

# **AMALGAMATED TRANSIT UNION, LOCAL 1596 PENSION FUND**

## **INVESTMENT PERFORMANCE PERIOD ENDING SEPTEMBER 30, 2009**

NOTE: For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers and Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact:  
601 North New York Avenue, Suite 200, Winter Park, Florida 32789, 407-644-0111.



## **Amalgamated Transit Union, Local 1596 Pension Fund**

### **BCA Market Perspective © October 2009**

#### **Is This Stock Market Rally Too Much Too Soon?**

**Burgess B. Chambers**

The recent stock market rally has many experts asking the question: Is this stock market recovery too much too soon? Since the market bottom in early March 2009, major stock market indices are up 60% or more. Small and mid-cap stocks are up 80%.

Asset Class	Top-Bottom	Date	Months	Recovery	Months
S&P 500	-56.4%	10/07 to 3/09	17	+59.9%	8
International	-63.2%	7/07 to 3/09	20	+79.8%	8
Small-cap	-59.5%	7/07 to 3/09	20	+80.8%	8
REIT	-76.5%	2/07 to 3/09	25	+99.9%	8

The worst stock market decline since 1900 was the drop from 1929-1932 of 86%. The most recent drop ending in early March was the second worst decline, which came only seven years after the third worst decline of 49% in 2000-2002. Two of the three worst bear markets since 1900 have occurred in the current decade.

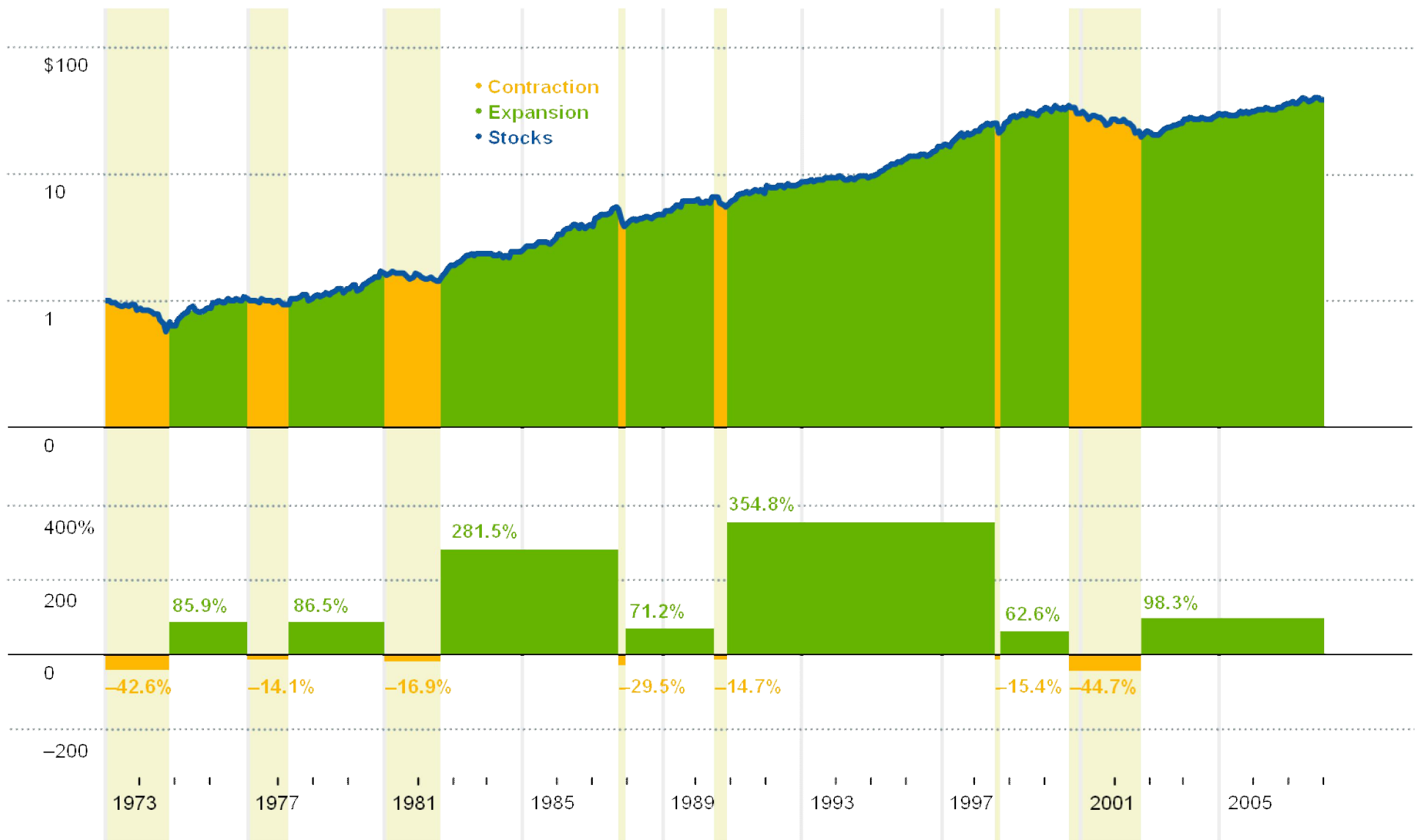
So how does the latest stock market recovery compare with previous bear market rallies? One year after the bottom of the 1929-1932 bear market, the stock market (S&P 500) rose 172%. A year after the 2000-2002 bottom, the S&P 500 snapped back 34%. As mentioned earlier, as of October 19, 2009, the market has improved 60% or better from its March 9 low. However, breaking down the bear markets since 1900 into “severe” bear markets (down 45% or more) and less severe (down less than 45%) gives an interesting perspective. The performance of the S&P 500 one year after a “severe” bear market low has averaged approximately 62%. One year performance after less severe bear markets shows an average of 37%, significantly less than what would be expected following a more severe decline. The year 2009 points to an average 12-month rally following a severe bear market.

The best case for stocks to continue rising over the next 24 months is for global monetary and tax policies to remain constructive for steady and consistent GDP growth. The result would be for improved corporate revenue, rising tax revenues, and tighter employment. Inflation would need to be proportional to economic growth and investor uncertainty would gradually decrease with an increased appetite for risk. This describes a perfect investment/economic recovery period.

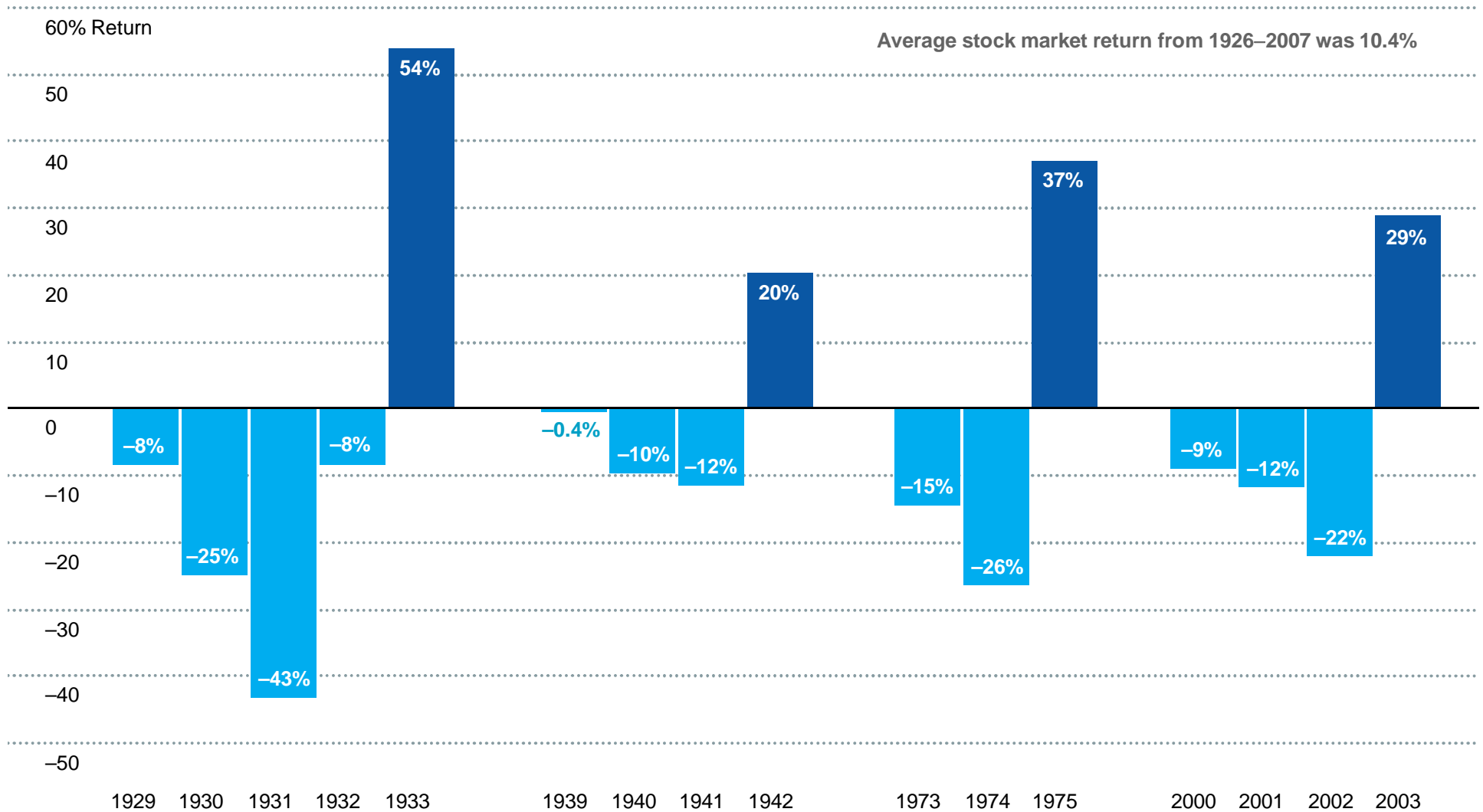
The worst case is an unexpected event of great proportions that throws investors and consumers back into a high state of fear. A series of bank failures in the magnitude of 1,500 institutions would certainly be such a period event. A collapse of several central banks on the magnitude of Mexico and Argentina could trigger a major liquidity squeeze, forcing global intervention.

