

Investment Performance as at 30th June 2011

Multi manager - Multi Sector Trusts	Month %	Quarter %	1 Year %	3 Years %	5 Years %
Balanced Trust	-1.09	-1.15	10.25	1.57	1.69
Growth Trust	-1.37	-1.75	11.02	-0.21	0.09
Catholic Values Trust	-1.39	-2.08	5.90	2.24	3.17

Single Sector Trusts	Month %	Quarter %	1 Year %	3 Years %	5 Years %
Australian Equities	-1.78	-4.60	11.24	0.34	1.51
Diversified Fixed Interest	0.23	2.01	5.57	6.81	5.94
Global Equities	-1.60	-1.54	12.20	-2.59	-2.86
Diversified Property	-1.07	1.55	15.19	-4.29	-1.03
Australian Equities (CVT)	-2.39	-5.03	6.38	-2.03	1.85
Diversified Fixed Interest (CVT)	0.23	2.06	5.53	6.84	6.02
Global Equities (CVT)	-1.84	-2.21	2.36	-3.27	-4.97
Income Trust	-0.09	1.59	9.01	3.85	-2.64

Investment Market Review

We have experienced an eventful year in the Financial Markets. The Australian market as measured by the S&P ASX 300 Index, finished up by 7.8% for the year ended 30th June 2011. By comparison global shares as measured by the MSCI World ex Australia Index finished the year up by 27.7%,

Some of the factors driving both global and domestic markets over the past year have been:

- Natural disasters at home and overseas; The Queensland floods and Cyclone Yasi resulted in a temporary reduction of overall output in the March quarter. In Japan, the earthquake and tsunami combination caused a much publicized disruption of global supply chains and a consequent rethink of supply chain strategies.
- Concerns that Chinese authorities will over-tighten their economy in an effort to beat inflation. Given the degree to which Australia is seen to be connected to China (a major trading partner) the downside risks to China's growth story is creating concern.
- Interest rates in Australia are higher than in other developed economies. Consequently, Australian bank term deposits look more attractive compared to shares. In addition, during the year the Australian dollar pushed above parity with the USD, making Australian shares less attractive to US investors.
- Given the currency appreciation, Australian products now look more expensive from a foreign buyer's perspective. Exporters and companies with foreign [unhedged] earnings were impacted in this regard, as the currency reached its peak in May at 110.13US cents.
- On the flip side, importers and households have benefited from the strong AUD, with the price of foreign goods becoming relatively more affordable (in AUD terms). Likewise, the AUD has shielded (but not spared) households from the worldwide increase in food and oil prices.
- Australian Retail sales were weaker across the board, with food, clothing and department stores all recording large drops in demand as consumers feel the weight of rising energy and living costs. However, increasing costs are only one side of the story. Retail sales are also being impacted as Australia becomes a country of net savers, with the household savings ratio increasing to 11.5% from zero or below just six years ago.
- With regards to the global economy, the biggest and certainly most talked about region is that of the Eurozone. What began as a "Greece issue" triggered a domino effect in the international markets impacting other weak members of the Eurozone – Portugal, Spain, Ireland and Italy. 15 Eurozone economies (along with the IMF) have agreed to share the burden of helping Greece, Portugal & Ireland find a solution to their debt problems.
- The post GFC recovery for the United States has slowed over the past few months as the second round of quantitative easing came to an end. US employment has not bounced back as much as forecasted. In June only 18,000 jobs were added to the US economy compared to a forecast for 90,000.

CCI Investment Management

Recent changes to the CCIIM Board have seen the introduction of three new directors - Jane Tongs, Richard Haddock and Reverend Brian Lucas.

Ms Tongs areas of expertise include corporate governance, development of strategically linked audit, risk management and compliance processes and advising on process improvements such as cost reduction and efficiencies. Mr Haddock is the Chairman of Commonwealth Managed Investments Ltd, CatholicCare and Australian Catholic Superannuation and Retirement Fund. He is also a Director of Tishman Speyer Australia Ltd and Retirement Villages Group Ltd. Reverend Brian Lucas is the General Secretary of the Australian Catholic Bishops Conference, a position he has held since August 2002. All three individuals are also directors of Catholic Church Insurances Ltd.

With the introduction of these three directors we would like to say a big thank you to our two outgoing directors – Paula Dwyer and Peter Bokeyar. Both have served as directors for over ten years and their contributions have been invaluable.

CCI Investment Management Team

The Team at CCI Investment Management has undergone some changes recently. New to the team is David Smith – Client Relationship Manager and Ligia Zevallos – Investment Officer.

Distribution and Taxation Statements

The distribution calculation process has commenced and we will endeavour to produce the distribution statements and make payments in early August. Annual Taxation Statements are also scheduled for delivery in early August.

