

CTA RETIREE HEALTHCARE TRUST

**INVESTMENT PERFORMANCE REPORT
PERIOD ENDING
December 31, 2013**

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OVERVIEW

PORTFOLIO EVALUATION

- ♦ The Fund's total market value as of December 31, 2013 was \$725.57 million.
- ♦ The Fund had a return of 5.16% for the current quarter, and a return of 15.44% 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 7.00% 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

	Current Quarter
<u>Beginning Market Value</u>	\$ 694,990,642
Cash Flow In	\$ 9,286,331
Intrafund Transfer	\$ -
Cash Flow Out	\$ (14,560,538)
Net Cash Flow	\$ (5,274,207)
Investment Performance	
Income	\$ 4,037,659
Asset Value Changes	\$ 31,819,457
Gross Performance	\$ 35,857,116
<u>Ending Market Value</u>	<u>\$ 725,573,551</u>

ACTION

CTA Healthcare Trust

Executive Summary Table

Periods Ending December 31, 2013

Name	Value \$(000)	% of Fund	Periods Ending 12/31/13							Since Inception	
			Cur Qtr	1 Year	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	Ret	Date
Total Fund	725,574	100.0	5.16	15.44	14.31	9.92	10.85	9.43		8.79	7/31/08
Net of Fee			5.03	14.89	13.78	9.40	10.36	9.04		8.44	7/31/08
Policy Index			4.33	13.41	11.72	8.61	9.12	10.56		6.71	7/31/08
7.0% Market Proxy			4.64	13.54	10.09	7.12	7.09	8.03			7/31/08
Total Equity Composite	405,308	55.9	9.23	32.48	24.46	14.43	15.08			14.55	9/30/09
Net of Fee			9.06	31.66	23.68	13.69	14.41			13.93	9/30/09
Blended Policy Index			8.33	32.18	24.24	14.04	15.18			15.42	9/30/09
Domestic Equity Composite	310,918	42.9	9.85	36.73	26.00	16.31	17.15			16.42	9/30/09
Net of Fee			9.67	35.85	25.17	15.53	16.45			15.76	9/30/09
Russell 3000			10.11	33.57	24.71	16.25	16.42			16.95	9/30/09
Domestic Large Cap Equity Composite	96,478	13.3	9.63	32.94	22.44	14.84				15.86	1/04/10
Net of Fee			9.49	32.29	21.82	14.24				15.36	1/04/10
Standard & Poors 500			10.52	32.41	23.92	16.18				17.38	1/04/10
PNC Capital Large Cap Value	48,072	6.6	10.96	34.83	22.96	16.14				15.84	1/25/10
Net of Fee			10.83	34.23	22.40	15.58				15.34	1/25/10
Russell 1000 Value			10.01	32.54	24.80	16.06				17.16	1/25/10
Brown Large Cap Growth	48,405	6.7	8.35	30.18	23.21	15.11				16.90	11/09/10
Net of Fee			8.24	29.41	22.44	14.40				16.20	11/09/10
Russell 1000 Growth			10.44	33.49	24.04	16.45				18.01	11/09/10
Domestic Mid Cap Equity Composite	97,685	13.5	9.57	37.37	27.03	14.65	18.60			18.60	12/31/09
Net of Fee			9.41	36.54	26.25	13.95	18.00			18.00	12/31/09
Russell MidCap			8.39	34.76	25.71	15.87	18.20			18.20	12/31/09

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Systematic Mid Cap Value	48,565	6.7	8.43	35.67	26.20	14.75	17.41			17.41	12/31/09
Net of Fee			8.28	34.91	25.48	14.09	16.77			16.77	12/31/09
Russell MidCap Value			8.55	33.45	25.75	15.96	18.10			18.10	12/31/09
Eagle Midcap Growth	49,120	6.8	10.73	39.08	27.87	14.55				16.72	11/16/10
Net of Fee			10.55	38.18	27.02	13.82				16.00	11/16/10
Russell MidCap Growth			8.23	35.76	25.39	15.63				17.47	11/16/10
Domestic Small Cap Equity Composite	116,756	16.1	10.25	39.41	28.22	19.12	20.15			19.44	9/30/09
Net of Fee			10.03	38.28	27.17	18.10	19.13			18.48	9/30/09
Russell 2000			8.72	38.82	27.09	15.67	18.37			18.26	9/30/09
Amalgatrust Small Cap Growth	52,951	7.3	9.25	38.42	30.34	20.77	21.50			20.81	9/30/09
Net of Fee			9.01	37.25	29.21	19.66	20.40			19.54	9/30/09
Russell 2000 Growth			8.18	43.29	28.14	16.81	19.76			19.64	9/30/09
Kayne Anderson SCV	32,179	4.4	11.46	40.13	24.11	18.03	19.59			19.86	9/30/09
Net of Fee			11.25	39.08	23.15	17.12	18.68			18.65	9/30/09
Russell 2000 Value			9.29	34.50	26.01	14.48	16.91			16.82	9/30/09
WCM Small Cap Value	31,626	4.4	10.81	40.35	28.58	16.78	17.87			17.12	9/30/09
Net of Fee			10.59	39.23	27.54	15.82	16.90			16.06	9/30/09
Russell 2000 Value			9.29	34.50	26.01	14.48	16.91			16.82	9/30/09
International Equity Composite	94,390	13.0	7.25	19.02	19.37	8.31	8.76			8.67	9/30/09
Net of Fee			7.11	18.39	18.73	7.72	8.21			8.15	9/30/09
MSCI EAFE (Net)			5.71	22.78	20.01	8.16	8.06			8.12	9/30/09
Herndon Capital Int'l Equity	47,140	6.5	7.70	18.87	18.54	7.13	7.94			8.32	9/30/09
Net of Fee			7.56	18.22	17.89	6.53	7.35			7.77	9/30/09
MSCI EAFE (Net)			5.71	22.78	20.01	8.16	8.06			8.12	9/30/09

