



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

MEMORANDUM FOR BOARD MEMBERS

GERBER, BILYEU, BRIDGES,  
AND OLIVARES

FROM: Sean McCaffrey, Chief Investment Officer  
DATE: December 18, 2025  
SUBJECT: November 2025 Investment Program Review

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**INTRODUCTION**

This report reviews key aspects of the TSP's investment program, including performance, benchmark differences, interfund transfer activity, and participant allocations.

**RETURNS AND BENCHMARK DIFFERENCES**

The tables below contain the monthly and year-to-date (YTD) returns and benchmark differences for the F, C, S, and I Funds and for the separate accounts managed by BlackRock and State Street. Due to rounding, the benchmark differences may not match the differences in displayed returns.

***November 2025 Returns and Benchmark Differences***

		<u>Fixed Income (F Fund)</u>	<u>Large Cap (C Fund)</u>	<u>Small Mid Cap (S Fund)</u>	<u>International (I Fund)</u>
<b>Return</b>	<b>Index</b>	0.62%	0.25%	-0.49%	0.29%
	<b>BlackRock</b>	0.64%	0.25%	-0.44%	0.46%
	<b>State Street</b>	0.65%	0.25%	-0.47%	0.27%
	<b>TSP Fund (Net)</b>	0.64%	0.24%	-0.45%	0.42%
<b>Benchmark Difference</b>	<b>BlackRock</b>	0.02%	0.00%	0.05%	0.17%
	<b>State Street</b>	0.03%	0.00%	0.02%	-0.02%
	<b>TSP Fund</b>	0.02%	0.00%	0.04%	0.13%

BlackRock's performance for the F and C Funds was in line with the Funds' respective indices for the month. Its performance for the S Fund was ahead of the Small Mid Cap Index by 5 basis points, primarily due to securities sampling. For the I Fund, BlackRock's performance was ahead of the International Index by 17 basis points, primarily due to fair value pricing.

State Street's performance for the F Fund was ahead of the Fixed Income Index's return by 3 basis points, primarily due to a difference in pricing by the index provider and by State Street on the last trading day of the month. Its performance for the C, S, and I Funds was in line with the Funds' respective indices for the month.

## **2025 YTD Returns and Benchmark Differences**

		<b>Fixed Income (F Fund)</b>	<b>Large Cap (C Fund)</b>	<b>Small Mid Cap (S Fund)</b>	<b>International (I Fund)</b>
<b>Return</b>	<b>Index</b>	7.46%	17.81%	11.92%	27.82%
	<b>BlackRock</b>	7.51%	17.81%	11.99%	28.65%
	<b>State Street</b>	7.54%	17.81%	12.03%	28.36%
	<b>TSP Fund (Net)</b>	7.49%	17.78%	11.97%	28.54%
<b>Benchmark Difference</b>	<b>BlackRock</b>	0.05%	0.00%	0.08%	0.82%
	<b>State Street</b>	0.08%	0.00%	0.12%	0.53%
	<b>TSP Fund</b>	0.03%	-0.03%	0.05%	0.72%

Year-to-date, BlackRock's performance for the F Fund was ahead of the Fixed Income Index's return by 5 basis points, primarily due to securities sampling. Its performance for the C Fund was in line with the Large Cap Index. For the S Fund, BlackRock was ahead of the Small Mid Cap Index by 8 basis points, primarily due to securities lending. Its performance for the I Fund exceeded the International Index by 82 basis points, primarily due to tax advantage and fair value pricing.

Year-to-date, State Street's performance for the F Fund was ahead of the Fixed Income Index's return by 8 basis points, primarily due to interest earned on cash in the Fund. Its performance for the C Fund was in line with the Large Cap Index. For the S Fund, State Street was ahead of the Small Mid Cap Index by 12 basis points, primarily due to securities lending and securities sampling. Its performance for the I Fund exceeded the International Index by 53 basis points, primarily due to tax advantage and fair value pricing.