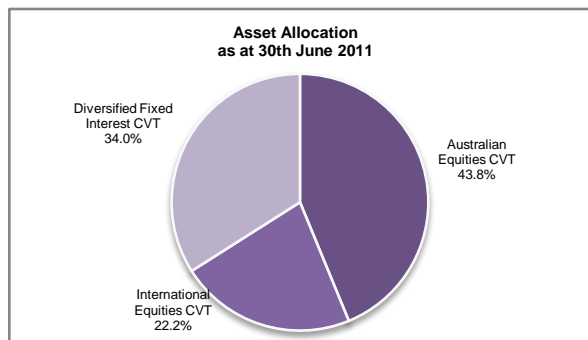
As previously advised, applications and redemptions received during the distribution calculation period will not be processed until the distributions are finalized. We apologize for any inconvenience caused.

CCIIM Catholic Values Trust*

Since inception, the CCIIM Catholic Values Trust has yielded a cumulative return of 63.72%

Returns to 30th June 2011

	Month %	Quarter %	FYTD %	Year %	3 Year %	5 Year %
Values Trust	-1.39	-2.08	5.90	5.90	2.24	3.17
Benchmark	-1.24	-1.72	8.25	8.25	2.49	2.74

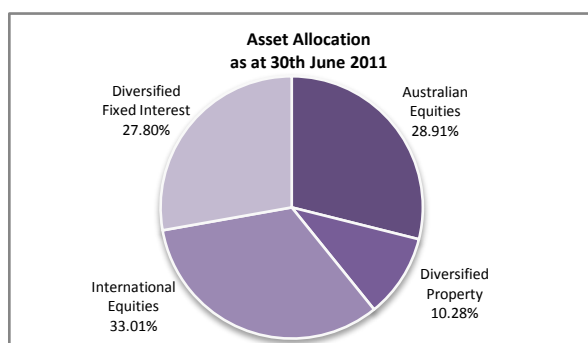


CCIIM Balanced Trust*

Since inception, the CCIIM Balanced Trust has yielded a cumulative return of 61.09%

Returns to 30th June 2011

	Month %	Quarter %	FYTD %	Year %	3 Year %	5 Year %
Balanced Trust	-1.09	-1.15	10.25	10.25	1.57	1.69
Benchmark	-1.08	-0.71	11.53	11.53	2.52	2.89

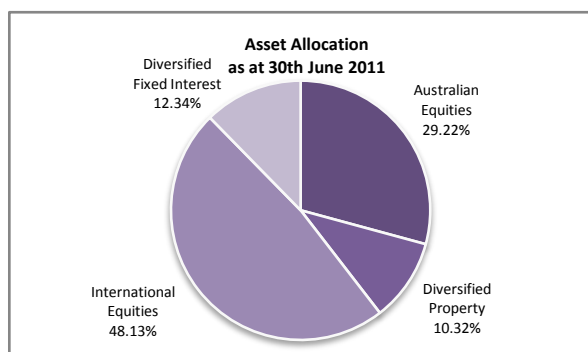


CCIIM Growth Trust*

Since inception, the CCIIM Growth Trust has yielded a cumulative return of 43.42%

Returns to 30th June 2011

	Month %	Quarter %	FYTD %	Year %	3 Year %	5 Year %
Growth Trust	-1.37	-1.75	11.02	11.02	-0.21	0.09
Benchmark	-1.35	-1.24	12.67	12.67	1.17	1.57

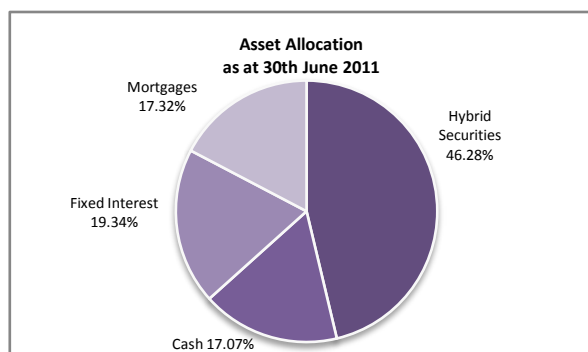


CCIIM Income Trust*

Since inception, the CCIIM Growth Trust has yielded a cumulative return of 2.29%

Returns to 30th June 2011

	Month %	Quarter %	FYTD %	Year %	3 Year %	5 Year %
Income Trust	-0.09	1.59	9.01	9.01	3.85	-2.64
Benchmark	0.40	1.24	4.99	4.99	4.78	5.62



*all returns are net of fees and yearly returns are annualized
 *benchmarks for single sector funds are available on our website

Contact us:

For any queries in relation to this CCIIM Update please contact:

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