

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
APRIL 30, 2007**

EMILY DIETSCH

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Frank T. Caprio s, Chair

**Mr. J. Michael Costello
Mr. Robert Giudici
Ms. Marcia Reback
Mr. John R. Treat**

**Ms. Rosemary Booth Gallogly
Dr. Robert J. McKenna
Mr. Andrew K. Reilly**



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, May 30, 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 4/25/07 *
3. Real Estate Consultant – The Townsend Group
 - Motion for investment in Prudential PRISA II (PRISA)*
4. Capital Market Review
5. Legal Counsel Report
6. Deputy Treasurer for Finance Report
7. Treasurer's Report
8. New Business

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

POSTED ON WEDNESDAY, MAY 23, 2007

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

Regular Meeting April 25, 2007

A State Investment Commission (SIC) meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, April 25, 2007. The Treasurer called the meeting to order at 9:05 a.m.

Membership Roll Call. Present were: Mr. Michael Costello, Ms. Rosemary Booth Gallogly, Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly, and General Treasurer Frank T. Caprio. Also present were: Mr. Kenneth E. Goodreau, Deputy General Treasurer for Finance; Brian Gallogly, Esq., of Brown Rudnick Berlack Israels, Legal Counsel to the Commission; Ms. Michelle Davidson, of the Pacific Corporate Group, Alternative Investments Consultants to the Commission; Ms. Lisa Tyrrell and Ms. Lara Callahan of State Street Corporation; and other members of the Treasurer's staff. Dr. Robert McKenna was absent.

State Investment Commission Minutes. Mr. Costello moved, Mr. Treat seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Giudici, Ms. Reback, Mr. Reilly, Mr. Treat, and Treasurer Caprio.

VOTED: To approve the Minutes of the March 28, 2007 regular meeting.

Dr. McKenna arrived at 9:10am, and his attendance was noted for the record.

Treasurer Caprio alerted the group to a typographical error in the staff summary section of the SIC book for this month, which incorrectly states a "decrease" rather than an "increase" in the portfolio. Treasurer Caprio reiterated for the record that the portfolio experienced an increase, not a decrease, and that a corrected page would be submitted to all SIC members.

Short Term Investments – Washington Trust. Treasurer Caprio introduced Mr. Vincent Izzo for his presentation to the Commission on Washington Trust (WT). Mr. Izzo began by stating that the ERSRI makes an effort to invest with a local focus, as evidenced by the addition of local entity Webster Bank in the previous SIC meeting and again this month with WT. Mr. Izzo then gave an overview of WT, noting that a full review of WT had been performed and discussed by the Deputy Treasurer and his staff. He noted that WT does not issue publicly traded debt and thus is not rated by an agency such as Moody's or Standard and Poor's, but that WT is rated by a rating service and ranks very highly on that scale. Mr. Izzo stated that WT meets all the criteria required by the Commission, and concluded with the recommendation that WT be adopted as a short-term investments vendor for the ERSRI, bringing the total number of active vendors to eleven.

Ms. Gallogly inquired as to the standard in terms of a rating agency used by banks with which the ERSRI maintains relationships, and whether this is part of the ERSRI investment policy. Mr. Izzo answered yes on both counts, and reiterated that WT meets those standards.

Mr. Costello asked for confirmation of how many managers the ERSRI retains. Mr. Izzo stated that up to fifteen managers is a comfortable number for the ERSRI, and that currently two other managers in addition to WT are under consideration.

Mr. Costello moved, Mr. Giudici seconded, and the following motion passed unanimously. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Giudici, Dr. McKenna, Mr. Reilly, Ms. Reback, and Treasurer Caprio. It is noted for the record that Mr. Treat recused himself from this vote.

VOTED: To add Washington Trust as an active manager to the list of vendors for short term investments.

Before moving to the next item on the agenda for review, Treasurer Caprio asked Mr. Izzo for an update on the auction of investments that will be offered to the public by the State. Mr. Izzo stated that the Treasurer's staff has been developing the criteria for auction and a list of potential vendors, and hopes to have a proposal ready to present to the Commission by the next month's meeting.

