	1,635,279	11.5
Year-to-Date	13,270,132,249	(14,502,172)	-10.9

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

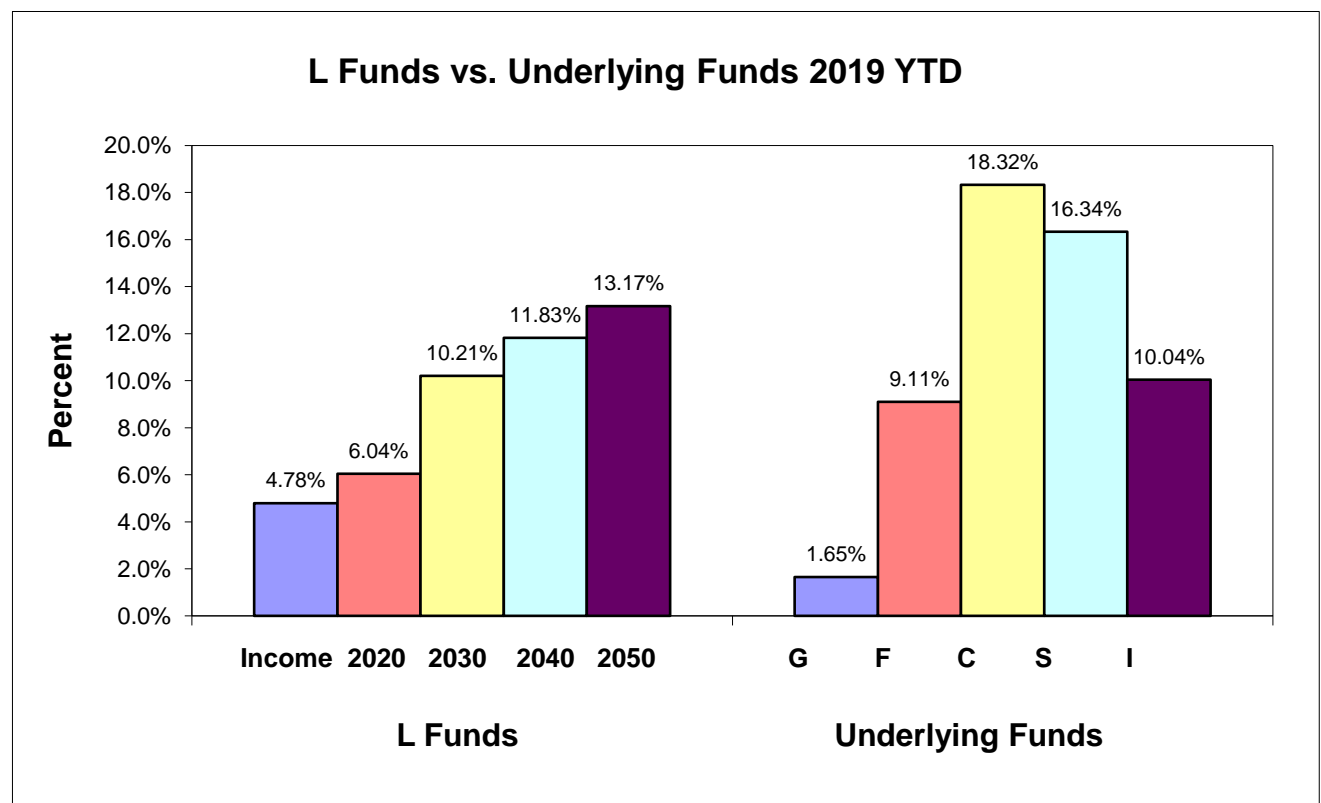
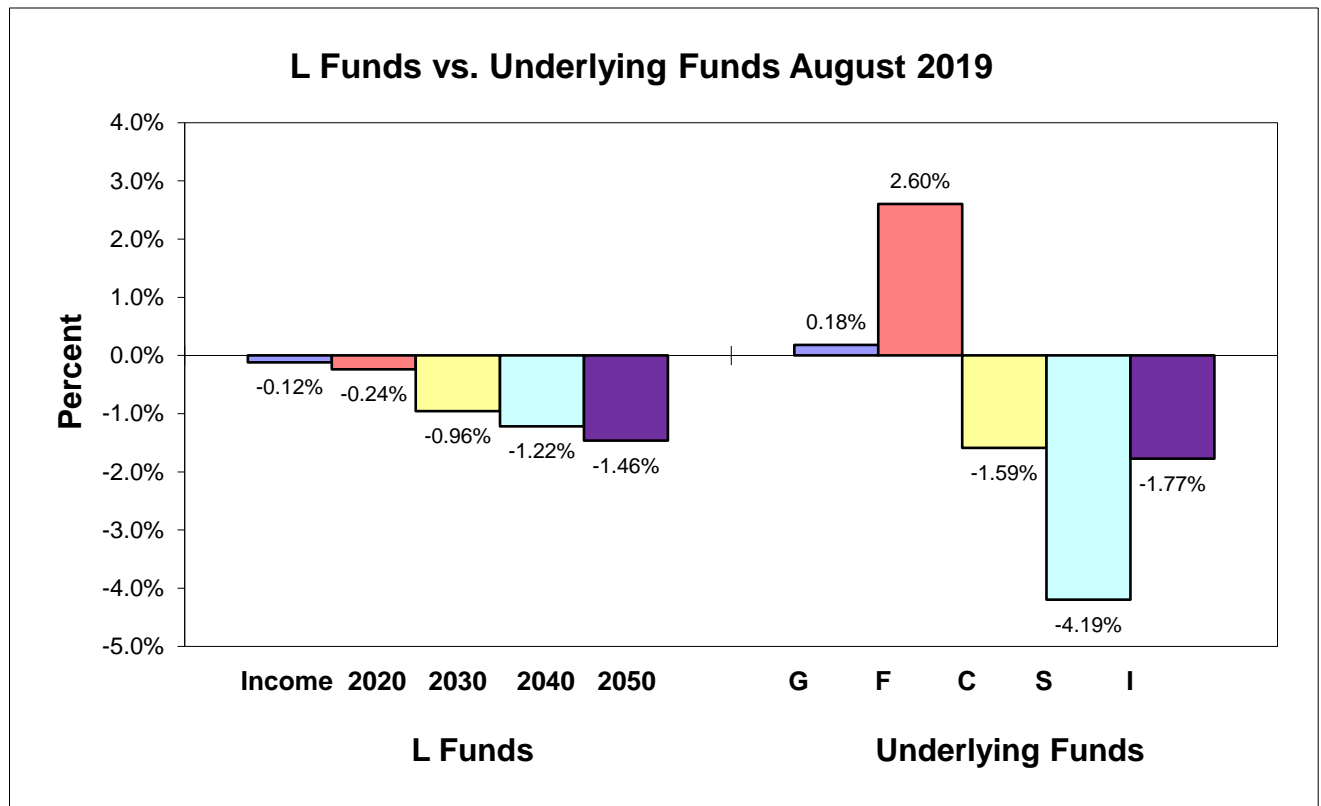
## Performance of TSP Funds Total Returns