The recent rally is in line with previous “severe” bear market rallies. Investor appetite for risk has increased since March, in advance of the third quarter earnings season. However, credit conditions do remain unfavorable and may be the single largest negative factor for a sustained economic recovery.

# Stock Market Contractions and Expansions 1973–2007

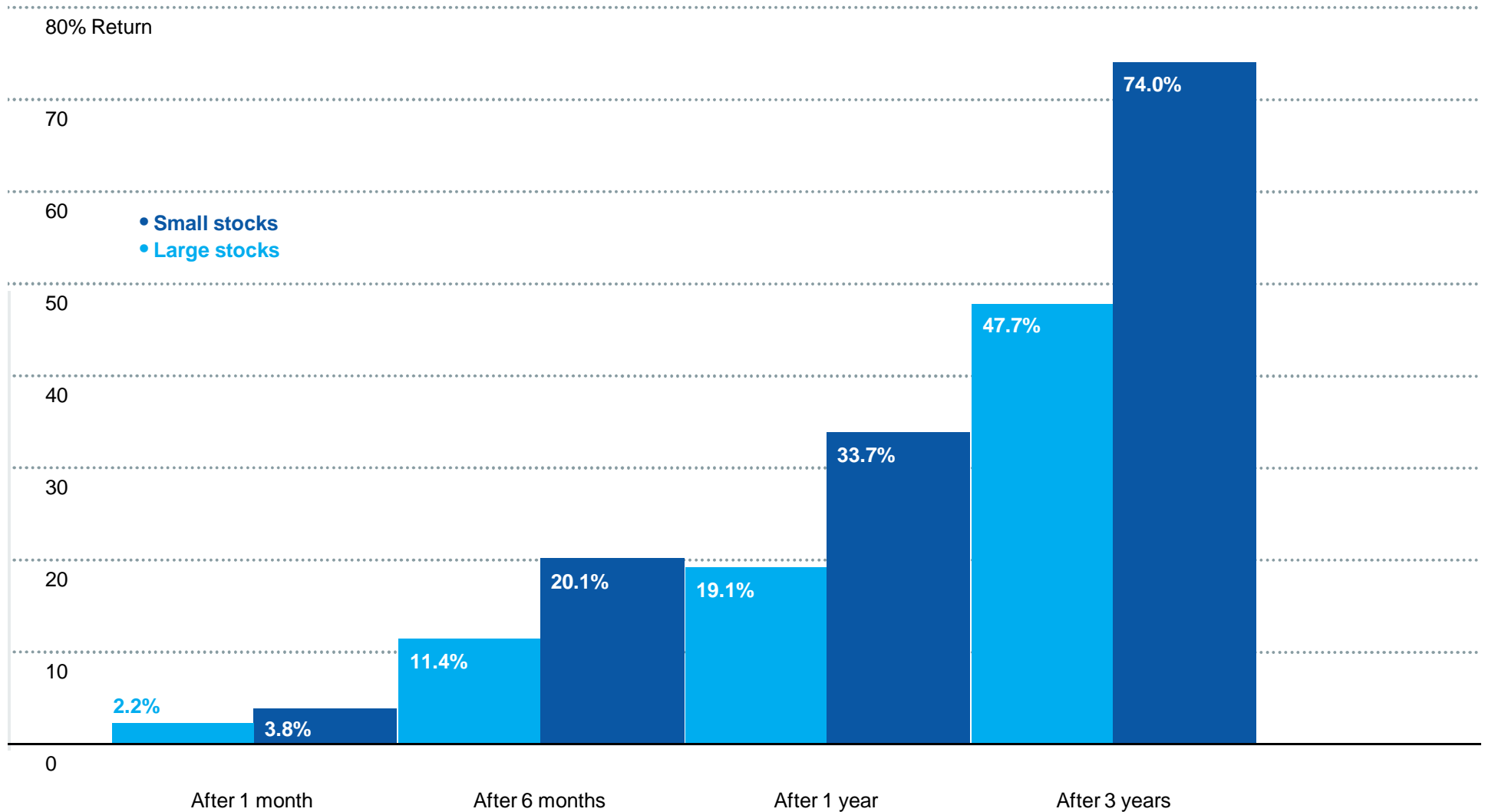


## Periods of Consecutive Negative Stock Returns 1926–2007



Source: Morningstar Research

## Stock Performance After Recessions 1945–2007



Source: Morningstar Research

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Investment Summary**  
**September 30, 2009**

- ❑ For the quarter end 9/30/09, the Fund posted a gain of +11.1% net (or \$6.6 million) vs. the strategic benchmark gain of +10.8%. The difference is associated with exposure to small and mid-cap stocks and international equities.
- ❑ For the Fiscal year, the total Fund earned +1.1% net, versus +0.6% for the strategic benchmark. The best performing asset categories were Euro-Pacific International (+9.6%), BNY fixed income (+9.1%), and Vanguard TIPS (+5.2%).
- ❑ The American Funds Large Cap Growth account was in line with the benchmark (+13.9% vs. +14.0%) for the quarter and the Fiscal year (-1.3% vs. -1.9%).
- ❑ Westwood's results were behind for the quarter (+12.3% vs. +18.2%) and the Fiscal year (-13.4% vs. -10.6%). This under-performance is consistent with the firm's avoidance of low quality names.
- ❑ The Euro-Pacific international equity portfolio was in line for the quarter (+19.8% vs. 19.5%) and beat the benchmark by a large margin for the Fiscal year (+9.6% vs. +3.8%).
- ❑ The JP Morgan Real Estate Fund lost -7.0% for the quarter, trailing the NCREIF index (-3.3%). This asset class, which represented 4.5% of the total Fund on 9/30, is expected to be under pressure during the next three quarters, as the commercial real estate valuations consolidate.
- ❑ The Large Cap Core index portfolio was in line for the quarter and Fiscal year (+15.6% vs. +16.1%) and the Fiscal year (-6.8% vs. -6.1%).
- ❑ The Mid Cap portfolio was in line with the benchmark for the quarter (+19.9% vs. +20.0%) and for the Fiscal year (-3.0% vs. -3.1%).
- ❑ The Small Cap Core index portfolio was in line for the quarter (+19.2%).
- ❑ For the three-year period the Fund outperformed the strategic benchmark and ranked in the top 25th percentile. For the five-year period the Fund ranked in the top 27th percentile.

