

CTA RETIREE HEALTHCARE TRUST

**INVESTMENT PERFORMANCE REPORT
PERIOD ENDING
June 30, 2012**

Gray & Company
Global Investment Solutions
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OVERVIEW

PORTFOLIO EVALUATION

- ♦ The Fund's total market value as of June 30, 2012 was \$617.46 million.
- ♦ The Fund had a return of -1.82% for the current quarter, and a return of 1.59% for the last twelve months.

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 7.25% per year over long periods of time. It is expected that this return will be sufficient to meet or exceed the Minimum Acceptable Return.

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>	\$ 627,383,204
Cash Flow In	\$ 11,205,414
Intrafund Transfer	\$ -
Cash Flow Out	\$ (9,627,216)
Net Cash Flow	\$ 1,578,198
Investment Performance	
Income	\$ 4,441,249
Asset Value Changes	\$ (15,941,044)
Gross Performance	\$ (11,499,795)
<u>Ending Market Value</u>	<u>\$ 617,461,607</u>

ACTION

CTA Healthcare Trust

Executive Summary Table

Periods Ending June 30, 2012

Name	Value \$(000)	% of Fund	Periods Ending 6/30/12							Since Inception	
			Cur Qtr	YTD	1 Year	2 Yrs	3 Yrs	5 Yrs	7 Yrs	Ret	Date
Total Fund	617,462	100.0	-1.82	6.12	1.59	11.28	8.10			6.55	7/31/08
Net of Fee			-1.94	5.87	1.09	10.74	7.72			6.26	7/31/08
Policy Index			-1.33	4.86	3.05	10.41	10.29			4.69	7/31/08
ARA 7.25% MAR Benchmark			-1.31	4.66	3.24	8.57	8.16				7/31/08
Total Equity Composite	316,029	51.2	-5.22	7.98	-3.47	15.12				8.19	9/30/09
Net of Fee			-5.39	7.63	-4.15	14.36				7.65	9/30/09
Blended Policy Index			-4.44	7.22	-3.12	14.06				9.32	9/30/09
Domestic Equity Composite	246,589	39.9	-5.00	8.74	-1.35	17.48				10.22	9/30/09
Net of Fee			-5.17	8.37	-2.08	16.68				9.65	9/30/09
Russell 3000			-3.15	9.32	3.84	17.23				12.05	9/30/09
Domestic Large Cap Equity Composite	79,577	12.9	-5.39	7.41	2.43	16.38				10.59	1/04/10
Net of Fee			-5.52	7.13	1.85	15.85				10.17	1/04/10
Standard & Poors 500			-2.75	9.48	5.44	17.39				12.71	1/04/10
PNC Capital Large Cap Value	40,257	6.5	-2.72	7.32	5.00	16.56				10.13	1/25/10
Net of Fee			-2.84	7.08	4.47	15.98				9.68	1/25/10
Russell 1000 Value			-2.20	8.67	3.00	15.24				11.38	1/25/10
Brown Large Cap Growth	20,373	3.3	-7.54	8.83	1.98					9.86	11/09/10
Net of Fee			-7.71	8.47	1.29					9.22	11/09/10
Russell 1000 Growth			-4.01	10.09	5.77					11.77	11/09/10
Turner Large Cap Growth	18,947	3.1	-8.44	6.12	-2.20					5.30	11/09/10
Net of Fee			-8.58	5.83	-2.75					4.80	11/09/10
Russell 1000 Growth			-4.01	10.09	5.77					11.77	11/09/10

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Domestic Mid Cap Equity Composite	77,927	12.6	-6.09	8.30	-5.41	14.72				12.02	12/31/09
Net of Fee			-6.24	7.96	-6.03	14.07				11.51	12/31/09
Russell MidCap			-4.41	7.96	-1.67	16.69				12.21	12/31/09
Systematic Mid Cap Value	39,033	6.3	-5.17	7.83	-4.71	14.77				10.60	12/31/09
Net of Fee			-5.31	7.51	-5.30	14.01				10.01	12/31/09
Russell MidCap Value			-3.26	7.77	-0.39	15.66				11.95	12/31/09
Eagle Midcap Growth	38,894	6.3	-6.99	8.77	-6.10					4.46	11/16/10
Net of Fee			-7.16	8.41	-6.74					3.85	11/16/10
Russell MidCap Growth			-5.60	8.11	-2.99					8.01	11/16/10
Domestic Small Cap Equity Composite	89,085	14.4	-3.68	10.35	-0.90	20.96				13.83	9/30/09
Net of Fee			-3.90	9.89	-1.85	19.77				12.93	9/30/09
Russell 2000			-3.47	8.53	-2.06	16.00				12.14	9/30/09
Amalgatrust Small Cap Growth	43,970	7.1	-1.49	13.92	-0.14	24.55				15.81	9/30/09
Net of Fee			-1.71	13.43	-1.22	23.23				14.49	9/30/09
Russell 2000 Growth			-3.94	8.81	-2.73	18.14				13.59	9/30/09
Kayne Anderson Small Cap Value	23,802	3.9	-6.07	4.53	-1.52	16.87				14.91	9/30/09
Net of Fee			-6.27	4.12	-2.31	15.85				13.60	9/30/09
Russell 2000 Value			-3.01	8.23	-1.43	13.78				10.61	9/30/09
WCM Small Cap Value	21,313	3.5	-5.34	10.06	-1.78	18.08				10.11	9/30/09
Net of Fee			-5.55	9.61	-2.63	16.96				9.05	9/30/09
Russell 2000 Value			-3.01	8.23	-1.43	13.78				10.61	9/30/09
International Equity Composite	69,439	11.2	-6.00	5.35	-10.32	7.63				1.89	9/30/09
Net of Fee			-6.14	5.06	-10.84	7.00				1.43	9/30/09
MSCI EAFE (Net)			-7.13	2.96	-13.83	5.98				-0.15	9/30/09