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



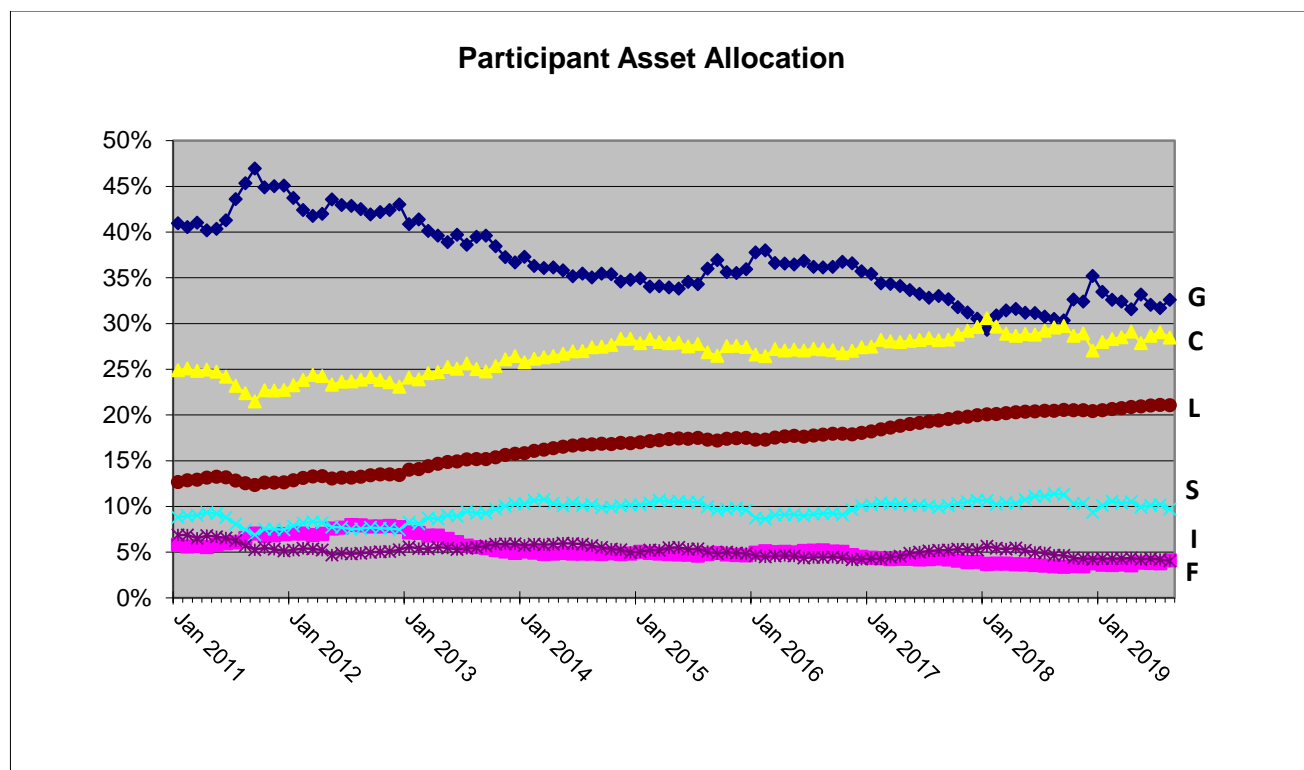
## L Funds

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 2019**

Attachment 1



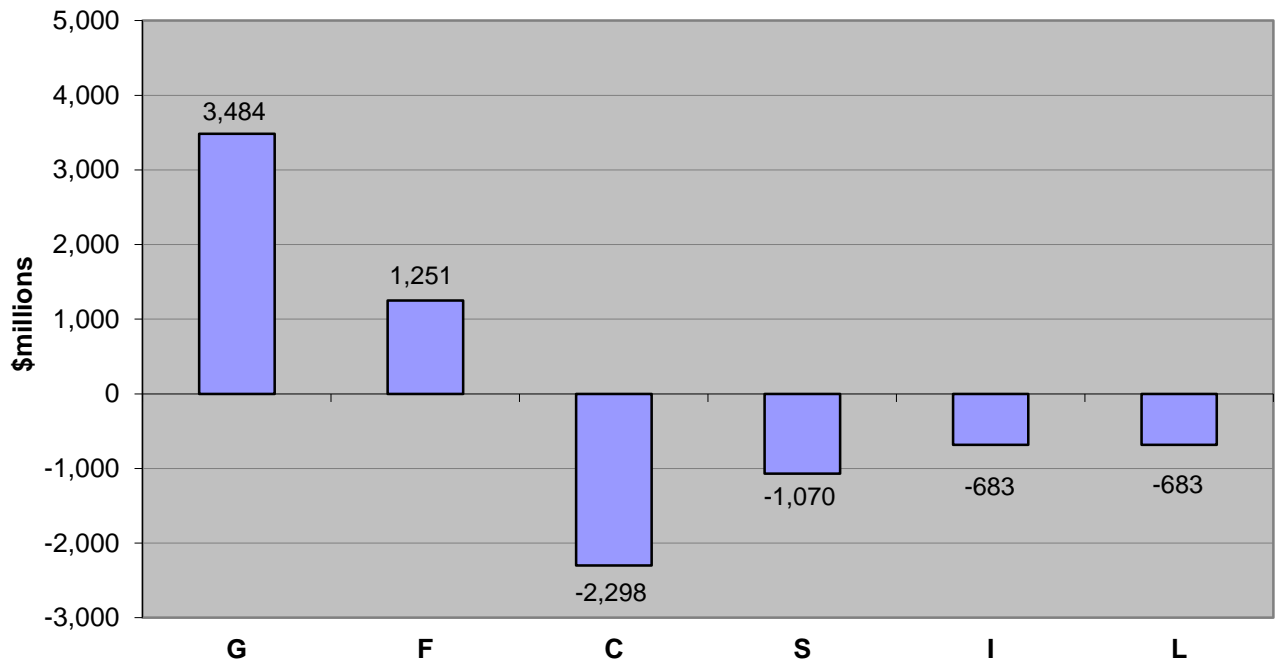
TSP Assets -- Participant Allocation (August 31, 2019)		
<u>Fund</u>	<u>Assets (Billion USD)</u>	<u>Percent</u>
<b>G Fund</b>	\$193.5	32.6%
<b>F Fund</b>	\$24.4	4.1%
<b>C Fund</b>	\$169.1	28.5%
<b>S Fund</b>	\$57.6	9.7%
<b>I Fund</b>	\$24.1	4.1%
<b>L Funds</b>	<u>\$125.2</u>	<u>21.1%</u>
<b>Total</b>	\$593.7	100%

