

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

DATA AT

8/31/07

ANDREA CAMBIO

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Frank T. Caprio s, Chair

**Mr. J. Michael Costello
Mr. Robert R. Gaudreau, Jr.
Dr. Robert J. McKenna
Mr. Andrew K. Reilly**

**Ms. Rosemary Booth Gallogly
Mr. Robert Giudici
Ms. Marcia Reback
Mr. John R. Treat**



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Frank Caprio
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, September 26, 2007 at 9:00 a.m. in Room 135 of the State House.

AGENDA

1. Membership Roll Call
2. Approval of Minutes
 - State Investment Commission Meeting held on 8/29/07 *
3. Manager Continuation Policy Analysis & Review - Wilshire
4. General Consultant Capital Markets Review - Wilshire
5. Alternative Investments Consultant – PCG
 - Point Judith Venture Fund II *
 - Perseus Partners VII *
 - Fenway Partners Capital Fund III *
6. Legal Counsel Report
7. Deputy Treasurer for Finance Report
8. Treasurer's Report
9. New Business

* Commission members may be asked to vote on this item.

POSTED ON WEDNESDAY, SEPTEMBER 19, 2007

STATE INVESTMENT COMMISSION
State of Rhode Island and Providence Plantations

Regular Meeting August 22, 2007

A State Investment Commission (SIC) meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, August 22, 2007. The Treasurer called the meeting to order at 9:10 a.m.

Membership Roll Call. Present were: Mr. Michael Costello, Ms. Rosemary Booth Gallogly, Mr. Robert Gaudreau, Mr. Robert Giudici, Dr. Robert McKenna, Ms. Marcia Reback, Mr. John Treat, and General Treasurer Frank T. Caprio. Mr. Andrew Reilly was absent. Also present were: Mr. Kenneth E. Goodreau, Deputy General Treasurer for Finance; Mr. William Bensus, and Ms. Julia Bonafede, of Wilshire Associates Incorporated, General Consultant to the Commission; Ms. Lisa Tyrrell of the State Street Corporation; and other members of the Treasurer's staff.

State Investment Commission Minutes. Treasurer Caprio noted Ms. Reback's name was incorrectly included in a vote in the meeting minutes from July 25, 2007. With this correction noted, the Treasurer entertained a motion for approval of the minutes. Mr. Costello moved, Ms. Gallogly seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Gaudreau, Mr. Giudici, Dr. McKenna, Mr. Treat, and Treasurer Caprio. Ms. Reback recused herself from this vote given her absence from the previous meeting.

VOTED: To approve the Minutes of the July 25, 2007 regular meeting.

Manager Review – Taplin, Canida & Habacht. Mr. Bensus of Wilshire gave a brief overview of Taplin, Canida & Habacht (TCH) before introducing firm representatives Mr. Alan Habacht, Principal, and Mr. Corey Amon, Director of Research, for their presentation to the Commission. Mr. Habacht described TCH as a 22-year-old firm based in Miami with a focus of fixed income and \$8.3 billion currently under management. TCH was retained in 1996 to provide the Employees' Retirement System of Rhode Island (ERSRI) with a strategic market allocation to the general investment characteristics of the corporate sector of the U.S. fixed income market. The ERSRI is classified as a corporate client.

Mr. Habacht turned to Mr. Amon to give an overview of TCH research strategies and processes. Mr. Amon noted that his team engages in both quantitative research and fundamental credit research. Quantitative research employs spread analysis, scenario analysis, breakeven analysis, and horizon analysis along with archived data of 100 sub-sectors of the fixed income market. He stated that the research team has extensive knowledge of the trading environment, and works closely with the portfolio management team to enable efficient and timely decision-making. TCH's proprietary analytical tools support this integrated approach.

Mr. Habacht characterized the TCH investment philosophy as emphasizing long-term growth by incorporating quality control by means of credit analysis and prudent diversification of assets; preservation of capital is stressed through strict adherence to risk controls throughout the investment process. Mr. Habacht anticipates that future growth of assets under management will be disciplined and responsible, and that much of the growth will come from current clients.

Mr. Habacht described the investment team as consisting of the three original members with no turnover, which he noted is indicative of the firm's stability and consistency. Mr. Habacht summarized TCH's objectives as: (1) to generate a total return of 30 basis points, net of fees, over the Lehman Credit Index over a three- to five-year horizon; and (2) to generate a total return that ranks in the top 30% of the Wilshire Corporate Fixed Income Manager Universe over a three-to five-year horizon. Mr. Habacht assessed TCH's compliance with these objectives as having exceeded the benchmark by 0.42% on a three-year basis and by 1.57% on a five-year basis. Additionally, Mr. Habacht noted that the portfolio return ranks in the 35th percentile over a three-year trailing period and in the tenth percentile over a five-year trailing period.

In terms of risk management, Mr. Habacht noted that TCH maintained strict compliance to benchmarks via sophisticated analytics and daily monitoring. He added that TCH developed its own monitoring program to improve this process. In conclusion, he thanked the Commission for the longstanding relationship between TCH and the ERSRI, dating back to an initial investment of \$15 million in 1996.

Mr. Amon gave an overview of TCH's research and analysis. He commented on the recent federal rate cuts and a global scenario of tight liquidity. He stated that despite these factors he is optimistic about the current environment, characterizing the situation as one of normalizing prices that will prove advantageous for the fund going forward.

Treasurer Caprio inquired about the under performance of two specific holdings in our portfolio: Harrah's and Ford. He asked Mr. Amon if the Committee should consider exiting these holdings. Mr. Habacht stated that Ford is currently priced at .78 on the dollar. There have been some concerns regarding bankruptcy but the holdings have been performing well in the last four months. Mr. Habacht suggested we hold our position. Mr. Amon stated that Harrah's was subject to a private equity transaction and literally over night the bonds went from almost par to .80 on the dollar. If the transaction is completed there may be some improvement in pricing. It was suggested we hold our position.

Ms. Gallogly noted the presence of Countrywide Financial in the fund and asked Mr. Amon to comment, given the current volatility of that particular company. Mr. Amon stated that he anticipates a volatile future for Countrywide, but that this will be a credit-neutral event for TCH. Mr. Amon explained that Countrywide had reduced its subprime exposure in the months prior to the credit tightening, and it remains less than many other lenders. Mr. Amon reiterated that he believed this to be a significant but

short-lived liquidity squeeze, adding that federal banks stand ready to provide liquidity as necessary.

Ms. Gallogly asked if there are other firms of concern in the fund, in addition to Countrywide. Mr. Habacht answered that his concerns are not with any particular firm, but the more generalized problem of liquidity.

Capital Market Review – Wilshire Associates. Mr. Bensus began his overview with general market observations, stating that economic growth had been slower to date in 2007; Mr. Bensus expects this trend to continue. Quarterly business earnings growth is in line with expectations, with some companies “guiding down”; the service sector remains healthy, but the factory sector shows some signs of slowing. Additionally, industrial output rose in the second quarter. Job growth is sluggish, with an unemployment rate of 4.5%. Retail sales posted a healthy increase in the second quarter, and overall consumer net worth continues to rise. In terms of the housing market, new home sales and starts decreased, and prices on the whole have fallen.

Mr. Bensus noted that the U.S. equity market has been volatile, but that markets have been encouraged by profit reports. He commented that private equity, as exemplified by the Blackstone Group’s recent foray into public offerings, has been unusually active in public markets but that financing may be drying up. In the year to date, large cap stocks outperformed small cap stocks for the first time in roughly six years. In terms of international markets, Mr. Bensus observed that emerging markets continue to lead developed markets. European central banks have tightened, and European returns have been stronger than Japanese and U.S. returns. In Asia the yen has rallied, reducing the attractiveness of the yen-dollar carry trade, and Mr. Bensus noted some concern over the safety of Chinese imports has cautioned investors towards that market area.

The Federal Reserve cut discount rates by 50 basis points; the discount rate is now 5.75% (down from 6.25%) but the federal funds rate remains at 5.25%. Mr. Bensus commented that these cuts are due to rising credit concerns in the U.S. and global markets. Ten-year Treasury yields are near a rate of 4.60%, down from 5.00%; rates are expected to be reduced before year-end 2007, as fears of a subprime mortgage “contagion” continue. Mr. Bensus concluded that he believes the proactive measures taken early this year to reduce risk, especially in terms of reduced high-yield exposure, successfully reduced the portfolio’s potential losses in the current volatile markets.

Legal Counsel Report. Treasurer Caprio stated that there was no legal counsel report for the month. Mr. Brian Gallogly of Brown, Rudnick, Berlack Israels, LLP, legal counsel to the Commission, was not present.

Deputy Treasurer for Finance Report. Mr. Goodreau echoed Mr. Bensus’s comments on the measures taken toward proactive insulation earlier this year. He stated that these proactive measures should provide the Commission with investor confidence. Additionally, Mr. Goodreau noted that the current volatile economic environment

provides the Commission an opportunity to distinguish funds and companies that are truly good performers, versus those who perform well only in good environments. He drew the Commission's attention to two firms, The Boston Company and PIMCO, which are now under internal watch due to continued underperformance. He stated further that it remains to be seen whether The Boston Company is able to use their conservative strategy to safeguard against losses in the current market volatility, and that PIMCO's portable alpha strategy has yielded returns that are consistently but not drastically underperforming. He concluded that he will continue to update the Commission on these two firms. Finally, Mr. Goodreau noted that asset allocation remains a prime focus for him and his staff, and that proper alignment is the best way to improve overall portfolio performance in the long term.

Mr. Costello inquired as to the current state of the portfolio. Mr. Goodreau answered that it is currently down 150 basis points, but that he does not believe this is worrisome in the long term. He added that he would like to bring private equity holdings in line with policy parameters and that once this is corrected, the portfolio will be in even better standing going forward.

Ned Davis Research Group – Presentation. Treasurer Caprio welcomed Mr. Bruce Kaminsky, Director of Institutional Sales, and Mr. Tim Hayes, Chief Investment Strategist, of Ned Davis Research Group (NDR) for their presentation to the Commission. Mr. Kaminsky characterized NDR as an independent, institutional research company founded in 1980 with the goal of providing unbiased and comprehensive investment research to institutional clients. NDR employs a global, top-down approach and specializes in providing a strategic, tactical view on asset allocation. NDR holds no stocks or other investments.

Mr. Hayes described NDR's research philosophy as objective, disciplined, risk-averse and flexible. As part of their risk-management strategy, NDR advises clients to focus on the reality of the markets (i.e. what is happening rather than what should happen), to synchronize investment decisions with federal economic policies and actions, and to avoid market extremes. Mr. Hayes stated that NDR works with its clients to develop asset allocation models tailored to the client's interests and resources.

