

Metropolitan Water Reclamation District Retirement Fund

Minutes Regular Meeting Board of Trustees September 28, 2011

Meeting#: 1064

Called to order: 10:00 a.m.

Place: MWRD Board Room, 100 E. Erie St., Chicago, IL

Presiding: Mr. Joseph Kennedy, President

		<u>Present</u>
Trustees:	Joseph F. Kennedy, President	X
	Robert T. Regan, Vice-President	X
	Hon Cynthia M. Santos, Secretary	
	John P. Dalton Jr.	X
	Hon. Barbara J. McGowan	X
	Stephen J. Carmody	X
	Joseph W. Rose	X

Staff present: Sue Boutin, Executive Director
Mary Wilson, Supervising Benefits Analyst
Vrinda Kulkarni, Accountant/Analyst
George Kirie, Financial Analyst

Also present: Ivory Day, Investment Consultant, Gray & Company
Members of the Public

Investment Managers present:

Opus Capital Management –	Jakki Haussler, Chairman and CEO Kevin Whelan, Portfolio Manager
Wasatch Advisors –	Kitty Swenson, Vice-President Client Services
UBS Global Asset Management –	Mike Lammers, Client Advisor Grant Bughman, US Growth Eq. Capability Manager

Regular Business:

Approval of Minutes

A motion was made by Mr. Dalton, seconded by Ms. McGowan, to approve the minutes of the Regular Board Meeting held on August 24, 2011. The motion was unanimously approved.

Consent Agenda

Expenses

Administrative expenses to be paid in October 2011 in the amount of \$444,194.37 were presented for approval. The itemized report is on file.

A motion was made by Mr. Dalton, seconded by Ms. McGowan, to approve the Administrative Expenses. The motion was unanimously approved.

Employee Annuitants

The application for one new employee annuitant, monthly annuity benefit of \$9,928.78 was presented with the recommendation that it be approved and granted as follows:

<u>Employee Name</u>	<u>Position</u>	<u>Annuity Begins</u>	<u># Years @ MWRD</u>	<u># Years Reciprocal</u>
Lowe, Carlton	Head Assistant Attorney	9/1/2011	23.00	0.00

A motion was made by Ms. McGowan, seconded by Mr. Rose to approve the Employee Annuitant application. The motion was unanimously approved. The itemized report is on file.

Surviving Spouse Annuitants

The applications for three new surviving spouse/child annuitants with a total monthly annuity benefit of \$10,016.39 were presented with the recommendation that they be approved and granted as follows:

<u>Beneficiary/Annuitant Name</u>	<u>Deceased MWRD Employee</u>	<u>Annuity Begins</u>
Pierce, Patricia	Pierce, James M.	10/01/11
Seaman, Marilyn R.	Seaman, Roger G.	08/01/11
Sheehan, Jo Ann M.	Sheehan, Jr., Fred M.	08/01/11

A motion was made by Mr. Rose, seconded by Mr. Carmody, to approve the Surviving Spouse/Child Annuitant applications. The motion was unanimously approved. The itemized report is on file.

Regular Business, continued:

Consent Agenda, continued:

Refunds and Final Payments

The applications for two refunds and final payments in the combined amount of \$96,161.20 were presented with the recommendation that they be approved and granted as follows:

<u>Employee/Annuitant Name</u>	<u>Date</u>	<u>Event</u>	<u>Payee</u>
Ali, Saleema	12/29/08	Discharged	Ali, Saleema
Williams, Harry D.	08/03/11	Resignation	Williams, Harry D.

A motion was made by Mr. Carmody, seconded by Mr. Dalton, to approve the Refunds and Final Payments applications. The motion was unanimously approved.

Duty Disability

The 35 applications for Duty Disability benefits were presented with the recommendation that they be approved and granted. The itemized report is on file.

A motion was made by Ms. McGowan, seconded by Mr. Rose, to approve the Duty Disability applications. The motion was approved with one abstain, and five ayes.

Ordinary Disability

The 15 applications for Ordinary Disability benefits were presented with the recommendation that they be approved and granted. The itemized report is on file.

A motion was made by Mr. Rose, seconded by Mr. Carmody to approve the Ordinary Disability applications. The motion was unanimously approved.

Entire Consent Agenda

Mr. Kennedy conducted a roll call vote on the entire Consent Agenda, which was approved with the exception of an abstention of p.5 (Duty Disability applications) by Mr. Dalton.

Administrative:

Cash Allocation – November 2011 Annuitant Payroll funding

Ms. Boutin made the recommendation for funding the November 2011 payroll and expenses estimated to be \$11 million.

Mr. Dalton made the motion to transfer a maximum of \$10.0 million from the State Street Bond Market Index Fund to supplement funds available to cover the November 2011 payroll and expenses estimated to be \$11.0 million. Mr. Regan seconded the motion which was unanimously approved by roll call vote.

