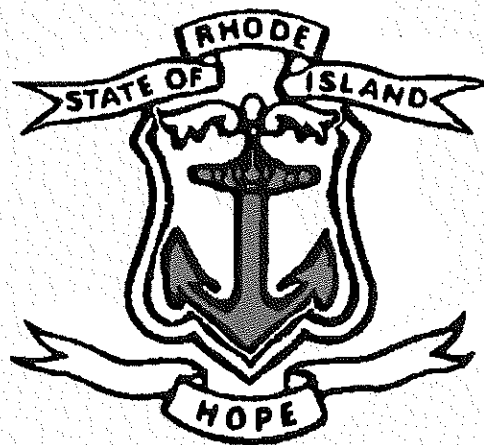
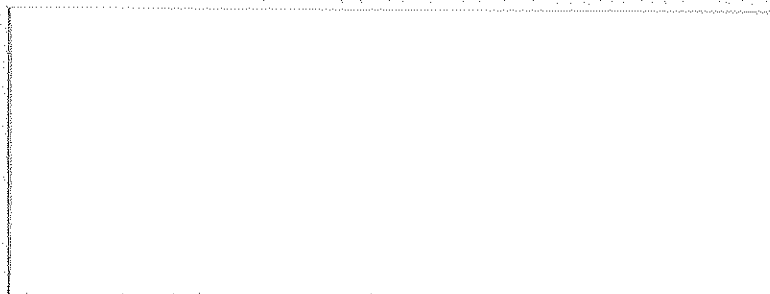


State of Rhode Island and Providence Plantations



Office of the General Treasurer

Nancy J. Mayer
General Treasurer

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING
~~JANUARY 27, 1995~~**

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Nancy J. Mayer, Chair

**Rosemary Booth Gallogly
Rep. Mark B. Heffner
Mr. James M. Seed**

**Mr. Kenneth R. Dulgarian
Mr. Karl F. Ericson
Sen. Paul J. Tavares**

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING
JANUARY 27, 1997**

PRESS

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Nancy J. Mayer, Chair

**Rosemary Booth Gallogly
Rep. Mark B. Heffner
Mr. James M. Seed**

**Mr. Kenneth R. Dulgarian
Mr. Karl F. Ericson
Sen. Paul J. Tavares**



State of Rhode Island and Providence Plantations

Office of the General Treasurer

State House

Providence, Rhode Island 02903

Nancy J. Mayer
General Treasurer

Telephone
(401) 277-2397

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Tuesday, January 27, 1998 at 9:00 a.m. in Room 135 of the State House.

**AGENDA
STATE INVESTMENT COMMISSION**

1. Approval of Minutes
 - Regular Meeting held on December 11, 1997
2. Alternative Investments Sub-Committee Recommendations
 - Alta BioPharma Partners, L.P.
 - Nordic Capital III
3. General Consultant's Report - Wilshire Associates Incorporated
 - Capital Market Update
 - Review of Fixed Income Asset Allocation and Investment Strategy
4. Treasurer's Report
5. Deputy General Treasurer for Finance Report
6. Legal Counsel Report
7. New Business

**State of Rhode Island and Providence Plantations
STATE INVESTMENT COMMISSION**

**Minutes of the Regular Meeting
December 11, 1997**

The following members were present at the meeting held in Room 135, State House, Providence: Mr. Karl F. Ericson, Ms. Rosemary Booth Gallogly, Designee of the Director of Administration, General Treasurer Nancy J. Mayer and Mr. James M. Seed. Also present were Ms. Barbara B. Schoenfeld, Legal Counsel to the Commission, Mr. William G. Bensusan, Jr., of Wilshire Associates Incorporated, Consultant to the Commission, Mr. James E. Thorsen, Deputy Treasurer for Finance and other members of the Treasurer's Staff. Mr. Kenneth R. Dulgarian, Representative Mark B. Heffner and Senator Paul J. Tavares joined the meeting at 9:15 a.m.

There being a quorum present, the Treasurer called the meeting to order at 9:05 a.m.

Minutes. Mr. Ericson moved, Mr. Seed seconded and the following motion passed unanimously. the following members voted in favor: Mr. Ericson, Ms. Gallogly, Treasurer Mayer and Mr. Seed.

VOTED: To approve the Minutes of the October 28, 1997 Regular Meeting.

THL Equity Fund IV, L.P. The Treasurer introduced Mr. Kelly DePonte of Pacific Corporate Group, the Commission's Alternative Investment Consultant. Mr. DePonte gave a brief overview of the THL Equity Fund IV, L.P. for the Commission to consider as a proposed alternative investment. The Fund is being established to invest in middle market companies with opportunities for sustainable growth in their core or related businesses. The Fund size is targeted at \$2.5 to \$3 billion.

Mr. DePonte introduced Mr. Thomas M. Hagerty, Managing Director of Thomas H. Lee Company, the General Partner. Mr. Hagerty explained that the partnership will focus on the leveraged buyout of middle market growth companies with enterprise values of \$200 million to \$2 billion. The General Partner will seek to increase the cash flow of the acquired businesses by capitalizing on key competitive advantages through market share gains, market growth, distribution or product line expansion and market consolidation.

Mr. Hagerty also explained that the companies targeted for investment should have the following identifiable strengths: well-recognized brand names; dominant market share positions; unique product features; and distribution or a manufacturing cost advantages.

Mr. Ericson moved, Mr. Seed seconded and the following motion passed unanimously. The following members voted in favor: Mr. Dulgarian, Mr. Ericson, Ms. Gallogly, Representative Heffner, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To invest \$15 million in THL Equity Fund IV, L.P., as recommended by Pacific Corporate Group contingent upon satisfactory review and negotiation of investment and other legal documents.

Triumph Partners III, L.P. Ms. Tara Blackburn of Pacific Corporate Group introduced Mr. Frederick W. McCarthy, Chairman and Frederick S. Moseley, IV, Managing Director of Triumph Capital Advisors, III, L.L.C., the General Partner. The Fund is being established to make privately-negotiated minority equity and equity-oriented investments in middle-market companies with total enterprise values up to \$250 million. In some instances, the Fund may also make controlling equity investments. The Fund size is targeted at \$400 to \$550 million.

Mr. McCarthy stated that most of the firm's Managing Directors worked together as senior investment bankers at Drexel Burnham Lambert in Boston, New York and Los Angeles. The Partnership will seek to make equity-oriented investments structured as debt or preferred stock together with a significant equity position in the form of nominally priced warrants or common stock and/or the right to convert the debt or preferred stock into common stock.

Mr. Moseley explained that middle market companies constitute a fast growing segment of the U. S. economy. They focus on companies with very strong management teams. They also focus heavily on protecting the downside by having multiple exit options. Triumph's investments are structured to protect the capital invested and maximize value and returns by: structuring credit conscious investments; building in coupons or dividend rates; creating incentives to (i) encourage repayment of the initial investment and (i) create a liquidity event; and, negotiating contractual shareholder rights.

Mr. Ericson moved, Mr. Seed seconded and the following motion passed unanimously. The following members voted in favor: Mr. Dulgarian, Mr. Ericson, Ms. Gallogly, Representative Heffner, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To invest \$15 million in Triumph Partners III, L.P., as recommended by Pacific Corporate Group, contingent upon satisfactory review and negotiation of investment and other legal documents.

NOTE: Mr. Dulgarian left the meeting at 11:00 a.m.

Portfolio Performance Report - Pacific Corporate Group. Tara Blackburn and Kelly Deponte of Pacific Corporate Group reported on portfolio performance. Ms. Blackburn stated that portfolio performance is summarized primarily through three methods: an Internal Rate of Return (IRR), a total value multiple and a performance assessment (on an annual basis). The performance assessment method of measurement, developed by Pacific Corporate Group, takes into account a broader spectrum of data

when calculating the performance of an investment, including: age of investment, capital committed, total value multiple and IRR.

