

CTA RETIREE HEALTHCARE TRUST

**INVESTMENT PERFORMANCE REPORT
PERIOD ENDING
June 30, 2014**

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OVERVIEW

PORTFOLIO EVALUATION

- ♦ The Fund's total market value as of June 30, 2014 was \$748.23 million.
- ♦ The Fund had a return of 3.10% for the current quarter, and a return of 16.23% 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

	<u>Current Quarter</u>
<u>Beginning Market Value</u>	\$ 729,985,898
Cash Flow In	\$ 10,049,939
Intrafund Transfer	\$ -
Cash Flow Out	\$ (14,370,637)
Net Cash Flow	\$ (4,320,698)
 Investment Performance	
Income	\$ 4,287,849
Asset Value Changes	\$ 18,276,014
Gross Performance	\$ 22,563,863
 <u>Ending Market Value</u>	<u>\$ 748,229,063</u>

ACTION

CTA Healthcare Trust

Executive Summary Table

Periods Ending June 30, 2014

Name	Value \$(000)	% of Fund	Periods Ending 6/30/14							Since Inception	
			Cur Qtr	1 Year	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	Ret	Date
Total Fund	748,229	100.0	3.10	16.23	13.47	9.36	12.37	10.22		8.84	7/31/08
Net of Fee			2.98	15.67	12.93	8.84	11.83	9.77		8.47	7/31/08
Policy Index			3.32	14.59	11.88	8.86	11.14	10.92		7.04	7/31/08
7.0% Market Proxy			2.33	10.48	9.70	7.43	8.80	8.40			7/31/08
Total Equity Composite	385,473	51.5	3.76	25.58	22.45	13.12	18.73			13.98	9/30/09
Net of Fee			3.60	24.75	21.67	12.37	17.96			13.34	9/30/09
Blended Policy Index			4.09	24.72	23.49	13.89	18.69			15.08	9/30/09
Domestic Equity Composite	289,494	38.7	3.09	26.03	23.54	14.61	20.47			15.65	9/30/09
Net of Fee			2.92	25.16	22.72	13.82	19.66			14.97	9/30/09
Russell 3000			4.87	25.22	23.34	16.46	20.25			16.67	9/30/09
Domestic Large Cap Equity Composite	101,746	13.6	3.79	26.04	21.78	14.95	19.05			15.54	1/04/10
Net of Fee			3.68	25.43	21.18	14.36	18.49			15.04	1/04/10
Standard & Poors 500			5.24	24.62	22.59	16.58	19.96			17.10	1/04/10
PNC Capital Large Cap Value	26,236	3.5	5.19	26.69	23.82	17.20	20.14			16.15	1/25/10
Net of Fee			5.06	26.11	23.26	16.65	19.57			15.65	1/25/10
Russell 1000 Value			5.10	23.82	24.57	16.92	19.81			17.19	1/25/10
Great Lakes Advisors	26,250	3.5	5.94							7.68	2/24/14
Net of Fee			5.89							7.63	2/24/14
Russell 1000 Value			5.10							7.62	2/24/14
Brown Large Cap Growth	49,260	6.6	1.97	19.56	19.32	13.23				15.05	11/09/10
Net of Fee			1.82	18.89	18.59	12.52				14.37	11/09/10
Russell 1000 Growth			5.13	26.93	21.89	16.26				17.32	11/09/10