Trustee Election

Ms. Boutin reported that in accordance with the Rules of Election, Mr. Kirie certified the Master Voters List to the President. The list was created on September 7, reflecting all eligible voters as of August 28, and was maintained until petitions were due on September 20. The count of eligible voters was 1,891.

Ms. Boutin reported that valid nominating petitions were only submitted on behalf of Stephen J. Carmody. In conformity with the Rules of Election, the Judges of Election declared Stephen J. Carmody the duly selected member of the RF Board of Trustees for the four-year term beginning on December 1, 2011. Ms. Boutin congratulated Mr. Carmody.

Administrative, continued:

Report on Study Session

Ms. Boutin reported that on September 1, 2011, the Board of Commissioners held a study session on contribution rates for health care and pension funding. The District stated that Blue Cross projects District health care costs will increase at a rate of 9.6% (PPO) per year. The District proposed a policy to increase non-represented employee contribution rates 1% per year over the next 10 years. Annuitant contribution rates would increase 2.5% per year over the next 10 years, with maximum contribution rate of 50%. The increases would begin January 1, 2012. This will result in two rate changes per year for retirees – the 2.5% increase in January, and the rate change based on claims in July. At the MWRD Board meeting on September 15th, the Board of Commissioners adopted a policy increasing the contribution rates as proposed in the study session. In order to inform retirees about this change, the Fund will post it on our website, put an article in our newsletter and send a letter to each annuitant informing them of this change. Mr. Rose requested the letter include an explanation of the changes. Discussion followed, and Ms. Boutin said the trustees will have an opportunity to comment on the letter draft before it is sent out.

Reciprocal Conference

Ms. Boutin reported that on September 19th & 20th, six of our staff attended the Reciprocal Conference which was held at Drury Lane in Oakbrook. As head of the task force, Ms. Wilson organized the conference which included many beneficial sessions for our staff. Some of the sessions included Business Continuity, Self Managed Plan, a Federal Legislative update and an Illinois Legislative Roundtable which included a discussion on SB 512 by Representative Elaine Nekritz and Senator Ron Sandack. Both of these individuals supported SB 512 but felt it should apply only to the state systems at this point and that other agencies should try to find their own method of improving funding, like the Fund is doing.

Legal and Legislative

Report on Status of Legislative Initiatives [18-26]; (motion)[28]

Ms. Boutin reported that on September 15th, the MWRD Board of Commissioners approved the RF legislative initiatives. While drafting the required changes to the statutes, we realized that the Board did not make a decision on the split of the additional 3% employee contribution over the next 3 years. The statutes currently divide the 9% employee pension deduction in the following method: 7.0% for the employee, 1.5% surviving spouse, and 0.5% COLA. The Fund's consulting actuary Sandor Goldstein suggested the following split of the additional employee contributions, taking into account the COLA is currently underfunded:

- Year 1 & Year 2 – Increase employee contribution 0.5% & COLA 0.5%
- Year 3 – Increase employee contribution 0.5% and Spouse 0.5%. The final split in 2014 would be 8.5% for the employee, 1.5% for the COLA and 2.0% for the spouse which is refundable if the employee is not married at retirement.

Ms. Boutin reported that the Fund's consulting attorney, Joseph Burns, has reviewed the statute language changes, and commented. MWRDGC lobbyist Mr. Fitzpatrick and President O'Brien have been setting up meetings with legislators to discuss our funding bill. For these meetings, Mr. Fitzpatrick requested additional information such as an extended projection to 2060 and corresponding charts for current funding for inclusion in a packet to be provided to the legislators. Ms. Boutin requested Board approval for the cost of \$500 for the additional projection and charts. She noted at this point it is difficult to tell whether this will be added to SB 512 or submitted as a separate bill.

Mr. Rose commented on the Fund's representation in Springfield vs. the District's representation. Discussion followed.

(At which point Mr. Rose requested an update on an Administrative issue)

Administrative, continued

Ms. Wilson responded to Mr. Rose's request for an update on the Fund's Business Continuity Plan project. She reported that the Fund has received a recommendation (from MK Business Solutions) to move server PB-5 to Stickney, and then promote one of the existing servers already there to "backup domain controller". This will require a new operating system which will be an upgrade from Windows Server 2003 to Server 2008 Enterprise. She reported we have yet to begin replication of all our files to the Stickney server, and stock the office, but expect to be operational by early November.

(At which point Board concluded its discussion of Legislative Issues by making the following motion)

Legal and Legislative, continued

Report on Status of Legislative Initiatives, continued

Mr. Carmody made the motion to approve \$500 expense for projections and charts from Goldstein & Associates. Mr. Dalton seconded the motion, which was unanimously approved by roll call vote.