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Investment Performance**  
**September 30, 2009**

	<u>Quarter</u>	<u>Year to Date</u>	<u>Fiscal Year</u>
<b>Beginning Market Value</b>	<b>58,820,315</b>	<b>56,216,263</b>	<b>62,020,823</b>
<b>Ending Market Value</b>	<b>66,885,282</b>	<b>66,885,282</b>	<b>66,885,282</b>
<b>Net Contributions (+/-)</b>	<b>+1,467,160</b>	<b>+2,330,779</b>	<b>+3,700,266</b>
<b>Investment Gain (+/-)</b>	<b>+6,597,807</b>	<b>+8,338,240</b>	<b>+1,164,193</b>
<b>Investment Return, net</b>	<b>+11.1%</b>	<b>+14.4%</b>	<b>+1.1%</b>
<b>Strategic Benchmark</b>	<b>+10.8%</b>	<b>+14.2%</b>	<b>+0.6%</b>
<b>Added Value (pts.)</b>	<b>+0.3</b>	<b>+0.2</b>	<b>+0.5</b>

Fiscal year: October 1 - September 30

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Compliance Checklist**  
**September 30, 2009**

	<b><u>Yes</u></b>	<b><u>No</u></b>
The total Fund performance achieved the 60/40 benchmark for the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The total Fund performance achieved the 60/40 benchmark for the five-year period.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund performance ranked in the top 40th percentile in a balanced moderate universe for the three-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The total Fund performance ranked in the top 40th percentile in a balanced moderate universe for the five-year period.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
The total Fund annualized five-year performance achieved the 7.5% actuarial assumption rate.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Westwood Large Cap Value equity three-year performance achieved the benchmark.	N/A	N/A
Westwood Large Cap Value equity five-year performance achieved the benchmark.	N/A	N/A
Westwood Large Cap Value equity three-year performance ranked in the top 40th percentile.	N/A	N/A
Westwood Large Cap Value equity five-year performance ranked in the top 40th percentile.	N/A	N/A
American Fund Large Cap Growth equity three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
American Fund Large Cap Growth equity five-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
American Fund Large Cap Growth equity three-year performance ranked in the top 40th percentile.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
American Fund Large Cap Growth equity five-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BNY Large Cap Core equity three-year performance ranked in the top 40th percentile.	N/A	N/A
BNY Large Cap Core equity five-year performance ranked in the top 40th percentile.	N/A	N/A
BNY Mid Cap equity three-year performance ranked in the top 40th percentile.	N/A	N/A
BNY Mid Cap equity five-year performance ranked in the top 40th percentile.	N/A	N/A
BNY Small Cap equity three-year performance ranked in the top 40th percentile.	N/A	N/A
BNY Small Cap equity five-year performance ranked in the top 40th percentile.	N/A	N/A

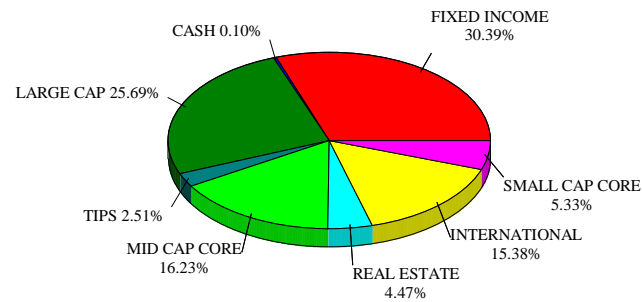


**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Compliance Checklist**  
**September 30, 2009**

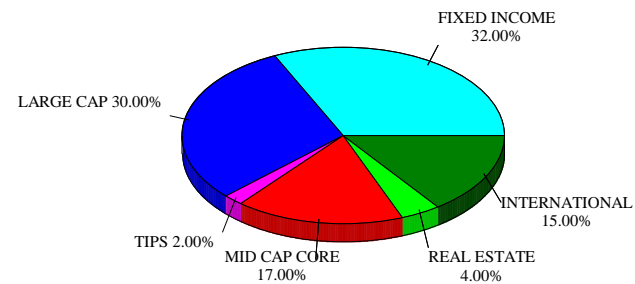
	<u><b>Yes</b></u>	<u><b>No</b></u>
EuroPacific International Equity three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EuroPacific International Equity five-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EuroPacific International Equity three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EuroPacific International Equity five-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
JPMorgan Real Estate fund performance ranked in the top 40th percentile for the three-year period	<input checked="" type="checkbox"/>	<input type="checkbox"/>
JPMorgan Real Estate fund performance ranked in the top 40th percentile for the five-year period	N/A	N/A
BNY Bond Index fund performance ranked in the top 40th percentile for the three-year period.	N/A	N/A
BNY Bond Index fund performance ranked in the top 40th percentile for the five-year period.	N/A	N/A
No more than 5% of assets (market value) are invested in the common stock or capital stock of one issuing company.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
International investments are within 15% of the total portfolio ( <b>actual: 15.4%</b> ).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Investments in equity securities are within the 70% limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
All of the corporate bonds are rated BAA or better and average quality is rated A or better.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Each corporate bond issue is <10% of bond portfolio and CMOs < 25%.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BAA bond allocation is no more than 20% of the bond portfolio.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Actual vs. Target Asset Allocation**  
**September 30, 2009**

**ACTUAL ASSET ALLOCATION**



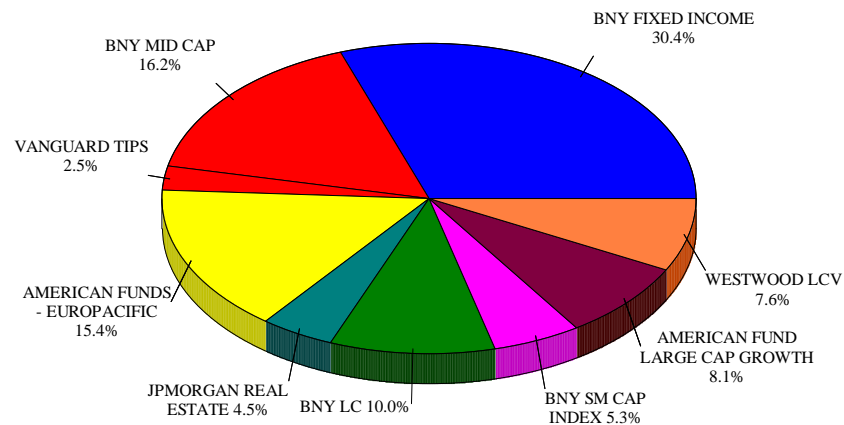
**TARGET ASSET ALLOCATION**



	MARKET VALUE ACTUAL	PERCENT ACTUAL	MARKET VALUE TARGET	PERCENT TARGET	MARKET VALUE DIFFERENCE	PERCENT DIFFERENCE
LARGE CAP	17,183,053.4	25.7%	20,065,584.7	30.0%	(2,882,531.3)	(4.3%)
MID CAP CORE	10,858,011.6	16.2%	11,370,498.0	17.0%	(512,486.4)	(0.8%)
SMALL CAP CORE	3,565,368.1	5.3%	0.0	0.0%	3,565,368.1	5.3%
INTERNATIONAL	10,284,816.5	15.4%	10,032,792.3	15.0%	252,024.1	0.4%
REAL ESTATE	2,992,725.2	4.5%	2,675,411.3	4.0%	317,313.9	0.5%
FIXED INCOME	20,325,521.6	30.4%	21,403,290.3	32.0%	(1,077,768.8)	(1.6%)
TIPS	1,675,721.6	2.5%	1,337,705.6	2.0%	338,016.0	0.5%
CASH	64.3	0.0%	0.0	0.0%	64.3	0.0%
<b>TOTAL FUND</b>	<b>\$66,885,282.2</b>	<b>100.0%</b>	<b>\$66,885,282.2</b>	<b>100.0%</b>	<b>\$0.0</b>	<b>0.0%</b>