Mr. Thorsen explained that the Treasurer's Office has been approached by investors who are interested in taking over the real estate investments. One of the four real estate investments is coming to a close with a distribution in the next week.

Consultant's Report - Wilshire Associates Incorporated. Providing his Capital Market Update, Mr. Bensus reported that recent stock declines are mainly attributed to poor earnings disappointments from technology and small-growth oriented stocks. Large stocks have outperformed small stocks on a year to date basis.

In the international equity market, Mr. Bensus explained that the MSCI EAFE Index has returned 1.2% through 12/9/97. The Southeast Asia currency crisis has hurt international returns and the Pacific Rim has fallen 22.1% through 12/9/97. This continuing weakness has also impacted the emerging markets. The IFC Emerging Markets Index has generated a negative return on a year to date basis (-15.1%). The UK/Europe region has generated a 23.5% return.

The bond market has returned 8.4% through 12/9/97. Due to the dramatic drop in Southeast Asian markets, US Treasuries have strengthened in demand as a "flight to quality" has dominated global investment thinking.

NOTE: Mr. Ericson left the meeting at 11:45 a.m.

Fixed Income Structure Recommendations - Wilshire Associates Incorporated. Mr. Bensus stated that the fixed income target allocation is 32.5% of total assets. The RIERS fixed income structure offers both broad/aggregate market and specialty segment (short-term, mortgage and high-yield) exposures to the fixed income market. It is diversified by number of holdings (555), sector distribution, maturity/duration exposure and quality rating. Its benchmark is the Lehman Aggregate Index.

Mr. Bensus reported that the fixed income composite has underperformed the benchmark by 0.2%, due primarily to the overall structure and not the performance of the individual managers. He made several observations regarding the fixed income managers and offered some structure recommendations. The discussion was postponed to a later meeting for further consideration.

After a suggestion by Rosemary Booth Gallogly and further discussion, Treasurer Mayer moved, Representative Heffner seconded and the following motion passed unanimously. The following members voted in favor: Ms. Gallogly, Representative Heffner, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To form a Sub-Committee of the State Investment Commission to screen proposed Alternative Investments and bring their recommendations to the Commission to be voted on. The Committee shall consist of the Chair and two other members of the State Investment Commission.

The initial members of the Sub-Committee shall be General Treasurer Mayer, Senator Tavares and Mr. Seed.

Treasurer's Report. Ms. Schoenfeld reported that State Street Bank and Trust Co.'s fee schedule in the custodial agreement is scheduled to expire on 12/31/97. It was proposed that the fee schedule be extended pending bringing alternative options back to the Commission.

Senator Tavares moved, Mr. Seed seconded and the following motion passed unanimously. The following members voted in favor: Ms. Gallogly, Representative Heffner, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To extend the fee schedule in the Custodial Contract with State Street Bank and Trust Company until further options can be explored and presented to the Commission.

The Treasurer reported that 82 copies for the Active Core-Oriented Domestic Equity Manager Request for Proposals were requested and 37 responses were received. A report will be made to the Commission after the proposals are read by Treasury staff and Wilshire.

Representative Heffner requested that the Commission consider changing the meeting dates from Tuesdays to either Wednesdays or Fridays. It was agreed that Commission members would be polled as to when meetings will be held.

There being no further business, the meeting was adjourned at 1:00 p.m.

Respectfully submitted,

Barbara B. Schoenfeld
Legal Counsel to the
State Investment Commission

RHODE ISLAND STATE INVESTMENT COMMISSION

STAFF SUMMARY ANALYSIS

DECEMBER 1997 PORTFOLIO HIGHLIGHTS

MARKET VALUES

The total portfolio value increased in December by \$84.1 Million to \$5,493.3 Billion (+2.00%). This compares with an decrease in value of \$27.9 Million (-0.27%) for the same period in 1996.

- The equity market values increased by \$55.0 Million (+2.40%). Fixed income increased by \$13.3 Million net of transfers (+0.73%), while international equities increased by \$9.4 Million (1.35%). Alternative investments decreased by \$10.3 Million, net of capital calls, cash distributions and transfers, while cash increased by \$16.9 Million.
- The top three equity manager performers for December were as follows:

<i>Manager</i>	<i>Market Value Gains/Losses</i>	<i>Percentage Gains</i>
Babson	\$8.1 Million	+4.70%
Seligman	\$6.8 Million	+3.85%
HLM	\$0.7 Million	+3.08%

- Brown Brothers' fixed income portfolio increased in value by \$1.2 Million net of transfers. Fleet's fixed income portfolio increased in value by \$14.0 Million, while Fidelity's value increased by \$1.4 Million. The Loomis Sayles portfolio decreased by \$4.1 Million, and Taplin, Canida & Habacht's portfolio increased by \$256,423.

ASSET ALLOCATION

- There is a 5.49% over-allocation in domestic equities; fixed income is slightly over-allocated by 0.99% and the international equity asset class is slightly under-allocated by 2.06%; the alternative investment asset class is under by 4.92%. We expect the over-allocation to equities and fixed income to persist due to the challenge of putting out the alternative investment monies in an orderly fashion.
- Cash and equivalents increased from \$178.77 Million in November to \$225.07 Million in December.

INVESTMENT MANAGER FUNDING

- Cash distributions received during the month were as follows: Crossroads \$1,218,692, Providence Equity Partners \$398,145, SKM Equity \$958, Aetna \$6,594,381, and L & B \$1,004,047, for a total of \$9,216,224.
- Supplemental funding of \$890,564 was provided to Doughty Hanson II, \$401,314 to SKM, \$1,200,000 to OCM Opportunities II, \$1,403,948 to Harvest Partners, \$683,901 to Willis Stein, for a total of \$4,579,727.

At this time, the alternative investment asset class has an unfunded allocation of approximately \$270 Million.

EXPENSES

Expenses for fiscal 1998 to date are \$7,527,081. This figure is in line with budget expectations and market conditions. No adjustments to expense forecasts are required at this time.

CASH FLOW

December's combined state and teacher contributions were insufficient to cover the month's pension payroll, requiring the transfer of an additional \$6 Million; the municipal plan also required the transfer of an additional \$1 Million.

SHORT TERM CASH

The short term cash portfolio had a 18.14 day weighted average maturity vs. 19.41 days in November.