Investment Reports:

Reports by Staff

Manager Updates

Mr. Kirie presented the Manager Profiles that summarize the second quarter 2011 performance of the three investment managers scheduled to present today; Opus Capital Management, Wasatch Advisors, and UBS Global Asset Management.

Custodian Report

Mr. Kirie reviewed the Bank of New York Mellon Custodian reports, which showed Fund assets at \$1.006B at 8/31/11. The asset allocation schedule showed assets at \$936.4M at 9/22/11. Report is on file.

Reports by Investment Managers

Presentations were made of second quarter 2011 performance reports by the Fund's investment managers as follows:

- Ms. Jakki Haussler and Mr. Kevin Whelan of Opus Capital Management
- Ms. Kitty Swenson of Wasatch Advisors
- Mr. Grant Bughman and Mr. Michael Lammers of UBS Global Asset Management

Reports are on file.

Other Investment Related Issues:

Reports by Gray & Co.

Emerging Manager SCV and SCG Allocation and Funding

Mr. Day presented a booklet prepared by Gray & Company's manager search department which contains a quantitative and qualitative analysis of the six semifinalists in the emerging SCV and SCG search. He also gave the Trustees handouts regarding market conditions including interest rates, S&P indices of market attributes, and a volatility study, to read at their leisure. Mr. Day reviewed the rebalancing schedule showing the possible allocations, which had been updated to drop GW Capital, one of the four managers chosen at the July Board meeting, due to a fee issue, specifically not being willing to comply with our Most Favored Client Policy for past relationships.

A motion was made by Mr. Dalton to withdraw the allocation awarded to GW Capital, Inc at the August 24, 2011 due to the failure to make an agreement on fees, to award the funds to Fiduciary Management Associates, and to amend the allocations awarded to the four small cap emerging managers at the August meeting as follows:

WCM Investment Management SCV 2.11% of Fund's total assets (\$20.4 million), Fiduciary Management Associates 1.06% (\$10.2 million), Geneva Capital Mgt SCG 1.06% (\$20 million), and Profit Investment Management SCG 1.06%, (\$10.2 million). Ms. McGowan seconded the motion which was unanimously approved by roll call vote.

Large Cap Value Equity Search

Mr. Kirie reviewed a qualitative analysis of the six top-ranked large cap value managers (LSV Asset, NFJ Investment Group, Loomis-Sayles, SKBA Capital, Rothchild, and O'Shaunessy) which had previously been emailed to the trustees. He noted a few minor concerns about the managers for the Board to consider. Mr. Day presented a booklet prepared by Gray & Company's manager search department containing quantitative as well as qualitative information.

(Exit Ms. McGowan)

Mr. Day reviewed the booklet information; discussion followed.

Mr. Rose made the motion to interview the top three ranked Large Cap Value managers per Gray & Company's analysis, LSV, Allianz (NFJ Investment Group) and Loomis-Sayles. Mr. Dalton seconded the motion which was unanimously approved by roll call vote.

Discussion to choose a date for the three manager presentations followed. Presentations will be Friday October 21, 2011 at 10:00 a.m.. The Trustees will choose one large cap value manager.

Securities Monitoring – Avon Products Complaint

Ms. Boutin reviewed the decision by the Trustees at the August Board meeting to pursue becoming lead plaintiff in a class action suit against Avon Products alleging bribes paid by Avon personnel to foreign officials resulting in losses incurred by share holders. Since then, the following three investors filed motions to be lead plaintiff. LBBW Asset Mgt and SGSS Deutschland with losses of \$1.13 million, Brockton Retirement System & the Louisiana Municipal Police Retirement System of approximately \$187K under LIFO and MWRD RF at a loss of \$420K. The law is such that the investor with the greatest loss is entitled to be appointed lead plaintiff unless one of the other movants can establish that they are not typical or adequate. Wolf Popper felt that LBBW would be named lead plaintiff. However LBBW suggested that the other two investors be included in the litigation as named plaintiff. As a named plaintiff, the Fund would not have complete control but could affect many of the outcomes. Based on the decision for the Fund to become named plaintiff, Wolf Popper agreed to an allocation of work responsibilities with LBBW taking 55%, Met Water 30% and Brockton 15%. The proposed agreement was submitted to the Courts on September 22nd; it is uncertain how long it will take for the Courts to make a decision on the lead plaintiff.

Trustee Comments:

Mr. Dalton inquired about the email sent to Trustees regard the GASB's proposed changes on pension accounting. Ms. Kulkarni responded that the Fund's actuary had commented on the NCPERS letter, which had been sent for signature to all member funds. She agreed with the position of NCPERS objecting to the GASB proposals, which are going to be cumbersome at the least, and recommended signature.

Adjournment:

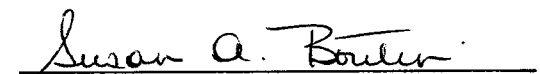
At 12:33 p.m. a motion to adjourn was made by Mr. Dalton, seconded by Mr. Regan, unanimously approved, whereupon Mr. Kennedy adjourned the meeting.