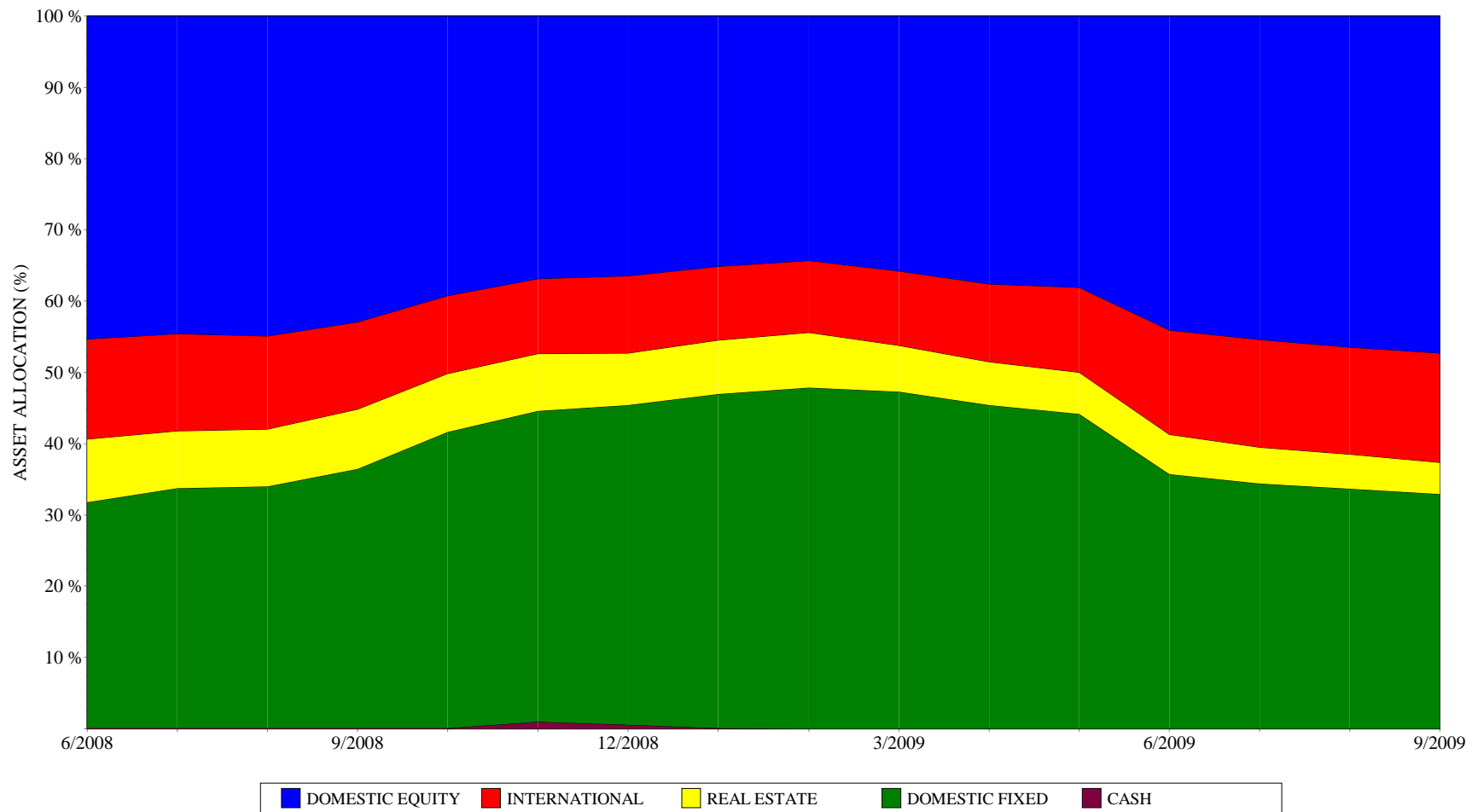
**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**ASSET ALLOCATION**

TOTAL MARKET VALUE  
AS OF SEPTEMBER 30, 2009  
\$ 66,885,282



	VALUE	PERCENT
BNY FIXED INCOME	20,325,522	30.39
BNY MID CAP	10,858,012	16.23
AMERICAN FUNDS - EUROPACIFIC	10,284,816	15.38
BNY LC	6,695,097	10.01
AMERICAN FUND LARGE CAP GROWTH	5,403,302	8.08
WESTWOOD LCV	5,084,654	7.60
BNY SM CAP INDEX	3,565,368	5.33
JPMORGAN REAL ESTATE	2,992,725	4.47
VANGUARD TIPS	1,675,722	2.51
BNY CASH	64	0.00

**AMALGAMATED TRANSIT UNION, LOCAL 1596 PENSION FUND**  
**TOTAL FUND**  
**ALLOCATION OF ASSETS**  
**JUNE 30, 2008 THROUGH SEPTEMBER 30, 2009**



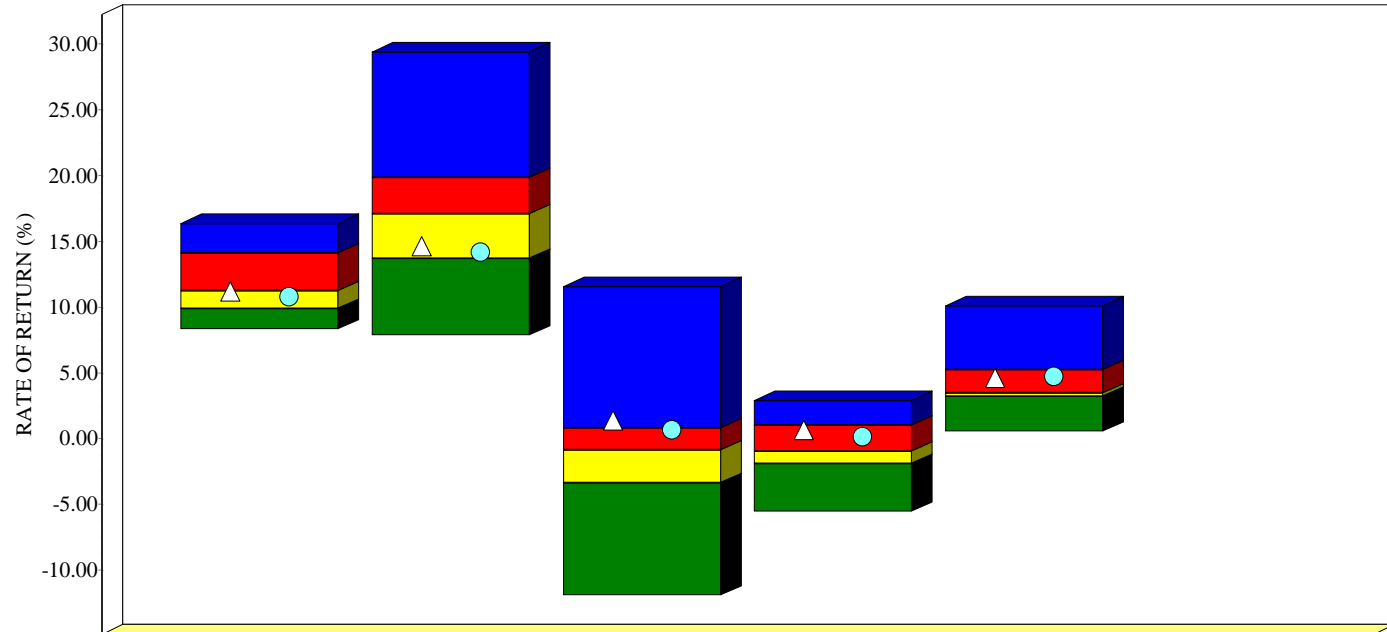
**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**September 30, 2009**







<b>Name</b>	<b>Market Values</b>	<b>QTD ROR</b>	<b>YTD ROR</b>	<b>1 Year ROR</b>	<b>2 Years ROR</b>	<b>3 Years ROR</b>	<b>5 Years ROR</b>
<u>Large Cap Core</u>							
American Fund Large Cap Growth	5,403,302	13.9%	28.1%	-1.3%	-12.4%	-2.2%	4.1%
Westwood LCV	5,084,654	12.3%	8.1%	-13.4%	N/A	N/A	N/A
BNY LC	6,695,097	15.6%	19.5%	-6.8%	N/A	N/A	N/A
<u>Mid Cap Core</u>							
BNY Mid Cap	10,858,012	19.9%	30.3%	-3.0%	N/A	N/A	N/A
<u>Small Cap Core</u>							
BNY Sm Cap Index	3,565,368	19.2%	N/A	N/A	N/A	N/A	N/A
<u>International Equity</u>							
American Funds - Europacific	10,284,816	19.8%	35.5%	9.6%	-9.3%	1.8%	10.4%
<u>Real Estate</u>							
JPMorgan Real Estate	2,992,725	-7.0%	-23.8%	-30.2%	-14.7%	-4.9%	N/A
<u>Fixed Income</u>							
BNY Fixed Income	20,325,522	3.7%	5.4%	9.1%	N/A	N/A	N/A
<u>TIPS</u>							
Vanguard TIPS	1,675,722	3.1%	9.5%	5.2%	N/A	N/A	N/A
<u>Cash</u>							
BNY Cash	64	0.2%	0.9%	0.1%	N/A	N/A	N/A
<b>TOTAL: (1)</b>	<b>66,885,282</b>	<b>11.2%</b>	<b>14.6%</b>	<b>1.4%</b>	<b>-6.5%</b>	<b>0.6%</b>	<b>4.6%</b>
<i>Strategic Model</i>		10.8%	14.2%	0.6%	-6.2%	0.1%	4.7%
<i>60/40 Benchmark</i>		10.8%	14.2%	0.6%	-6.1%	-0.4%	2.9%
<i>Russell 1000 Growth</i>		14.0%	27.1%	-1.9%	-11.9%	-2.5%	1.9%
<i>Russell 1000 Value</i>		18.2%	14.8%	-10.6%	-17.3%	-7.9%	0.9%
<i>Russell 1000 Index</i>		16.1%	21.1%	-6.1%	-14.5%	-5.1%	1.5%
<i>S&amp;P 400 Mid Cap</i>		20.0%	30.1%	-3.1%	-10.2%	-1.4%	4.5%
<i>MSCI Gross EAFE</i>		19.5%	29.6%	3.8%	-14.8%	-3.1%	6.6%
<i>NCREIF National</i>		-3.3%	-15.1%	-22.1%	-9.4%	-1.3%	6.2%
<i>BC Aggregate</i>		3.7%	5.7%	10.6%	7.1%	6.4%	5.1%
<i>BC 1-10 Yr TIPS</i>		3.0%	9.7%	4.0%	5.9%	5.7%	4.7%

1 Strategic Model (IPS): Since Feb'08 60% S&P 500 + 40% Barclay's Aggregate; from Dec'01 35% R1000 + R2000 +15% MSCI EAFE + 10% NCREIF +30% ML Domestic Bond.