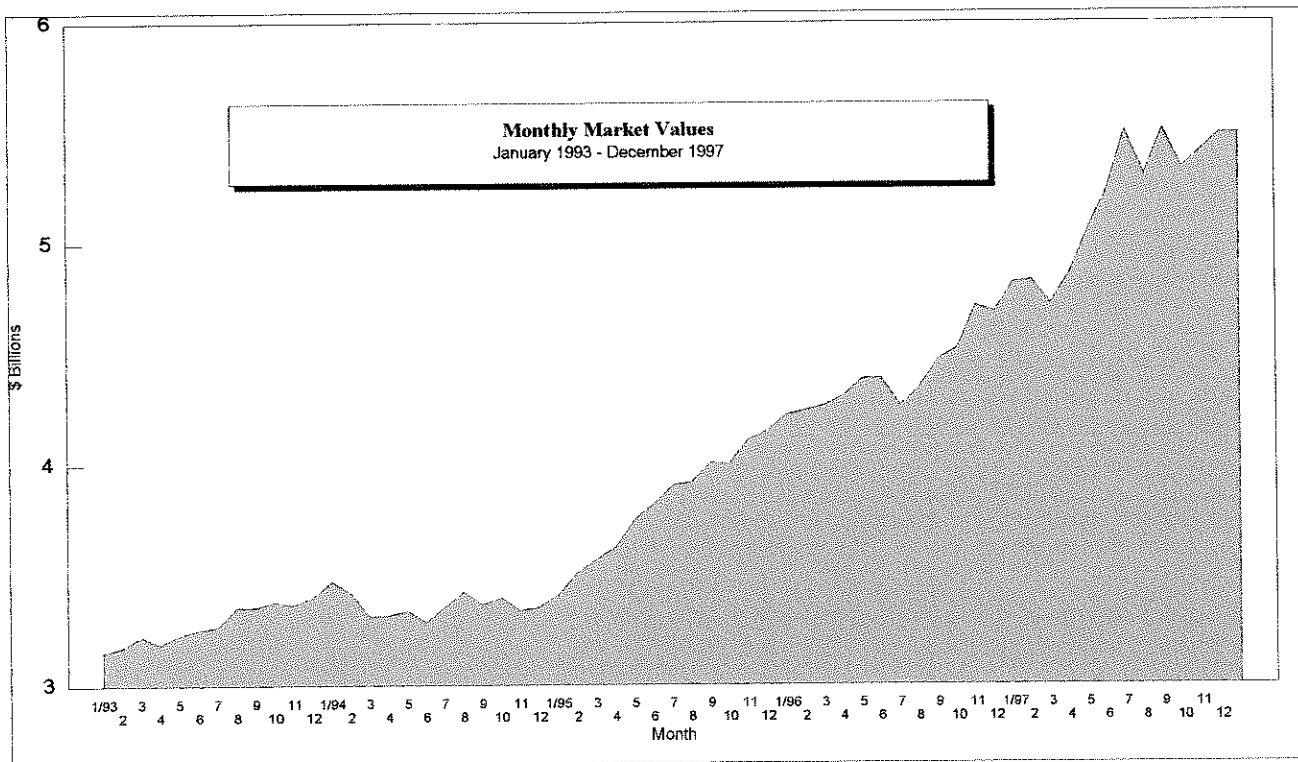
RHODE ISLAND STATE INVESTMENT COMMISSION

Market Value Report

EMPLOYEES' RETIREMENT SYSTEMS
Market Values at December 31, 1997

<u>ASSET CLASS</u>	<u>NET ASSET VALUE \$ (millions)</u>
<i>Domestic Equity</i>	2,713.45
<i>Alternative Investments</i>	141.97
<i>Fixed Income</i>	1,722.90
<i>International Equity</i>	689.97
<i>Cash & Equivalents</i>	225.08
Total	5,493.37

ERSRI - 87.0695779%
MERSRI - 12.7708112%
ST POL - 00.1011768%
JUDICIAL - 00.0584341%



RHODE ISLAND STATE INVESTMENT COMMISSION

TIME WEIGHTED PERFORMANCE REPORT

Rhode Island Employees' Retirement Systems Performance as of December 31, 1997

<u>DOMESTIC EQUITY</u>	<u>DECEMBER 1997</u>	<u>YTD</u>
<i>Fleet</i>	2.74%	35.00%
<i>Bankers Trust</i>	1.96%	31.25%
<i>Provident</i>	1.11%	29.01%
<i>Brinson</i>	2.41%	25.54%
<i>Mackay-Shields</i>	2.79%	23.65%
<i>Babson</i>	4.70%	35.10%
<i>J & W Seligman</i>	3.85%	19.22%
<i>HLM Management</i>	3.08%	5.43%
<i>ValueQuest</i>	-0.28%	19.90%
<i>Total Domestic Equity</i>	2.40%	29.71%
 <u>INTERNATIONAL EQUITY</u>		
<i>Alliance</i>	0.87%	2.60%
<i>Schroders</i>	2.90%	19.38%
<i>Scudder</i>	-1.57%	-21.29%
<i>Schroder Emerging Markets</i>	2.38%	-13.68%
<i>Total International Equity</i>	1.35%	0.45%
 <u>FIXED INCOME</u>		
<i>Fleet</i>	1.21%	10.90%
<i>Fidelity</i>	0.82%	9.40%
<i>Brown Brothers</i>	0.53%	6.14%
<i>In-State F.I.</i>	2.29%	16.58%
<i>Taplin, Canida & Habacht</i>	1.13%	12.09%
<i>Loomis Sayles</i>	-1.71%	12.50%
<i>Total Fixed Income</i>	0.73%	10.79%

RHODE ISLAND STATE INVESTMENT COMMISSION

SUMMARY PORTFOLIO

PERFORMANCE REPORT

<u>ASSET CLASS</u>	<u>DECEMBER 1997</u>	<u>YTD</u>
<i>Domestic Equity</i>	2.40%	29.71%
<i>International Equity</i>	1.35%	0.45%
<i>Fixed Income</i>	0.73%	10.79%
TOTAL FUND COMPOSITE*	2.00%	18.44%

<u>INDICES</u>	<u>DECEMBER 1997</u>	<u>YTD</u>
<u>Domestic Equity</u>		
<i>S & P 500</i>	1.69%	33.25%
<i>Wilshire 3000</i>	1.96%	31.82%
<i>Russell 2000</i>	1.75%	22.37%
<i>Russell 2500</i>	1.89%	24.36%
<u>International Equity</u>		
<i>MSCI EAFE</i>	0.87%	1.77%
<u>Fixed Income</u>		
<i>Lehman AGG</i>	1.01%	9.68%

* Total Fund Composite includes all asset classes.