Next Meeting Notice:

The next Regular Board Meeting will be held on Wednesday October 26, 2011.

Respectfully submitted,


Robert T. Regan/Vice-President


Susan A. Boutin / Executive Director

Prepared by:


Vrinda Kulkarni/ Accountant-Analyst

MWRD RETIREMENT FUND SECURITY TRANSACTIONS FOR THE MONTH OF SEPTEMBER 2011

<u>PURCHASES</u>	<u>SHARES</u>	<u>PURCHASES</u>	<u>SHARES</u>
3M CO	277	COGNIZANT TECHNOLOGY SOLUTIONS	3,160
ABBOTT LABORATORIES	4,175	COINSTAR INC	1,300
ACME PACKET INC	3,700	COLGATE-PALMOLIVE CO	2,186
ADVANCE AMERICA CASH ADVANCE C	4,330	COLONY FINANCIAL INC	33,800
AFLAC INC	14,871	CONAGRA FOODS INC	344
AGNICO-EAGLE MINES LTD	445	CONOCOPHILLIPS	246
AGRIUM INC	200	CONSOL ENERGY INC	4,850
AKAMAII TECHNOLOGIES INC	600	COPA HOLDINGS S A CL A	3,019
ALIMENTATION COUCHE-TARD INC	475	CORNING INC	1,079
ALLSCRIPTS HEALTHCARE SOLUTION	5,900	COVENTRY HEALTH CARE INC	1,675
ALLSTATE CORP/THE	730	COVIDIEN PLC	590
ALPHA NATURAL RESOURCES INC	18,450	CROWN HOLDINGS INC	740
ALTRIA GROUP INC	14,311	CSX CORP	950
AMERICAN EXPRESS CO	7,570	CTRIIP.COM INTERNATIONAL LTD	2,400
AMERISOURCEBERGEN CORP	640	CUMMINS INC	800
AMGEN INC	273	DECKERS OUTDOOR CORP	100
ANN INC	7,100	DELL INC	4,300
APACHE CORP	95	DENBURY RESOURCES INC	18,475
APPLE INC	667	DEUTSCHE TELEKOM AG NPV (REGD)	7,489
ARUBA NETWORKS INC	18,100	DIAMOND OFFSHORE DRILLING INC	3,135
ASTRAL MEDIA INC	649	DIRECTV	1,419
ATMEL CORP	21,049	DOW CHEMICAL CO/THE	3,600
ATWOOD OCEANICS INC	3,450	DREAMWORKS ANIMATION SKG INC	1,825
BABCOCK & WILCOX CO/THE	5,100	EAST WEST BANCORP INC	11,440
BAKER HUGHES INC	7,726	EASTMAN CHEMICAL CO	260
BANK OF AMERICA CORP	1,484	EI DU PONT DE NEMOURS & CO	3,069
BARRICK GOLD CORP	820	ELECTRONIC ARTS INC	11,025
BCD SEMICONDUCTOR MANUFA LTD	6,410	ELI LILLY & CO	647
BE AEROSPACE INC	2,900	EMC CORP/MASSACHUSETTS	1,650
BELL ALIANT INC	494	ENCORE CAPITAL GROUP INC	35,200
BHP BILLITON LIMITED	3,581	ENERGEN CORP	150
BIOMED REALTY TRUST INC	2,625	ENERSYS	9,000
BIO-RAD LABORATORIES INC	1,300	ENSCO PLC	3,000
BLACKSTONE GROUP LP	37,037	EQT CORP	490
BRIDGEPOINT EDUCATION INC	3,666	EQUINIX INC	1,000
BUCKLE INC/THE	500	ESTEE LAUDER COS INC/THE	280
CADENCE DESIGN SYSTEMS INC	31,150	EXELON CORP	468
CAMERON INTERNATIONAL CORP	400	EXPRESS INC	7,200
CANADIAN IMPERIAL BK OF COMM	467	EXXON MOBIL CORP	800
CANADIAN NATURAL RESOURCES LTD	696	F5 NETWORKS INC	1,850
CANADIAN OIL SANDS LTD	3,060	FACTSET RESEARCH SYSTEMS INC	300
CANADIAN PACIFIC RAILWAY LTD	213	FINISAR CORP	900
CARLISLE COS INC	1,000	FOSSIL INC	180
CARMAX INC	2,750	FREEMPORT-MCMORAN COPPER & GOLD	2,160
CARPENTER TECHNOLOGY CORP	2,900	FRESNILLO PLC	871
CBL & ASSOCIATES PROPERTIES IN	6,425	GENERAL ELECTRIC CO	1,390
CELANESE CORP	3,600	GENPACT LTD	4,575
CELGENE CORP	580	GEN-PROBE INC	625
CH ROBINSON WORLDWIDE INC	1,150	GENUINE PARTS CO	2,200
CHILDRENS PLACE RETAIL STORES	500	GILEAD SCIENCES INC	830
CHIPOTLE MEXICAN GRILL INC	90	GOLDCORP INC	1,033
CHUBB CORP	352	GOOGLE INC	780
CISCO SYSTEMS INC	587	GREEN MOUNTAIN COFFEE ROASTERS	270
CITRIX SYSTEMS INC	600	GUESS? INC	1,300
CLIFFS NATURAL RESOURCES INC	700	HASBRO INC	1,000
COBALT INTERNATIONAL ENERGY IN	2,400	HAYNES INTERNATIONAL INC	1,060
COCA-COLA AMATIL NPV	1,437	HDFC BANK LTD	6,619
COCA-COLA CO/THE	660	HEALTH NET INC	7,100

