

CTA RETIREE HEALTHCARE TRUST

**INVESTMENT PERFORMANCE REPORT
PERIOD ENDING
September 30, 2011**

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OVERVIEW

PORTFOLIO EVALUATION

- ♦ The Fund's total market value as of September 30, 2011 was \$560.36 million.
- ♦ The Fund had a return of -9.15% for the current quarter, and a return of -3.55% for the YTD as of 9/30/2011.

INVESTMENT POLICY AND OBJECTIVES

- ♦ The primary objective of the policy is to provide a documented structure for the implementation of investment strategies which suggests the highest probability of maximizing the level of investment return within acceptable parameters for the total Fund's volatility and risk.
- ♦ The asset mix described below is designed to provide a high likelihood of achieving a rate of return of 7.0% per year over long periods of time. It is expected that this return will be sufficient to meet or exceed the Trust's actuarial interest assumption.

Target Asset Allocation

Domestic Equity	37.5 %
Domestic Fixed Income	40 %
International Equity	12.5 %
International Fixed Income	10 %

PLAN RECONCILIATION

	<u>Current Quarter</u>
<u>Beginning Market Value</u>	\$ 616,393,741
Cash Flow In	\$ 17,350,845
Intrafund Transfer	\$ -
Cash Flow Out	\$ (16,708,426)
Net Cash Flow	\$ 642,419
Investment Performance	
Income	\$ 3,367,627
Asset Value Changes	\$ (60,044,380)
Gross Performance	\$ (56,676,753)
 <u>Ending Market Value</u>	 <u>\$ 560,359,407</u>

ACTION



CTA Healthcare Trust Executive Summary Table Periods Ending September 30, 2011

Name	Value \$(000)	% of Fund	Periods Ending 9/30/11							Since Inception	
			Cur Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Ret	Date
Total Fund	560,359	100.0	-9.15	-3.55	1.68	5.52	4.54			4.41	7/31/08
Net of Fee			-9.26	-3.88	1.24	5.15	4.30			4.18	7/31/08
Policy Index			-6.67	-2.51	1.95	5.08	4.54			2.56	7/31/08
ARA 7.25% MAR Benchmark			-6.65	-3.90	1.07	3.15	1.50				7/31/08
Total Equity Composite	269,246	48.0	-18.20	-11.50	-0.85	2.59				2.59	9/30/09
Net of Fee			-18.34	-11.91	-1.42	2.14				2.14	9/30/09
Domestic Equity Composite	205,649	36.7	-18.19	-10.62	2.01	4.11				4.11	9/30/09
Net of Fee			-18.34	-11.04	1.41	3.65				3.65	9/30/09
Domestic Large Cap Equity Composite	66,496	11.9	-14.77	-9.71	0.70					3.60	1/04/10
Net of Fee			-14.90	-10.07	0.23					3.28	1/04/10
PNC Capital Large Cap Value	33,242	5.9	-13.63	-8.52	0.77					2.27	1/25/10
Net of Fee			-13.76	-8.90	0.22					1.88	1/25/10
Russell 1000 Value			-16.21	-11.25	-1.90					3.27	1/25/10
Brown Large Cap Growth	16,835	3.0	-16.14	-10.08						-4.61	11/09/10
Net of Fee			-16.30	-10.47						-5.02	11/09/10
Russell 1000 Growth			-13.14	-7.21						-2.09	11/09/10
Turner Large Cap Growth	16,419	2.9	-15.60	-11.65						-6.36	11/09/10
Net of Fee			-15.73	-11.97						-6.69	11/09/10
Russell 1000 Growth			-13.14	-7.21						-2.09	11/09/10
Domestic Mid Cap Equity Composite	64,520	11.5	-22.05	-16.65	-4.26					5.29	12/31/09
Net of Fee			-22.20	-17.02	-4.75					4.89	12/31/09