RHODE ISLAND STATE INVESTMENT COMMISSION

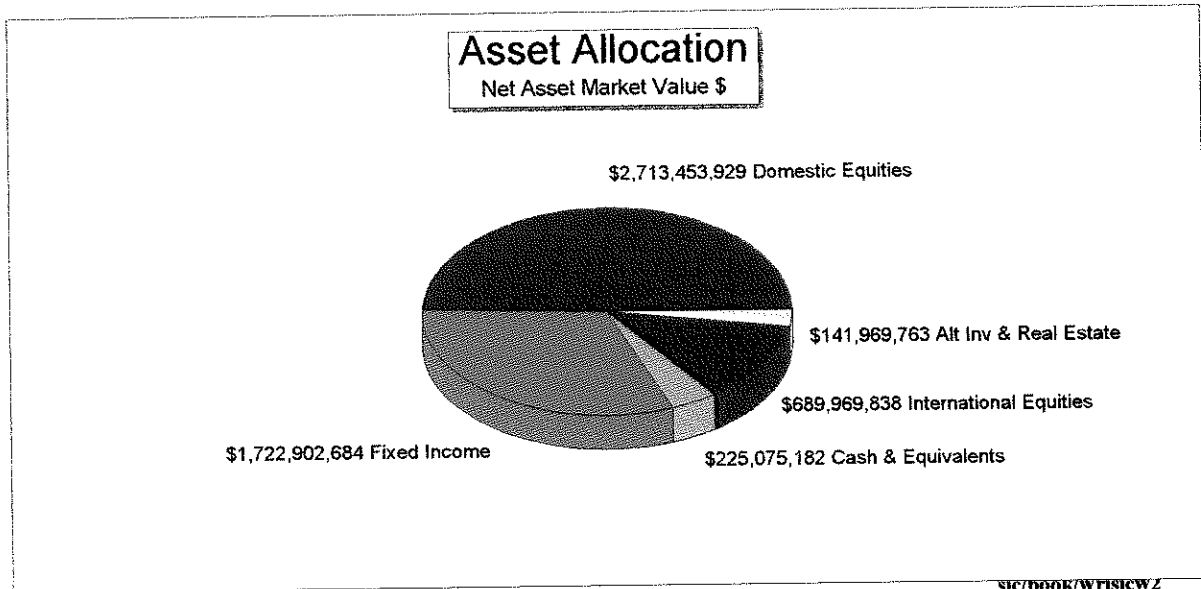
EMPLOYEES' RETIREMENT SYSTEMS

ASSET ALLOCATION

December 1997

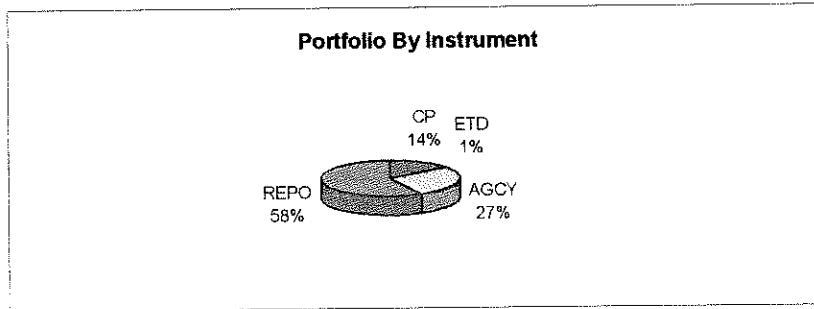
PERCENTAGE OF TOTAL DOLLARS

<u>ASSET CLASS</u>	<u>ACTUAL</u>	<u>TARGET</u>	<u>ACTUAL/TARGET DIFFERENCE</u>
<i>Domestic Equity</i>	50.49%	45.00%	5.49%
<i>Fixed Income</i>	33.49%	32.50%	0.99%
<i>Alt Inv & Real Estate</i>	2.58%	7.50%	-4.92%
<i>International Equity</i>	12.94%	15.00%	-2.06%
<i>Cash</i>	0.50%	0.00%	0.50%
	100.00%	100.00%	0.00%



RHODE ISLAND STATE INVESTMENT COMMISSION

SHORT TERM CASH INVESTMENTS AT DECEMBER 31, 1997



Vendor	CP	ETD	Treasury	Agency	Money Mkt	Repo	Total (\$)
Guidelines-Total/Vendor	15%/15%	15%/15%	100%/100%	75%/35%	50%/35%	100%/20%	
Bank Boston	0	1,000,000	0	0	0	0	1,000,000
	0%	1%	0%	0%	0%	0%	1%
Bear Stearns	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Citi-Corp	16,277,903	0	0	0	0	30,154,877	46,432,781
	9%	0%	0%	0%	0%	17%	26%
Dean Witter	9,596,427	0	0	11,480,183	0	12,300,000	33,376,609
	5%	0%	0%	6%	0%	7%	19%
Fidelity	0	0	0	10,652,726	0	0	10,652,726
	0%	0%	0%	6%	0%	0%	6%
Mesirow	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
First Tennessee	0	0	0	18,274,868	0	0	18,274,868
	0%	0%	0%	10%	0%	0%	10%
Goldman Sachs	0	0	0	0	0	32,115,914	32,115,914
	0%	0%	0%	0%	0%	18%	18%
Merrill Lynch	0	0	0	0	0	7,000,000	7,000,000
	0%	0%	0%	0%	0%	4%	4%
Wachovia	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Prudential	0	0	0	8,701,372	0	8,006,422	16,707,794
	0%	0%	0%	5%	0%	4%	9%
Sun Trust	0	0	0	0	0	13,700,000	13,700,000
	0%	0%	0%	0%	0%	8%	8%
State St Bank	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
TOTALS	25,874,330	1,000,000	0	49,109,148	0	103,277,213	179,260,691
(%) PORTFOLIO	14%	1%	0%	27%	0%	58%	100%



State of Rhode Island and Providence Plantations

Office of the General Treasurer

State House

Providence, Rhode Island 02903

Nancy J. Mayer
General Treasurer

Telephone
(401) 277-2397

January 27, 1998

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

This is to certify that the amounts so listed on the following page 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 December 31, 1997.

The amounts listed for our alternative investments designations are illiquid and do not have a readily determinable market value. They are based on appraisals only.

Respectfully submitted,

Nancy J. Mayer
General Treasurer

COMPOSITE REPORTING

BALANCE SHEET

DECEMBER 31, 1997

ASSET CLASS

<i>Cash/Short Term Investments</i>		
<i>Short Term Investment Fund</i>		
<i>Money Market Instruments</i>		\$225,075,181.53
<i>Equities - Domestic</i>		\$2,713,453,929.29
<i>Equities - International</i>		\$689,969,837.82
<i>Fixed Income - Government</i>	\$1,631,235,100.48	
<i>Fixed Income - Corporate</i>	\$64,270,707.00	
<i>Fixed Income - In State</i>	<u>\$27,396,876.90</u>	
<i>Total Fixed Income</i>		\$1,722,902,684.38
<i>Alternative Investments</i>		\$141,469,763.32
<i>Other - Escrow</i>		\$500,000.00
TOTAL FUND INVESTMENTS		\$5,493,371,396.34

ERSRI - 87.0695779%
MERSRI - 12.7708112%
STPOL - 0.1011768%
JUDC'L - 0.0584341%

balsheet.xls

TIME WEIGHTED ERSRI MARKET VALUE CHANGE REPORT
12/01/97-12/31/97

MONTHLY CHANGE

PORTFOLIO	BENCHMARK DESCRIPTION	MARKET VALUE 11/30/97	TRANSFERS IN/OUT	MARKET VALUE 12/31/97	NET INCREASE/ (DECREASE)	MARKET VALUE % OF CHANGE NET OF TRFERS	BENCHMARK % OF CHANGE TO BENCHMARK PERFORMANCE	MKT VARIANCE CALENDAR YTD	CALENDAR YTD BENCHMARK
DOMESTIC EQUITY									
FUJLT	S&P 500	546,580,797	(1,000,000)	560,519,118	14,938,321	2.74%	1.69%	1.05%	35.00%
RANKERS	W. 3000	830,716,109	47,256	847,037,467	16,274,108	1.96%	1.96%	0.00%	31.25%
PROVIDENT	RUSSEL 1000 GRWTH	424,231,163	(6,000,000)	422,872,509	4,641,346	1.11%	2.03%	-0.92%	29.01%
BRINSON	W. 5000	253,991,708	0	260,119,983	6,128,275	2.41%	1.85%	0.56%	25.54%
MCKY-SHILDS	W. 3000	246,203,576	(1,000,000)	252,035,513	6,831,937	2.79%	1.85%	0.94%	23.65%
EABSON	RUSSEL 2000 SM-CAP	183,519,391	0	192,149,192	8,629,800	4.70%	1.89%	2.81%	35.10%
JW SELIGMAN	RUSSEL 2000 SMLCAP	181,192,795	(2,000,000)	186,086,067	6,893,272	3.85%	1.75%	2.10%	19.22%
HLM Management	RUSSEL 2000	23,420,183	0	24,142,092	721,910	3.08%	1.75%	1.33%	5.43%
VALURQUEST LTD	W. TRGT VALUE	28,650,871	0	28,571,290	(79,581)	-0.28%	2.88%	-3.16%	19.90%
TOTAL EQUITY		2,718,506,593	(9,952,750)	2,773,533,230	64,979,388	2.40%			29.71%
FIXED INCOME									
FUJLT	LEHMAN AGG	1,157,295,261	47,250	1,171,359,486	14,016,976	1.21%	1.01%	0.20%	10.90%
FIDELITY	SALOMON MORT	172,893,245	0	174,311,881	1,418,636	0.82%	0.91%	-0.09%	9.40%
BROWN BROS.	LEHMAN 1-3YR	203,520,677	117,000	204,725,358	1,087,681	0.53%	0.68%	-0.15%	6.14%
IN STATE FL		27,323,410	0	27,642,941	319,531	2.29%	N/A	N/A	16.58%
TAPLIN CANADA & HARBCHIT	LB INT GOVT/CORP	23,056,813	0	23,313,236	256,423	1.13%	0.80%	0.33%	12.09%
LOOMIS SAYLES COMPANY	MERRILYNCH/ST BOSTO	242,388,070	0	238,236,752	(4,151,319)	-1.71%	0.83%	-2.54%	12.50%
COMPOSITE									13.88%
TOTAL FIXED INCOME		1,826,477,475	164,250	1,839,589,653	12,947,928	0.73%			10.79%