Ms. Reback inquired as to what exactly will be auctioned, and Treasurer Caprio answered that bond rates will be offered by various banking institutions for 6-month savings CDs. Both approved and non-approved vendors will be able to participate, with benefits both in terms of marketing purposes and beneficial rates of return. Treasurer Caprio noted that similar programs have been employed by other states to positive results.

Alternative Investments (Pacific Corporate Group). Treasurer Caprio introduced Ms. Davidson of Pacific Corporate Group (PCG) to give a brief overview of the Paladin Capital Group (Paladin) and Paladin Capital III (PC III), up for review and investment by the Commission. Ms. Davidson stated that Paladin is raising up to \$500 million for a third fund to pursue the same strategy as their prior fund, which focused on technology companies that offered solutions to help critical infrastructure defend against or recover from natural disasters and homeland security threats. She stated that PCG believes Paladin is a clear leader in this niche, and has assembled an unparalleled team with expertise in fields including national defense, security, technology and intelligence. Principals include former directors of the NSA and CIA, and a strong group of strategic advisors as an additional resource. PCG finds compelling Paladin's concept of dual use, requiring companies in which they invest to have the ability to secure contracts in both the government and the private sector, thus limiting investment risk. Ms. Davidson articulated one primary concern with Paladin, which is that a substantial amount of their prior fund remained unrealized and thus supplied a less clear indicator of future

performance. She stated, however, that PCG views Paladin's strong team as a mitigating factor, and has confidence that Paladin will be able to execute their plan.

Ms. Gallogly asked if ERSRI invested in the prior fund, and Ms. Davidson answered that this would be a new relationship for the ERSRI.

Mr. Costello inquired as to why Paladin was categorized within the PCG report as a venture capital firm if the group does not typically pursue startups. Ms. Davidson replied that while not the traditional model of venture capital, there is a wider category of venture capital into which Paladin falls. She stated that because Paladin invests in technology companies, and is not involved in leverage buyouts per se, the group falls under the definition of venture capital.

Ms. Reback inquired whether Paladin supports any companies such as Halliburton that would indirectly support mercenaries. Ms. Davidson replied that her understanding was that Paladin pursued no such investments, but deflected to Paladin representatives for their presentation to the group.

Paladin Capital Group presentation. Treasurer Caprio presented Mr. Michael Steed and Lieutenant General Kenneth Minihan of the Paladin Capital Group for their presentation. Mr. Steed began by stating that Paladin was founded in 2001, and had a first fund of \$208 million, which was a classic opportunity fund. Following the events of 9/11, the group convened with the idea of developing a strategy of investment in a way that would respond in both a civic and financial way to those events. The group examined the critical infrastructure of the United States in relation to vulnerabilities to natural disasters, terrorism, and other illegal activities. As a result, the group put together a fund that would invest in companies that could contribute solutions to those vulnerabilities as well as bring positive financial returns.

Mr. Steed stated that nearly all the companies in that initial fund are re-upping for the successor fund. In the initial fund twenty-one transactions were closed, fifteen of which closed within the past two years, including one excellent realization. Mr. Steed concurred with Ms. Davidson's assessment of the fund as being rather young, but also stated that the companies within the fund continue to mature nicely. Mr. Steed stated that four of the fund's companies are in early stages of venture capital investment, and the remainder are in what he termed "B", "C", and "D" stages of growth, which he defined as "classic growth equities". Mr. Steed then deferred to Lt. Gen. Minihan to give an overview of the investment team, which Mr. Steed characterized as the top team in the country in focusing on homeland security and critical infrastructure issues.