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			Cur Qtr	1 Year	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	Ret	Date
Lazard Int'l Equity	47,250	6.5	6.83	19.16	20.18	9.50	9.59			9.20	10/31/09
Net of Fee			6.69	18.53	19.55	8.91	9.07			8.70	10/31/09
MSCI ACWI ex US (Net)			4.76	15.29	16.05	5.14	6.61			7.60	10/31/09
Total Fixed Income Composite	301,066	41.5	0.42	-1.92	3.65	4.82	5.92			6.47	3/31/09
Net of Fee			0.34	-2.25	3.35	4.51	5.61			6.19	3/31/09
Blended Policy Index			-0.36	-2.51	0.54	2.75	3.64			4.49	3/31/09
Domestic Fixed Income Composite	236,237	32.6	0.11	-1.34	3.33	4.77	5.73			6.56	3/31/09
Net of Fee			0.04	-1.59	3.07	4.51	5.47			6.32	3/31/09
Barclays U.S. Aggregate			-0.14	-2.02	1.05	3.26	4.07			4.66	3/31/09
Mackay Shields Core Plus Fixed	78,912	10.9	0.70	-0.25	3.69	5.15	5.88			6.56	3/31/09
Net of Fee			0.62	-0.57	3.37	4.82	5.55			6.26	3/31/09
Barclays U.S. Aggregate			-0.14	-2.02	1.05	3.26	4.07			4.66	3/31/09
TCW Opp Core Plus Fixed	78,745	10.9	-0.14	-1.32	4.95	5.43	6.60			7.32	6/30/09
Net of Fee			-0.20	-1.56	4.71	5.17	6.33			7.05	6/30/09
Barclays U.S. Core Bond Index (A			-0.14	-2.02	1.05	3.26	4.07			4.51	6/30/09
Hughes Core Fixed Income	78,579	10.8	-0.25	-2.44	1.33	3.72	4.51			4.19	9/30/09
Net of Fee			-0.30	-2.65	1.12	3.50	4.29			3.98	9/30/09
Barclays Govt/Credit			-0.03	-2.35	1.17	3.63	4.36			4.05	9/30/09
International Fixed Income Composite	64,829	8.9	1.59	-3.90	4.79	4.99	6.56			5.94	9/30/09
Net of Fee			1.46	-4.45	4.31	4.49	6.08			5.48	9/30/09
Citigroup Non-US Govt Bond			-1.24	-4.56	-1.58	0.62	1.75			1.13	9/30/09

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Wells Capital Int'l Fixed Income	30,501	4.2	0.81	-2.93	1.04	2.32	3.80			3.19	9/30/09
Net of Fee			0.72	-3.37	0.72	1.99	3.50			2.91	9/30/09
Citigroup Non-US Govt Bond			-1.24	-4.56	-1.58	0.62	1.75			1.13	9/30/09
Prudential Int'l Fixed Income	34,329	4.7	2.29	-4.77	8.13	7.36	9.09			8.46	9/30/09
Net of Fee			2.12	-5.40	7.50	6.70	8.43			7.84	9/30/09
J.P. Morgan EMBI Global Index			0.91	-6.58	5.23	6.30	7.71			7.62	9/30/09
Cash Account	19,199	2.6	0.04	0.16	0.19	0.22	0.20	0.24		0.28	9/30/08
Net of Fee			0.04	0.16	0.19	0.22	0.20	0.24		0.28	9/30/08
Citigroup 3-month T-Bill			0.01	0.05	0.06	0.07	0.08	0.10		0.14	9/30/08