PORTFOLIO

BENCHMARK DESCRIPTION	MARKET VALUE 1/30/97	MARKET VALUE 12/31/97	TRANSFERS IN/OUT	NET INCREASE/ (DECREASE)	MARKET VALUE % OF CHANGE NET OF TRIPS	BENCHMARK % OF CHANGE	MARKET VALUE % OF CHANGE TO BENCHMARK PERFORMANCE	CALENDAR YTD BENCHMARK
INTERNATIONAL EQUITY								
ALLIANCE	201,014,312	202,770,579	10,500	1,745,767	0.87%	0.87%	0.00%	2.60%
SCHRODER	276,285,606	284,311,139	0	8,025,533	2.90%	3.65%	-0.75%	19.38%
SCUDDER	142,995,214	140,747,553	0	(2,247,661)	-1.57%	-4.28%	2.71%	-21.29%
SCHRODER EMERGING MKTSMSCI EMERG MKTS EX MALAYSIA	81,177,956	83,107,744	0	1,929,788	2.38%	2.60%	-0.22%	-13.68%
TOTAL INTL EQUITY	701,473,088	710,937,015	10,500	9,453,427	1.35%			0.45%
ALTERNATIVE INVESTMENTS								
ALTERNATIVE INVESTMENT	66,749,087	69,272,990	2,903,328	(379,425)	0.86%	N/A	N/A	46.77%
BANK ACQUISITION	500,000	500,000	0	0	0.00%	N/A	N/A	0.00%
HEIFMAN	27,906,628	27,906,628	0	0	0.00%	N/A	N/A	33.61%
I. & B	37,743,299	36,739,252	(1,004,047)	0	2.71%	N/A	N/A	12.93%
ATNA	6,963,648	369,326	(6,594,381)	60	51.98%	N/A	N/A	109.31%
PHOENIX	12,501,137	7,181,567	(5,319,564)	(6)	2.45%	N/A	N/A	52.54%
TOTAL ALTERNATIVE INVESTMENTS	152,363,799	141,969,763	(10,014,664)	(379,371)	2.19%			27.33%
CASH ACCOUNTS								
CASH ACCOUNT	9,084,047	22,330,637	13,166,651	79,939	N/A	N/A	N/A	N/A
INTERNAL CASH	1,298,836	5,011,097	0	3,712,261	N/A	N/A	N/A	N/A
TOTAL CASH	10,382,883	27,341,734	13,166,651	3,792,200	N/A			
GRAND TOTAL	5,409,203,838	(6,626,013) 5,493,371,396		90,793,572	2.00%			18.44%

RHODE ISLAND STATE INVESTMENT COMMISSION

Domestic Equity Holdings By Top 10 Market Values

DECEMBER 31, 1997

Equities

<u>RANK</u>	<u>SECURITY NAME</u>	<u>PAR VALUE/SHARES</u>	<u>BASE MARKET AMOUNT</u>	<u>MONEY MANAGERS</u>
1	FEDERAL NATL MTG ASSN	757,700	\$43,236,256	Fleet,Bankers,Provident,Value Quest
2	AMERICAN INTL GROUP INC	381,312	41,467,680	Fleet,Bankers,Provident, MacKay-Shields,Value Quest
3	MERCK & CO INC	361,600	38,329,600	Fleet,Bankers,Provident
4	INTEL CORP	505,300	35,497,325	Fleet,Bankers,Value Quest
5	AUTOMATIC DATA	577,200	35,425,650	Fleet,Bankers,Provident
6	MICROSOFT CORP	273,700	35,375,725	Bankers,Provident
7	PROCTER & GAMBLE CO	394,400	31,478,050	Fleet,Bankers
8	LILLY ELI + CO COM	447,108	31,129,895	Fleet,Bankers,Provident
9	SCHLUMBERGER LTD	353,100	28,424,550	Fleet,Bankers
10	PFIZER INC COM	367,100	27,371,894	Fleet,Bankers,Provident
		12.53%	\$347,736,625 of total equity market value	
		**	Total Composite Equities	** \$2,773,535,909

International Equity Holdings By Top 10 Market Values

DECEMBER 31, 1997

International Equities

<u>RANK</u>	<u>SECURITY NAME</u>	<u>COUNTRY</u>	<u>PAR VALUE/SHARES</u>	<u>BASE MARKET AMOUNT</u>	<u>MONEY MANAGERS</u>
1	NOVARTIS AG	Switzerland	10,339	\$16,799,845	Alliance,Schroders
2	ROCHE HLDGS AG GENUSSCHEINE	Switzerland	1,133	11,267,460	Alliance,Schroders
3	ROYAL DUTCH PETROL	Netherlands	205,091	11,260,026	Alliance,Schroders
4	BRITISH PETROLEUM	England	814,361	10,719,596	Alliance,Schroders
5	ZURICH VERSICHERUN	Switzerland	18,929	9,032,652	Alliance,Scudder
6	ELF AQUITAINE	France	77,035	8,963,720	Alliance,Schroders
7	LLOYDS TSB GROUP	England	661,472	8,565,597	Alliance,Schroders
8	SCHW BANKGESELLSCH	Switzerland	5,863	8,489,697	Alliance,Schroders
9	ZENECA GROUP ORD	England	205,037	7,209,551	Alliance,Schroders
10	ING GROUP NV CVA	Netherlands	160,974	6,781,273	Alliance,Schroders
			13.94%	\$99,089,417 international equity market value	
		**	Total Composite International Equities	** \$710,941,657	