Lt. Gen. Minihan stated that Paladin assembled its investment advisory team primarily with the concept of dual use in mind, feeling a need for expertise in areas of national security and the public sector as well as technology development and financial growth. He stated that Paladin's team of strategic advisors thus possesses a broad range of areas of expertise. Lt. Gen. Minihan introduced himself as having served thirty-three years in the United States Air Force, before entering the field of national security and

developing expertise in technological development and security infrastructures. He gave an overview of the diversity of the Paladin advisory team, which includes members with backgrounds similar to his own as well as: a medical doctor with interest in long-term modernization of medical care facilities; a hardware and software technological expert; a co-founder of Disney Imagineering who helped design and build Disney and other large-scale theme parks; a Nobel Prize-winner in science with an understanding of biological and chemical hazards; a former ambassador to China with expertise in Asian markets.

Mr. Costello inquired as to whether all the members involved with PCIII were also involved in the initial fund. Mr. Steed answered yes, with the exception of one member who left the firm in order to remain near his home in Boston, and there are also four new members in addition to those involved with the initial fund.

Mr. Steed went on to elaborate the terms “homeland” (the global environment, rather than just the United States), “security” (assurance of the ability to continue work and play in the global environment despite threats), and “critical infrastructure” (the mechanisms and systems relied upon daily for work and play in the global environment) as Paladin defines them. He observed that the realization of vulnerabilities to these systems occurred in the mid-1990s, but that the incidents of 9/11 accelerated the need to find solutions to these vulnerabilities.

Mr. Steed stated that PCIII is a multi-stage fund. Paladin considers several pillars with regard to security: the ability to defend, to cope, and to recover. Using these criteria, Paladin widens the field of consideration for companies of potential investment. Dual use is a critical screen Paladin employs, and companies must scale on both the commercial side and the governmental or defense side. Paladin does not consider itself a defense fund, does not fund weapons or combat, and tends to avoid transactions with companies that are strictly defense-oriented. Mr. Steed further emphasized that companies’ commercial viability is a stronger deciding factor for investment than other facets under evaluation. Companies must appeal to commercial and federal interests.

Ms. Reback asked for clarification of what Paladin means by “services” when it lists its investment companies as providing products, technologies, and services. Lt. Gen. Minihan cited GlassHouse Technologies, Inc., based in Boston, which is a technology consulting service that provides consulting services to the government and other entities with respect to electronic storage systems that are agnostic to those entities’ existing technologies.

Mr. Reilly asked whether the focus of PCIII would be similar to the initial fund, as the language surrounding PCIII appears to be more heavily focused on the homeland security sector. Lt. Gen. Minihan answered that the core business of PCII will be continued in PCIII, with the additional opportunity to do more early-stage investment in PCIII.

Mr. Reilly asked the Paladin representatives to address the competition in their field of investment, which he anticipated had become crowded since Paladin’s initial

fund. Mr. Steed answered that since PCII, risk has shifted from technology to management and growth; Paladin can now, with greater knowledge of technologies, examine companies in earlier stages of growth and acquire better deals. Mr. Steed further observed that Paladin attracts companies because it offers value-added benefits in addition to funding. Finally, Mr. Steed asserted that there is no other fund comparable to Paladin in the United States, and that while competition exists for individual deals, as an entity Paladin dominates the niche in a focused way while also expanding outside that niche with PCIII.

Treasurer Caprio stated to the group that Mr. Reilly has been performing an in-depth analysis of Paladin over the past month as part of his work with the subcommittee on private equity. Treasurer Caprio stated that he anticipates the subcommittee will hold a public meeting for anyone who wishes to participate, in addition to following up with the SIC in future meetings. The analyses generated by the subcommittee will serve as an additional tool to the analyses presented by PCG.

Mr. Costello asked for further information about the single full exit Paladin exercised. Mr. Steed answered that the one full exit was from an investment partnership with a company that produced new technologies for visual monitoring systems. Mr. Steed explained that this company generated novel technologies and had governmental grants, and Paladin anticipated a strong commercial market. According to Mr. Steed, slower-than-expected growth in relevant commercial markets presented problems for continued investment, and Paladin made the decision to divest; Paladin sold the company for \$4.5 million, at a loss of roughly \$6 million. Mr. Steed stated that the fund structure cushions the loss to investors in such cases, requiring Paladin to make up the loss before sharing profits with investors.