Mr. Goodreau commented that he viewed NDR as an additional tool that the Commission can use in conjunction with its consultants as a way to broaden the field of available knowledge. He considers it the Commission's fiduciary responsibility to maintain the highest financial awareness possible in the interest of sound decision-making.

Ms. Reback asked Treasurer Caprio to clarify how the research from NDR might be used and expressed reticence at the possibility of excessive investment changes. Treasurer Caprio clarified that the research would not be used to direct immediate investment decisions, but rather would serve as a supplemental tool in conjunction with the information from consultants. Mr. Goodreau concurred that he intended the research from NDR to function as guidance rather than explicit direction.

Treasurer's Report. Treasurer Caprio first announced that ratings agencies (Moody's, Fitch, and Standard & Poor's) had confirmed the State of Rhode Island's credit rating; the rating remained at a split rating of Aa3, AA, and AA respectively. Secondly, Treasurer Caprio announced that the auction for interest rates, as previously discussed by the Commission, would open following that day's meeting on August 23, 2007. Finally, Treasurer Caprio informed the Commission that the Treasurer's Office is preparing Requests for Proposals (RFPs) in order to solicit bids for all outside consulting work performed for the Commission. Treasurer Caprio further stated that firms submitting bids may consider the multiple functions performed by each of the current consultants separately, in boutique fashion, or as a whole.

New Business. There being no further new business, the Treasurer entertained a motion to adjourn.

Ms. Reback moved, Dr. McKenna seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Giudici, Mr. Gaudreau, Dr. McKenna, Ms. Reback, Mr. Treat, and Treasurer Caprio.

VOTED: To adjourn the meeting.

There being no further business, the meeting was adjourned at 11:05 a.m.

Respectfully submitted,

Frank T. Caprio
General Treasurer

RHODE ISLAND STATE INVESTMENT COMMISSION
STAFF SUMMARY ANALYSIS
PORTFOLIO HIGHLIGHTS
August 31, 2007

PORTFOLIO PERFORMANCE

July

The ERSRI portfolio posted a gain of 0.59% for the month of August, against the policy index of 0.72%. Domestic equities were up 1.29%, international equities lost 1.91%, and the fixed income asset class returned 0.49%. Additionally, the retirement fund earned \$267,989 from the securities lending program during this month. If we factor out PE & RE investments, due to the way they are monitored the plan performance was 0.32% against its 0.67% index.

Calendar Year to Date

For the eight months ended August 31, 2007, the portfolio is up 5.41% against the policy index of 6.16%. Domestic equities were up 4.58%, international equities were up 6.83%, while fixed income generated a return of 3.08%.

Fiscal Year to Date

For the Fiscal Year ended June 30, 2008, the fund has lost 1.18%, against the policy index of -0.79%.

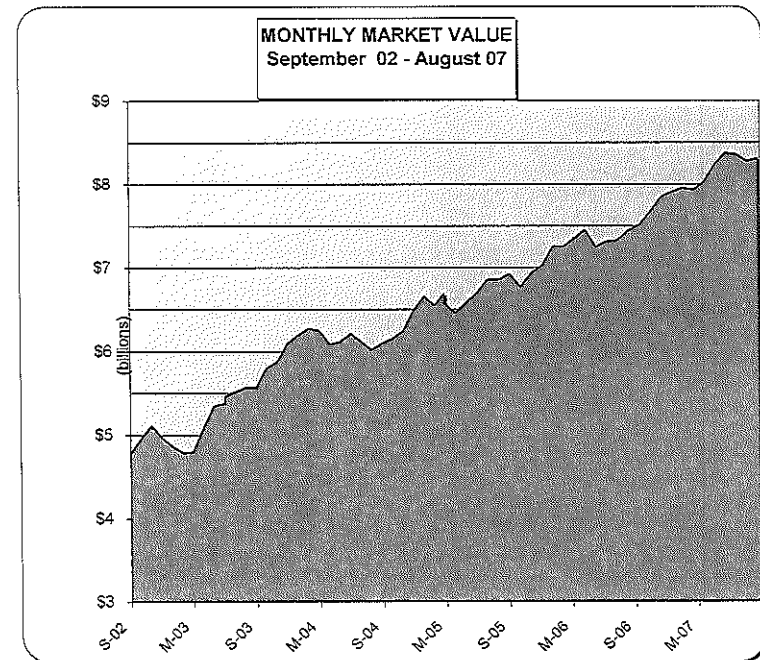
Index Performance Summary - August 31, 2007		
Market Indices	Aug-07	Calendar YTD
Domestic Equity		
S & P 500	1.50%	5.20%
DJ Wilshire 5000	1.39%	5.35%
Russell 2000	2.27%	1.42%
Russell 1000	1.36%	5.28%
Policy Index	0.67%	5.93%
International Equity		
MSCI ACWI	-1.54%	10.53%
Fixed Income		
Lehman AGG	1.23%	3.07%
Real Estate		
NCREIF	3.62%	8.29%

ERSRI Performance By Asset Class	Aug-07	Calendar YTD
Domestic Equity	1.29%	4.58%
Fixed Income	0.49%	3.08%
International Equity	-1.91%	6.83%
Total Fund Composite*	0.32%	4.70%
Manager Summary	Aug-07	CYTD
DOMESTIC EQUITY		
Shott	0.07%	11.42%
PIMCO	1.58%	4.66%
SSgA S&P 500	1.50%	5.22%
SSgA Core	1.80%	7.19%
Wasatch	0.00%	0.00%
Northpointe	1.58%	0.00%
Wellington	-0.52%	3.77%
Total Domestic Equity	1.29%	4.58%
FIXED INCOME		
Brown Bros TIPS	0.87%	4.45%
Brown Bros Core	0.42%	2.26%
Fidelity	0.16%	1.78%
Taplin Canida & Habacht	0.56%	3.01%
Fixed Income Cash Acct	0.44%	0.00%
Shenkman		
Mackay Shield	0.35%	0.52%
Total Fixed Income	0.49%	3.08%
INTERNATIONAL EQUITY		
Mondrian	-0.66%	8.41%
Goldman Sachs	-3.01%	8.71%
Boston Co	-2.05%	4.92%
Total International Equity	-1.91%	6.83%
*Total Fund Composite includes all classes ex PE & RE		

Market Valuation Report
August, 2007

Market Values

The total portfolio value increased in August by \$27.9 million to \$8.30 billion. This compares with an increase in value of \$117.8 million for the same period in 2006. The domestic equity market values increased by \$45.3 million; fixed income increased by \$1.4 million, including transfers out of \$9.9 million; while international values decreased by \$38.9 million, including transfers out of \$4.9 million. The cash accounts decreased by \$11.9 million including transfers in netting \$8.8 million, and alternative investments increased by \$29.9 million, including transfers out netting \$3.8 million.



Cash Flow

August's pension payroll of \$57.6 million was more than the \$ 27.7 million in contributions and wire transfers received by \$29.9 million.

To meet pension and other obligations, \$10.0 million was transferred from long-term investments.

Alternative Investments

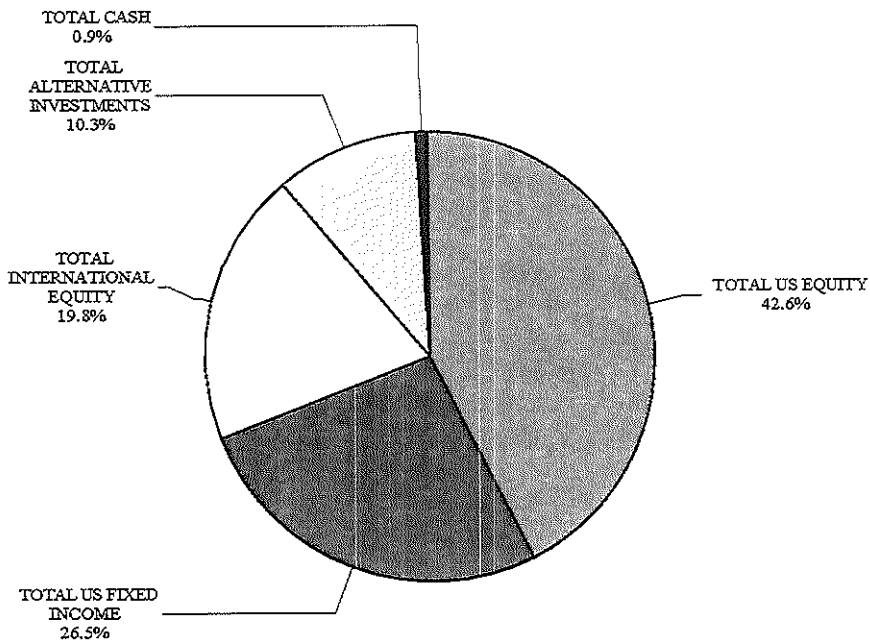
At this time the alternative investment asset class has unfunded commitments of approximately \$439 million on commitments of \$863 million.