TSP Assets -- By Core Funds (August 31, 2019)		
<u>Fund</u>	<u>Assets (Billion USD)</u>	<u>Percent</u>
<b>G Fund</b>	\$240.2	40.5%
<b>F Fund</b>	\$33.1	5.6%
<b>C Fund</b>	\$204.1	34.4%
<b>S Fund</b>	\$67.8	11.4%
<b>I Fund</b>	<u>\$48.6</u>	<u>8.2%</u>
<b>Total</b>	\$593.7	100%

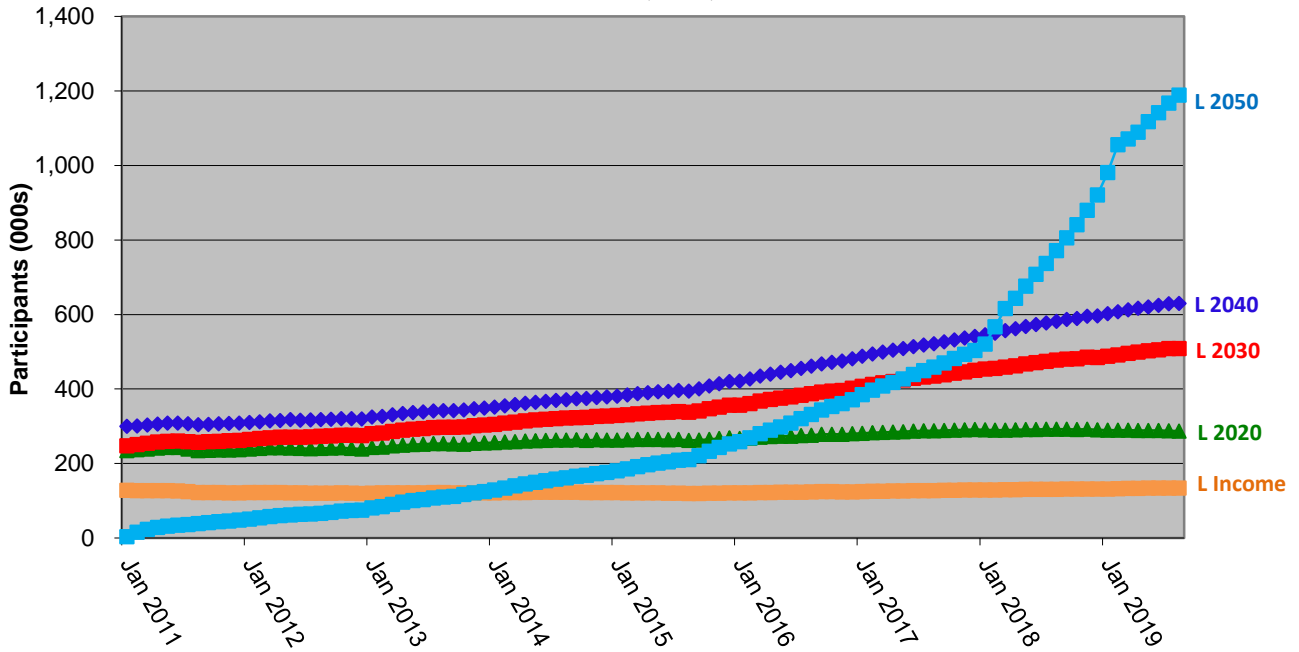
Components may not sum to totals because of rounding.