Mr. Giudici asked Mr. Steed to elaborate on Paladin's investment team. Mr. Steed answered that there is an investment committee and a deal flow committee that meet on a weekly basis. Mr. Giudici inquired as to the monitoring of investments, and Mr. Steed replied that the team monitors investments on a minute-to-minute basis. He further stated that Paladin's monitoring can be fairly in-depth, going so far as to rearrange management in a company if performance does not meet expectations.

Ms. Gallogly asked for further information about fund performance given that Paladin experienced one full exit in PCII. Mr. Steed replied that he and one other founding partner have a demonstrable performance history in Washington, D.C.-based ULICO, a holding company for subsidiary Union Life Insurance Company, from 1991 to 1999 with an internal rate of return IRR of 81% for realized deals, 90% for realized and unrealized. PCI has an overall IRR of around 17% to date (target of 20%), with an exit from one transaction at as much as 41% IRR. PCII closed in 2004 and currently has an IRR of just under 10%. He reiterated that PCII is a very young fund with twenty-one total companies, fifteen of them realized in the last twenty-four months.

Treasurer Caprio then entertained a motion for investment in PC III in the amount of \$15 million, pending satisfactory legal review. Mr. Treat moved, Ms. Reback

seconded, and the following motion was passed with one negative vote. The following members voted in favor: Mr. Costello, Mr. Giudici, Dr. McKenna, Ms. Reback, Mr. Reilly, Mr. Treat, and Treasurer Caprio. Ms. Gallogly voted against the motion, citing concerns about a lack of fund performance history.

VOTED: To invest up to \$15 million in PC III, contingent upon satisfactory review and negotiation of investment and other legal documents.

Ned Davis Research – Capital Market Review. Treasurer Caprio and Mr. Goodreau stated that he would partially combine the Deputy Treasurer's report with the Capital Market Review, which would be presented by Mr. Ed Cliffold, Senior Global Analyst of Ned Davis Research (NDR), in absence of consultants from the Wilshire group, who were not able to attend. Mr. Goodreau stated that his investment staff had performed due diligence with regard to asset allocation and market research. Mr. Goodreau stated his interest in acquiring as much outside, unbiased research tools as possible to better guide the ERSRI investment decisions. He further stated that he believed NDR to be among the best sources for this sort of information. After some initial technical difficulty in arranging a conference call via speakerphone, it was determined that the call would take place via cellular phone speaker. Mr. Goodreau placed the call and, when it was determined that the group could properly hear Mr. Cliffold, Mr. Cliffold proceeded with his overview.

Mr. Cliffold introduced himself to the group and stated that NDR was founded in 1980 and currently provides financial markets research for more than one thousand entities globally. He stated that NDR considers itself a disciplined risk manager, relying heavily on historical data for context as well as a number of trend indicators. He stated that his overview would touch on current conditions, what those conditions mean to the ERSRI, and finally global markets.

Mr. Cliffold began his overview by explaining that a comparison of earnings expectations with actual earnings in the current cycle shows that analysts' expectations of earnings have been too conservative, which indicates that sentiment has remained somewhat in check despite the bull market. He noted that this is something worth watching closely in the near future, with respect to how long the current trend and rate of earnings growth will continue. Mr. Cliffold further explained that the economy appears to be in a state of soft decline, of which one major indicator is the decline of the lagging housing market. One area of special concern is credit spreads for asset backed securities, which could negatively affect other areas of the economy.

Mr. Cliffold stated that the S&P 500 has declined a significant amount, but qualified this by saying that using the past seven to eight years for comparison is unwise given that this bubble period produced numbers atypical to a broader historical consideration of the economy.

Mr. Cliffold stated that in terms of small and large cap stocks, large caps tend to outperform small caps later in the economic cycle as large caps are typically more economically sensitive. He observed that that trend indicators have begun to favor large cap stocks. Mr. Cliffold stated that value is more favorable than growth currently, but that analysts are watching growth-oriented stocks in fields such as health care for signs of rebound.