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			Cur Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Ret	Date
Systematic Mid Cap Value	31,925	5.7	-22.41	-16.69	-5.46					2.69	12/31/09
Net of Fee			-22.55	-17.07	-6.02					2.16	12/31/09
Russell MidCap Value			-18.47	-13.00	-2.36					4.79	12/31/09
Eagle Midcap Growth	32,594	5.8	-21.69	-16.61						-10.65	11/16/10
Net of Fee			-21.85	-16.98						-11.05	11/16/10
Russell MidCap Growth			-19.33	-11.59						-6.07	11/16/10
Domestic Small Cap Equity Composite	74,633	13.3	-17.62	-5.69	9.19	8.95				8.95	9/30/09
Net of Fee			-17.78	-6.23	8.37	8.19				8.19	9/30/09
Amalgatrust Small Cap Growth	37,577	6.7	-15.46	-0.02	17.72	12.59				12.59	9/30/09
Net of Fee			-15.59	-0.55	16.88	11.34				11.34	9/30/09
Russell 2000 Growth			-22.26	-15.58	-1.14	6.53				6.52	9/30/09
Kayne Anderson Small Cap Value	20,565	3.7	-15.42	-4.16	7.59	11.71				12.19	9/30/09
Net of Fee			-15.60	-4.72	6.77	10.76				10.76	9/30/09
Russell 2000 Value			-21.47	-18.52	-6.00	2.54				2.53	9/30/09
WCM Small Cap Value	16,492	2.9	-24.47	-18.47	-5.71	0.10				0.10	9/30/09
Net of Fee			-24.66	-18.99	-6.50	-0.91				-0.91	9/30/09
Russell 2000 Value			-21.47	-18.52	-6.00	2.54				2.53	9/30/09
International Equity Composite	63,597	11.3	-18.21	-14.33	-9.39	-2.01				-2.01	9/30/09
Net of Fee			-18.34	-14.68	-9.88	-2.41				-2.41	9/30/09
Herndon Capital Int'l Equity	31,973	5.7	-19.02	-15.38	-10.18	-1.67				-1.67	9/30/09
Net of Fee			-19.15	-15.73	-10.68	-2.13				-2.13	9/30/09
MSCI EAFE (Net)			-19.01	-14.98	-9.36	-3.25				-3.25	9/30/09



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Name	Value \$(000)	% of Fund	Periods Ending 9/30/11							Since Inception	
			Cur Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Ret	Date
Lazard Int'l Equity	31,624	5.6	-17.37	-13.23	-8.57					-2.46	10/31/09
Net of Fee			-17.50	-13.59	-9.06					-2.80	10/31/09
MSCI ACWI ex US (Net)			-19.85	-16.80	-10.81					-1.50	10/31/09
Total Fixed Income Composite	279,721	49.9	1.18	5.21	3.89	7.37				8.65	3/31/09
Net of Fee			1.10	4.98	3.59	7.07				8.41	3/31/09
Domestic Fixed Income Composite	219,095	39.1	2.28	6.00	4.71	7.62				9.21	3/31/09
Net of Fee			2.21	5.82	4.47	7.35				8.99	3/31/09
Barclays U.S. Aggregate			3.82	6.65	5.26	6.70				7.65	3/31/09
Mackay Shields Core Plus Fixed	72,590	13.0	2.04	5.79	5.02	7.50				8.65	3/31/09
Net of Fee			1.96	5.54	4.69	7.16				8.37	3/31/09
Barclays U.S. Aggregate			3.82	6.65	5.26	6.70				7.65	3/31/09
TCW Opp Core Plus Fixed	73,167	13.1	0.40	4.96	4.09	7.93				9.67	6/30/09
Net of Fee			0.34	4.73	3.80	7.61				9.38	6/30/09
Barclays U.S. Core Bond Index (A			3.82	6.65	5.26	6.70				7.68	6/30/09
Hughes Core Fixed Income	73,337	13.1	4.47	7.33	5.10	7.01				7.01	9/30/09
Net of Fee			4.41	7.16	4.87	6.81				6.81	9/30/09
Barclays Govt/Credit			4.74	7.47	5.14	6.92				6.92	9/30/09
International Fixed Income Composite	60,626	10.8	-2.59	2.44	1.01	6.35				6.35	9/30/09
Net of Fee			-2.71	2.05	0.53	5.94				5.94	9/30/09
Citigroup Non-US Govt Bond			0.95	5.68	4.14	4.30				4.30	9/30/09
Evergreen Int'l Fixed Income	30,204	5.4	0.01	5.23	3.07	5.95				5.95	9/30/09
Net of Fee			-0.07	4.95	2.80	5.72				5.72	9/30/09
Citigroup Non-US Govt Bond			0.95	5.68	4.14	4.30				4.30	9/30/09

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Executive Summary Table

Periods Ending September 30, 2011

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			Cur Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Ret	Date
Prudential Int'l Fixed Income	30,422	5.4	-5.04	-0.18	-0.96	6.74				6.74	9/30/09
Net of Fee			-5.20	-0.68	-1.62	6.15				6.15	9/30/09
Citigroup Non-US Govt Bond			0.95	5.68	4.14	4.30				4.30	9/30/09
Cash Account	11,393	2.0	0.05	0.18	0.21	0.18	0.34			0.34	9/30/08
Net of Fee			0.05	0.18	0.21	0.18	0.34			0.34	9/30/08
Citigroup 3-month T-Bill			0.01	0.07	0.11	0.11	0.20			0.20	9/30/08