**Annualized Net Returns as of November 30, 2025**

	1-Year	3-Year	5-Year	10-Year
<b>G Fund</b>	4.46%	4.35%	3.42%	2.74%

	1-Year	3-Year	5-Year	10-Year
<b>F Fund</b>	5.65%	4.54%	-0.22%	2.10%
<b>Bloomberg US Agg Bond Index</b>	5.70%	4.56%	-0.31%	1.99%
<b>Benchmark Difference</b>	-0.05%	-0.02%	0.09%	0.11%

	1-Year	3-Year	5-Year	10-Year
<b>C Fund</b>	14.96%	20.52%	15.24%	14.60%
<b>S&amp;P 500 Index</b>	15.00%	20.57%	15.28%	14.63%
<b>Benchmark Difference</b>	-0.04%	-0.05%	-0.03%	-0.03%

	1-Year	3-Year	5-Year	10-Year
<b>S Fund</b>	4.08%	15.31%	7.85%	10.66%
<b>Dow Jones US Completion TSM Index</b>	4.04%	15.18%	7.67%	10.49%
<b>Benchmark Difference</b>	0.04%	0.13%	0.18%	0.17%

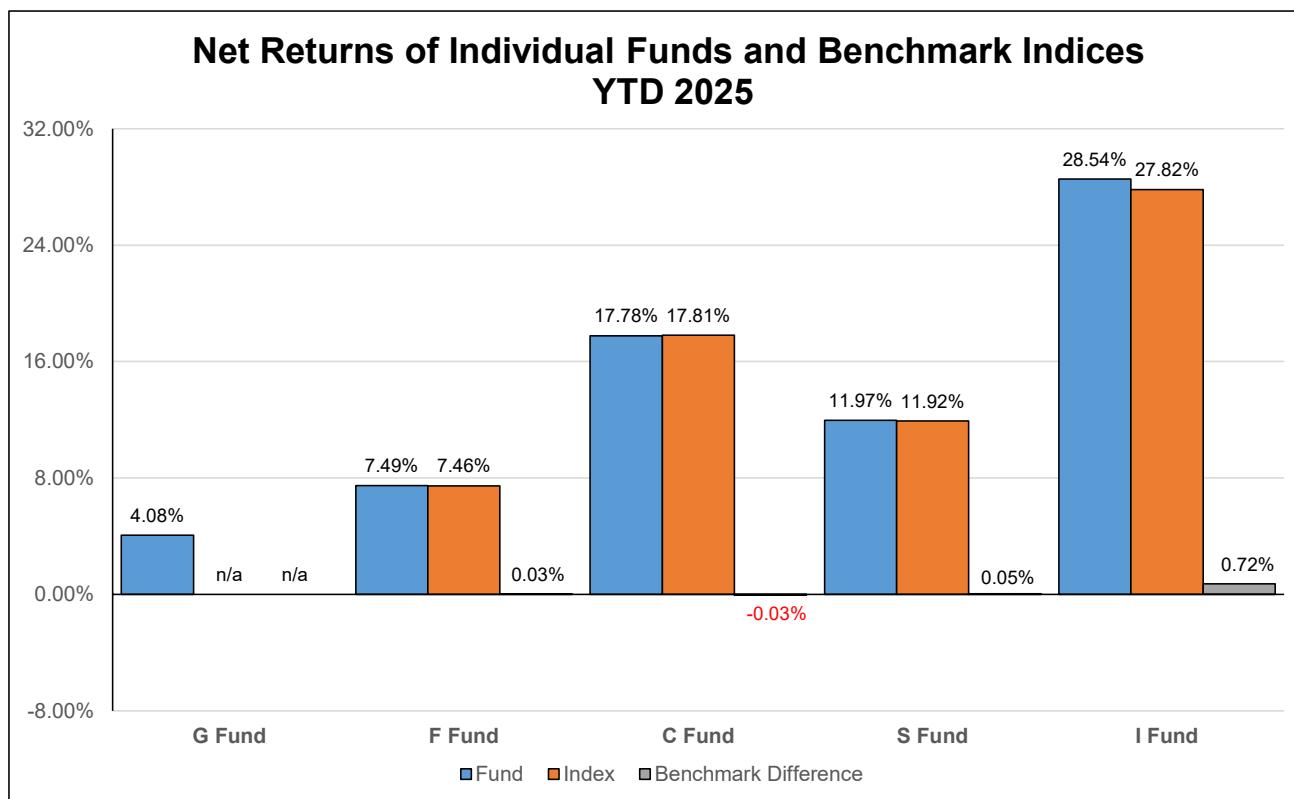
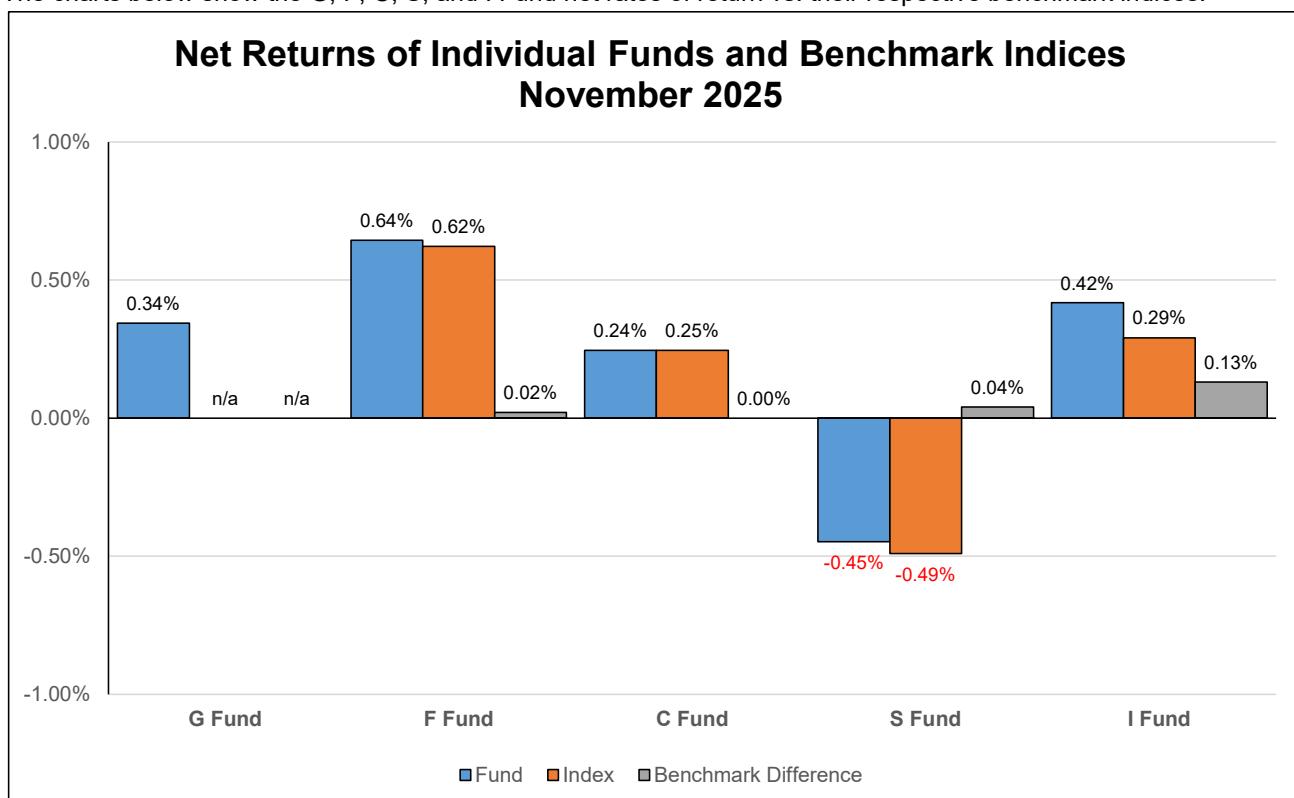
	1-Year	3-Year	5-Year	10-Year
<b>I Fund</b>	24.91%	15.91%	9.75%	8.15%
<b>International Index*</b>	24.81%	16.38%	9.42%	7.79%
<b>Benchmark Difference</b>	0.10%	-0.47%	0.33%	0.36%