<u>PURCHASES</u>	<u>SHARES</u>	<u>PURCHASES</u>	<u>SHARES</u>
HEICO CORP	2,400	NOVARTIS AG CHF0.50 (REGD)	1,543
HERBALIFE LTD USD COM SHS	9,825	NUCOR CORP	381
HERTZ GLOBAL HOLDINGS INC	6,125	NVIDIA CORP	2,725
HEWLETT-PACKARD CO	4,379	OCCIDENTAL PETROLEUM CORP	102
HOME DEPOT INC	3,300	OIL STATES INTERNATIONAL INC	1,850
HOME PROPERTIES INC	1,300	ORACLE CORP	9,900
HOSPIRA INC	4,700	OWENS-ILLINOIS INC	5,900
ILLUMINA INC	6,700	PEABODY ENERGY CORP	6,000
INCYTE CORP LTD	3,700	PFIZER INC	605
INDUTRADE AB	7,554	PHILIP MORRIS INTERNATIONAL IN	570
INTEL CORP	6,130	PIONEER NATURAL RESOURCES CO	650
INVESCO LTD SHS	8,375	POLARIS INDUSTRIES INC	170
ITAU UNIBANCO HOLDING SA	17,400	POLYCOM INC	4,654
ITT EDUCATIONAL SERVICES INC	300	QLIK TECHNOLOGIES INC	14,800
JDS UNIPHASE CORP	1,100	QUALCOMM INC	1,160
JFE HOLDINGS INC NPV	3,500	QUEBECOR INC	678
JOHNSON & JOHNSON	270	RESEARCH IN MOTION LTD	1,319
JONES LANG LASALLE INC	600	RIO TINTO LIMITED NPV	1,804
JPMORGAN CHASE & CO	473	ROBERT HALF INTERNATIONAL INC	2,300
JPMORGAN CHASE BK N A LONDON	5,079	ROCHE HLDG AG GENUSSCHEINE NPV	517
KANSAS CITY SOUTHERN	1,875	ROGERS COMMUNICATIONS INC	520
KBR INC	6,950	ROVI CORP	575
KINROSS GOLD CORP	3,293	ROYAL BANK OF CANADA	852
KRAFT FOODS INC	523	RPC INC	18,786
KROGER CO/THE	591	SEATTLE GENETICS INC	1,775
LASALLE HOTEL PROPERTIES	24,900	SHAW GROUP INC/THE	3,900
LEAR CORP	307	SHUFFLE MASTER INC	48,300
LENNOX INTERNATIONAL INC	1,900	SKECHERS U.S.A. INC	4,585
LIFE TECHNOLOGIES CORP	6,300	SKYWORKS SOLUTIONS INC	2,725
LINDT SPRUENGLI PTG CERT CHF10	24	SLM CORP	6,050
LORILLARD INC	1,800	SPIRIT AIRLINES INC	19,950
MACY'S INC	960	SUNCOR ENERGY INC	1,254
MAGNA INTL INC	2,127	SUPERIOR ENERGY SERVICES INC	3,750
MANPOWER INC	6,875	SYNTEL INC	6,150
MARATHON OIL CORP	15,964	T ROWE PRICE GROUP INC	725
MARTIN MARIETTA MATERIALS INC	9,000	TALISMAN ENERGY INC	3,780
MAXIM INTEGRATED PRODUCTS INC	1,575	TARGET CORP	2,290
MAXLINEAR INC	5,277	TECK RESOURCES LTD	2,098
MCDONALD'S CORP	2,140	TEXTRON INC	48,500
MCKESSON CORP	1,493	TOYOTA MOTOR CORP	1,400
MEDIDATA SOLUTIONS INC	38,750	TRANSALTA CORP	771
MICROSOFT CORP	1,634	ULTRA PETROLEUM CORP	900
MONRO MUFFLER BRAKE INC	2,118	UNILEVER NV CVA EUR0.16	15,371
MORGAN STANLEY	9,000	UNITED TECHNOLOGIES CORP	4,970
MSC INDUSTRIAL DIRECT CO	200	UNITEDHEALTH GROUP INC	3,993
MYLAN INC/PA	2,825	US BANCORP	526
NABORS INDUSTRIES LTD SHS	5,780	VALUECLICK INC	6,875
NATIONAL OILWELL VARCO INC	202	VERISIGN INC	3,675
NESTLE SA CHF0.1 (REGD)	1,585	VERIZON COMMUNICATIONS INC	662
NETAPP INC	700	VIRTUS INVESTMENT PARTNERS INC	1,925
NETFLIX INC	4,087	VITRAN CORP INC	8,550
NEWCREST MINING LTD ORD NPV	3,326	VODAFONE GROUP	31,403
NEWFIELD EXPLORATION CO	5,150	WADDELL & REED FINANCIAL INC	1,000
NEXEN INC	806	WALTER ENERGY INC	1,700
NIPPON TEL & TEL CORP Y50000	2,600	WATERS CORP	700
NOBLE ENERGY INC	161	WELLS FARGO & CO	7,696
NORTHERN TRUST CORP	1,700	WESCO AIRCRAFT HOLDINGS INC	5,656
NOVARTIS AG	8,510	WESCO INTERNATIONAL INC	3,200