CAPITAL CALLS Net of Distributions

August 2007	FYTD	UNFUNDED BALANCE
-\$6,448,365	-\$1,550,257	\$438,708,936
August 2006	FYTD	UNFUNDED BALANCE
\$5,600,711	-\$9,323,061	\$407,491,730



CURRENT ASSET CLASS ALLOCATION (IN MILLIONS)



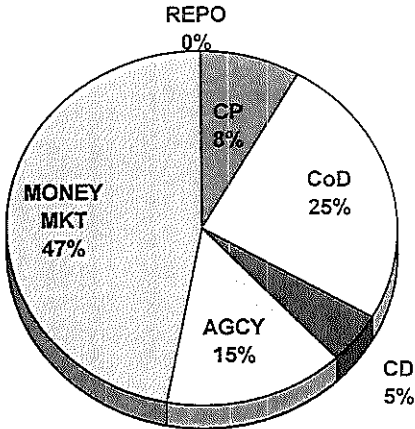
<u>MANAGER</u>	<u>CURRENT PERIOD</u>
TOTAL US EQUITY	3,535.8
TOTAL US FIXED INCOME	2,199.9
TOTAL INTERNATIONAL EQUITY	1,641.5
TOTAL ALTERNATIVE INVESTMENTS	853.5
TOTAL CASH	72.0
TOTAL	8,302.7

RHODE ISLAND STATE INVESTMENT COMMISSION

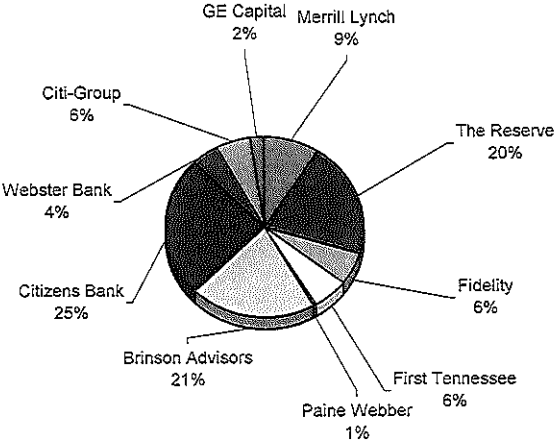
SHORT TERM CASH INVESTMENTS AT

AUGUST 31, 2007

Portfolio By Instrument



Portfolio by Issuer



REPO = Repurchase Agreement
 CP = Commercial Paper
 CD = Certificate of Deposit
 CoD = Collateralized Deposit
 Agency = US Government Agency

State of Rhode Island
Office of the General Treasurer
Short-Term Investments

Issuer Credit Ratings
August, 2007

Issuer	Type of Instrument	Month End % Portfolio	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's	Moody's	S&P	Moody's	S&P	S&P	
Chase Securities	2,3,5	0%	Aa2	P-1	A-1+	Aa2	AA-	Stable	
Citigroup Inc.	2	6%	Aa1	P-1	A-1+	Aa1	AA	Stable	
Citizens Bank RI	3,4	25%	Aa2	P-1	A-1+	Aa2	AA	Negative	
First Tennessee Capital Markets	5	6%	A1	P-1	A-1	A1	A	Negative	
Fidelity	6	6%			N/R		N/R	N/R	
Merrill Lynch	2,5,6	9%	Aa3	P-1	A-1+	Aa3	AA-	Stable	
The Reserve	6	20%	Aaa			Aaa	AAA	Stable	
GE Capital	2	2%	Aaa	P-1	A-1+	Aaa	AAA	Stable	
Morgan Stanley	1,2,5	0%	Aa3	P-1	A-1+	Aa3	AA-	Stable	
Paine Webber	5	1%	Aaa	P-1	A-1+	Aaa	AA+	Stable	
UBS Brinson Advisors	6	21%	Aaa	P-1	A-1+	Aaa	AA+	Stable	
State Street Bank & Tru	1,3	0%	Aa1	P-1	A-1+	Aa1	AA	Stable	
Webster Bank	3,4	4%	A2	P-1	A-2	A3	BBB+	Stable	

Instrument Codes

- 1 Repurchase Agreement
- 2 Commercial Paper
- 3 Certificate of Deposit
- 4 Collateralized Deposit
- 5 US Agency Discount Note
- 6 Government Money Market

Ratings Definitions

Moody's Short-Term Debt Ratings:

- P-1 - Prime-1 have a superior ability for repayment of sr. S-T debt obligations
- P-2 - Prime-1 have a strong ability for repayment of sr. S-T debt obligations
- P-3 - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations
- NP - Not Prime

Moody's Issuer Rating Symbols:

- Aaa - Offer exceptional financial security (high-grade)
- Aa - Offer excellent financial security (high-grade)
- A - Offer good financial security
- Baa - Offer adequate financial security
- Ba - Offer questionable financial security
- B - Offer poor financial security
- Caa - Offer very poor financial security
- Ca - Offer extremely poor financial security
- C - Lowest rated class, usually in default

Modifiers:

- 1 - Higher end of letter rating category
- 2 - Mid-range of letter rating category
- 3 - Lower end of letter rating category

Moody's Long-Term Debt Ratings:

- Aaa - Best Quality
- Aa - High Quality
- A - Possess many favorable investment attributes
- Baa - Medium-grade obligations
- Ba - Possess speculative elements
- B - Generally lack characteristics of desirable investments
- Caa - Poor standing
- Ca - Speculative in a high degree
- C - Lowest rated class of bonds

Modifiers:

- 1 - Higher end of letter rating category
- 2 - Mid-range of letter rating category
- 3 - Lower end of letter rating category

S&P Short-Term Credit Ratings:

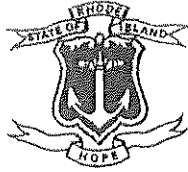
- A-1 - Highest rated, strong capacity to meet obligations
 - A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions, satisfactory
 - A-3 - Exhibits adequate protection parameters
 - B - Significant speculative characteristics, faces major ongoing uncertainties
 - C - Vulnerable to non-payment
 - D - Payment default
- Modifiers:**
+ or - show relative standing within the category.

S&P Outlook Definitions:

- Positive - A rating may be raised
- Negative - A rating may be lowered
- Stable - A rating is not likely to change
- Developing - May be raised or lowered
- NM - Not meaningful

S&P Long-Term Debt Ratings:

- AAA - Highest rating, extremely strong
 - AA - Differs slightly from highest rating, very strong
 - A - Somewhat more susceptible to adverse effects of change in economic condition, strong
 - BBB - Exhibits adequate protection parameters
 - BB, B, CCC, CC, C - Have significant speculative characteristics. BB least speculative, C highest degree.
 - D - Payment default
- Modifiers:**
+ or - show relative standing within the category.



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Frank Caprio
General Treasurer

September 26, 2007

State Investment Commission
State of Rhode Island, State House
Providence, Rhode Island

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on August 31, 2007.

Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation
August 31, 2007

Asset Class	
Cash/Short Term Investments	778,411,465
Equities - Domestic	3,434,784,907
Equities - International	1,596,500,287
Fixed Income - Government	\$1,038,981,397
Fixed Income - Corporate	\$600,583,883
Fixed Income - In State	\$0
Total Fixed Income	1,639,565,280
Alternative Investments	523,908,423
Real Estate	329,518,914
Total Fund Investments	8,302,689,277
Plan Allocation	
State Employees & Teachers	85.04% 7,060,553,392
Municipal Employees	13.99% 1,161,677,147
State Police	0.59% 48,857,017
Judicial	0.38% 31,601,721
Total Fund Investments	100.00% 8,302,689,277

The amount listed for alternative investments designation is illiquid and does not have a readily determinable market value. It is based on appraisals only.

Respectfully submitted,

Kenneth E. Goodreau, CMT

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING August 31, 2007



STATE STREET.
For Everything You Invest In™

	MKT VAL	% of FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
U.S. EQUITY												
SSGA S&P 500 INDEX FUND	1,703,479	20.52	1.50	-3.25	5.71	5.22	-1.61					
NORTHPOINTE CAPITAL	399,971	4.82	1.58	-7.06	-1.18	0.00	-5.74	11.29	9.89	15.41	14.91	17.36
PIMCO	574,498	6.92	1.58	-3.08	5.16	4.66	-1.47	14.44	11.27	11.70	11.79	11.87
SSGA - CORE	377,159	4.54	1.80	-3.25	5.81	7.19	-1.45	17.72	13.70	15.38	13.80	12.78
WELLINGTON MANAGEMENT CO. LLC	424,883	5.12	-0.52	-7.97	2.33	3.77	-6.03	13.21	12.44	16.37	14.84	19.32
WELLINGTON TECHNICAL EQUITY	50,389	0.61	0.46									
SHOTT CAPITAL	5,432	0.07	0.07	10.07	10.67	11.42	-2.45	5.89				
TOTAL US EQUITY	3,535,811	42.59	1.29	-4.22	4.42	4.58	-2.59	14.57	11.43	13.49	12.89	13.83
<i>RUSSELL 1000</i>			<i>1.36</i>	<i>-3.65</i>	<i>5.10</i>	<i>5.28</i>	<i>-1.77</i>	<i>15.27</i>	<i>11.93</i>	<i>12.83</i>	<i>12.45</i>	<i>12.53</i>
<i>RUSSELL 2000</i>			<i>2.27</i>	<i>-6.12</i>	<i>0.55</i>	<i>1.42</i>	<i>-4.73</i>	<i>11.37</i>	<i>10.36</i>	<i>14.45</i>	<i>13.67</i>	<i>16.60</i>
<i>RUSSELL 2000 GROWTH</i>			<i>2.52</i>	<i>-3.36</i>	<i>4.66</i>	<i>6.27</i>	<i>-2.81</i>	<i>16.37</i>	<i>11.07</i>	<i>15.07</i>	<i>12.03</i>	<i>16.27</i>
<i>RUSSELL 2000 VALUE</i>			<i>2.00</i>	<i>-8.85</i>	<i>-3.38</i>	<i>-3.14</i>	<i>-6.68</i>	<i>6.64</i>	<i>9.64</i>	<i>13.80</i>	<i>15.20</i>	<i>16.85</i>
<i>RUSSELL 3000</i>			<i>1.44</i>	<i>-3.86</i>	<i>4.70</i>	<i>4.95</i>	<i>-2.02</i>	<i>14.94</i>	<i>11.80</i>	<i>12.96</i>	<i>12.55</i>	<i>12.82</i>
<i>S&P 500</i>			<i>1.50</i>	<i>-3.28</i>	<i>5.70</i>	<i>5.20</i>	<i>-1.65</i>	<i>15.13</i>	<i>11.96</i>	<i>12.16</i>	<i>11.98</i>	<i>12.00</i>
<i>DOW WILSHIRE 5000 FREE FLOAT</i>			<i>1.39</i>	<i>-3.63</i>	<i>5.04</i>	<i>5.35</i>	<i>-2.06</i>	<i>15.43</i>	<i>12.10</i>	<i>13.26</i>	<i>12.87</i>	<i>13.26</i>
INTERNATIONAL EQUITY												
GOLDMAN SACHS	543,864	6.55	-3.01	-2.36	7.64	8.71	-3.66	20.97	23.73	25.54		
THE BOSTON COMPANY	550,323	6.63	-2.05	-3.15	4.67	4.92	-3.69	15.21	18.49			
MONDRIAN	547,210	6.59	-0.66	-2.11	7.81	8.41	-2.65	21.05	23.01	24.49		
TRANSITION ACCOUNT INT EQUITY	71	0.00										
PUTNAM INVESTMENTS	5	0.00										
BANK OF IRELAND	5	0.00										
TOTAL INTERNATIONAL EQUITY	1,641,478	19.77	-1.91	-2.53	6.19	6.83	-3.33	18.49	21.46	23.07	22.40	19.26

