



Thrift Savings Plan

F FUND

Fixed Income Index Investment Fund

Fund Information

As of December 31, 2008

Net Assets
\$14.4 billion

2008 Administrative Expenses
\$0.18 per \$1,000
account balance,
.018% (1.8 basis points)

Average Duration
4.2 years

Average Current Yield
5.12%

Benchmark Index
Barclays Capital U.S. Aggregate
Bond Index
www.barcap.com

Asset Manager
BlackRock Institutional Trust
Company, N.A.

Returns

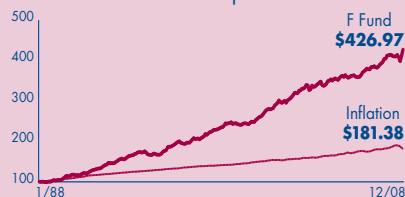
	F Fund*	Barclays U.S. Aggregate Index
1-Year	5.45%	5.24%
3-Year	5.64%	5.51%
5-Year	4.72%	4.65%
10-Year	5.69%	5.63%
Since Inception	7.16%	7.45%

January 29, 1988

* After expenses

Growth of \$100

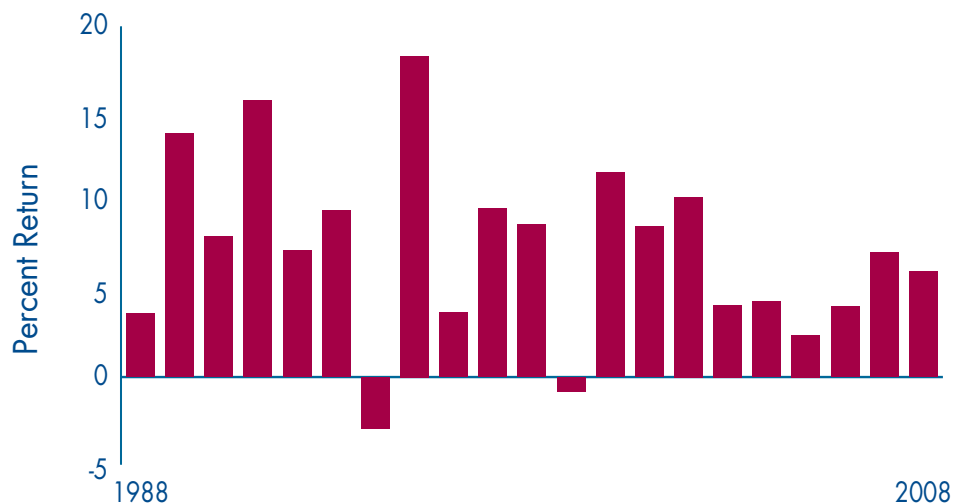
Since Inception



Key Features

- The F Fund offers the opportunity to earn rates of return that exceed those of money market funds over the long term (particularly during periods of declining interest rates), with relatively low risk.
- The objective of the F Fund is to match the performance of the Barclays Capital U.S. Aggregate Index, a broad index representing the U.S. bond market.
- The risk of nonpayment of interest or principal (credit risk) is relatively low because the fund includes only investment-grade securities and is broadly diversified. However, the F Fund has market risk (the risk that the value of the underlying securities will decline) and prepayment risk (the risk that the security will be repaid before it matures).
- Earnings consist of interest income on the securities and gains (or losses) in the value of securities.

F Fund Returns* Inception–2008



* 1988 return shown is a partial year return.

F FUND FACTS

By law, the F Fund must be invested in fixed-income securities. The Federal Retirement Thrift Investment Board has chosen to invest the F Fund in an index fund that tracks the Barclays Capital U.S. Aggregate (U.S. Aggregate) Index, formerly the Lehman Brothers U.S. Aggregate Index, a broadly diversified index of the U.S. bond market.

The **U.S. Aggregate Index** consists of high quality fixed-income securities with maturities of more than one year. The index is comprised of Treasury and Agency bonds, asset-backed securities, and corporate and non-corporate bonds. On December 31, 2008, the index included 9,111 notes and bonds. Its average current yield was 5.11%, which means that, on an annual basis, interest income equalled approximately 5.11% of the return of the U.S. Aggregate Index. The average duration (a measure of interest rate risk) of the U.S. Aggregate Index was 4.1 years, which means that a 1% increase (decrease) in interest rates could be expected to result in a 4.1% decrease (increase) in the price of a security. New issues are added continuously to the U.S. Aggregate Index, and older issues drop out as they move to within one year of maturity.

BlackRock's U.S. Debt Index

Fund—The F Fund is invested in BlackRock's U.S. Debt Index Fund. Because the U.S. Aggregate Index contains such a large number of securities, it is not feasible for BlackRock's U.S. Debt Index Fund to invest in each security in the index. Instead, BlackRock selects a large representative sample of the various types of mortgage-backed, U.S. Government, corporate, and foreign government securities included in the overall index. Within each sector, BlackRock selects securities that, as a whole, are designed to match important index characteristics such as duration, yield, and credit rating. The performance of the U.S. Debt Index Fund is evaluated on the basis of how closely its returns match those of the U.S. Aggregate Index.

The F Fund invests in BlackRock's U.S. Debt Index Fund by purchasing shares of BlackRock's U.S. Debt Index Fund "E," which, in turn, holds shares of BlackRock's U.S. Debt Index Master Fund. As of December 31, 2008, F Fund holdings constituted \$13.9 billion of the U.S. Debt Index Master Fund, which itself held \$27.7 billion in securities.

Note: Participants' interfund transfer (IFT) requests redistribute their existing account balances among the TSP funds. For each calendar month, the *first two* IFTs can redistribute money among any or all of the TSP funds. After that, for the remainder of the month, IFTs can *only* move money into the G Fund. (For participants with both civilian and uniformed services accounts, this rule applies to each account separately.)

Barclays Capital U.S. Aggregate Index Bond Market Sectors December 31, 2008