<u>PURCHASES</u>	<u>SHARES</u>	<u>SALES</u>	<u>SHARES</u>
WESTERN UNION CO/THE	12,525	BANK OF THE OZARKS INC	12,400
WHIRLPOOL CORP	776	BARRICK GOLD CORP	4,860
WHITING PETROLEUM CORP	3,225	BASF SE NPV	176
WHOLE FOODS MARKET INC	1,085	BAXTER INTERNATIONAL INC	4,600
WISCONSIN ENERGY CORP	600	BAYER AG ORD NPV	191
WMS INDUSTRIES INC	23,150	BCE INC	1,011
WORTHINGTON INDUSTRIES INC	25,800	BELDEN INC	2,500
WYNN MACAU LTD	94,000	BHP BILLITON LIMITED	7,238
XEROX CORP	700	BHP BILLITON PLC USD0.50	5,390
YAMANA GOLD INC	7,038	BIG LOTS INC	6,450
YUM! BRANDS INC	3,983	BLACK BOX CORP	4,850
		BNP PARIBAS EUR2	4,814
<u>SALES</u>	<u>SHARES</u>	BOMBARDIER INC	8,589
99 CENTS ONLY STORES	13,050	BP PLC ORD USD.25	3,461
ABBOTT LABORATORIES	3,594	BRIGHTPOINT INC	24,200
ACCENTURE PLC IRELAND SHS CL A	1,400	BRISTOW GROUP INC	1,850
ADIDAS AG NPV	205	BROWN & BROWN INC	1,975
AEROPOSTALE INC	13,050	BUCKLE INC/THE	3,100
AGRIUM INC	700	CACI INTERNATIONAL INC	2,550
ALCOA INC	26,000	CAMERON INTERNATIONAL CORP	200
ALLEGHENY TECHNOLOGIES INC	3,900	CANADIAN NATURAL RESOURCES LTD	10,314
ALLEGIANTRAVEL CO	10,650	CANADIAN OIL SANDS LTD	3,060
ALLIANCE DATA SYSTEMS CORP	600	CANON INC NPV	200
ALPHA NATURAL RESOURCES INC	600	CARDINAL HEALTH INC	1,050
ALTERA CORP	3,575	CARLISLE COS INC	400
AMAZON.COM INC	435	CASH AMERICA INTERNATIONAL INC	11,300
AMERICAN EXPRESS CO	6,255	CF INDUSTRIES HOLDINGS INC	1,075
AMERICAN WATER WORKS CO INC	5,950	CHEMED CORP	1,600
AMERICA'S CAR-MART INC	8,850	CHILDRENS PLACE RETAIL STORES	400
AMERIGROUP CORP	6,350	CLOUD PEAK ENERGY INC	11,550
AMERISOURCEBERGEN CORP	1,550	CLP HLDGS HKD5	1,000
AMLIN ORD GBP0.28125	76,712	CML HEALTHCARE INC	6,847
ANALOG DEVICES INC	8,825	COACH INC	400
ANGLO AMERICAN	2,144	COGECO CABLE INC	1,442
ANHEUSER-BUSCH INBEV NV	175	COINSTAR INC	1,200
ANTOFAGASTA ORD GBP0.05	2,046	COLLECTIVE BRANDS INC	32,450
APACHE CORP	1,806	COLRUYT SA NPV	3,897
APOLLO GROUP INC	3,700	COMMONWEALTH BANK OF AUSTRALIA	345
APPLE INC	126	CONTANGO OIL & GAS CO	1,900
ARCELORMITTAL	2,965	CON-WAY INC	1,375
ARES CAPITAL CORP	14,900	CORNING INC	14,133
ARGO GROUP INTERNATIONAL	11,350	COTT CORP	9,900
ARROW ELECTRONICS INC	3,100	CRACKER BARREL OLD COUNTRY STO	5,400
ASPEN INSURANCE HOLDINGS	8,750	CRANE CO	3,350
ASSURED GUARANTY LTD SHS	6,800	CREDIT AGRICOLE SA EUR3	9,089
ASTELLAS PHARMA INC Y50	3,200	CREDIT SUISSE GROUP AG CHF0.04	3,324
ASTRAZENECA ORD USD0.25	316	CUMMINS INC	2,100
ATLAS AIR WORLDWIDE HOLDINGS I	8,875	CURTISS-WRIGHT CORP	3,450
ATMOS ENERGY CORP	2,400	DAIICHI SANKYO COMPANY LIMITED	400
ATRIUM INNOVATIONS INC	3,170	DECKERS OUTDOOR CORP	400
ATWOOD OCEANICS INC	14,721	DEERE & CO	3,040
AUSTRALIA & NEW ZEALAND BANK	639	DELPHI FINANCIAL GROUP INC	5,400
AUTOZONE INC	300	DEUTSCHE BANK AG ORD NPV REGD	2,446
BAKER HUGHES INC	3,823	DEUTSCHE TELEKOM AG NPV (REGD)	1,072
BALL CORP	500	DG FASTCHANNEL INC	9,450
BANCO BILBAO VIZCAYA	17,084	DIAGEO ORD 28 101/108P	448
BANCO SANTANDER SA EUR0.50	38,075	DISTRIBUIDORA INTERNACIONAL DE	4,091