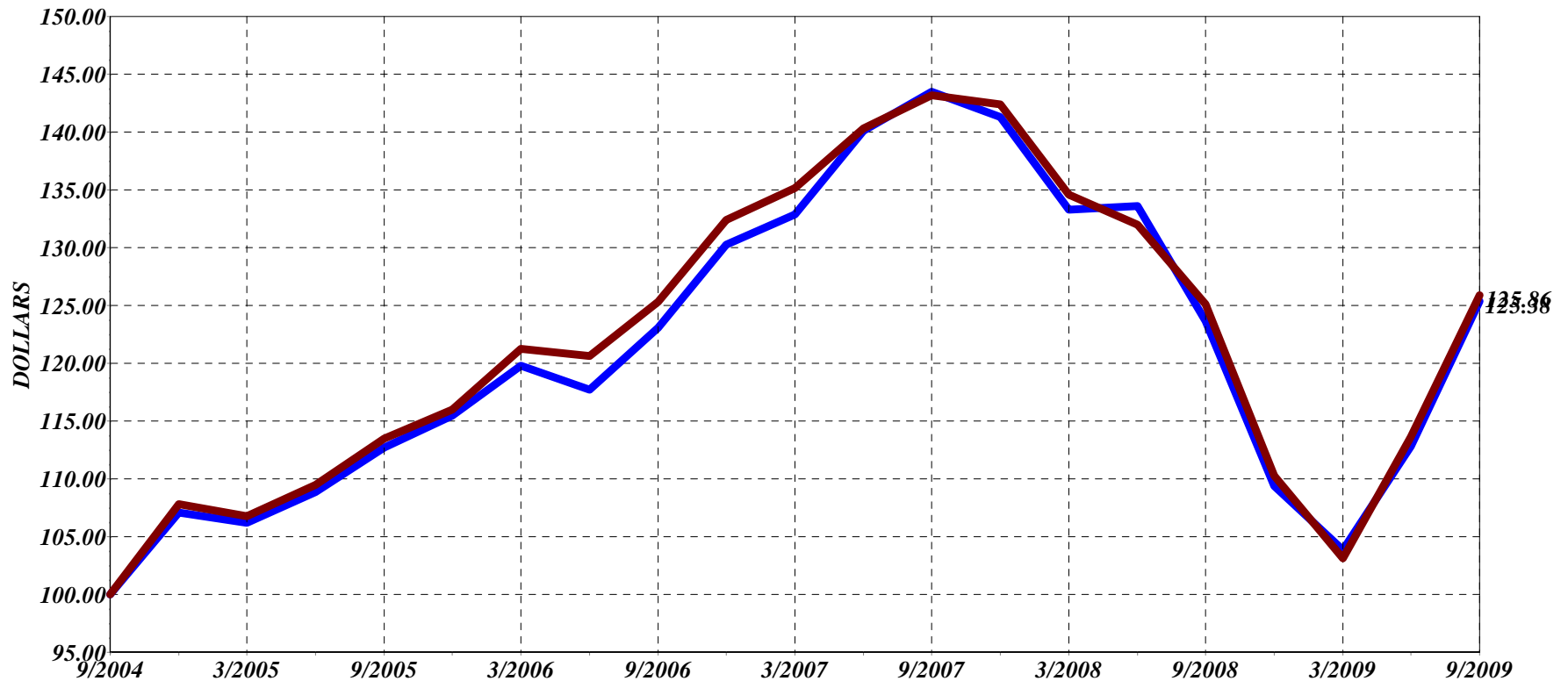


**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Total Fund Versus Balanced Aggressive**  
**September 30, 2004 Through September 30, 2009**



	LATEST QUARTER		YEAR TO DATE		ONE YEAR		THREE YEARS		FIVE YEARS	
	HIGHEST VALUE		16.35		29.41		11.54		2.90	
	FIRST QUARTILE		14.12		19.87		0.81		1.01	
	MEDIAN VALUE		11.23		17.06		-0.89		-0.98	
	THIRD QUARTILE		9.88		13.70		-1.93		3.20	
	LOWEST VALUE		8.29		7.84		-11.95		-5.58	
	MEAN		12.03		16.54		-1.24		-0.83	
	MEMBERS		36		36		36		29	
	LATEST QUARTER		YEAR TO DATE		ONE YEAR		THREE YEARS		FIVE YEARS	
	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK	RETURN	RANK
 TF	11.16	52	14.65	66	1.40	16	0.62	25	4.63	27
 STRATEGIC MODEL	10.77	61	14.16	66	0.63	30	0.15	30	4.71	27

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Growth of a Dollar Analysis**  
**September 30, 2004 Through September 30, 2009**



	LATEST QUARTER	YEAR TO DATE	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	11.16	14.65	1.40	0.62	4.63
STRATEGIC MODEL	10.77	14.16	0.63	0.15	4.71

# Amalgamated Transit Union, Local 1596 Pension Fund

## American Fund Large Cap Growth

### Performance Profile

#### Through September 30, 2009

	ENDED	RETURN
BEST QUARTER	6/2009	16.96
WORST QUARTER	12/2008	-22.97
BEST 4 QUARTERS	9/2007	21.83
WORST 4 QUARTERS	9/2008	-22.21

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 38  
# OF NEGATIVE PERIODS: 22

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	13.85	-1.35	-12.40	-2.22	4.09
RUSSELL 1000 GROWTH	13.97	-1.85	-11.88	-2.50	1.86
EXCESS	-0.12	0.50	-0.52	0.28	2.23
RISKLESS INDEX	0.04	0.19	1.14	2.35	2.89
REAL ROR	13.40	-0.05	-13.96	-4.30	1.36

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-1.35	29	27.48	-0.06	0.67	1.01	98.80	0.21
TWO YEARS	-12.40	56	22.72	-0.60	-0.69	0.99	97.98	-0.19
THREE YEARS	-2.22	48	21.91	-0.21	0.50	1.02	98.80	0.17
FIVE YEARS	4.09	18	17.92	0.07	2.27	1.01	97.20	0.76

*The risk benchmark for this analysis is the Russell 1000 Growth.  
The universe used was the Large Cap Growth*



# Amalgamated Transit Union, Local 1596 Pension Fund

## Westwood LCV

### Performance Profile

### Through September 30, 2009

	ENDED	RETURN
BEST QUARTER	6/2009	12.53
WORST QUARTER	12/2008	-19.87
BEST 4 QUARTERS	9/2009	-13.36
WORST 4 QUARTERS	9/2009	-13.36

TOTAL # OF PERIODS: 12  
 # OF POSITIVE PERIODS: 8  
 # OF NEGATIVE PERIODS: 4

	QUARTER TO DATE	ONE YEAR
TOTAL FUND	12.28	-13.36
RUSSELL 1000 VALUE	18.24	-10.62
EXCESS	-5.96	-2.74
RISKLESS INDEX	0.04	0.19
REAL ROR	11.84	-12.31

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-13.36	95	24.65	-0.55	-6.49	0.78	98.55	-0.69

*The risk benchmark for this analysis is the Russell 1000 Value.  
 The universe used was the Large Cap Value*

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**BNY LC**  
**Performance Profile**  
**Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2009	16.01
WORST QUARTER	12/2008	-21.94
BEST 4 QUARTERS	9/2009	-6.76
WORST 4 QUARTERS	9/2009	-6.76

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 8  
# OF NEGATIVE PERIODS: 4

	QUARTER TO DATE	ONE YEAR
TOTAL FUND	15.55	-6.76
RUSSELL 1000 INDEX	16.07	-6.14
EXCESS	-0.51	-0.62
RISKLESS INDEX	0.04	0.19
REAL ROR	15.10	-5.58

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-6.76	54	28.33	-0.25	-0.88	0.98	99.88	-0.73

*The risk benchmark for this analysis is the Russell 1000 Index.  
The universe used was the Large Cap Core*