\* MSCI EAFE through July 31, 2024; MSCI ACWI IMI ex USA ex China ex Hong Kong thereafter.

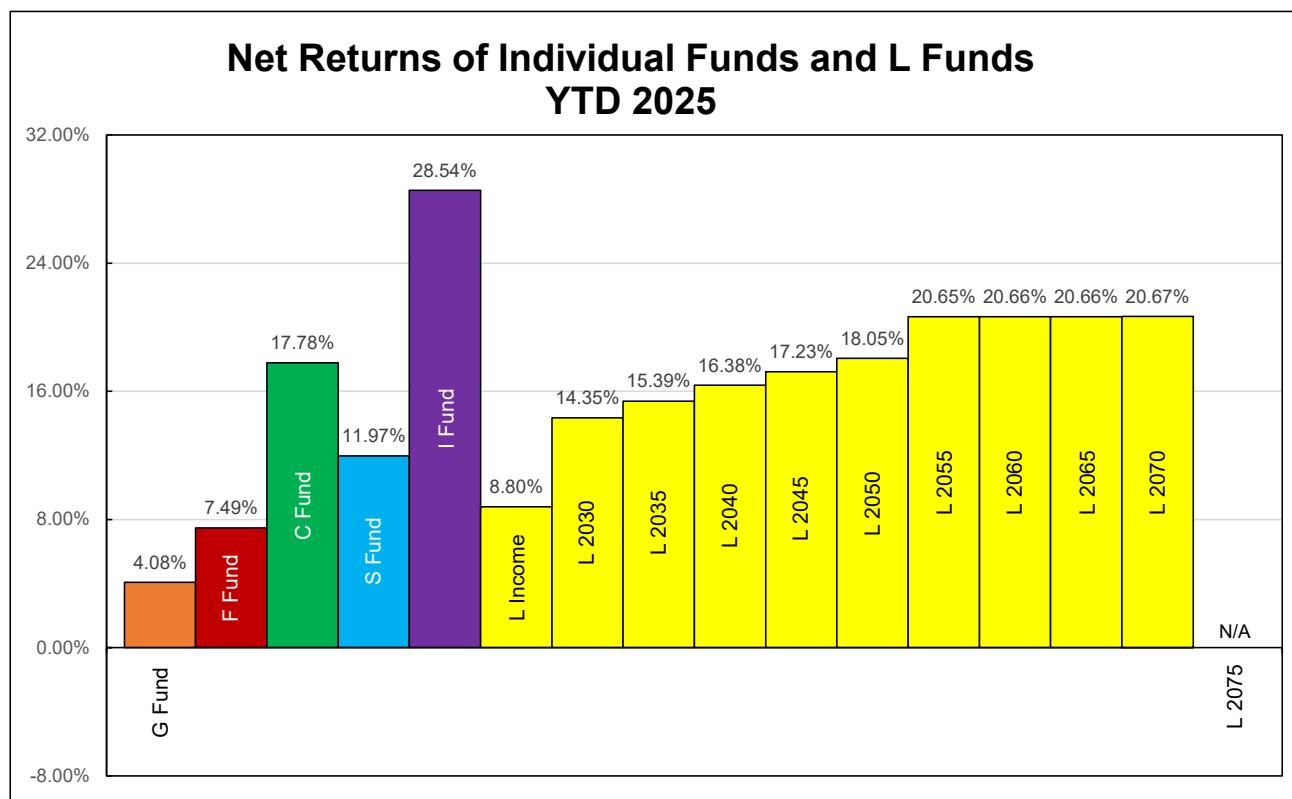
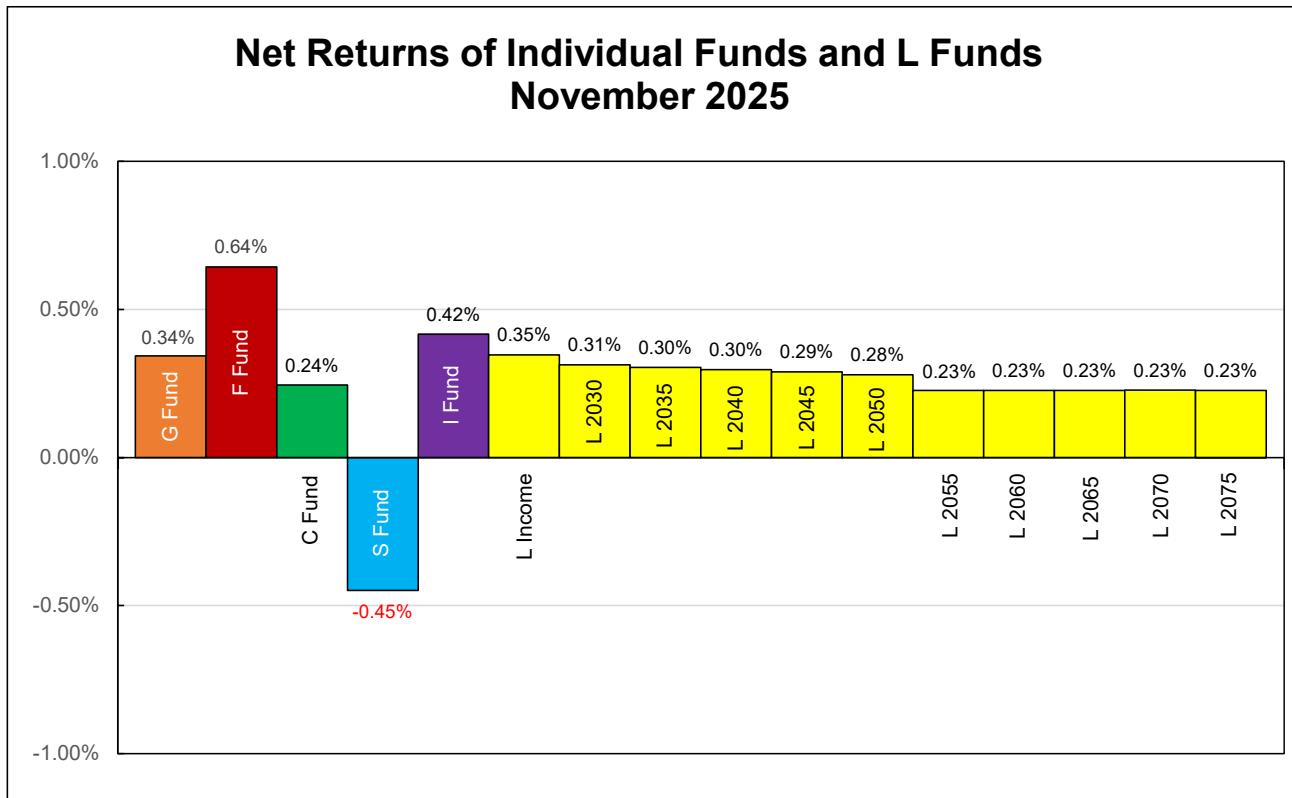
	Inception Date	1-Year	3-Year	5-Year	10-Year
<b>L Income Fund</b>	August 1, 2005	8.08%	8.06%	5.71%	5.02%
<b>L 2030 Fund</b>	August 1, 2005	12.22%	12.85%	8.86%	8.55%
<b>L 2035 Fund</b>	July 1, 2020	12.99%	13.68%	9.34%	N/A
<b>L 2040 Fund</b>	August 1, 2005	13.70%	14.48%	9.83%	9.55%
<b>L 2045 Fund</b>	July 1, 2020	14.31%	15.17%	10.22%	N/A
<b>L 2050 Fund</b>	January 31, 2011	14.91%	15.86%	10.63%	10.41%
<b>L 2055 Fund</b>	July 1, 2020	16.87%	18.22%	12.33%	N/A
<b>L 2060 Fund</b>	July 1, 2020	16.87%	18.22%	12.33%	N/A
<b>L 2065 Fund</b>	July 1, 2020	16.87%	18.22%	12.32%	N/A
<b>L 2070 Fund</b>	July 26, 2024	16.90%	N/A	N/A	N/A
<b>L 2075 Fund</b>	June 30, 2025	N/A	N/A	N/A	N/A