Mr. Cliffold moved to international markets, pointing out that Asian markets, specifically China, India, Indonesia, Japan and South Korea, have been driving the global economy. He stated that this should serve as an example that the United States investors should remain continuously watchful of the global economy. Resource markets such as Latin America continue to be favorable as well.

Mr. Goodreau inquired as to how other pension funds have used analysts' estimates to tailor their own investments. Mr. Cliffold responded that the pension funds typically use these estimates as best their investment policy allows, depending upon the flexibility these policies allow for reaction. Less flexibility yields less reactivity, and some performance is generally lost. He stated that models can be tailored to the particulars of each pension fund's policy to reap the greatest benefits within those parameters. Mr. Cliffold interjected that most pension funds like to use these models as an anchor to guide their investments, as a tool to clarify sometimes overwhelming or irrelevant economic data that exists on the whole.

Treasurer Caprio thanked Mr. Cliffold for his report, stated that he believes it very important for the group as a whole to determine the ERSRI asset allocation and the general direction of investments. Mr. Goodreau concurred, and stated that research provided by consultants should be treated as an unbiased eye to the economy, which the group should use to contextualize or guide investment decisions. He further stated that he believed that utilizing as many outside, unbiased tools as possible is best for sound investment decisions.

Legal Counsel Report. Mr. Gallogly stated that there was no report for the month, but took the opportunity to introduce himself to the group as the new legal counsel and replacement for Ms. Jayne Donegan, who had left the firm Brown Rudnick Israels for another position. Mr. Gallogly stated his enthusiasm to work with the group, and Treasurer Caprio thanked him for his efforts thus far and going forward.

Deputy Treasurer for Finance Report. Having presented his report to the group as part of the Capital Markets Review, Mr. Goodreau had nothing further.

Treasurer's Report. Treasurer Caprio stated that he would like to address security lending issues, which the staff has examined for the past month. He stated that just over \$1.3 billion in stock is currently lent by the ERSRI to other entities, and that the ERSRI receives 102% of the stock value in cash from these borrowing entities, which is in turn invested in a vehicle with State Street consisting of three funds: the "A Fund", the "D Fund", and the "Renaissance Fund." Treasurer Caprio clarified that the overall fund

totalled approximately \$100 billion, of which the ERSRI funds constituted roughly \$1.3 billion. At the time of review, the "A Fund" consisted of various rated instruments (mostly AA and AAA bonds) with no exposure to mortgage-backed or credit-card securities, as opposed to the "D Fund," which had 60% exposure to mortgage and credit-card securities (some of which were unrated). Rhode Island had traditionally been involved with the "A Fund," but had switched from "A" to "D" with the approval of the Commission in 2006. Treasurer Caprio stated that following a conference call between himself and Mr. Goodreau and representatives of State Street, and given current economic conditions, he believed it prudent to scale back on the risk in this area, switching money from the "D Fund" to the "A Fund". Since it was consistent with the Commission's approval for the ERSRI to be invested in the "A Fund", Mr. Goodreau and Treasurer Caprio approved the switch from "D" back into "A", which has since been completed.

Ms. Reback motioned to request confirmation to the Commission of the movement of funds from "D" to "A". Mr. Costello seconded, and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Giudici, Dr. McKenna, Ms. Reback, Mr. Reilly, Mr. Treat, and Treasurer Caprio.

Ms. Reback additionally requested advance notice in the future of any such movements on behalf of the ERSRI. Mr. Goodreau agreed.

VOTED: To receive confirmation to the State Investment Commission (SIC) of the movement of ERSRI funds from the "D Fund" to the "A Fund" within the State Street investment vehicle.

There being no questions from the members and no new business, Treasurer Caprio looked to the Commission to adjourn the meeting.