Great Lakes was funded 2/24/2014

CTA Healthcare Trust

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			Cur Qtr	1 Year	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	Ret	Date
Domestic Mid Cap Equity Composite	97,100	13.0	4.15	28.19	26.25	14.67	20.35			18.13	12/31/09
Net of Fee			3.98	27.39	25.47	13.95	19.64			17.51	12/31/09
Russell MidCap			4.97	26.85	26.12	16.08	21.32			18.19	12/31/09
Systematic Mid Cap Value	48,683	6.5	4.63	27.88	25.91	14.74	20.21			17.16	12/31/09
Net of Fee			4.48	27.14	25.20	14.07	19.47			16.52	12/31/09
Russell MidCap Value			5.62	27.75	27.69	17.55	21.53			18.69	12/31/09
Eagle Midcap Growth	48,418	6.5	3.67	28.49	26.57	14.58				16.30	11/16/10
Net of Fee			3.49	27.62	25.74	13.82				15.57	11/16/10
Russell MidCap Growth			4.37	26.05	24.46	14.54				16.92	11/16/10
Domestic Small Cap Equity Composite	90,648	12.1	1.21	23.23	22.27	14.00	21.61			17.31	9/30/09
Net of Fee			0.98	22.05	21.18	12.96	20.47			16.33	9/30/09
Russell 2000			2.05	23.64	23.92	14.57	19.89			16.96	9/30/09
Amalgatrust Small Cap Growth	44,563	6.0	0.61	21.51	22.08	14.18	23.31			18.41	9/30/09
Net of Fee			0.36	20.39	20.99	13.08	22.11			17.18	9/30/09
Russell 2000 Growth			1.72	24.73	24.19	14.48	21.13			17.94	9/30/09
Kayne Anderson SCV	22,376	3.0	1.24	24.73	20.93	12.93	18.88			17.41	9/30/09
Net of Fee			1.03	23.66	19.94	12.01	17.88			16.23	9/30/09
Russell 2000 Value			2.38	22.54	23.64	14.64	18.61			15.92	9/30/09
WCM Small Cap Value	23,709	3.2	2.32	25.15	24.06	14.77	21.03			15.78	9/30/09
Net of Fee			2.10	23.74	22.86	13.69	19.87			14.66	9/30/09
Russell 2000 Value			2.38	22.54	23.64	14.64	18.61			15.92	9/30/09
International Equity Composite	95,979	12.8	5.85	23.95	18.77	8.15	13.07			8.68	9/30/09
Net of Fee			5.71	23.28	18.14	7.56	12.43			8.16	9/30/09
MSCI EAFE (Net)			4.09	23.57	21.07	8.10	13.28			8.29	9/30/09

CTA Healthcare Trust

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Name	Value \$(000)	% of Fund	Periods Ending 6/30/14							Since Inception	
			Cur Qtr	1 Year	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	Ret	Date
Herndon Capital Int'l Equity	47,222	6.3	6.05	23.18	17.55	6.53	11.78			8.03	9/30/09
Net of Fee			5.91	22.53	16.91	5.93	11.13			7.48	9/30/09
MSCI EAFE (Net)			4.09	23.57	21.07	8.10	13.28			8.29	9/30/09
Lazard Int'l Equity	48,757	6.5	5.66	24.71	19.98	9.80	14.35			9.50	10/31/09
Net of Fee			5.52	24.02	19.34	9.19	13.73			8.99	10/31/09
MSCI ACWI ex US (Net)			5.03	21.75	17.62	5.73	11.28			8.01	10/31/09
Total Fixed Income Composite	316,800	42.3	2.78	6.84	4.21	5.29	6.02	6.94		6.90	3/31/09
Net of Fee			2.68	6.49	3.89	4.97	5.68	6.64		6.62	3/31/09
Blended Policy Index			2.16	5.27	1.73	3.15	3.83	4.63		4.90	3/31/09
Domestic Fixed Income Composite	246,251	32.9	2.14	5.22	3.50	5.02	5.38	6.64		6.78	3/31/09
Net of Fee			2.04	4.94	3.23	4.75	5.10	6.38		6.54	3/31/09
Barclays U.S. Aggregate			2.04	4.37	1.81	3.67	3.72	4.85		4.97	3/31/09
Mackay Shields Core Plus Fixed	82,503	11.0	2.36	6.43	4.30	5.50	5.90	6.83		6.85	3/31/09
Net of Fee			2.20	6.10	3.98	5.17	5.55	6.51		6.55	3/31/09
Barclays U.S. Aggregate			2.04	4.37	1.81	3.67	3.72	4.85		4.97	3/31/09
TCW Opp Core Plus Fixed	82,176	11.0	2.16	5.09	4.30	5.42	6.08	7.51		7.51	6/30/09
Net of Fee			2.09	4.80	4.03	5.16	5.79	7.24		7.24	6/30/09
Barclays U.S. Core Bond Index (A			2.04	4.37	1.81	3.67	3.72	4.85		4.85	6/30/09
Hughes Core Fixed Income	81,571	10.9	1.89	4.15	1.87	4.12	4.01			4.58	9/30/09
Net of Fee			1.84	3.93	1.66	3.89	3.77			4.37	9/30/09
Barclays Govt/Credit			1.92	4.28	1.80	4.08	3.98			4.46	9/30/09
International Fixed Income Composite	70,549	9.4	5.09	12.92	6.74	6.28	8.30			7.24	9/30/09
Net of Fee			4.96	12.30	6.24	5.78	7.78			6.78	9/30/09
Citigroup Non-US Govt Bond			2.64	8.88	1.32	1.03	4.11			2.25	9/30/09

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