## Performance of TSP Funds

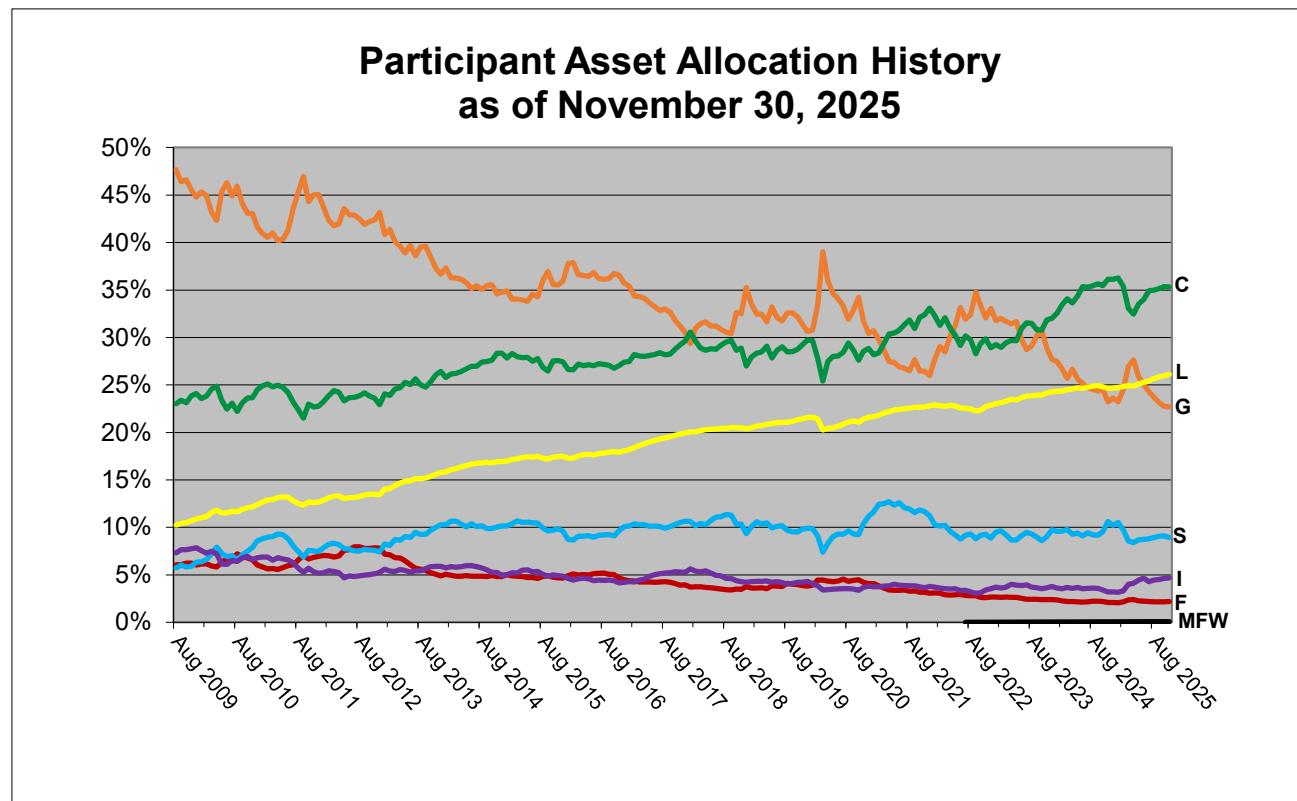
The charts below show the G, F, C, S, and I Fund net rates of return vs. their respective benchmark indices.



Net rates of return for the L Funds are shown below, along with comparable returns for the G, F, C, S, and I Funds.