Asset Allocation Monitoring Report
Market Values at December 31, 1997

ERSRI
&
MERSRI

Asset Class	Style	December 31, 1997		Target		Difference	Cash	% of Total
		Actual	%	\$	%			
Domestic Equity								
<i>Fleet</i>	active	560.52	10.20%	494.40	9.00%	66.12	3.28	0.59%
<i>Bankers</i>	passive	847.04	15.42%	741.60	13.50%	105.43	1.51	0.18%
Total Core		1,407.56	25.62%	1,236.01	22.50%			
<i>Provident</i>	growth	422.87	7.70%	412.00	7.50%	10.87	21.71	5.13%
Total Growth		422.87	7.70%	412.00	7.50%			
<i>Brinson Partners</i>	large cap	260.12	4.74%	219.73	4.00%	40.39	3.54	1.36%
<i>Mackay-Shields</i>	large cap	252.04	4.59%	219.73	4.00%	32.30	9.48	3.76%
Total Large Cap Value		512.16	9.32%	439.47	8.00%			
<i>David L. Babson</i>	value	192.15	3.50%	164.80	3.00%	27.35	7.11	3.70%
<i>J.W. Seligman</i>	s/c growth	186.09	3.39%	164.80	3.00%	21.29	12.33	6.63%
Total Small Cap		378.24	6.89%	329.60	6.00%			
<i>HLM Management</i>	sml grwth	24.14	0.44%	27.47	0.50%	-3.32	1.01	4.17%
<i>ValueQuest Ltd</i>	lrg value	28.57	0.52%	27.47	0.50%	1.10	0.10	0.37%
Total Emerging Managers		52.71	0.96%	54.93	1.00%			
TOTAL DOMESTIC EQUITY		2,773.53	50.49%	2,472.01	45.00%	301.52	60.08	2.17%
International Equity								
<i>Alliance</i>	core	202.77	3.69%	164.80	3.00%	37.97	0.73	0.36%
<i>Schroder</i>	Euro/region	284.31	5.18%	274.67	5.00%	9.64	11.48	4.04%
<i>Scudder</i>	Pac Basin	140.75	2.56%	274.67	5.00%	-133.92	8.75	6.22%
<i>Schroder Emerging Markets</i>	Int'l	83.11	1.51%	109.87	2.00%	-26.76	0.00	0.00%
TOTAL INT'L EQUITY		710.94	12.94%	824.00	15.00%	-113.07	20.97	2.95%
Domestic Fixed Income								
<i>Fidelity</i>	Mort.-bk sec	174.31	3.17%	137.33	2.50%	36.98	8.85	5.08%
<i>In-State</i>	n/a	27.64	0.50%	27.47	0.50%	0.18	0.25	0.89%
Total Mortgage		201.95	3.68%	164.80	3.00%			
<i>Fleet</i>	Fixed/Inc.	1,171.36	21.32%	1,236.01	22.50%	-64.65	63.68	5.44%
<i>Brown Bros (Short)</i>	Short Term F/	204.73	3.73%	137.33	2.50%	67.39	38.81	18.96%
Total Other Fixed Income		1,376.08	25.05%	1,373.34	25.00%			
<i>Taplin, Canida & Habacht</i>	core/fixed inc	23.31	0.42%	27.47	0.50%	-4.15	0.85	3.65%
Total Emerging Managers		23.31	0.42%	27.47	0.50%			
<i>Loomis Sayles & Co</i>		238.24	4.34%	219.73	4.00%	18.50	4.25	
TOTAL FIXED-INCOME		1,839.59	33.49%	1,785.34	32.50%	54.25	116.69	6.34%
Real Estate								
<i>Heitman</i>	core	27.91	0.51%					
<i>L&B</i>	core	36.74	0.67%					
<i>Aetna</i>	cong. care r/e	0.37	0.01%					
<i>Phoenix</i>	deve. r/e	7.18	0.13%					
Total Real Estate		72.20	1.31%					
Alternative Investments								
<i>Crossroads & Narragansett</i>	venture cap.	29.58	0.54%					
<i>Pacific Corp Group</i>	venture cap.	39.69	0.72%					
<i>Bank Acquisition</i>	n/a	0.50	0.01%					
Total Alternative Investments		69.77	1.27%					
TOTAL ALTERNATIVE INVESTMENTS AND REAL ESTATE		141.97	2.58%	412.00	7.50%	-270.03	0.00	0.00%
<i>Cash Equivalents</i>		27.33	0.50%	0.00	0.00%	27.33	27.33	100.00%
TOTAL ASSETS		5,493.36	100.00%	5,493.36	100.00%	-0.00	225.07	4.10%

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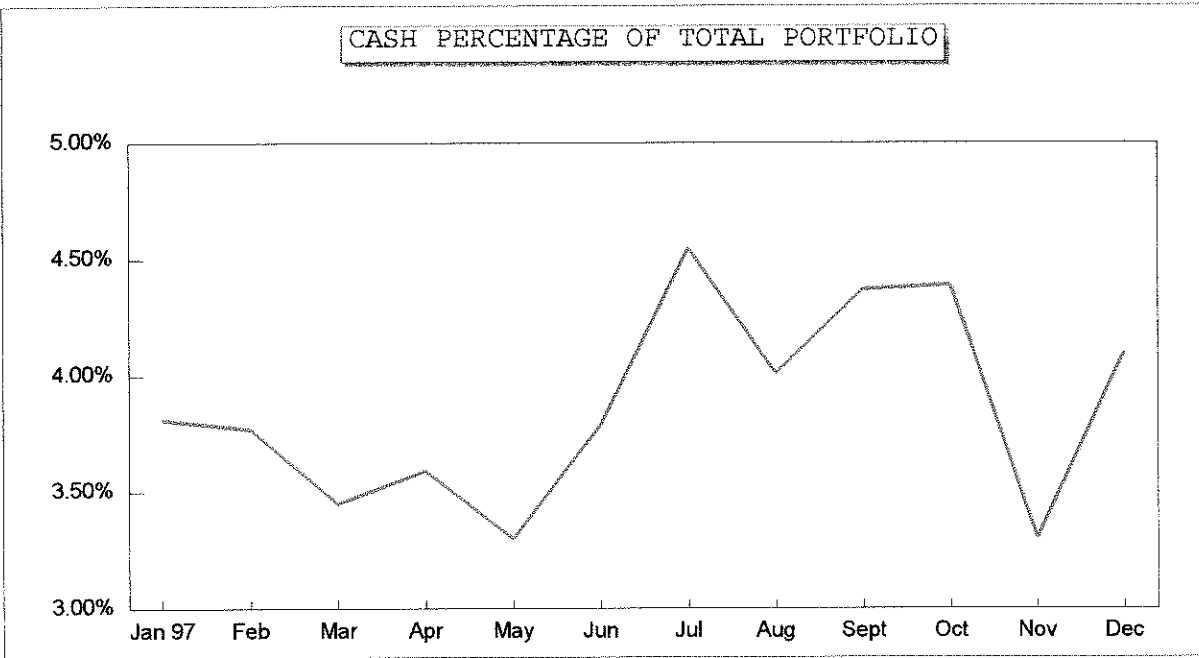
Alternative Investments Funding

1997

Manager	Partnership Commitment	Prior Funding Thru 11/30/97	Current Month Funding	Cumulative Total at 12/31/97	Unfunded Balance	Market Values at 12/31/97
<i>ABS Capital Partners</i>	\$5,000,000	\$1,846,816	\$0	\$1,846,816	\$3,153,184	\$1,828,195
<i>Blackstone Capital Ptnrs</i>	\$20,000,000	\$675,435	(5,403)	\$670,032	\$19,329,968	\$670,001
<i>Boston Ventures Ltd</i>	\$5,000,000	\$1,200,000	0	\$1,200,000	\$3,800,000	\$975,671
<i>Crossroads/Providence LP</i>	\$41,200,000	\$42,509,665	0	\$42,509,665	(\$1,309,665)	\$27,924,748
<i>Doughty Hanson II</i>	\$5,000,000	\$2,684,233	\$890,564	\$3,574,797	\$1,425,203	\$2,905,155
<i>Doughty Hanson III</i>	\$15,000,000	\$15,000	\$0	\$15,000	\$14,985,000	\$15,000
<i>Harvest Partners III</i>	\$15,000,000	\$0	1,214,468	\$1,214,468	\$13,785,532	\$1,214,468
<i>Heritage Fund</i>	\$5,000,000	\$695,467	\$0	\$695,467	\$4,304,533	\$695,467
<i>Narragansett First Fund</i>	\$218,566	\$198,498	\$0	\$198,498	\$20,068	\$5,122
<i>Narragansett Capital Partners</i>	\$1,514,605	\$1,671,121	\$0	\$1,671,121	(\$156,516)	\$1,652,657
<i>OCM Opportunities Fund</i>	\$8,000,000	\$8,000,000	\$0	\$8,000,000	\$0	\$9,478,840
<i>OCM Principal Opportunities</i>	\$5,000,000	\$1,750,000	\$0	\$1,750,000	\$3,250,000	\$1,747,401
<i>OCM Opportunities II</i>	\$12,000,000	\$600,000	\$1,200,000	\$1,800,000	\$10,200,000	\$1,790,858
<i>Providence Equity Partners</i>	\$10,000,000	\$3,116,444	(\$86,021)	\$3,030,423	\$6,969,577	\$2,720,596
<i>SKM Equity Fund II</i>	\$10,000,000	\$1,527,379	\$401,314	\$1,922,676	\$8,077,324	\$1,921,719
<i>THL Equity Fund IV</i>	\$15,000,000	\$0	\$0	\$0	\$15,000,000	\$0
<i>TPG Partners</i>	\$10,000,000	\$2,064,000	\$0	\$2,064,000	\$7,936,000	\$2,118,653
<i>Triumph Partners III</i>	\$15,000,000	\$0	\$0	\$0	\$15,000,000	\$0
<i>Welsh, Carson, Anderson & Stowe</i>	\$15,000,000	\$9,000,000	\$0	\$9,000,000	\$6,000,000	\$8,383,671
<i>Willis Stein</i>	\$5,000,000	\$2,628,978	\$683,901	\$3,312,879	\$1,687,121	\$3,224,770
TOTALS:	\$217,933,171	\$80,183,036	\$4,298,823	\$84,475,842	\$133,457,329	\$69,272,991