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING August 31, 2007



STATE STREET.
For Everything You Invest In™

	MKT VAL	% of FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<i>MSCI AC WORLD ex US (GROSS)</i>			-1.54	-0.98	9.45	10.53	-1.82	23.00	24.21	25.16	24.53	21.96
<i>MSCI EAFE (NET)</i>			-1.56	-2.89	5.83	7.40	-3.01	18.71	21.46	22.16	22.28	19.53
U.S. FIXED INCOME												
BROWN BROTHERS HARRIMAN - CORE	299,285	3.60	0.42	0.71	0.57	2.26	0.97	4.16	3.05	3.67	3.28	4.69
FIDELITY MANAGEMENT TRUST	489,075	5.89	0.16	0.27	0.39	1.78	0.53	4.09	3.59	4.01	4.62	4.46
BROWN BROTHERS HARRIMAN - TIPS	540,799	6.51	0.87	2.98	2.31	4.45	3.23	3.04	2.33	3.59		
MACKAY SHIELDS, LLC	133,537	1.61	0.35	-3.32	-1.17	0.52	-2.14	7.48	7.15	7.95	10.09	
TAPLIN, CANIDA & HABACHT	302,443	3.64	0.56	0.17	1.12	3.01	0.49	5.32	4.10	4.31	5.47	7.22
FIXED INCOME CASH ACCOUNT	434,163	5.23	0.44	1.33			0.89					
TRANSITION ACCOUNT FIXED INCOME	575	0.01										
TOTAL US FIXED INCOME	2,199,877	26.50	0.49	0.95	1.25	3.08	1.14	4.79	3.82	4.45	5.19	5.90
<i>CSFB GLOBAL HIGH YIELD</i>			1.04	-3.62	-1.22	1.47	-2.13	7.30	6.35	7.22	9.03	11.71
<i>LB AGGREGATE</i>			1.23	1.77	1.54	3.07	2.07	5.26	3.47	3.69	4.30	4.31
<i>LB CREDIT</i>			0.92	0.79	0.04	2.04	1.27	4.56	2.62	3.37	4.39	5.25
<i>LB GOV/CREDIT</i>			1.28	2.08	1.61	3.28	2.29	5.37	3.16	3.54	4.21	4.46
<i>CITIGROUP BIG</i>			1.36	1.90	1.63	3.18	2.27	5.35	3.53	3.79	4.40	4.41
<i>CITIGROUP LARGE PENSION FUND INDEX</i>			1.67	1.96	0.78	2.75	2.82	5.21	2.62	4.15	5.24	5.22
<i>CITIGROUP L.P.F. COLLATERALIZED INDEX</i>			1.37	1.51	1.60	2.93	2.05	5.25	4.11	4.09	4.58	4.16

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING August 31, 2007



STATE STREET
For Everything You Invest In™

	MKT VAL	% of FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
ALTERNATIVE INVESTMENTS												
REAL ESTATE	329,520	3.97	0.07	13.15	17.50	18.44	0.37	20.07	11.23			
PRIVATE EQUITY	524,026	6.31	4.93	13.93	10.13	8.45	4.82	7.32	15.05	19.52	21.31	16.80
TOTAL ALTERNATIVE INVESTMENTS	853,545	10.28	3.00	13.63	12.78	11.98	3.06	11.70	14.10	18.70	20.35	16.11
¹ TOTAL ALTERNATIVES BENCHMARK			1.03	-0.02	7.72	7.76	-0.64	17.73	16.51	16.26	15.37	14.86
NCREIF PROPERTY INDEX QTR LAG			0.00	3.62	8.29	8.29	0.00	16.59	18.38	17.42	15.45	13.73
S&P 500 PLUS 300 BP			1.71	-2.44	7.18	7.22	-1.09	18.24	15.05	15.26	15.09	15.25
CASH EQUIVALENTS												
CASH ACCOUNT (INSIDE)	37,524	0.45	-0.53	1.37	3.35	2.72	0.79	6.86	7.34	8.80	11.01	20.16
CASH ACCOUNT (OUTSIDE)	34,455	0.41	0.26	0.83	2.03	2.65	0.50	4.18	3.76	3.24	3.58	3.11
TOTAL PLAN												
TOTAL PLAN	8,302,689	100.00	0.59	-0.88	4.82	5.41	-1.18	12.74	12.05	13.67	13.59	13.46
² TOTAL PLAN BENCHMARK			0.72	-1.30	5.41	6.16	-0.79	14.64	12.75	13.57	13.37	13.18
TOTAL PLAN ex PE RE	7,449,144	89.72	0.32	-2.28	3.98	4.70	-1.64	12.75	11.79	13.29	13.13	13.25
³ TOTAL PLAN BENCHMARK ex PE RE			0.67	-1.48	5.08	5.93	-0.81	14.19	12.30	13.14	13.01	12.74

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING August 31, 2007



STATE STREET.
For Everything You Invest In™

Endnotes

- 1 As of 7/1/2000: 60% S&P 500 plus 300bps / 40% NCREIF PROPERTY LAG

- 2 As of 04/31/2006: 42.5% W5000 / 25.0% LB AGG / 20.0% MSCI AC WORLD FREE ex USA / 5.0% NCREIF PROPERTY LAG / 7.5% S&P 500 plus 300bps

Prior to 04/31/2006: 52.5% W5000/ 25.0% LB AGG / 22.5% MSCI AC WORLD FREE ex USA

- 3 As of 01/01/1988: 48.57% Wilshire 5000 / 28.57% LB Aggregate / 22.86% MSCI AC World Free ex US

ERSRI Monthly Market Value Report With Time Weighted Returns

August 31, 2007

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								7/31/2007	In/(out)	8/31/2007	Increase/decrease
Domestic Equity											
Shott Capital Management IRR	11.42%	5.20%	6.22%	S & P 500	0.07%	1.50%	-1.43%	5,428,308	-	5,432,019	3,712
SSgA S&P 500	5.22%	5.20%	0.02%	S & P 500	1.50%	1.50%	0.00%	1,678,133,832	132,841	1,703,479,212	25,212,539
SSgA Core	7.19%	5.28%	1.91%	Russell 1000	1.80%	1.36%	0.44%	370,471,868	28,783	377,159,312	6,658,662
PIMCO	4.66%	5.20%	-0.54%	S & P 500	1.58%	1.50%	0.08%	565,525,852	43,228	574,497,773	8,928,693
NorthPointe Capital	0.00%	1.42%	-1.42%	Russell 2000	1.58%	2.27%	-0.69%	393,699,344	31,993	399,970,781	6,239,444
Wellington Mgmt	3.77%	1.42%	2.35%	Russell 2000	-0.52%	2.27%	-2.79%	427,081,852	35,203	424,882,831	(2,234,224)
Wellington Tech Eq				Russell 3000	0.46%	1.44%	-0.98%	50,158,145	-	50,388,652	230,507
Transition Account	N/A	N/A	N/A		N/A	N/A	N/A	10,801	-	-	(10,801)
Total Domestic Equity	4.58%				1.29%			3,490,510,003	272,048	3,535,810,580	45,028,530
International Equity											
Boston Company	4.92%	10.53%	-5.61%	MSCI ACWI	-2.05%	-1.54%	-0.51%	561,782,202	42,634	550,327,670	(11,497,166)
Goldman Sachs	8.71%	10.53%	-1.82%	MSCI ACWI	-3.01%	-1.54%	-1.47%	565,678,136	(4,957,307)	543,863,805	(16,857,024)
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	646,998	-	651,778	4,781
Mondrian	8.41%	10.53%	-2.12%	MSCI ACWI	-0.66%	-1.54%	0.88%	550,816,291	42,693	547,210,099	(3,648,886)
Total International Equity	6.83%				-1.91%			1,678,923,627	(4,871,980)	1,642,053,352	(31,998,295)
Fixed Income											
Fidelity Management & Research	1.78%	2.94%	-1.16%	Lehman Mortgage Backed	0.16%	1.18%	-1.02%	488,284,195	23,005	489,075,374	768,174
Brown Brothers, Harriman	2.26%	3.18%	-0.92%	Salomon Brd Inv Grade	0.42%	1.36%	-0.94%	298,009,388	23,059	299,284,764	1,252,318
Taplin, Canida & Habacht	3.01%	2.04%	0.97%	Lehman Credit Index	0.56%	0.92%	-0.36%	300,757,294	10,436	302,442,600	1,674,819
Mackay Shields	0.52%	1.47%	-0.95%	CS First BoshYield	0.35%	1.04%	-0.69%	132,538,974	40,660	133,536,954	957,319
Brown Bros TIPS	4.45%	4.95%	-0.50%	Lehman US TIPS Index	0.87%	0.87%	0.00%	536,075,666	37,664	540,799,159	4,685,829
Fixed income Cash Acct					0.44%			442,197,155	(10,000,000)	434,162,577	1,965,423
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-
Total Fixed Income	3.08%				0.49%			2,197,862,672	(9,865,127)	2,199,301,427	11,303,882
Alternative Investments											
Private Equity	8.45%	N/A	N/A	N/A	4.93%	N/A	N/A	497,079,810	(6,448,366)	524,025,611	33,394,166
Real Estate	18.44%	8.95%	9.49%	NCREIF + 100	0.07%	0.08%	-0.01%	326,538,275	2,606,517	329,519,541	374,748
Total Alternatives	11.98%				3.00%			823,618,085	(3,841,848)	853,545,152	33,768,915
Cash Accounts											
Cash in Trust	2.72%	N/A	N/A		-0.53%	N/A	N/A	28,597,268	8,841,917	37,523,863	84,678
Cash Outside Trust	2.65%	N/A	N/A		0.26%	N/A	N/A	55,281,543	-	34,454,902	(20,826,641)
Total Cash	2.70%				-0.06%			83,878,811	8,841,917	71,978,765	(20,741,963)
Total Plan Ex PE & RE	4.70%	5.93%	-1.23%		0.32%	0.67%	-0.35%	8,274,793,197	(9,464,990)	8,302,689,277	37,361,069
Total Plan	5.41%	6.16%	-0.75%		0.59%	0.72%	-0.13%				

*Policy Index: (Effective 04/31/06)

- 42.5% Wilshire 5000
- 25.0% Lehman Aggregate
- 20.0% MSCI ACWI X-US
- 5.0% NCREIF 1 Qtr Lag