<u>SALES</u>	<u>SHARES</u>	<u>SALES</u>	<u>SHARES</u>
DOLLAR TREE INC	1,250	LIFEPOINT HOSPITALS INC	2,750
DOVER CORP	1,700	MAGELLAN HEALTH SERVICES INC	1,850
DOW CHEMICAL CO/THE	8,800	MANPOWER INC	16,180
E.ON AG NPV	513	MANTECH INTERNATIONAL CORP	3,850
EAST JAPAN RAILWAY CO Y50000	100	MAXIMUS INC	5,450
EBIX INC	12,400	MCDERMOTT INTERNATIONAL INC	20,138
EMCOR GROUP INC	5,550	MITSUBISHI UFJ FINANCIAL GROUP	42,000
ENDO PHARMACEUTICALS HOLDINGS	5,450	MORGAN STANLEY	14,128
ENDURANCE SPECIALTY HLDGS LTD	5,900	MYLAN INC/PA	1,200
ENERGY PARTNERS LTD	11,450	NABORS INDUSTRIES LTD SHS	10,400
ENERSYS	4,600	NATIONAL INSTRUMENTS CORP	2,050
ENTROPIC COMMUNICATIONS INC	21,600	NATIONAL OILWELL VARCO INC	4,550
EOG RESOURCES INC	1,160	NATL AUSTRALIA BK NPV	542
EXPEDITORS INTERNATIONAL OF WA	5,400	NAVIGATORS GROUP INC/THE	1,700
EXXON MOBIL CORP	7,100	NAVISTAR INTERNATIONAL CORP	8,800
EZCORP INC	12,800	NESTLE SA CHF0.1 (REGD)	640
FIFTH STREET FINANCE CORP	19,850	NETFLIX INC	1,155
FINISAR CORP	1,400	NEWCREST MINING LTD ORD NPV	476
FIRST FINANCIAL BANCORP	10,450	NIPPON TEL & TEL CORP Y50000	300
FOSSIL INC	200	NOKIA (AB) OY EURO.06	1,903
FRANCE TELECOM EUR4	574	NORDSTROM INC	2,400
FREEMPORT-MCMORAN COPPER & GOLD	8,650	NORTHEAST UTILITIES	4,190
GARTNER INC	3,750	NOVARTIS AG CHF0.50 (REGD)	511
GDF SUEZ EUR1	333	NOVO-NORDISK AS DKK1	87
GENTIVA HEALTH SERVICES INC	5,250	NTT DOCOMO INC	7
GLAXOSMITHKLINE ORD GBP0.25	1,113	NUANCE COMMUNICATIONS INC	4,100
GLOBAL PAYMENTS INC	13,425	OCLARO INC	8,300
GOLDCORP INC	1,660	OCWEN FINANCIAL CORP	14,950
GRAND CANYON EDUCATION INC	1,300	OIL STATES INTERNATIONAL INC	1,450
GREIF INC	2,000	OLIN CORP	7,850
HALLIBURTON CO	8,228	OM GROUP INC	2,950
HANCOCK HOLDING CO	4,600	ORITANI FINANCIAL CORP	7,335
HARTFORD FINANCIAL SERVICES GR	5,300	OSAKA GAS CO Y50	35,000
HERMAN MILLER INC	2,700	PALL CORP	13,760
HOLLYFRONTIER CORP	6,580	PATTERSON COS INC	1,675
HONDA MOTOR CO NPV	400	PEPSICO INC/NC	8,208
HSBC HLDGS ORD USD0.50 (UK)	2,695	PROASSURANCE CORP	1,950
HUMANA INC	700	QBE INS GROUP A\$1	17,707
IBERIABANK CORP	5,100	RED HAT INC	2,150
IDEX CORP	2,125	REGENERON PHARMACEUTICALS INC	5,525
ILLINOIS TOOL WORKS INC	10,600	RENT-A-CENTER INC/TX	24,800
INTEL CORP	10,880	RESOURCES CONNECTION INC	5,300
INTERDIGITAL INC/PA	5,750	REYNOLDS AMERICAN INC	11,850
INTESA SANPAOLO EUR0.52	65,537	RIO TINTO LIMITED NPV	1,804
ITRON INC	4,150	RIO TINTO ORD GBP0.10	3,185
JB HUNT TRANSPORT SERVICES INC	2,030	ROCHE HLDG AG GENUSSSCHEINE NPV	158
JFE HOLDINGS INC NPV	3,000	ROCKWELL COLLINS INC	925
JOS A BANK CLOTHIERS INC	4,575	ROSS STORES INC	1,100
KAO CORP NPV	300	ROYAL DUTCH SHELL 'B' SHS	354
KDDI CORP Y5000	2	RUE21 INC	600
KINDER MORGAN INC/DELAWARE	3,910	SANOFI	312
KIRBY CORP	2,050	SFN GROUP INC	27,600
KIRKLAND'S INC	7,400	SIEMENS AG NPV REGD	139
KNIGHT CAPITAL GROUP INC	13,050	SINGAPORE TELECOMMUNICATIONS	3,000
LASALLE HOTEL PROPERTIES	4,200	SKECHERS U.S.A. INC	6,700
LAZARD LTD SHS -A-	7,942	SKYWORKS SOLUTIONS INC	1,000
LENDER PROCESSING SERVICES INC	5,900	SMITHFIELD FOODS INC	4,750