Mr. Reilly moved, Dr. McKenna seconded, and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Giudici, Dr. McKenna, Ms. Reback, Mr. Reilly, 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
April 30, 2007

PORTFOLIO PERFORMANCE

April

The ERSRI portfolio posted a gain of 2.75% for the month of April, against the policy index of 3.11%. Domestic equities gained 3.89%, international equities gained 4.39%, and the fixed income asset class returned 0.60%. Additionally, the retirement fund earned \$164,754 from the securities lending program during this month.

Calendar Year to Date

For the four months ended April 30, 2007, the portfolio is up 4.50% against the policy index of 5.25%. Domestic equities were up 5.29%, international equities were up 7.22%, while fixed income generated a return of 2.45%.

Fiscal Year to Date

For the Fiscal Year ended June 30, 2007, the fund has gained 14.19%, against the policy index of 16.73%.

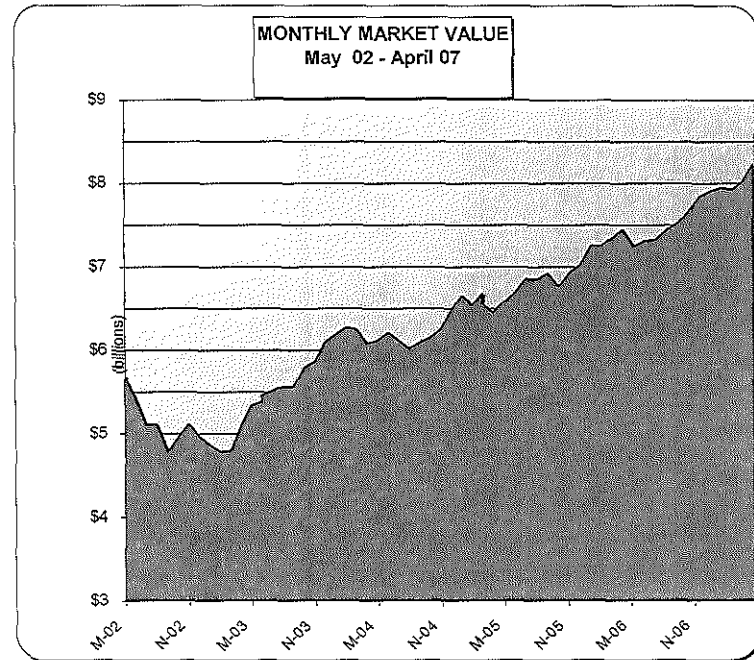
Index Performance Summary - April 30, 2007		
Market Indices	Apr-07	Calendar YTD
<u>Domestic Equity</u>		
S & P 500	4.43%	5.10%
DJ Wilshire 5000	4.00%	5.46%
Russell 2000	1.80%	3.78%
Russell 1000	4.20%	5.47%
Policy Index	3.11%	5.25%
<u>International Equity</u>		
MSCI ACWI	4.64%	8.65%
<u>Fixed Income</u>		
Lehman AGG	0.54%	2.05%
<u>Real Estate</u>		
NCREIF	4.51%	4.51%

ERSRI Performance By Asset Class	Apr-07	Calendar YTD
Domestic Equity	3.89%	5.29%
Fixed Income	0.60%	2.45%
International Equity	4.39%	7.22%
Total Fund Composite*	2.75%	4.50%
Manager Summary		
	Apr-07	CYTD
<u>DOMESTIC EQUITY</u>		
Shott	0.82%	0.43%
PIMCO	4.12%	4.94%
SSgA Russell 1000	0.00%	0.00%
SSgA Core	3.37%	6.10%
Wasatch	0.00%	0.00%
Northpointe	1.88%	4.38%
Wellington	3.88%	6.68%
Total Domestic Equity	3.89%	5.29%
<u>FIXED INCOME</u>		
Brown Bros TIPS	0.60%	2.87%
Brown Bros Core	0.57%	2.26%
Fidelity	0.49%	2.03%
Taplin Canida & Habacht	0.84%	2.13%
InState Fixed Income	0.00%	0.00%
Shenkman		
Mackay Shield	1.07%	3.24%
Total Fixed Income	0.60%	2.45%
<u>INTERNATIONAL EQUITY</u>		
Mondrian	4.98%	8.79%
Goldman Sachs	4.29%	8.60%
Boston Co	4.00%	5.79%
Total International Equity	4.39%	7.22%
*Total Fund Composite includes all classes		