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**BNY Mid Cap**  
**Performance Profile**  
**Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	9/2009	19.93
WORST QUARTER	12/2008	-25.57
BEST 4 QUARTERS	9/2009	-3.01
WORST 4 QUARTERS	9/2009	-3.01

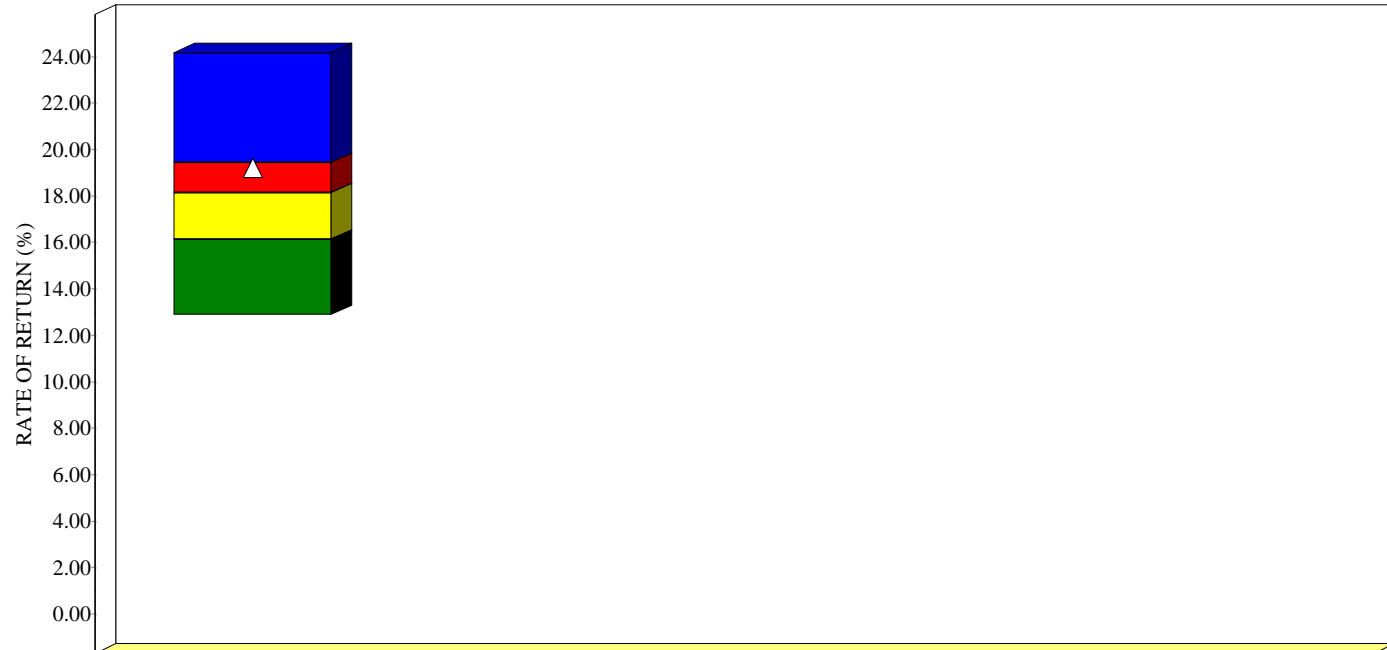
TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 8  
# OF NEGATIVE PERIODS: 4

	QUARTER TO DATE	ONE YEAR
TOTAL FUND	19.93	-3.01
S&P 400 MID CAP	19.98	-3.11
EXCESS	-0.05	0.10
RISKLESS INDEX	0.04	0.19
REAL ROR	19.46	-1.67

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-3.01	47	34.16	-0.09	0.11	1.00	100.00	0.84

*The risk benchmark for this analysis is the S&P 400 Mid Cap.  
The universe used was the Mid Cap*

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**BNY Sm Cap Index - Quarterly Quartile Ranking**  
**Total Fund Versus Small Cap Core**  
**June 30, 2009 Through September 30, 2009**



	QUARTER TO DATE
HIGHEST VALUE	24.17
FIRST QUARTILE	19.45
MEDIAN VALUE	18.15
THIRD QUARTILE	16.14
LOWEST VALUE	12.88
MEAN	17.90
MEMBERS	100

	QUARTER TO DATE	
	RETURN	RANK
△ SC	19.21	30

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**American Funds - Europacific**  
**Performance Profile**  
**Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2009	22.68
WORST QUARTER	12/2008	-19.15
BEST 4 QUARTERS	9/2005	28.56
WORST 4 QUARTERS	9/2008	-24.98

TOTAL # OF PERIODS: 60  
# OF POSITIVE PERIODS: 42  
# OF NEGATIVE PERIODS: 18

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS	FIVE YEARS
TOTAL FUND	19.77	9.59	-9.33	1.81	10.36
MSCI GROSS EAFE	19.52	3.79	-14.84	-3.12	6.57
EXCESS	0.25	5.80	5.51	4.92	3.79
RISKLESS INDEX	0.04	0.19	1.14	2.35	2.89
REAL ROR	19.29	10.97	-10.97	-0.38	7.46

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	9.59	16	32.60	0.29	5.55	0.95	96.49	0.78
TWO YEARS	-9.33	3	26.66	-0.39	4.85	0.93	96.26	1.04
THREE YEARS	1.81	6	25.11	-0.02	4.07	0.89	97.65	0.87
FIVE YEARS	10.36	6	20.98	0.36	3.75	0.89	97.04	0.69

*The risk benchmark for this analysis is the MSCI Gross EAFE.  
The universe used was the EAFE*

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**BNY Fixed Income**  
**Performance Profile**  
**Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	9/2009	3.74
WORST QUARTER	3/2009	0.21
BEST 4 QUARTERS	9/2009	9.12
WORST 4 QUARTERS	9/2009	9.12

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 9  
# OF NEGATIVE PERIODS: 3

	QUARTER TO DATE	ONE YEAR
TOTAL FUND	3.74	9.12
BC AGGREGATE	3.74	10.56
EXCESS	0.00	-1.44
RISKLESS INDEX	0.04	0.19
REAL ROR	3.33	10.13

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	9.12	70	5.74	1.56	-1.08	0.98	87.24	-0.64

*The risk benchmark for this analysis is the BC Aggregate.  
The universe used was the BCA HQ Int Fixed Income Universe*

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Vanguard TIPS**  
**Performance Profile**  
**Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	3/2009	5.30
WORST QUARTER	12/2008	-3.87
BEST 4 QUARTERS	9/2009	5.25
WORST 4 QUARTERS	9/2009	5.25

TOTAL # OF PERIODS: 12  
# OF POSITIVE PERIODS: 9  
# OF NEGATIVE PERIODS: 3

	QUARTER TO DATE	ONE YEAR
VANGUARD TIPS	3.09	5.25
BC 1-10 YR TIPS	2.99	4.02
EXCESS	0.10	1.22
RISKLESS INDEX	0.04	0.19
REAL ROR	2.68	6.34

PERIOD	RETURN	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	5.25	12.39	0.41	0.84	1.13	92.00	0.35

*The risk benchmark for this analysis is the BC 1-10 Yr TIPS.*



**Amalgamated Transit Union, Local 1596 Pension Fund**  
**JPMorgan Real Estate**  
**Performance Profile**  
**Through September 30, 2009**

	ENDED	RETURN
BEST QUARTER	6/2007	4.69
WORST QUARTER	3/2009	-13.20
BEST 4 QUARTERS	9/2007	18.35
WORST 4 QUARTERS	9/2009	-30.21

TOTAL # OF PERIODS: 36  
# OF POSITIVE PERIODS: 25  
# OF NEGATIVE PERIODS: 11

	QUARTER TO DATE	ONE YEAR	TWO YEARS	THREE YEARS
TOTAL FUND	-7.03	-30.21	-14.73	-4.89
NCREIF NATIONAL	-3.32	-22.11	-9.45	-1.29
EXCESS	-3.71	-8.10	-5.29	-3.60
RISKLESS INDEX	0.04	0.19	1.14	2.35

PERIOD	RETURN	UNIVERSE RANKING	STD DEV	SHARPE RATIO	ALPHA	BETA	R-SQUARED	INFO RATIO
ONE YEAR	-30.21	77	11.62	-2.62	-12.09	0.94	72.87	-1.68
TWO YEARS	-14.73	14	10.04	-1.58	-6.04	0.98	75.70	-1.19
THREE YEARS	-4.89	1	11.51	-0.63	-2.55	1.26	91.72	-0.92

*The risk benchmark for this analysis is the NCREIF National.  
The universe used was the REIT/Real Estate*



