

CTA RETIREE HEALTHCARE TRUST

**INVESTMENT PERFORMANCE REPORT
PERIOD ENDING
September 30, 2013**

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OVERVIEW

PORTFOLIO EVALUATION

- ♦ The Fund's total market value as of September 30, 2013 was \$695 million.
- ♦ The Fund had a return of 5.71% for the current quarter, and a return of 11.33% 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>	\$ 661,543,760
Cash Flow In	\$ 11,030,056
Intrafund Transfer	\$ -
Cash Flow Out	\$ (14,220,449)
Net Cash Flow	\$ (3,190,393)
 Investment Performance	
Income	\$ 4,070,180
Asset Value Changes	\$ 32,567,095
Gross Performance	\$ 36,637,275
 <u>Ending Market Value</u>	<u>\$ 694,990,642</u>

ACTION

CTA Healthcare Trust
Executive Summary Table
Periods Ending September 30, 2013

Name	Value \$(000)	% of Fund	Periods Ending 9/30/13							Since Inception	
			Cur Qtr	1 Year	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	Ret	Date
Total Fund	694,991	100.0	5.71	11.33	14.43	10.01	9.88	8.39		8.18	7/31/08
Net of Fee			5.58	10.81	13.88	9.50	9.43	8.03		7.83	7/31/08
Policy Index			4.43	9.53	12.24	8.70	8.60	7.55		6.19	7/31/08
7.0% Market Proxy			2.32	8.32	10.38	7.17	6.59	4.92			7/31/08
Total Equity Composite	380,315	54.7	9.99	23.55	24.49	15.40	13.01			13.01	9/30/09
Net of Fee			9.82	22.78	23.68	14.67	12.40			12.40	9/30/09
Blended Policy Index			8.68	25.34	25.61	15.20	14.15			14.15	9/30/09
Domestic Equity Composite	291,225	41.9	9.74	25.73	26.59	17.80	14.80			14.80	9/30/09
Net of Fee			9.56	24.92	25.73	17.04	14.15			14.15	9/30/09
Russell 3000			6.35	21.62	25.84	16.77	15.29			15.29	9/30/09
Domestic Large Cap Equity Composite	90,025	13.0	8.21	20.13	23.69	15.50				14.14	1/04/10
Net of Fee			8.06	19.53	23.06	14.92				13.65	1/04/10
Standard & Poors 500			5.25	19.35	24.65	16.26				15.48	1/04/10
PNC Capital Large Cap Value	44,335	6.4	4.91	20.23	24.23	15.86				13.74	1/25/10
Net of Fee			4.78	19.68	23.66	15.29				13.25	1/25/10
Russell 1000 Value			3.95	22.33	26.54	16.25				15.40	1/25/10
Brown Large Cap Growth	45,688	6.6	8.11	19.44	25.13					15.23	11/09/10
Net of Fee			7.93	18.66	24.31					14.52	11/09/10
Russell 1000 Growth			8.12	19.27	24.14					15.64	11/09/10
Domestic Mid Cap Equity Composite	93,148	13.4	9.37	28.62	28.46	16.47				17.07	12/31/09
Net of Fee			9.19	27.84	27.67	15.79				16.48	12/31/09
Russell MidCap			7.70	27.91	27.96	17.52				16.99	12/31/09

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Systematic Mid Cap Value	46,779	6.7	9.87	28.38	29.34	16.51				16.14	12/31/09
Net of Fee			9.71	27.66	28.60	15.84				15.50	12/31/09
Russell MidCap Value			5.89	27.76	28.50	17.26				16.84	12/31/09
Eagle Midcap Growth	46,369	6.7	8.86	28.86	27.58					14.15	11/16/10
Net of Fee			8.68	28.02	26.75					13.45	11/16/10
Russell MidCap Growth			9.34	27.55	27.11					15.88	11/16/10
Domestic Small Cap Equity Composite	108,052	15.5	11.39	28.19	27.50	21.08	17.86			17.86	9/30/09
Net of Fee			11.16	27.13	26.35	20.05	16.92			16.92	9/30/09
Russell 2000			10.21	30.05	30.98	18.28	17.03			17.03	9/30/09
Amalgatrust Small Cap Growth	50,529	7.3	11.29	27.53	26.98	23.82	19.57			19.57	9/30/09
Net of Fee			11.04	26.44	25.70	22.69	18.31			18.31	9/30/09
Russell 2000 Growth			12.80	33.05	32.11	19.94	18.63			18.63	9/30/09
Kayne Anderson SCV	28,925	4.2	12.76	31.07	24.07	18.31	17.72			17.98	9/30/09
Net of Fee			12.55	30.07	23.10	17.40	16.77			16.77	9/30/09
Russell 2000 Value			7.60	27.04	29.80	16.56	15.37			15.37	9/30/09
WCM Small Cap Value	28,598	4.1	10.23	26.38	32.77	18.45	15.29			15.29	9/30/09
Net of Fee			10.01	25.36	31.69	17.48	14.23			14.23	9/30/09
Russell 2000 Value			7.60	27.04	29.80	16.56	15.37			15.37	9/30/09
International Equity Composite	89,090	12.8	10.80	16.29	17.59	7.80	7.34			7.34	9/30/09
Net of Fee			10.65	15.68	16.95	7.22	6.83			6.83	9/30/09
MSCI EAFE (Net)			11.56	23.77	18.66	8.47	7.15			7.15	9/30/09
Herndon Capital Int'l Equity	44,801	6.4	11.31	14.92	16.14	6.61	6.87			6.87	9/30/09
Net of Fee			11.16	14.29	15.50	6.02	6.32			6.32	9/30/09
MSCI EAFE (Net)			11.56	23.77	18.66	8.47	7.15			7.15	9/30/09