EMPLOYEES RETIREMENT SYSTEM

CASH PERCENTAGE OF TOTAL PORTFOLIO



**Retirement Systems
Investment Earnings
Fiscal Year 1998 to Date Summary**

ERSRI
&
MERSRI at December 31, 1997

	<u>LONG TERM</u>	<u>SHORT TERM</u>	<u>TOTAL</u>
INTEREST SOLD	6,964,611		6,964,611
DIVIDENDS	22,504,009		22,504,009
INTEREST	60,037,402	264,919	60,302,321
MISCELLANEOUS	16,568,765		16,568,765
CAPITAL GAINS	144,072,200		144,072,200
	-----	-----	-----
GRAND TOTAL:	250,146,988	264,919	250,411,907

	Actual Jul 97	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Projected Jan 98	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	PROJECTED TOTAL
EQUITIES													
Fleet/Nostra		262,500	113,653		262,500	124,539		262,500	95,000		262,500	95,000	1,050,000
Banker Trust						688,411			600,000			600,000	426,192
President Investment			189,077	140,949		201,348			180,000			140,000	1,888,411
Bronson						147,709			140,000				750,426
A Mackay-Schild			118,785			133,204		110,000			110,000		568,658
David L. Babson		124,644				145,595		125,000		60,000	125,000		471,989
J & IV Seligman		52,875			59,864							60,000	520,240
HLAI Agent		59,422			64,619								232,739
ValueQuest							60,000						244,042
FUND INCOME													
Rosey Bros.			102,615			66,431	100,000		210,000	100,000			369,046
Fidelity			186,340		16,310	159,733							766,073
Taplin	15,753						15,000						47,063
Laonnis Sogles		272,972			291,681		260,000		260,000				1,244,653
INTL. EQUITIES													
Alliancy Capital		126,848	62,352			66,134			35,000			35,000	198,486
Schwab			128,317	155,659		235,660		130,000			130,000		906,484
Schwab			180,233			179,752		165,000			165,000		689,985
Schwab Foreign ABIs													0
REAL ESTATE													
Hedmann Advisory													0
L & B Real Estate													0
Aetna													0
Phoenix													0
ALTERNATIVE INVESTMENTS													
Bigley/Crossroads	4,367												0
Narragansett Corp.	336,776			4,396	100,201	3,232		200,000	4,700		200,000	4,700	21,395
Other Alt Inv. Agent Fees													836,977
PROFESSIONAL FEES													
Consulting													0
Legal													0
State Street Bank		85,634	85,586	114,005		68,750	300,000	62,500	300,000		62,500	300,000	1,185,225
Pacific Corp Group			16,667	16,667	16,667	33,333	16,667	16,667	16,667	16,667	16,667	16,667	262,500
Wilsbar Assoc	16,667												200,003
OPERATING EXPENSE													
Retirement Transfers				1,418,048	850		3,750	900,000		3,750	900,000		3,218,048
Other Expense													3,700
TOTAL:	373,563	984,896	1,183,624	1,918,474	812,692	2,253,832	755,417	1,971,667	1,901,367	180,417	1,971,667	1,901,367	16,204,334

CASH FLOW ANALYSIS

Employees Retirement System

	FY 1997-98 Actual July 1997	Actual August	Actual September	Actual October	Actual November	Actual December	Projected January 1998	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	20,711,680	23,243,705	24,140,005	23,716,403	21,771,161	23,265,552	22,500,000	22,500,000	22,500,000	22,500,000	22,080,000	22,500,000	271,348,506
ADMINISTRATIVE EXPENSES	0	0	89,103	1,546,385	0	0	250,000	300,000	300,000	300,000	250,000	250,000	3,285,488
INVESTMENT EXPENSES	31,994	856,564	942,307	127,203	620,509	1,963,024	800,000	800,000	800,000	850,000	1,025,000	1,125,000	9,941,600
TOTAL OUTFLOW	20,743,674	24,100,269	25,171,415	25,389,991	22,391,670	25,228,576	23,550,000	23,600,000	23,600,000	23,650,000	23,275,000	23,875,000	284,575,595
CONTRIBUTIONS	16,858,425	13,809,794	18,891,089	9,859,191	17,380,616	21,040,817	23,000,000	23,500,000	20,500,000	14,500,000	23,500,000	25,500,000	228,339,962
OTHER INCOME	1,066,912	137,071	898,091	5,819,558	5,454,593	3,248,144	2,500,000	600,000	3,500,000	3,200,000	75,000	2,900,000	29,369,369
TOTAL INCOME	17,925,337	13,946,865	19,789,180	15,678,749	22,835,209	24,258,991	25,500,000	24,100,000	24,000,000	17,700,000	23,575,000	28,400,000	257,709,331
DIFFERENCE	(2,818,337)	(10,153,404)	(5,382,235)	(9,711,242)	443,539	(969,585)	1,950,000	500,000	400,000	(5,950,000)	300,000	4,525,000	(26,866,264)

Municipal Employees Retirement System

	Actual July 1997	Actual August	Actual September	Actual October	Actual November	Actual December	Projected January 1998	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	1,977,601	2,105,248	2,279,363	2,298,848	2,090,014	2,354,561	2,150,000	2,600,000	2,300,000	2,300,000	2,100,000	2,200,000	26,755,635
ADMINISTRATIVE EXPENSES	0	0	12,996	225,865	0	0	0	0	500	675	100	14,000	254,136
INVESTMENT EXPENSES	4,752	127,248	137,442	17,945	90,821	287,311	0	0	375,000	125,000	150,000	175,000	1,490,520
TOTAL OUTFLOW	1,982,353	2,232,496	2,429,801	2,542,658	2,180,835	2,641,872	2,150,000	2,600,000	2,675,500	2,425,675	2,250,100	2,389,000	28,500,290
CONTRIBUTIONS	1,470,401	1,388,638	1,601,231	699,271	1,855,769	1,256,460	1,400,000	1,450,000	1,200,000	1,200,000	1,500,000	1,650,000	16,371,770
OTHER INCOME	158,497	20,362	130,993	852,098	797,927	471,013	375,000	100,000	525,000	475,000	50,000	425,000	4,380,890
TOTAL INCOME	1,328,898	1,409,000	1,732,224	1,551,369	2,653,696	1,727,473	1,775,000	1,550,000	1,725,000	1,675,000	1,550,000	2,075,000	20,752,660
DIFFERENCE	(653,455)	(823,496)	(697,577)	(991,289)	472,861	(914,399)	(375,000)	(1,050,000)	(950,500)	(750,675)	(700,100)	(314,000)	(7,747,630)