<u>SALES</u>	<u>SHARES</u>
SOCIETE GENERALE EUR1.25	5,332
SOUTHWESTERN ENERGY CO	8,500
SSE PLC	9,460
ST JUDE MEDICAL INC	2,100
STANCORP FINANCIAL GROUP INC	3,100
STANDARD CHARTERED ORD USD0.50	26,049
STARWOOD PROPERTY TRUST INC	8,500
STATOIL ASA NOK2.50	489
STEEL DYNAMICS INC	14,250
STIFEL FINANCIAL CORP	1,375
STRAYER EDUCATION INC	900
SUMITOMO METAL MNG NPV	7,000
SUMITOMO MITSUI GR NPV	3,900
SUNTRUST BANKS INC	4,200
SUPERTEX INC	1,885
SYNAPTICS INC	8,950
SYNNEX CORP	7,750
TAKEDA PHARMACEUTICAL CO LTD	300
TALISMAN ENERGY INC	3,780
TELIASONERA AB NPV	1,254
TELSTRA CORP NPV	2,948
TESCO ORD 5P	1,678
TESSERA TECHNOLOGIES INC	7,400
TEVA PHARMACEUTICAL IND ILS0.1	224
TIDEWATER INC	5,000
TIFFANY & CO	1,400
TOKYO GAS CO NPV	23,000
SA EUR2.5	376
TOYOTA MOTOR CORP NPV	500
TRANSCANADA CORP	965
TRAVELERS COS INC/THE	4,640
TRIUMPH GROUP INC	1,950
TTM TECHNOLOGIES INC	10,080
ULTRA PETROLEUM CORP	1,300
UNICREDIT EUR0.50	103,039
UNILEVER NV CVA EUR0.16	446
UNIVERSAL HEALTH SERVICES INC	500
VERISIGN INC	2,900
VERIZON COMMUNICATIONS INC	931
VIVENDI SA EUR5.5	503
VODAFONE GROUP	12,207
VORNADO REALTY TRUST	2,625
VULCAN MATERIALS CO	20,700
WALTER ENERGY INC	5,588
WATSON PHARMACEUTICALS INC	2,175
WESCO INTERNATIONAL INC	800
WESTPAC BANKING CORP NPV	706
WMS INDUSTRIES INC	7,600
WOOLWORTHS LIMITED ORD A\$0.25	6,423
XEROX CORP	58,400
XILINX INC	5,475
XSTRATA COM STK USD0.50	3,742