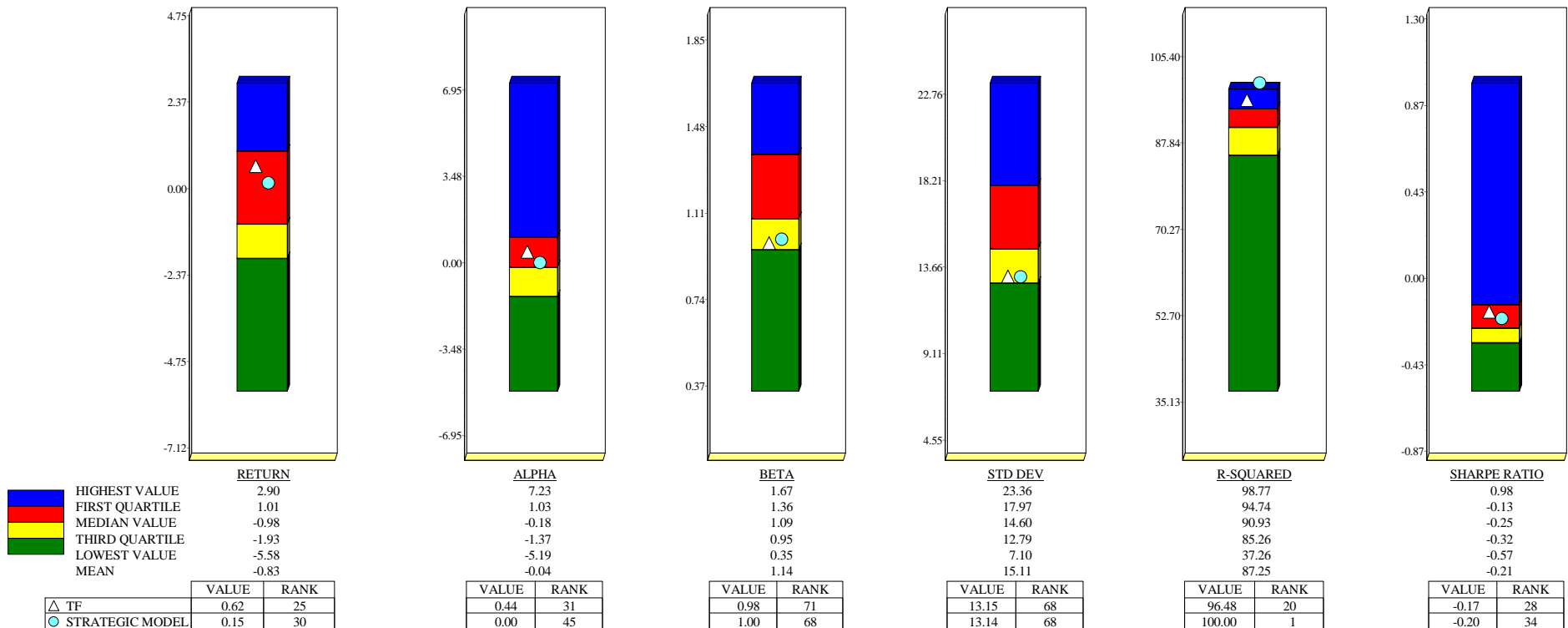


# Amalgamated Transit Union, Local 1596 Pension Fund

## Total Fund

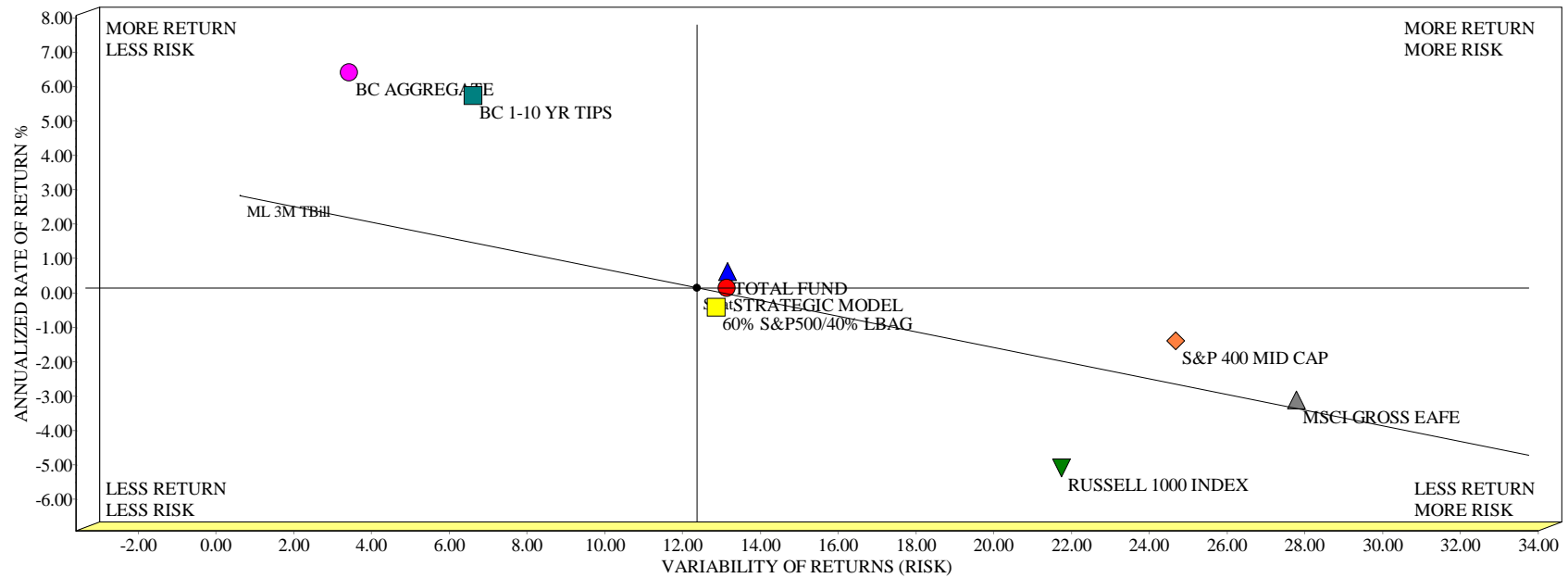
### Total Fund Within Balanced Aggressive

#### September 30, 2006 Through September 30, 2009



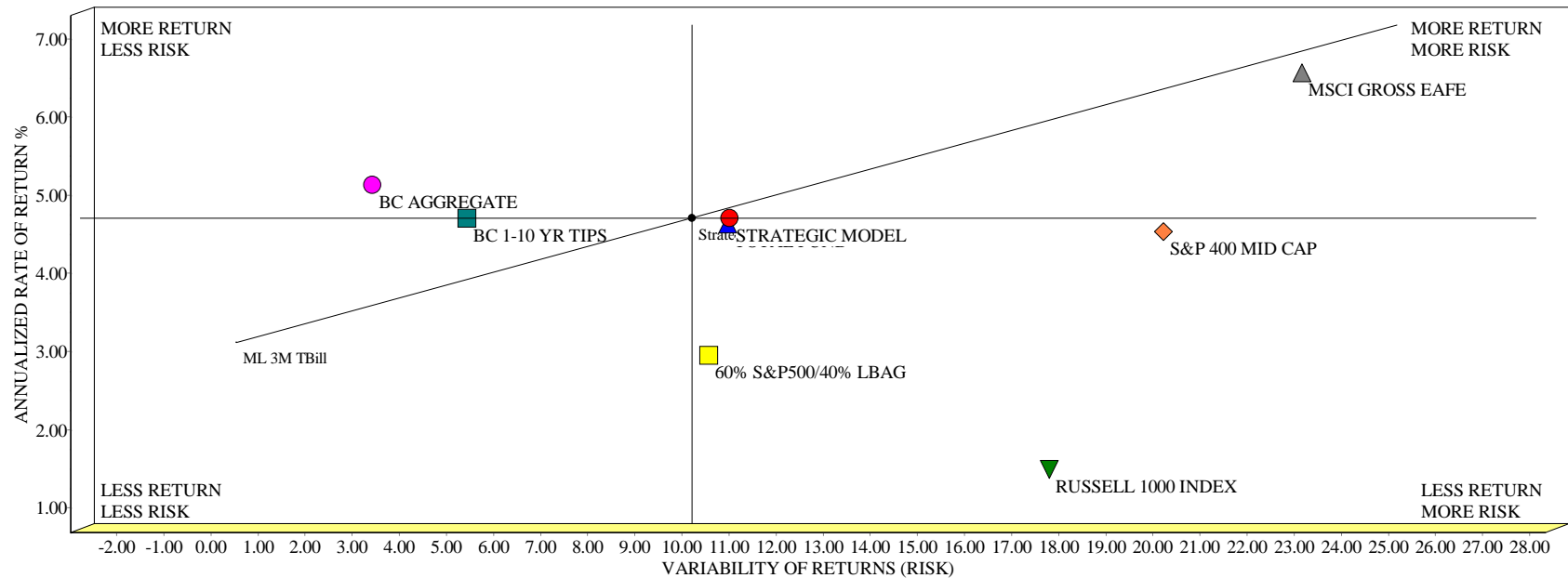
The risk benchmark for this analysis is the Strategic Model.