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Lazard Int'l Equity	44,289	6.4	10.29	17.64	19.02	9.00				7.97	10/31/09
Net of Fee			10.14	17.01	18.38	8.42				7.49	10/31/09
MSCI ACWI ex US (Net)			10.09	16.48	15.47	5.95				6.83	10/31/09
Total Fixed Income Composite	300,045	43.2	0.94	-1.42	4.40	4.23	5.88			6.74	3/31/09
Net of Fee			0.85	-1.71	4.09	3.93	5.57			6.47	3/31/09
Blended Policy Index			1.27	-2.46	1.12	2.41	3.66			4.83	3/31/09
Domestic Fixed Income Composite	236,146	34.0	0.69	-0.81	4.10	4.30	5.84			6.91	3/31/09
Net of Fee			0.62	-1.07	3.84	4.05	5.58			6.67	3/31/09
Barclays U.S. Aggregate			0.57	-1.68	1.68	2.86	4.16			4.95	3/31/09
Mackay Shields Core Plus Fixed	78,426	11.3	0.91	0.08	4.46	4.65	5.97			6.77	3/31/09
Net of Fee			0.83	-0.23	4.14	4.32	5.64			6.47	3/31/09
Barclays U.S. Aggregate			0.57	-1.68	1.68	2.86	4.16			4.95	3/31/09
TCW Opp Core Plus Fixed	78,903	11.4	0.69	-0.67	5.73	5.18	6.83			7.80	6/30/09
Net of Fee			0.63	-0.90	5.50	4.93	6.55			7.53	6/30/09
Barclays U.S. Core Bond Index (A			0.57	-1.68	1.68	2.86	4.16			4.81	6/30/09
Hughes Core Fixed Income	78,817	11.3	0.47	-1.87	2.09	3.08	4.52			4.52	9/30/09
Net of Fee			0.41	-2.08	1.87	2.86	4.31			4.31	9/30/09
Barclays Govt/Credit			0.36	-1.96	1.78	2.89	4.32			4.32	9/30/09
International Fixed Income Composite	63,899	9.2	1.89	-3.56	5.46	3.95	5.90			5.90	9/30/09
Net of Fee			1.71	-3.99	4.97	3.47	5.45			5.45	9/30/09
Citigroup Non-US Govt Bond			4.06	-5.65	-1.20	0.55	1.52			1.52	9/30/09

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Wells Capital Int'l Fixed Income	30,283	4.4	2.95	-3.96	0.50	1.35	3.19			3.19	9/30/09
Net of Fee			2.76	-4.31	0.18	1.04	2.91			2.91	9/30/09
Citigroup Non-US Govt Bond			4.06	-5.65	-1.20	0.55	1.52			1.52	9/30/09
Prudential Int'l Fixed Income	33,615	4.8	0.96	-3.38	10.08	6.27	8.40			8.40	9/30/09
Net of Fee			0.79	-3.87	9.44	5.62	7.78			7.78	9/30/09
J.P. Morgan EMBI Global Index			0.87	-4.34	7.40	5.32	7.87			7.87	9/30/09
Cash Account	14,630	2.1	0.05	0.17	0.21	0.21	0.20	0.29		0.29	9/30/08
Net of Fee			0.05	0.17	0.21	0.21	0.20	0.29		0.29	9/30/08
Citigroup 3-month T-Bill			0.01	0.07	0.06	0.08	0.09	0.15		0.15	9/30/08