State of Rhode Island

RATES OF RETURN - Total

Periods Ending August 31, 2007



STATE STREET
For Everything You Invest In™

PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
U.S. EQUITY									
SSGA S&P 500 INDEX FUND	S&P 500	1.50	1.50	0.00	5.22	5.20	0.02	1,703,479	133
SSGA - CORE	RUSSELL 1000	1.80	1.36	0.44	7.19	5.28	1.91	377,159	30
PIMCO	S&P 500	1.58	1.50	0.08	4.66	5.20	-0.54	574,498	43
NORTHPOINTE CAPITAL	RUSSELL 2000	1.58	2.27	-0.69	0.00	1.42	-1.42	399,971	32
WELLINGTON MANAGEMENT CO. LLC	RUSSELL 2000	-0.52	2.27	-2.79	3.77	1.42	2.35	424,883	35
SHOTT CAPITAL	S&P 500	0.07	1.50	-1.43	11.42	5.20	6.22	5,432	0
WELLINGTON TECHNICAL EQUITY	RUSSELL 3000	0.46	1.44	-0.98				50,389	0
TOTAL US EQUITY		1.29			4.58			3,535,811	273
INTERNATIONAL EQUITY									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)	-2.05	-1.54	-0.51	4.92	10.53	-5.61	550,323	40
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)	-3.01	-1.54	-1.47	8.71	10.53	-1.82	543,864	-4,927
MONDRIAN	MSCI AC WORLD ex US (GROSS)	-0.66	-1.54	0.88	8.41	10.53	-2.12	547,210	43
TRANSITION ACCOUNT INT EQUITY								71	5
TOTAL INTERNATIONAL EQUITY		-1.91			6.83			1,641,478	-4,840
U.S. FIXED INCOME									
FIDELITY MANAGEMENT TRUST	LB MBS	0.16	1.18	-1.02	1.78	2.94	-1.16	489,075	23
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	0.42	1.36	-0.94	2.26	3.18	-0.92	299,285	23
TAPLIN, CANIDA & HABACHT	LB CREDIT	0.56	0.92	-0.36	3.01	2.04	0.97	302,443	11
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	0.35	1.04	-0.69	0.52	1.47	-0.95	133,537	529
BROWN BROTHERS HARRIMAN - TIPS	LB U.S. TIPS	0.87	0.87	0.00	4.45	4.95	-0.50	540,799	38
FIXED INCOME CASH ACCOUNT		0.44						434,163	-10,000
TRANSITION ACCOUNT FIXED INCOME								575	0
TOTAL US FIXED INCOME		0.49			3.08			2,199,877	-9,376

State of Rhode Island

RATES OF RETURN - Total

Periods Ending August 31, 2007



STATE STREET.
For Everything You Invest In™

PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
ALTERNATIVE INVESTMENTS									
PRIVATE EQUITY		4.93			8.45			524,026	2,411
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	0.07	0.08	-0.01	18.44	8.95	9.49	329,520	2,749
TOTAL ALTERNATIVE INVESTMENTS	TOTAL ALTERNATIVES BENCHMARK	3.00	1.03	1.97	11.98	7.76	4.22	853,545	5,159
CASH EQUIVALENTS									
CASH ACCOUNT (INSIDE)		-0.53			2.72			37,524	9,125
CASH ACCOUNT (OUTSIDE)		0.26			2.65			34,455	-20,974
TOTAL CASH		-0.06			2.70			71,979	-11,849
TOTAL PLAN									
TOTAL PLAN	TOTAL PLAN BENCHMARK	0.59	0.72	-0.13	5.41	6.16	-0.75	8,302,689	-20,632
TOTAL PLAN ex PE RE	TOTAL PLAN BENCHMARK ex PE RE	0.32	0.67	-0.35	4.70	5.93	-1.23	7,449,144	-25,791

State of Rhode Island

TOTAL PLAN

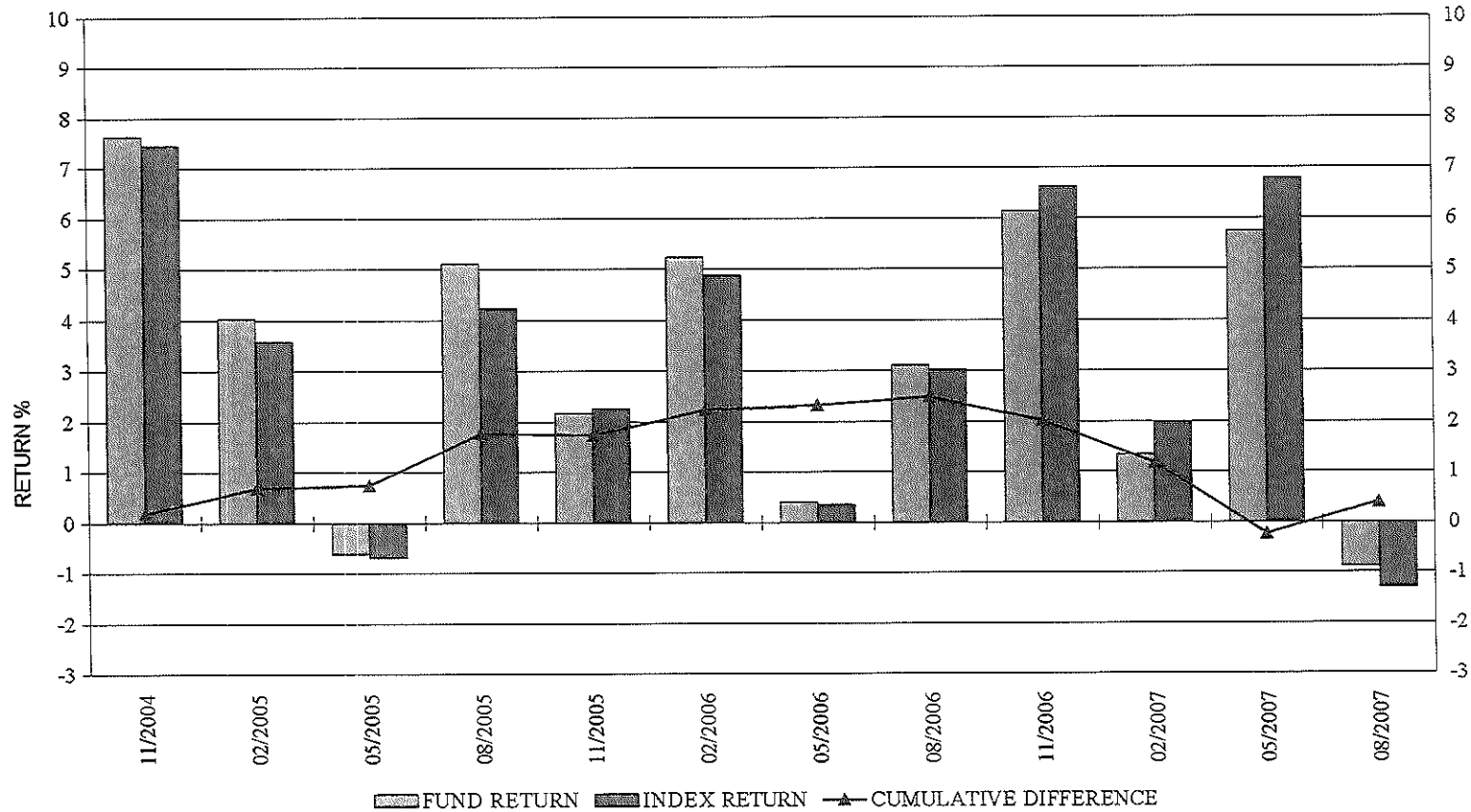
Index: TOTAL PLAN BENCHMARK

PERIODS: August 31, 2004 - August 31, 2007



STATE STREET
For Everything You Invest In™

CUMULATIVE PERFORMANCE REPORT



State of Rhode Island

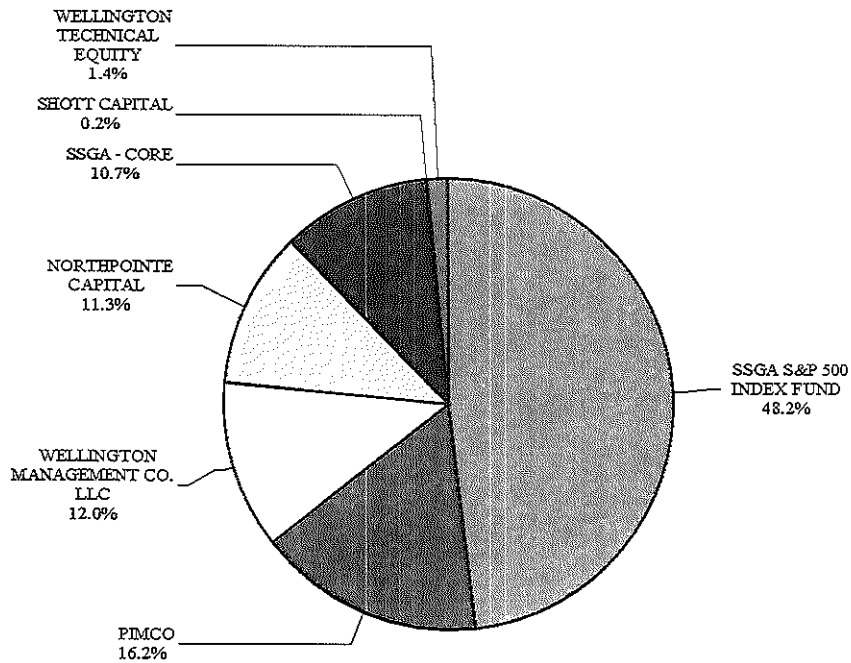
MANAGER ALLOCATION ANALYSIS

PERIOD ENDING 08/31/2007



STATE STREET.
For Everything You Invest In™

CURRENT MANAGER ALLOCATION



MANAGER	CURRENT PERIOD	ONE YEAR AGO
SSGA S&P 500 INDEX FUND	1,703.5	
PIMCO	574.5	501.5
WELLINGTON MANAGEMENT CO. LLC	424.9	398.9
NORTHPOINTE CAPITAL	400.0	359.0
SSGA - CORE	377.2	338.8
SHOTT CAPITAL	5.4	3.3
WELLINGTON TECHNICAL EQUITY	50.4	
SSGA RUSSELL 1000		1,331.1
WASATCH ADVISORS		195.1
TOTAL	3,535.9	3,127.7