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

**Interfund Transfers August 2019**

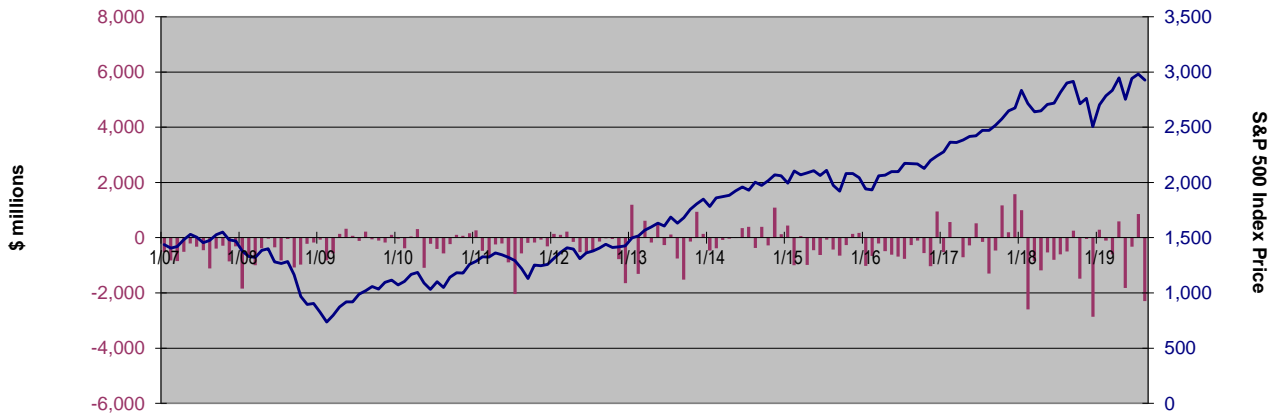


**Number of L Fund Participants  
Total = 2,366,076**

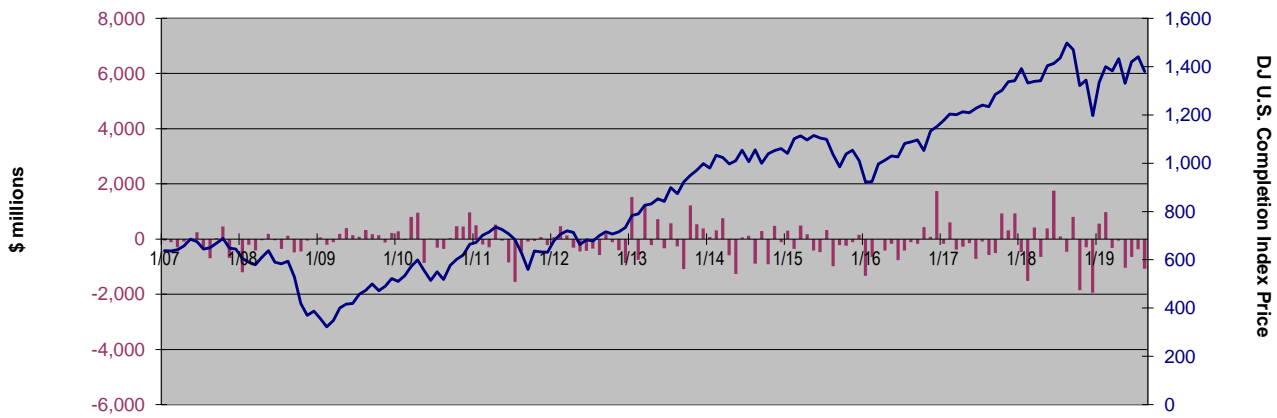


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AUGUST 2019**

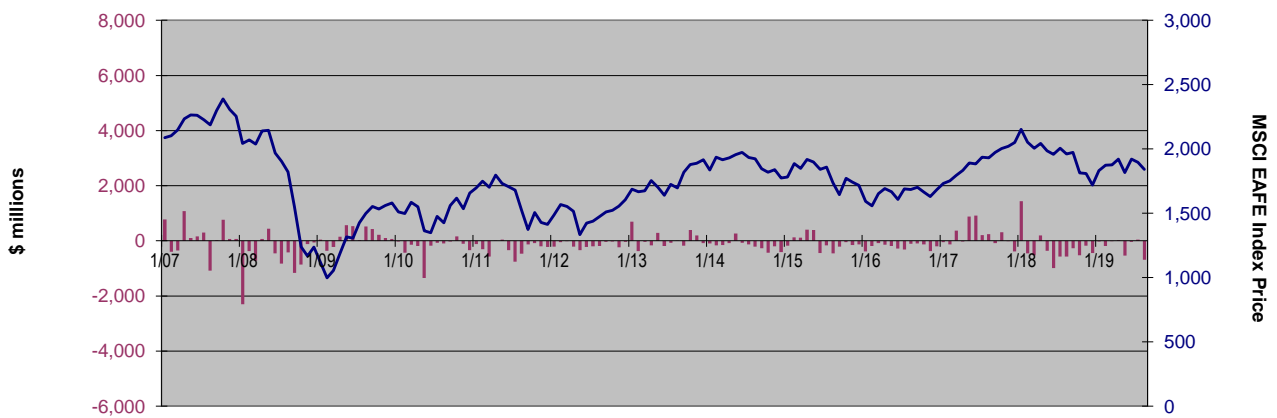
**Monthly Interfund Transfers  
C Fund**