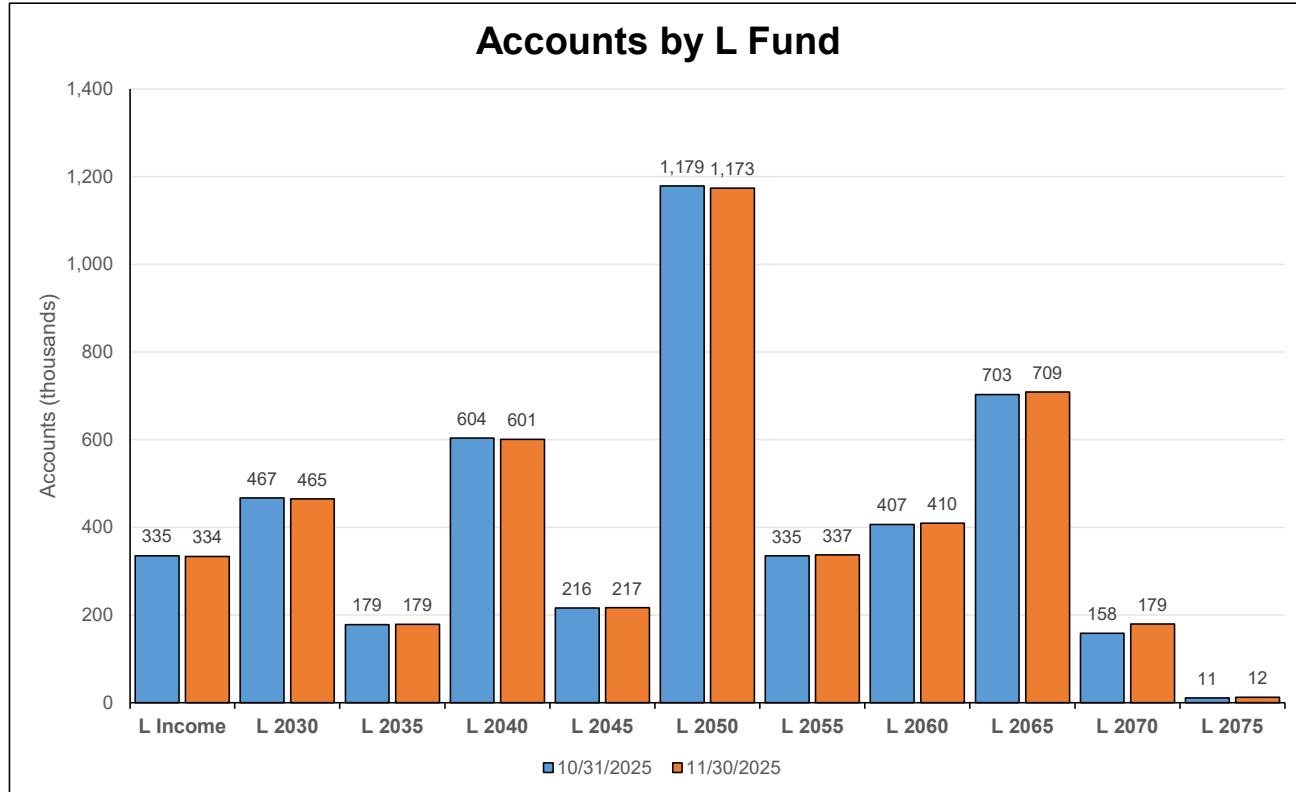
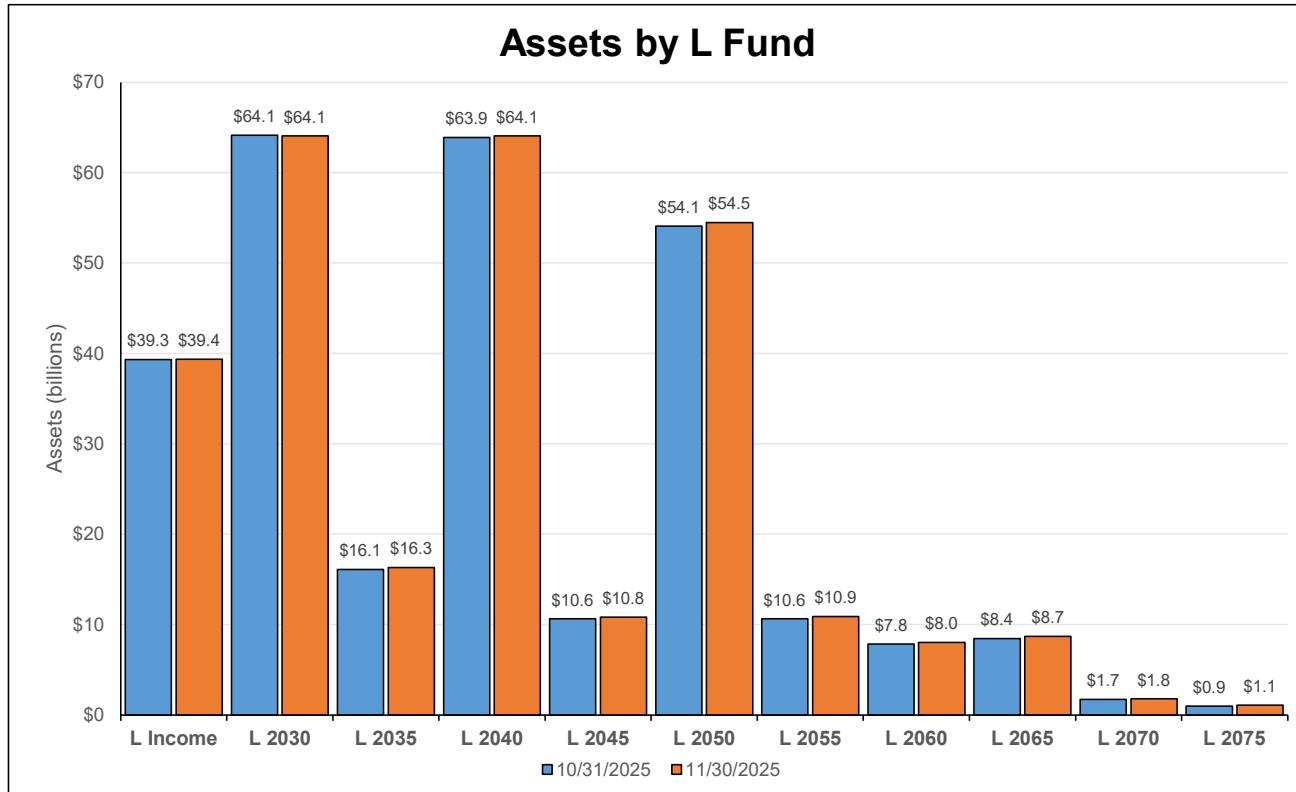
## Asset Allocation