State of Rhode Island

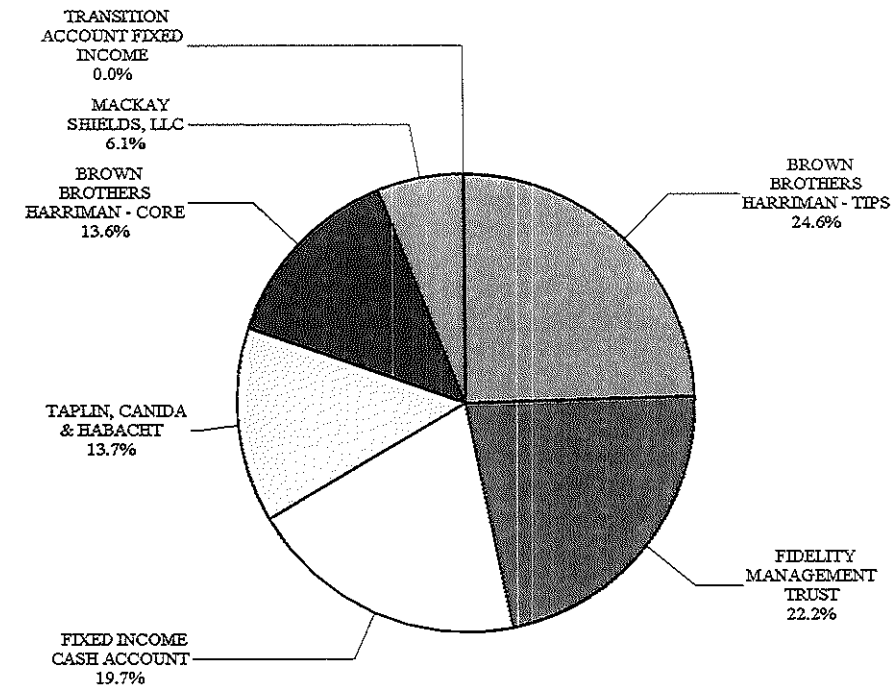
MANAGER ALLOCATION ANALYSIS

PERIOD ENDING 08/31/2007



STATE STREET
For Everything You Invest In

CURRENT MANAGER ALLOCATION



MANAGER	CURRENT PERIOD	ONE YEAR AGO
BROWN BROTHERS HARRIMAN - TIPS	540.8	524.2
FIDELITY MANAGEMENT TRUST	489.1	477.4
FIXED INCOME CASH ACCOUNT	434.2	
TAPLIN, CANIDA & HABACHT	302.4	286.9
BROWN BROTHERS HARRIMAN - CORE	299.3	286.8
MACKAY SHIELDS, LLC	133.5	123.4
SHENKMAN CAPITAL MANAGEMENT		125.4
TRANSITION ACCOUNT FIXED INCOME	0.6	0.6
TOTAL	2,199.9	1,824.7

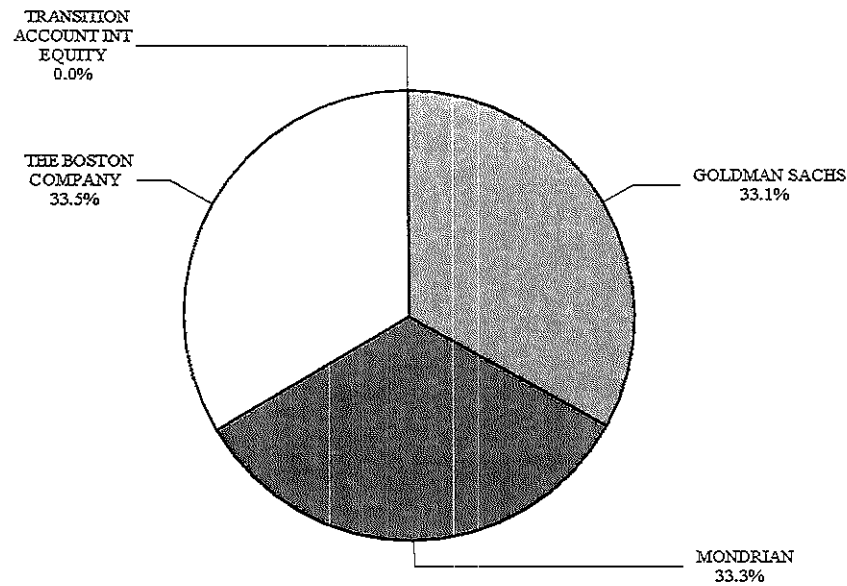
State of Rhode Island
MANAGER ALLOCATION ANALYSIS
PERIOD ENDING 08/31/2007



STATE STREET.
For Everything You Invest In™

CURRENT MANAGER ALLOCATION

<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
GOLDMAN SACHS	543.9	581.7
MONDRIAN	547.2	585.0
THE BOSTON COMPANY	550.3	571.8
TRANSITION ACCOUNT INT EQUITY	0.1	0.1
TOTAL	1,641.5	1,738.6



**ASSET ALLOCATION REPORT
AUGUST 31st, 2007**

	Style Mandate	Actual (Millions \$)		Target (Millions \$)		Difference (Millions \$)
Domestic Equity						
SSgA S&P 500 Index Fund	Passive	1,703.48	20.52%	1,697.90	20.45%	5.58
SSgA Core	Active core	377.16	4.54%	373.62	4.50%	3.54
PIMCO	Enhanced Equity	574.50	6.92%	535.52	6.45%	38.97
NorthPointe Capital	Small Cap Value	399.97	4.82%	415.13	5.00%	(15.16)
Wellington Mgmt	Small Cap Core	424.88	5.12%	456.65	5.50%	(31.77)
Wellington Technical Equity	Tactical Equity	50.39	0.61%	49.82	0.60%	0.57
Sholt Capital	Alternative Distribution	5.43	0.07%	0.00	0.00%	5.43
TOTAL DOMESTIC EQUITY		3,535.81	42.59%	3,528.64	42.50%	7.17
International Equity						
Boston Company	MSCI ACWI	550.32	6.63%	553.79	6.67%	(3.47)
Goldman Sachs	MSCI ACWI	543.86	6.55%	553.79	6.67%	(9.93)
Mondrian	MSCI ACWI	547.21	6.59%	552.66	6.68%	(5.75)
Transition Account		0.07	0.00%	0.00	0.00%	0.07
TOTAL INT'L EQUITY		1,641.48	19.77%	1,660.54	20.00%	(19.06)
Domestic Fixed Income						
Fidelity Management & Research	Mortgages	489.08	5.89%	518.92	6.25%	(29.84)
Brown Brothers, Harriman	Opportunistic Core	299.29	3.60%	311.35	3.75%	(12.07)
Taplin, Canida & Habacht	Corporates	302.44	3.64%	311.35	3.75%	(8.91)
Mackay Shields	High yield	133.54	1.61%	155.68	1.88%	(22.14)
Shenkman Capital Mgmt	High yield	0.00	0.00%	155.68	1.88%	(155.68)
Brown Brothers, Harriman TIPS	TIPS	540.80	6.51%	622.70	7.50%	(81.90)
Fixed Income Cash Account		434.16	5.23%	0.00	0.00%	434.16
Transition Account		0.58	0.01%	0.00	0.00%	0.58
TOTAL FIXED-INCOME		2,199.88	26.50%	2,075.67	25.00%	124.20
Alternative Investments						
Real Estate	Real Estate	329.52	3.97%	415.1	5.00%	(85.6)
Pacific Corp Group	Private Equity	524.03	6.31%	622.70	7.50%	(98.7)
TOTAL ALTERNATIVE INVESTMENTS		853.55	10.28%	1,037.84	12.50%	(184.29)
CASH EQUIVALENTS	STIF, Yield+	71.98	0.87%	0.00	0.00%	71.98
TOTAL ASSETS		8,302.69	100.00%	8,302.69	100.00%	0.00

ALLOCATION BY MANAGEMENT STYLE

Domestic Equity						
Core		427.55	5.15%	423.44	5.10%	4.11
Index		1,703.48	20.52%	1,697.90	17.75%	5.58
Enhanced Equity		574.50	6.92%	535.52	6.75%	38.97
Active Small Cap		824.85	10.00%	871.78	13.50%	(46.93)
TOTAL DOMESTIC EQUITY		3,535.81	42.59%	3,528.64	43.10%	7.17
International Equity						
Active		1,641.48	19.77%	1,660.54	20.00%	(19.06)
TOTAL INT'L EQUITY		1,641.48	19.77%	1,660.54	20.00%	(19.06)
Domestic Fixed Income						
Mortgage		489.08	5.89%	518.92	6.25%	(29.84)
Core		299.29	3.60%	311.35	3.75%	(12.07)
Corporates		302.44	3.64%	311.35	3.75%	(8.91)
High Yield		134.11	1.61%	311.35	3.75%	(177.24)
TIPS		540.80	6.51%	622.70	7.50%	(81.90)
Other		434.16	5.23%	-	0.00%	434.16
TOTAL FIXED-INCOME		2,199.88	26.49%	2,075.67	25.00%	124.20
Alternative Investments						
Real Estate		329.52	3.97%	415.13	5.00%	(85.61)
Other Alternative Investments		524.03	6.31%	622.70	7.50%	(98.68)
TOTAL ALTERNATIVE INVESTMENTS		853.55	10.28%	1,037.84	12.50%	(184.29)
CASH EQUIVALENTS	STIF, Yield+	71.98	0.87%	0.00	0.00%	71.98
TOTAL ASSETS		8,302.69	100.00%	8,302.69	100.00%	0.00

RHODE ISLAND STATE INVESTMENT COMMISSION
Domestic Equity Holdings By Top 10 Market Values
Separately Managed

AUGUST 31, 2007

<u>RANK</u>	<u>Equities</u> <u>SECURITY NAME</u>	<u>PAR VALUES/SHARES</u>	<u>BASE MARKET AMOUNT</u>	<u>MONEY MANAGERS</u>
1	EXXON MOBIL CORP	183,270	\$15,711,737	SSgA
2	ON SEMICONDUCTO	1,043,100	12,225,132	Wellington,NorthPointe
3	HERCULES INC	538,800	11,217,816	Wellington,NorthPointe
4	CISCO SYS INC	328,600	10,488,912	SSgA
5	TELEDYNE TECH	197,810	9,872,697	Wellington,NorthPointe
6	FIRST CMNTY BANK	173,800	9,430,388	Wellington,NorthPointe
7	BANK AMERICA CORP.	185,700	9,411,276	SSgA
8	NEUSTAR INC	297,500	9,406,950	Wellington,NorthPointe
9	ADC TELECOMMUNICATION	490,500	8,976,150	Wellington,NorthPointe
10	CITIGROUP INC	182,133	8,538,395	SSgA
		3.05%	\$105,279,453	
	Total Composite Equities	\$3,455,676,504		