**Monthly Interfund Transfers  
S Fund**

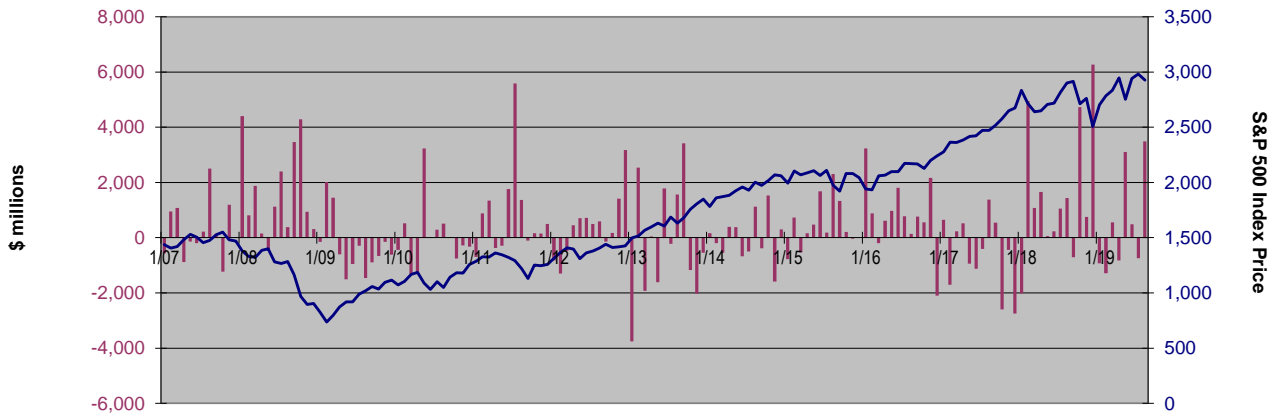


**Monthly Interfund Transfers  
I Fund**

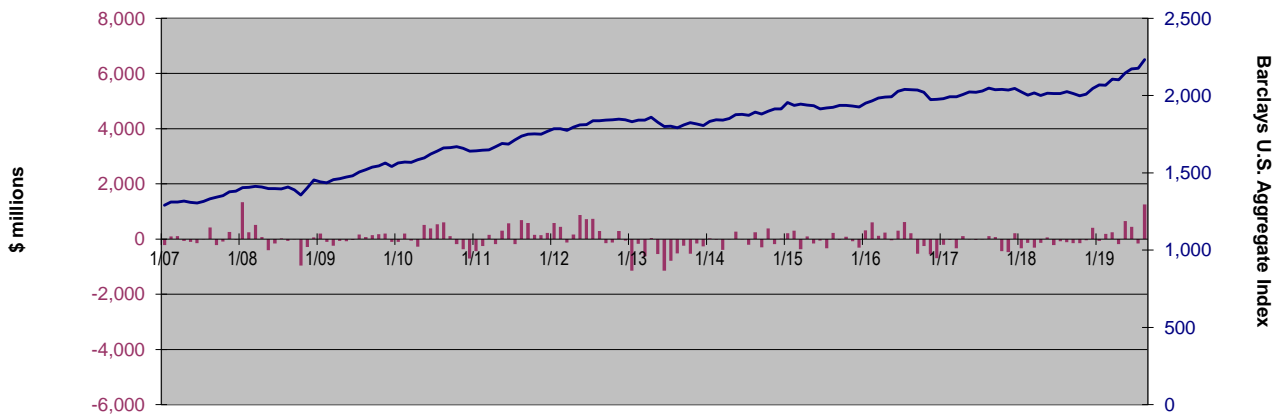


**THRIFT SAVINGS PLAN MONTHLY INVESTMENT ACTIVITY  
AUGUST 2019**

**Monthly Interfund Transfers  
G Fund**



**Monthly Interfund Transfers  
F Fund**



**Monthly Interfund Transfers  
L Funds**

