



Thrift Savings Plan

# C FUND

Common Stock Index Investment Fund

## Fund Information

As of December 31, 2006

**Net Assets**  
\$78.8 billion

**2006 Administrative Expenses**  
\$0.30 per \$1,000  
account balance, or  
.03% (3 basis points)

**Benchmark Index**  
Standard & Poor's 500  
Stock Index  
[www.standardandpoors.com](http://www.standardandpoors.com)

**Asset Manager**  
Barclays Global Investors

## Returns

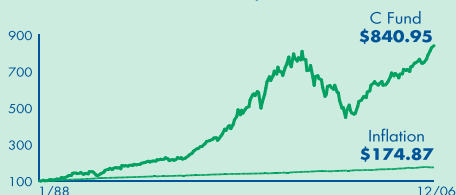
	C Fund*	S&P 500 Index
1-Year	15.79%	15.79%
3-Year	10.43%	10.44%
5-Year	6.18%	6.19%
10-Year	8.37%	8.42%
Since Inception	11.86%	12.16%

January 29, 1988

\* After expenses

## Growth of \$100

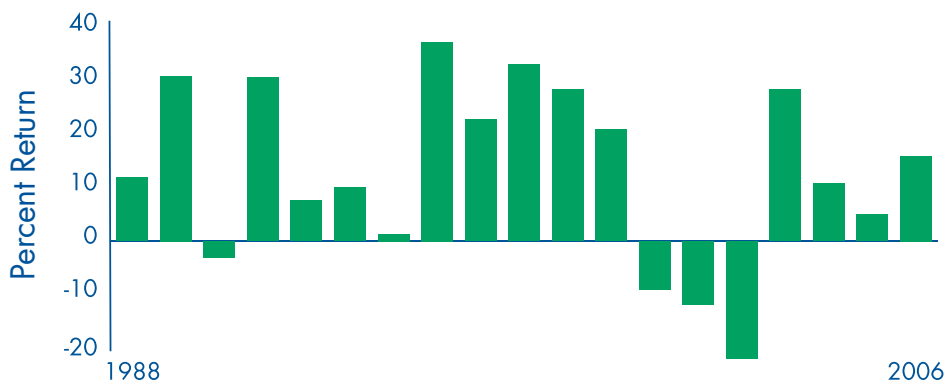
Since Inception



## Key Features

- The C Fund offers the opportunity to earn a potentially high investment return over the long term from a broadly diversified portfolio of stocks of large and medium-sized U.S. companies.
- The objective of the C Fund is to match the performance of the Standard and Poor's 500 (S&P 500) Index, a broad market index made up of stocks of 500 large to medium-sized U.S. companies.
- There is a risk of loss if the S&P 500 Index declines in response to changes in overall economic conditions (market risk).
- Earnings consist of gains and losses in the prices of stocks, and dividend income.

## C Fund Returns\* Inception–2006



\* Because the C Fund began on January 29, 1988, the 1988 return shown is a partial year return.

## S&P 500 Top Ten Holdings

as of December 31, 2006

### Company

Exxon Mobil Corp.  
General Electric  
Citigroup, Inc.  
Microsoft Corporation  
Bank of America Corp.  
Procter & Gamble  
Johnson & Johnson  
Pfizer, Inc.  
American International Group  
Altria Group, Inc.

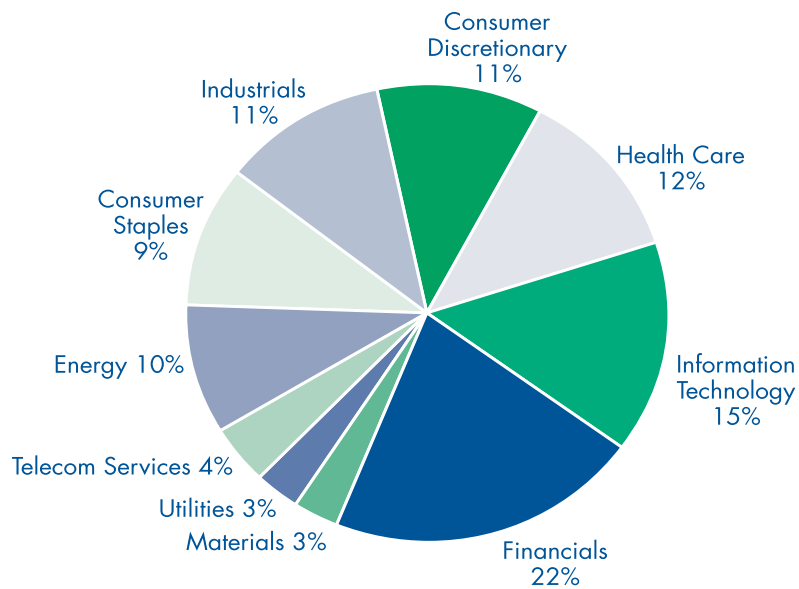
# C FUND FACTS

By law, the C Fund must be invested in a portfolio designed to replicate the performance of an index of stocks representing the U.S. stock market. The Federal Retirement Thrift Investment Board has chosen as its benchmark the Standard and Poor's 500 (S&P 500) Index, which tracks the performance of major U.S. companies and industries.

The **S&P 500 Index** is an index of 500 large to medium-sized U.S. companies that are traded in the U.S. stock markets. The index was designed by Standard & Poor's Corporation (S&P) to provide a representative measure of U.S. stock market performance. The companies in the index represent 130 sub-industries classified into the 10 major industry groups shown in the chart. (As of December 31, 2006, eleven of the common stocks included in the index were Real Estate Investment Trusts (REITs), accounting for 1.14% of the index's market value.) The stocks in the S&P 500 Index represent 74% of the market value of the U.S. stock markets.

The S&P 500 is considered a "big company" index. As of December 31, 2006, the largest 100 companies in the S&P 500 represented approximately 65% of the index's market value. The S&P 500 Index includes 422 securities traded on the New York Stock Exchange and 78 securities that are traded on NASDAQ. The market value of the largest company in the index is approximately \$447 billion; the market value of the smallest company is approximately \$1.4 billion.

**S&P 500 Index**  
Major Industry Groups  
December 31, 2006



The S&P 500 Index is weighted by float-adjusted market capitalization, in which a company's market value and its weighting in the index are calculated using the number of shares that are freely traded, rather than all outstanding shares. Shares that are not freely traded, such as the holdings of controlling shareholders and their families, company management, and other companies, are excluded from the calculation. A company's weighting in the index is the float-adjusted market value of the company (that is, the share price multiplied by the number of freely traded shares outstanding) as a percentage of the combined float-adjusted market value of all companies in the index.

**Barclays Equity Index Fund**—The C Fund is invested in the Barclays Equity Index Fund. The C Fund holds all the stocks included in the S&P 500 Index in virtually the same weights that they have in the index. The performance of the Equity Index Fund is evaluated on the basis of how closely its returns match those of the S&P 500 Index. A portion of Equity Index Fund assets is reserved to meet the needs of daily client activity. This liquidity reserve is invested in S&P 500 Index futures contracts.

The C Fund invests in the Barclays Equity Index Fund by purchasing shares of the Barclays Equity Index Fund "E," which, in turn, holds primarily shares of the Barclays Equity Index Master Fund. As of December 31, 2006, C Fund holdings constituted \$76.5 billion of the Equity Index Master Fund, which itself held \$126.6 billion of securities.