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Herndon Capital Int'l Equity	34,406	5.6	-6.19	4.49	-12.52	6.30				1.60	9/30/09
Net of Fee			-6.33	4.20	-13.02	5.64				1.09	9/30/09
MSCI EAFE (Net)			-7.13	2.96	-13.83	5.98				-0.15	9/30/09
Lazard Int'l Equity	35,034	5.7	-5.81	6.20	-8.06	8.99				2.24	10/31/09
Net of Fee			-5.95	5.91	-8.59	8.39				1.82	10/31/09
MSCI ACWI ex US (Net)			-7.61	2.77	-14.56	5.28				1.31	10/31/09
Total Fixed Income Composite	296,484	48.0	2.05	4.29	7.50	7.86	8.80			8.60	3/31/09
Net of Fee			1.97	4.14	7.18	7.51	8.52			8.34	3/31/09
Blended Policy Index			1.69	1.89	6.04	5.96	6.61			6.90	3/31/09
Domestic Fixed Income Composite	231,165	37.4	2.17	4.05	8.12	7.30	8.79			8.86	3/31/09
Net of Fee			2.10	3.92	7.85	7.01	8.54			8.63	3/31/09
Barclays U.S. Aggregate			2.06	2.37	7.48	5.67	6.93			6.97	3/31/09
Mackay Shields Core Plus Fixed	76,594	12.4	2.05	3.51	7.94	7.52	8.55			8.45	3/31/09
Net of Fee			1.97	3.35	7.61	7.14	8.24			8.16	3/31/09
Barclays U.S. Aggregate			2.06	2.37	7.48	5.67	6.93			6.97	3/31/09
TCW Opp Core Plus Fixed	78,357	12.7	1.77	5.83	7.69	7.89	9.70			9.70	6/30/09
Net of Fee			1.72	5.72	7.46	7.57	9.43			9.43	6/30/09
Barclays U.S. Core Bond Index (A			2.06	2.37	7.48	5.67	6.93			6.93	6/30/09
Hughes Core Fixed Income	76,214	12.3	2.70	2.82	8.75	6.18				6.59	9/30/09
Net of Fee			2.64	2.71	8.52	5.92				6.39	9/30/09
Barclays Govt/Credit			2.56	2.65	8.78	6.20				6.44	9/30/09
International Fixed Income Composite	65,318	10.6	1.65	5.13	5.37	9.89				7.61	9/30/09
Net of Fee			1.51	4.90	4.86	9.34				7.17	9/30/09
Citigroup Non-US Govt Bond			0.20	-0.02	0.44	6.98				2.92	9/30/09

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Evergreen Int'l Fixed Income	30,189	4.9	0.91	0.49	0.24	7.43				4.38	9/30/09
Net of Fee			0.82	0.40	-0.03	7.10				4.15	9/30/09
Citigroup Non-US Govt Bond			0.20	-0.02	0.44	6.98				2.92	9/30/09
Prudential Int'l Fixed Income	35,129	5.7	2.29	9.47	10.21	12.14				10.69	9/30/09
Net of Fee			2.12	9.11	9.47	11.38				10.05	9/30/09
Citigroup Non-US Govt Bond			0.20	-0.02	0.44	6.98				2.92	9/30/09
Cash Account	4,949	0.8	0.08	0.16	0.31	0.26	0.23			0.34	9/30/08
Net of Fee			0.08	0.16	0.31	0.26	0.23			0.34	9/30/08
Citigroup 3-month T-Bill			0.02	0.03	0.04	0.09	0.10			0.17	9/30/08