International Equity Holdings By Top 10 Market Values

AUGUST 31, 2007

<u>RANK</u>	<u>International Equities</u> <u>SECURITY NAME</u>	<u>PAR VALUES/SHARES</u>	<u>BASE MARKET AMOUNT</u>	<u>MONEY MANAGERS</u>
1	DPT EMERGING MARKET	3,691,088	\$59,906,361	Mondrian
2	ROYAL BANK SCOT GRP	3,165,738	36,684,386	Mondrian,Goldman,Boston Co.
3	UNILEVER PLC	1,001,060	31,559,880	Mondrian,Goldman,Boston Co.
4	ROYAL DUTCH SHELL	769,936	29,872,057	Mondrian,Goldman,Boston Co.
5	TOTAL SA	346,250	26,079,405	Mondrian,Goldman,Boston Co.
6	NOVARTIS AG	486,850	25,686,243	Mondrian,Boston Co.
7	GLAXOSMITHKLINE	929,715	24,284,874	Mondrian,Boston Co.
8	BP PLC	1,923,548	21,630,380	Mondrian,Boston Co.
9	SANOFI AVENTIS	242,054	19,772,413	Mondrian,Boston Co.
10	RWE AG (NEU)	169,490	19,071,469	Mondrian,Boston Co.
		17.87%	\$294,547,468	
	Total Composite International Equities	\$1,648,082,508		

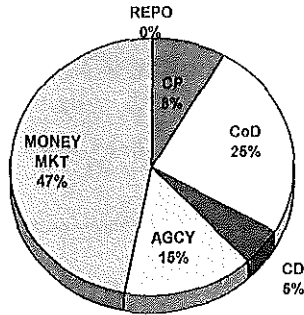
Top 10 Market Values SIC

RHODE ISLAND STATE INVESTMENT COMMISSION

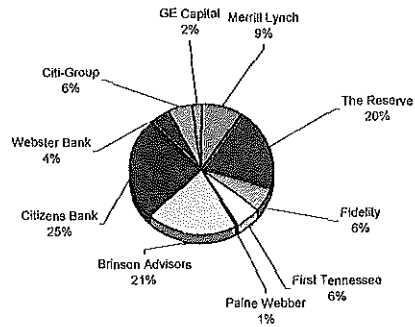
SHORT TERM CASH INVESTMENTS AT

AUGUST 31, 2007

Portfolio By Instrument



Portfolio by issuer



REPO = Repurchase Agreement
 CP = Commercial Paper
 CD = Certificate of Deposit
 CoD = Collateralized Deposit
 Agency = US Government Agency

Vendor	CP 25%/10%	CD 25%/10%	Agency 75%/35%	Money Mkt 50%/35%	CoD 25%/25%	Repo 100%/20%	Total (\$)
Guidelines-Total/Vendor							
Merrill Lynch	0	0	29,986,000	0	0	0	29,986,000
	0%	0%	9%	0%	0%	0%	9%
The Reserve	0	0	0	66,052,151	0	0	66,052,151
	0%	0%	0%	20%	0%	0%	20%
Chase Securities	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Paine Webber	1,997,970	0	0	0	0	0	1,997,970
	1%	0%	0%	0%	0%	0%	1%
Fidelity	0	0	0	18,614,219	0	0	18,614,219
	0%	0%	0%	6%	0%	0%	6%
First Tennessee	0	0	19,083,202	0	0	0	19,083,202
	0%	0%	6%	0%	0%	0%	6%
Brinson Advisors	0	0	0	66,877,691	0	0	66,877,691
	0%	0%	0%	21%	0%	0%	21%
Citizens Bank	0	1,295,623	0	0	80,497,325	0	81,792,948
	0%	0%	0%	0%	25%	0%	25%
GE Capital	7,385,266	0	0	0	0	0	7,385,266
	2%	0%	0%	0%	0%	0%	2%
Webster Bank	0	13,800,000	0	0	0	0	13,800,000
	0%	4%	0%	0%	0%	0%	4%
Citi Group	17,976,067	0	0	0	0	0	17,976,067
	6%	0%	0%	0%	0%	0%	6%
State St Bank	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
TOTALS	27,369,303	15,095,623	49,069,202	151,544,061	80,497,325	0	323,665,614
(%) PORTFOLIO	8%	5%	15%	47%	25%	0%	100%

Note: Maximum participation by any one vendor limited to 35% of total portfolio.

State of Rhode Island and Providence Plantations
Office of the General Treasurer

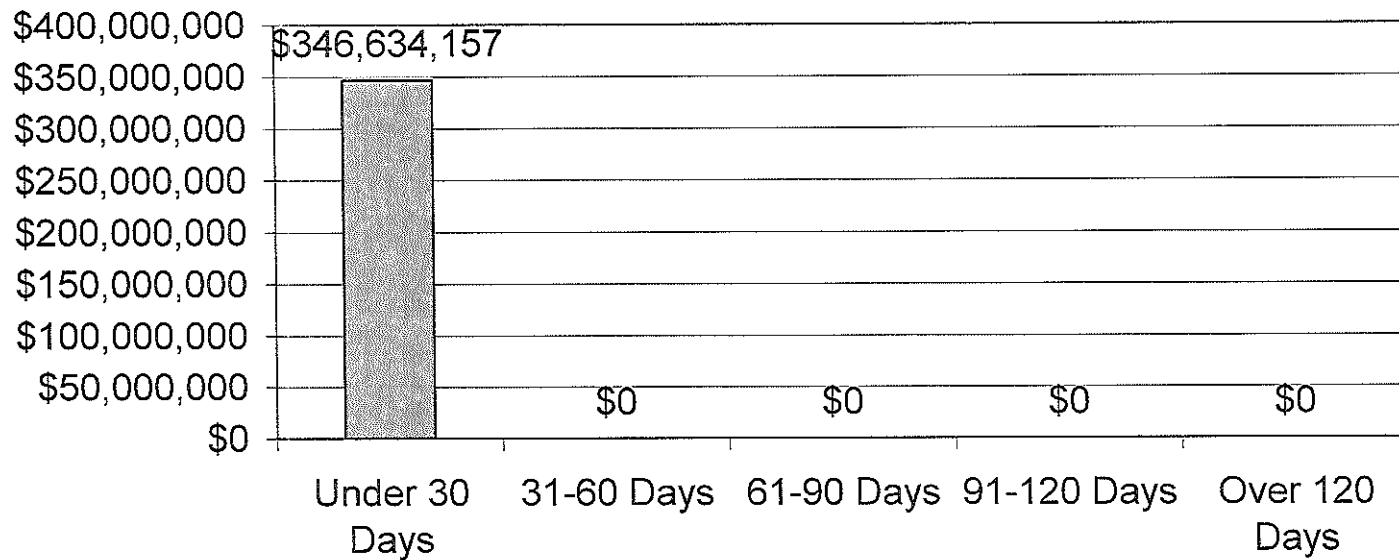
Short Term Investments Portfolio by Fund

As of August 31, 2007

	Principal	Interest*	Total Value @ Maturity
4901 GENERAL FUND	85,957,994	14,000	85,971,994
4904 PENSION C	2,998,600	1,400	3,000,000
4908 PAYROLL A	599,720	280	600,000
4916 GENERAL FUND H.A.V.A.	1,151,148	0	1,151,148
4918 RICAP	3,995,909	4,091	4,000,000
4920 GENERAL FUND (HIST PRES)	507,402	4,085	511,486
4955 HEALTH INSURANCE FUND	19,703,585	27,145	19,730,730
5400 HIGHWAY FUND	20,786,929	4,090	20,791,019
5500 UNIVERSITY COLLEGE	6,204,961	4,263	6,209,224
6920 AUTO EQUIPMENT SERVICE	508,989	0	508,989
8000 T.D.I. RESERVE (DET)	116,785,242	10,848	116,796,090
8300 PERMANENT SCHOOL FUND	766,291	1,460	767,751
8400 EMP RETIREMENT FUND	240,882	0	240,882
8500 MUN EMP RETIREMENT FUND	70,569	0	70,569
8700 R.I. CLEAN WATER ACT	3,126,256	0	3,126,256
9000 BOND CAPITAL FUND	8,813,008	0	8,813,008
9700 STATE LOTTERY FUND	49,325,534	36,538	49,362,072
9800 INDUS. BLDG. & MTG. INS.	2,022,496	0	2,022,496
4911 TANS	0	0	0
4917 TOBACCO SETTLEMENT	23,068,643	22,379	23,091,022
Subtotal	346,634,157	130,560	346,764,717
8703 CLEAN WATER 1991 SERIES A	146,647		
8706 CLEAN WATER CCDL 1994 (A)	6,099		
8707 CAP DEV. OF 1997 SERIES A	19,483		
8710 CLEAN WATER CCDL 2002 A	205,565		
8711 CLEAN WATER 2004 SERIES A	700,362		
8712 CLN WATER CCDL 2005 SER E	886,150		
8733 CAP DEV. OF 1997 SERIES A	7,097		
8737 RI POLLUT. CONT 94 SER. A	6,376		
8739 CCDL99A 1999A	336,662		
8746 POLLUTION CTRL CCDL 2006 C	1,482,019		
8747 CLEAN WATER 2007 SERIES A	500,000		
9114 G.O. NOTE 1991 SER. B	3,817		
9117 BOND CCDL 1994 SERIES A	352,081		
9120 BOND CCBL96A	637,405		
9121 CAP DEV OF 1997 SERIES A	66,226		
9123 CCDL 1998B	2,113,207		
9125 MMG099 1999	2,865		
9126 BOND CAPITAL CCDL2000A	1,526,934		
9127 MULTI-MODAL GEN OBL 2000	2,836		
9131 CCDL 2004 SERIES A	11,595,871		
9132 BOND CCDL 2005 SERIES C	18,470,412		
9133 BOND CCDL 2005 SERIES E	4,792,454		
9134 BOND CCDL 2006 SERIES B	22,809		
9135 BOND CCDL 2006 SERIES C	55,454,462		
9136 GO BND-NTAX 2007 SERIES A	124,307,805		
9137 GO BND-TAX 2007 SERIES A	8,500,000		
Subtotal Bond Proceed Accounts	232,144,641		
Total Short Term Portfolio	578,778,798		

* General Fund (4901,4911,4916), TDI (8000), & ISTE (5400), Clean Water (8700), Lottery (9700), RI Ind Bldg (9800) and Auto Equip (6900) Investments do not reflect interest earnings on Brinson and Fidelity MM, and Citizens Premium Investments due to nature of Money Market investments. Interest is posted on the 1st business day of the next month.

