



Investment Program

FEDERATED HEALTH CARE TRUST

Federated Board

HCT Asset Allocation Implementation

Federated HCT	Index Duration (yrs)	Target Weights		5/30/2021			7/30/2021			9/30/2021			Mix A		Total Changes
		Current	CTD		Change	CTD		Change	CTD		Change	CTD		CTD	
Growth		56.0%	0.00	59.0%	3.0%	0.00	59.0%	0.0%	0.00	59.0%	0.0%	0.00	59.0%	0.00	3.0%
US Equity	0.0 Assumed	28.0%	0.00	30.0%	2.0%	0.00	30.0%	0.0%	0.00	30.0%	0.0%	0.00	30.0%	0.00	2.0%
Int'l Equity	0.0 Assumed	13.0%	0.00	14.0%	1.0%	0.00	14.0%	0.0%	0.00	14.0%	0.0%	0.00	14.0%	0.00	1.0%
EM Equity	0.0 Assumed	15.0%	0.00	15.0%	0.0%	0.00	15.0%	0.0%	0.00	15.0%	0.0%	0.00	15.0%	0.00	0.0%
Low Beta		29.0%	0.00	19.0%	-10.0%	0.00	12.0%	-7.0%	0.00	5.0%	-7.0%	0.00	5.0%	0.00	-24.0%
Short term IG Bonds (T-bills)	0.3	29.0%	0.07	19.0%	-10.0%	0.05	12.0%	-7.0%	0.03	5.0%	-7.0%	0.01	5.0%	0.01	-24.0%
Other		15.0%	0.00	22.0%	7.0%	0.00	29.0%	7.0%	0.00	36.0%	7.0%	0.00	36.0%	0.00	21.0%
IG Bonds (US Agg)	6.5	0.0%	0.00	2.5%	2.5%	0.16	8.0%	5.5%	0.52	14.0%	6.0%	0.91	14.0%	0.91	14.0%
Long Term Govt Bonds (US Long Trsy)	18.7	0.0%	0.00	2.5%	2.5%	0.47	4.0%	1.5%	0.75	5.0%	1.0%	0.94	5.0%	0.94	5.0%
Core Real Estate	0.0 Assumed	10.0%	0.00	12.0%	2.0%	0.00	12.0%	0.0%	0.00	12.0%	0.0%	0.00	12.0%	0.00	2.0%
Commodities	0.0 Assumed	5.0%	0.00	5.0%	0.0%	0.00	5.0%	0.0%	0.00	5.0%	0.0%	0.00	5.0%	0.00	0.0%
		100.0%		100.0%			100.0%			100.0%			100.0%		
Weighted Duration (from Fixed Income)			0.07			0.68			1.30			1.86		1.86	
Change from prior						0.61			0.62			0.56			

The new allocation increases the HCT duration by 1.8 yrs. The proposed implementation incrementally steps into the new allocation over a six-month period in three tranches.

- 5/30/21 Non-fixed income changes completed; fixed income changes begun
- 7/30/21 Half of remaining fixed income changes completed
- 9/30/21 Changes completed