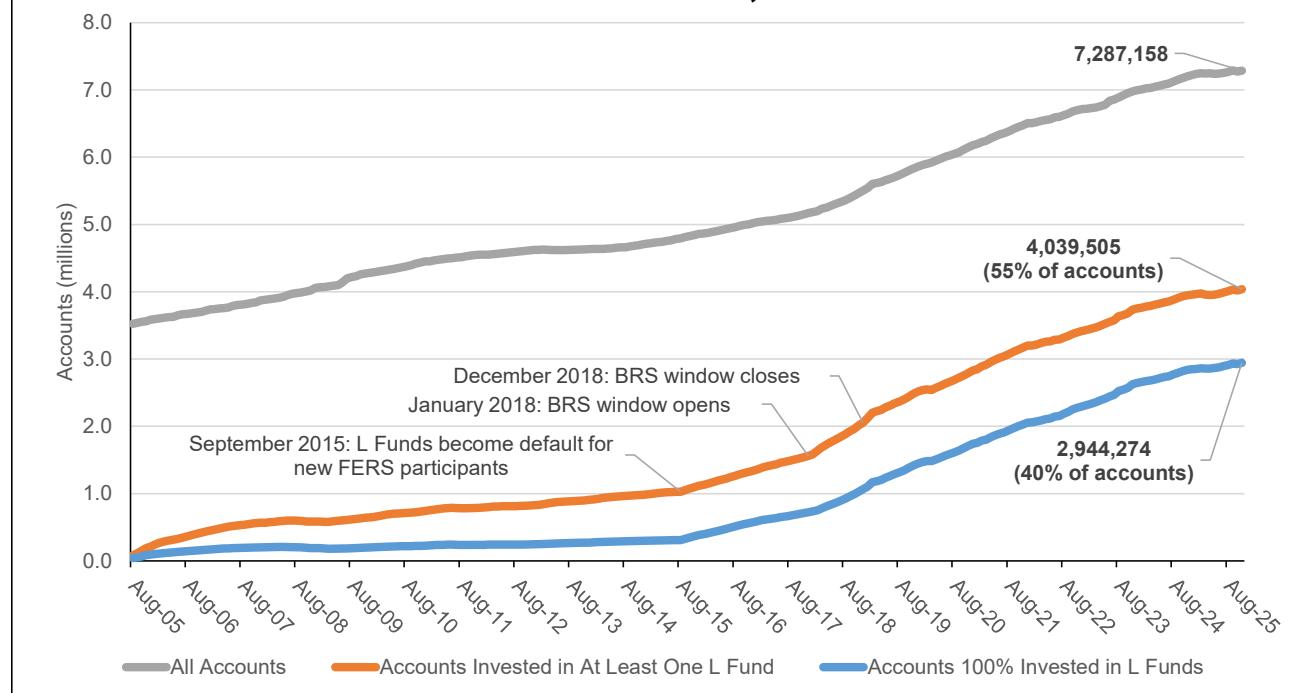
Asset Allocation as of November 30, 2025				
Participant Allocation		Individual TSP Funds		
	Assets (Billions)	Share of Total	Assets (Billions)	Share of Total
<b>G Fund</b>	\$242.8	22.7%	\$318.0	29.7%
<b>F Fund</b>	\$23.4	2.2%	\$39.2	3.7%
<b>C Fund</b>	\$378.4	35.3%	\$476.3	44.5%
<b>S Fund</b>	\$95.6	8.9%	\$120.3	11.2%
<b>I Fund</b>	\$50.2	4.7%	\$116.0	10.8%
<b>L Funds</b>	\$279.4	26.1%	n/a	n/a
<b><u>MFW</u></b>	<u>\$0.7</u>	<u>0.1%</u>	<u>\$0.7</u>	<u>0.1%</u>
<b>Total</b>	\$1,070.6	100.0%	\$1,070.6	100.0%

\*Components may not sum to totals due to rounding.

## Lifecycle (L) Funds



## Participation History of the L Funds as of November 30, 2025



### Interfund Transfer Activity