Short-Term Investments Maturity Schedule



As of August 31, 2007

Maturities in \$Millions

Note: Includes \$232.0 Million of Money Market investments with no specific maturity

August, 2007	4.95%
July, 2007	5.24%
August, 2006	5.20%

FISCAL YEAR 2008 INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI ACCRUAL BASIS

	Actual Jul 07	Projected Aug	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 08	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected TOTAL
EQUITIES													
SSgA Core			228,174			242,895			254,599			222,371	948,038
SSgA Russell 1000/S&P 500			25,333			40,562			66,927			32,408	165,231
Shott Capital			2,447			2,751			2,195			2,718	10,111
PIMCO			0			200,000			1,000			225,000	426,000
Wellington Mgmt			627,504			634,038			647,075			652,373	2,560,989
Wasatch Advisors			118,277			121,645			120,000			126,713	486,636
NorthPointe			<u>523,527</u>			<u>543,982</u>			<u>566,385</u>			<u>589,850</u>	<u>2,223,744</u>
			1,525,262			1,785,873			1,658,181			1,851,433	6,820,749
FIXED INCOME													
Brown Bros.			137,999			140,551			141,829			129,732	550,111
Fidelity			156,625			157,334			158,790			148,636	621,385
Taplin			180,056			184,623			187,094			169,909	721,682
Mackay Shields			135,754			141,118			145,904			132,920	555,696
Brown Bros.TIPS			<u>139,383</u>			<u>140,110</u>			<u>140,412</u>			<u>136,883</u>	<u>556,789</u>
			749,817			763,736			774,030			718,080	3,005,663
INT'L EQUITIES													
The Boston Co			567,016			584,801			570,511			566,138	2,288,465
Mondrian			344,188			363,762			353,466			316,283	1,377,699
Goldman Sachs Asset Mgmt			487,960			523,450			532,968			488,465	2,032,843
SSgA MSCI ACWI			0			0			0			0	0
	0		1,399,164	0		1,472,013			1,456,945			1,370,886	5,699,007
REAL ESTATE													
L & B Real Estate	71,577	17,187		73,899	312,588	34,375	34,375	17,188	202,228	55,479	56,250	0	875,146
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt Fees	1,059,228	598,052	73,438	693,948	316,403	999,806	971,558	19,516	249,256	206,620	462,405	278,946	5,929,176
SUB TOTAL-INV MGMT FEES													
	1,130,805	615,239	3,747,681	767,847	628,991	5,055,803	1,005,933	36,704	4,340,640	262,099	518,655	4,219,345	22,329,742
PROFESSIONAL FEES													
Legal	8,500	8,822	8,767	6,510	8,769	3,500	13,726	6,000	7,365	12,737	9,677	17,791	112,163
St St Bank Custodial	10,784	8,495	35,791	18,017	8,948	15,129	9,541	10,000	10,949	10,619	11,995	12,861	163,129
Pacific Corp Group		93,750	0	0	93,750	0	0	93,750	0	0	93,750	0	375,000
Wilshire Assoc	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	249,997
Townsend	0	0	<u>35,625</u>	0	0	<u>35,625</u>	0	0	<u>35,625</u>	0	<u>15,000</u>	<u>35,625</u>	<u>157,500</u>
	40,117	131,901	101,016	45,361	132,301	75,087	44,100	130,583	74,772	44,188	151,255	87,110	1,057,790
OPERATING EXPENSE													
Retirement Transfers	0	0	966,557	0	0	1,201,064	0	0	0	3,680,498	0	0	5,848,119
Other Expense	0	<u>3,097</u>	<u>33,007</u>	<u>2,552</u>	<u>8,014</u>	<u>32,088</u>	<u>21,497</u>	<u>22,425</u>	<u>3,000</u>	<u>0</u>	<u>8,333</u>	<u>8,333</u>	<u>142,347</u>
	0	3,097	999,564	2,552	8,014	1,233,152	21,497	22,425	3,000	3,680,498	8,333	8,333	5,990,466
TOTAL:	1,170,922	750,236	4,848,261	815,759	769,306	6,364,042	1,071,530	189,712	4,418,412	3,986,785	678,244	4,314,788	29,377,998

Note: Numbers in bold are actual.

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2008	FY 2007-08												
	Actual July 2007	Actual August	Projected September	Projected October	Projected November	Projected December	Projected January 2008	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	52,425,504	53,123,807	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	52,000,000	625,549,311
ADMINISTRATIVE EXPENSES	81,164	112,168	97,502	35,665	119,438	61,564	41,155	89,849	65,360	3,165,767	134,243	81,164	4,085,038
INVESTMENT EXPENSES	961,630	523,195	0	654,009	535,706	880,803	764,774	31,234	384,116	222,931	441,147	237,214	5,636,757
TOTAL OUTFLOW	53,468,298	53,759,170	52,097,502	52,689,674	52,655,144	52,942,366	52,805,928	52,121,083	52,449,476	55,388,697	52,575,390	52,318,378	635,271,106
CONTRIBUTIONS	67,315,617	24,268,735	24,504,216	35,956,254	33,747,419	43,321,050	33,232,665	45,847,529	37,662,635	42,576,485	39,989,274	51,824,521	480,246,430
OTHER INCOME*	7,285,447	10,151,633	7,710,133	2,948,630	9,168,433	14,913,727	3,782,660	8,825,708	11,598,390	6,200,118	13,473,498	16,040,178	112,098,554
TOTAL INCOME	74,601,064	34,420,368	32,214,349	38,904,914	42,915,852	58,234,777	37,015,325	54,673,237	49,261,025	48,776,603	53,462,772	67,864,699	592,344,984
DIFFERENCE	21,132,766	(19,338,802)	(19,833,154)	(13,784,760)	(9,739,292)	5,292,411	(15,790,603)	2,552,154	(3,188,451)	(6,612,095)	387,382	15,546,321	(42,926,122)

Municipal Employees Retirement System

	Actual July 2007	Actual August	Projected September	Projected October	Projected November	Projected December	Projected January 2008	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	4,451,916	4,467,625	4,450,000	4,450,000	4,450,000	4,450,000	4,450,000	4,450,000	4,450,000	4,450,000	4,450,000	4,450,000	53,419,541
ADMINISTRATIVE EXPENSES	13,354	18,455	14,600	5,828	19,516	10,060	6,173	14,745	10,731	520,429	22,069	13,354	669,312
INVESTMENT EXPENSES	159,218	86,082	0	106,665	87,535	143,923	114,714	5,126	63,063	36,648	72,521	39,029	913,724
TOTAL OUTFLOW	4,623,487	4,572,162	4,464,600	4,562,693	4,557,051	4,603,983	4,570,987	4,469,870	4,523,794	5,007,077	4,544,590	4,502,383	55,002,577
CONTRIBUTIONS	4,890,850	3,427,165	4,502,206	3,257,542	3,890,409	4,500,854	5,191,597	3,888,036	4,036,723	4,393,140	5,350,512	5,150,814	52,461,848
OTHER INCOME*	1,198,679	1,670,254	1,154,504	481,807	1,498,125	2,486,908	567,390	1,448,337	1,904,204	1,019,254	2,214,944	2,639,101	18,233,507
TOTAL INCOME	6,089,529	5,097,419	5,656,710	3,739,349	5,388,534	6,937,762	5,758,987	5,336,373	5,942,927	5,412,394	7,565,456	7,789,915	70,715,355
DIFFERENCE	1,466,042	525,258	1,192,110	(823,344)	831,483	2,333,779	1,188,100	866,502	1,419,133	405,317	3,020,866	3,287,532	15,712,778

Judges/State Police Retirement System

	Actual July 2007	Actual August	Projected September	Projected October	Projected November	Projected December	Projected January 2008	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	168,000
ADMINISTRATIVE EXPENSES	925	1,278	893	380	1,282	661	395	989	732	35,787	1,516	925	45,765
INVESTMENT EXPENSES	10,958	5,962	0	6,972	5,750	9,455	7,341	344	4,305	2,520	4,987	2,703	61,298
TOTAL OUTFLOW	25,883	21,240	14,893	21,353	21,032	24,116	21,736	15,333	19,037	52,307	20,504	17,628	275,063
CONTRIBUTIONS	535,000	530,000	485,000	500,000	490,000	510,000	510,000	1,280,000	520,000	540,000	550,000	780,000	7,230,000
OTHER INCOME*	83,022	115,683	70,594	31,436	98,416	160,088	36,310	97,177	129,982	70,088	152,309	182,786	1,227,890
TOTAL INCOME	618,022	645,683	555,594	531,436	588,416	670,088	546,310	1,377,177	649,982	610,088	702,309	962,786	8,457,890
DIFFERENCE	592,138	624,443	540,701	510,083	567,384	645,972	524,574	1,361,844	630,945	557,781	661,804	945,158	8,182,827

*Includes income from Real Estate Investments, Private Equity, Securities Lending, and Cash Accounts.

CSFL05

**Rhode Island Employees Retirement System
Securities Lending Report
August, 2007**

<u>INVESTMENT MANAGER</u>	<u>Income</u>	<u>Average Collateral Balance</u>
<u>DOMESTIC EQUITY</u>		
Wellington Mgmt. Co., LLP	46,447	291,993,103
NorthPointe Capital	37,475	271,817,351
SSgA Core	<u>6,700</u>	<u>54,416,118</u>
Total Domestic Equity	<u>\$ 90,623</u>	<u>\$ 618,226,572</u>
<u>INTERNATIONAL EQUITY</u>		
Goldman Sachs	26,201	39,285,201
Boston Company	15,211	48,490,116
Mondrian	<u>48,655</u>	<u>77,984,343</u>
Total International Equity	<u>\$ 90,068</u>	<u>\$ 165,759,660</u>
<u>FIXED INCOME</u>		
Brown Brothers, Harriman	15,111	64,861,521
Taplin, Canida & Habacht	533	22,477,280
MacKay Shields	3,158	16,494,584
Brown Brothers, Harriman (TIPS)	<u>68,496</u>	<u>513,966,776</u>
Total Fixed Income	<u>\$ 87,298</u>	<u>\$ 617,800,162</u>
TOTAL SECURITIES LENDING INCOME	<u>\$ 267,989</u>	<u>\$ 1,401,786,393</u>
Calendar Year 2007 YTD	\$ 1,710,786	

**ABRAHAM TOURO FUND
INVESTMENT SUMMARY
AUGUST 31, 2007**

<u>FUND NAME</u>	August Gain/Loss	TOTAL MARKET VALUE
Abraham Touro Fund (Fidelity Balanced Fund)	\$ 22,064	\$ 2,399,186
<u>TOTALS</u>	\$ 22,064	\$ 2,399,186