Judges/State Police Retirement System

	Actual July 1997	Actual August	Actual September	Actual October	Actual November	Actual December	Projected January 1998	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	1,685	0	7,308	566	0	0	0	0	0	0	0	0	9,559
ADMINISTRATIVE EXPENSES	0	0	154	878	0	0	0	0	50	0	0	0	1,082
INVESTMENT EXPENSES	41	1,084	1,623	197	1,161	3,497	0	0	3,200	1,100	1,600	1,400	14,904
TOTAL OUTFLOW	1,726	1,084	9,085	1,641	1,161	3,497	0	0	3,250	1,100	1,600	1,400	25,545
CONTRIBUTIONS	119,190	143,437	147,493	143,786	143,725	238,472	125,000	125,000	125,000	60,000	130,000	220,000	1,721,103
OTHER INCOME*	1,350	175	1,547	10,193	10,648	5,732	3,000	800	4,500	4,000	200	3,600	45,745
TOTAL INCOME	120,540	143,612	149,040	153,979	154,373	244,204	128,000	125,800	129,500	64,000	130,200	223,600	1,766,848
DIFFERENCE	118,814	142,528	139,955	152,338	153,212	240,707	128,000	125,800	126,250	62,900	128,600	222,200	1,741,303

*Includes Income from Real Estate Investments, Venture Capital, Securities Lending, and Cash Accounts.

General Information

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

Short Term Investments Portfolio by Fund

As of December 31, 1997

	Principal	Interest	Total Value @ Maturity
4901 GENERAL FUND	73,165,922	68,495	73,234,418
4902 GENERAL FUND	1,000,000	292	1,000,292
4904 PENSION C	6,000,000	2,083	6,002,083
4908 PAYROLL A	999,628	372	1,000,000
4920 GENERAL FUND (HIST PRES)	354,877	3,361	358,239
5200 RI UNDERGROUND STORAG TNK	4,303,220	10,541	4,313,761
5400 HIGHWAY FUND	17,489,250	20,912	17,510,162
5500 UNIVERSITY COLLEGE	0	0	0
5800 PROV. RIVER RELOCATION	1,004,271	1,138	1,005,409
6920 AUTO EQUIPMENT SERVICE	0	0	0
8000 T.D.I. RESERVE (DET)	50,520,365	974,651	51,495,016
8225 JOB DEVELOPMENT (DET)	6,293,077	29,750	6,322,827
8230 E.T. TARDY (DET)	1,054,992	5,009	1,060,000
8240 E.T. INTEREST (DET)	348,346	1,654	350,000
8300 PERMANENT SCHOOL FUND	328,384	1,616	330,000
8400 EMP RETIREMENT FUND	4,497,617	7,610	4,505,227
8500 MUN EMP RETIREMENT FUND	0	0	0
8700 R.I. CLEAN WATER ACT	599,145	855	600,000
9000 BOND CAPITAL FUND	0	0	0
9700 STATE LOTTERY FUND	9,798,958	10,842	9,809,800
9800 INDUS. BLDG. & MTG. INS.	1,502,639	5,546	1,508,186
4911 TANS PROCEEDS	0	0	0
Subtotal	179,260,691	1,144,727	180,405,419
8701 CLEAN WATER 1991 SER. B	641,705		
8702 CLEAN WATER 1993 SER. A	189,699		
8703 CLEAN WATER 1991 SERIES A	308		
8704 CLEAN WATER 96 SERIES A	1,092,753		
8705 CLEAN WATER 1992 SER. A	268,072		
8706 CLEAN WATER CCDL 1994 (A)	1,274,024		
8707 CAP DEV. OF 1997 SERIES A	158,906		
8708 CLEAN WATER BOND 1990 A&B	22,596		
8709 CLEAN WATER 1990 SER. C	871		
8733 CAP DEV. OF 1997 SERIES A	102,554		
8734 POLLUTION CONTROL 96A	2,044,575		
8735 RI POLLUTION CONTROL	59,838		
8736 RI POLLUT. CONT 93 SER. A	160,283		
8737 RI POLLUT. CONT 94 SER. A	651,730		
9101 BOND SALE A 11-4-87	65,458		
9102 BOND CAPITAL CCDL 1988	21,293		
9104 BOND CAPITAL 1989 SER. A	2,028		
9105 BOND CAPITAL 1989 SER. B	88,160		
9108 BOND SALE 1990 SER. A&B	262,224		
9114 G.O. NOTE 1991 SER. B	171,336		
9115 BOND CCDL 1992 SERIES A	2,213,211		
9116 BOND CCDL 1993 SERIES A	11,733,224		
9117 BOND CCDL 1994 SERIES A	13,022,010		
9118 BOND CCDL 1995 SER. A	299,628		
9119 CCDL 95 B	3,385		
9120 BOND CCBL96A	12,301,741		
9121 CAP DEV OF 1997 SERIES A	38,559,396		
9291 B.V.DIST.COMM.BOND 1987	27,176		
9292 B.V.DIST.COMM.BOND 1988	6,441		
9295 B.V.D.C. 1992 SERIES A	39		
Subtotal Bond Proceed Accounts	85,444,664		
Total Short Term Portfolio	264,705,355		

Short Term Interest Rate Performance
1997

<u>Date</u>	<u>Amount Invested (millions)</u>	<u>Weighted Interest Rate</u>	<u>30 Day Treasury Rate</u>	<u>Basis Point Difference</u>
12/01	\$53.44	5.55	5.02	53.00
12/02	\$50.89	5.53	5.02	51.00
12/03	\$39.39	5.52	5.01	51.00
12/04	\$9.80	5.50	5.00	50.00
12/05	\$32.59	5.43	4.98	45.00
12/08	\$29.21	5.45	4.98	47.00
12/09	\$35.84	5.47	5.00	47.00
12/10	\$30.42	5.55	5.01	54.00
12/11	\$27.25	5.55	5.01	54.00
12/12	\$25.78	5.41	5.00	41.00
12/15	\$34.81	5.58	5.01	57.00
12/16	\$28.29	5.52	5.01	51.00
12/17	\$20.25	5.64	5.03	61.00
12/18	\$16.54	5.62	5.03	59.00
12/19	\$33.40	5.51	5.00	51.00
12/22	\$47.11	5.56	5.01	55.00
12/23	\$32.17	5.73	5.33	40.00
12/24	\$25.88	5.62	5.33	29.00
12/26	\$42.45	5.68	5.32	36.00
12/29	\$39.50	5.81	5.35	46.00
12/30	\$72.02	5.67	5.33	34.00
12/31	\$37.20	5.71	5.33	38.00
	\$764.23	5.58	5.11	47
	total	weighted	average	basis
	amount	average	30 day	point
	invested	rate	rate	difference

SPECIAL FUNDS
 INVESTMENT SUMMARY
 DECEMBER 31, 1997

FUND NAME	EQUITIES	CASH & EQUIVALENTS	FIXED INCOME	Gain/Loss	TOTAL MARKET VALUE
<u>Abraham Touro Fund</u>	1,535,140	96,281	748,627	15,205	2,380,048
<u>State of Rhode Island Land Grant Fund</u>	63,730	0	0	7,594	63,730
<u>TOTALS</u>	1,598,870	96,281	748,627	22,799	2,443,778