**AMALGAMATED TRANSIT UNION, LOCAL 1596 PENSION FUND**  
**TOTAL FUND**  
**CAPITAL MARKET LINE**  
**SEPTEMBER 30, 2006 THROUGH SEPTEMBER 30, 2009**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	0.62	13.15	0.98	0.44	96.48
● STRATEGIC MODEL	0.15	12.37	1.00	0.00	100.00
■ 60% S&P500/40% LBAG	-0.42	12.26	1.00	0.00	100.00
▼ RUSSELL 1000 INDEX	-5.10	19.82	1.00	0.00	100.00
◆ S&P 400 MID CAP	-1.40	23.16	1.00	0.00	100.00
▲ MSCI GROSS EAFE	-3.12	23.85	1.00	0.00	100.00
● BC AGGREGATE	6.41	3.98	1.00	0.00	100.00
■ BC 1-10 YR TIPS	5.73	7.39	1.00	0.00	100.00

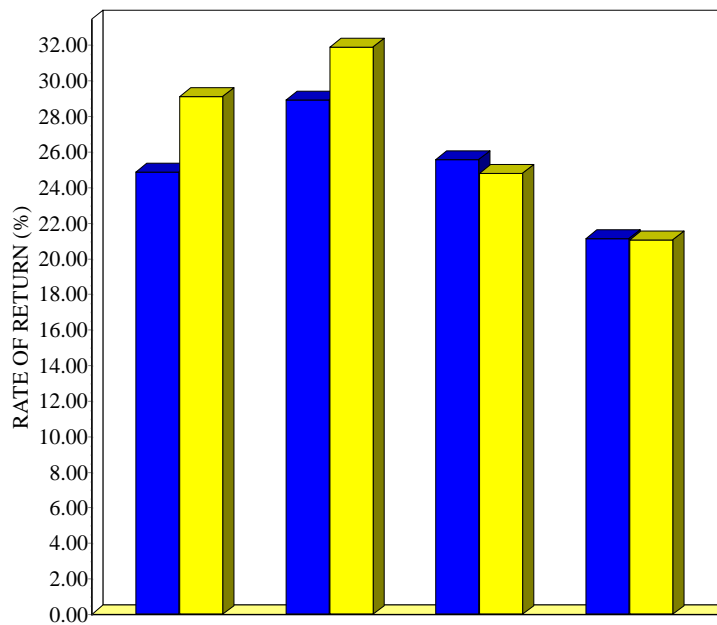
**AMALGAMATED TRANSIT UNION, LOCAL 1596 PENSION FUND**  
**TOTAL FUND**  
**CAPITAL MARKET LINE**  
**SEPTEMBER 30, 2004 THROUGH SEPTEMBER 30, 2009**



	RETURN	STD DEV	BETA	ALPHA	R-SQUARED
▲ TOTAL FUND	4.63	10.97	0.98	-0.03	96.44
● STRATEGIC MODEL	4.71	10.21	1.00	0.00	100.00
■ 60% S&P500/40% LBAG	2.95	9.94	1.00	0.00	100.00
▼ RUSSELL 1000 INDEX	1.49	16.17	1.00	0.00	100.00
◆ S&P 400 MID CAP	4.53	19.27	1.00	0.00	100.00
▲ MSCI GROSS EAFE	6.57	19.79	1.00	0.00	100.00
● BC AGGREGATE	5.13	3.59	1.00	0.00	100.00
■ BC 1-10 YR TIPS	4.70	6.00	1.00	0.00	100.00

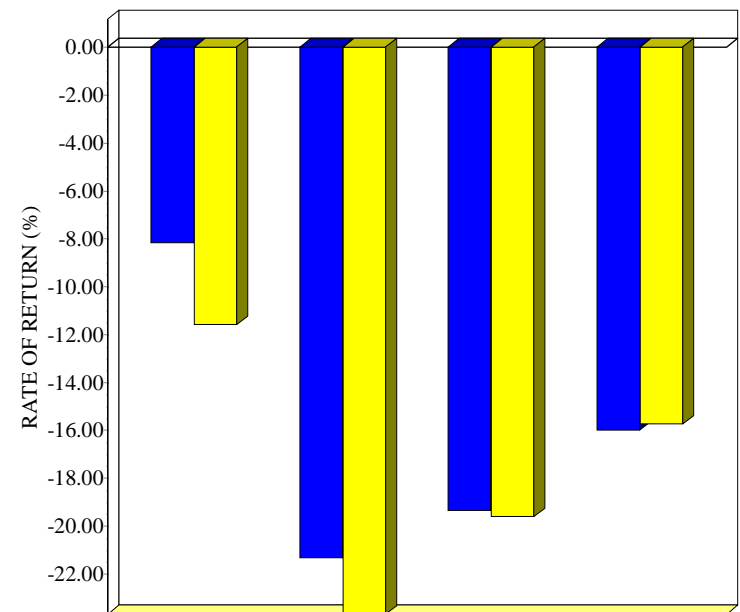
**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Performance in Rising and Declining Markets**  
**As Compared to the Benchmark**  
**September 30, 2004 Through September 30, 2009**

UP MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	24.87	28.92	25.56	21.16
STRATEGIC MODEL	29.14	31.89	24.81	21.05
DIFFERENCE	-4.27	-2.97	0.75	0.11
RATIO	0.85	0.91	1.03	1.01
UP PERIODS	7	8	6	12

DOWN MARKET PERFORMANCE



	YTD	ONE YEAR	THREE YEARS	FIVE YEARS
TOTAL FUND	-8.18	-21.35	-19.37	-16.03
STRATEGIC MODEL	-11.60	-23.70	-19.64	-15.76
DIFFERENCE	3.41	2.36	0.27	-0.27
RATIO	0.71	0.90	0.99	1.02
DOWN PERIODS	2	4	6	8

## **Amalgamated Transit Union, Local 1596 Pension Fund**

### **Glossary of Terms**

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures the manager's expected return independent of Beta.
- ASSET ALLOCATION- The optimal division of portfolio asset classes in order to achieve an expected investment objective.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund, offered by a bank or insurance company, which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CORE- A type of investment strategy that has approximately an equal weighting in both growth and value stocks in order to achieve a return that is comparable to the broad market performance (i.e., the S&P 500).
- CORRELATION COEFFICIENT- A statistical measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500 and LBGC).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- GROWTH MANAGER- A growth manager generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$5 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MID CAP- Generally, the term refers to a company that has a market capitalization between \$1 and \$5 billion.

## **Amalgamated Transit Union, Local 1596 Pension Fund**

### **Glossary of Terms**

-PSN BALANCED AGGRESSIVE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is greater than or equal to 65%.

-PSN BALANCED MODERATE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is between 55% and 64%.

-PSN BALANCED CONSERVATIVE UNIVERSE - Includes all domestic balanced products whose equity allocation objective is equal or less than 54%.

-RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period.

-RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.

-R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

-SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.

-STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.

-SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).

- TIME WEIGHTED RETURN-A measure of the investments verses the investor. When there are no contributions or withdrawals the TIME-weighted and DOLLAR-weighted/internal return are the same. If there are contributions and withdrawals the TIME-weighted and DOLLAR-weighted/internal return can be different. The CFA Institute recommends using the TIME-weighted return. AIMR reasons that the investment manager can not control when an investor makes contributions and withdrawals and thus should not be measured by that.

-TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.



## **Amalgamated Transit Union, Local 1596 Pension Fund**

### **Glossary of Terms**

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

#### Performance Reporting:

- 1.Changes in portfolio valuations due to capital gains or losses, dividends, interest or other income are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
- 2.Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
- 3.Individual client returns may vary due to a variety of factors, including differences in investment objectives and timing of investment decisions.
- 4.BCA does not have discretion or decision making authority over any investments. All decisions regarding investment manager selection and retention, asset allocation, and other investment policies were made by the client. While BCA provides recommendations and choices regarding suitable investments, not all clients take these recommendations or select from the choices offered.
- 5.Portfolio returns are generally shown before the deduction of investment advisory fees.
- 6.Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
- 7.The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
- 8.Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
- 9.Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe be subject to revision.
- 10.BCA has not reviewed the risks of individual security holdings.

The firm's ADV, Part II, is available upon request.