Market Valuation Report
April, 2007

Market Values

The total portfolio value increased in April by \$225.8 million to \$8.23 billion. This compares with an increase in value of \$105.5 million for the same period in 2006. The domestic equity market values increased by \$134.3 million; fixed income increased by \$12.7 million, including transfers out of \$15.5 million; while international values increased by \$72.7 million. The cash accounts increased by \$0.04 million including transfers in of \$7.0 million, and alternative investments increased by \$6.0 million including transfers out netting \$1.2 million.



Cash Flow

April's pension payroll of \$56.3 million was more than the \$ 47.0 million in contributions and wire transfers received by \$9.3 million.

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

Alternative Investments

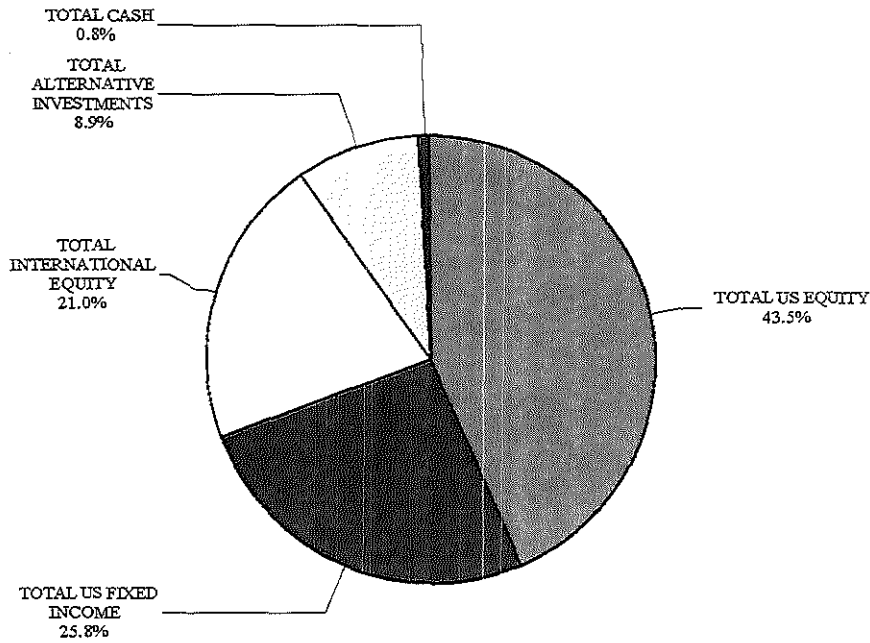
At this time the alternative investment asset class has unfunded commitments of approximately \$409 million on commitments of \$863 million.

CAPITAL CALLS Net of Distributions

April 2007	FYTD	UNFUNDED BALANCE
-\$3,359,055	-\$10,927,585	\$409,096,254
April 2006	FYTD	UNFUNDED BALANCE
\$15,482,341	\$104,087,870	\$412,514,218



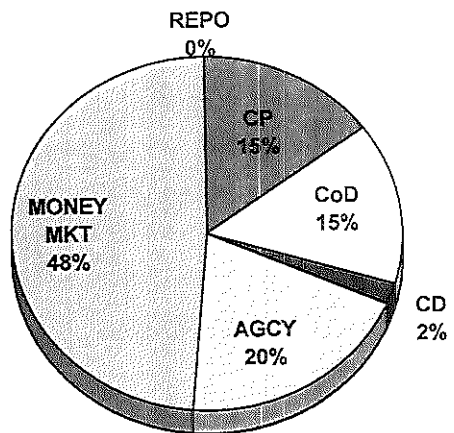
CURRENT ASSET CLASS ALLOCATION (IN MILLIONS)



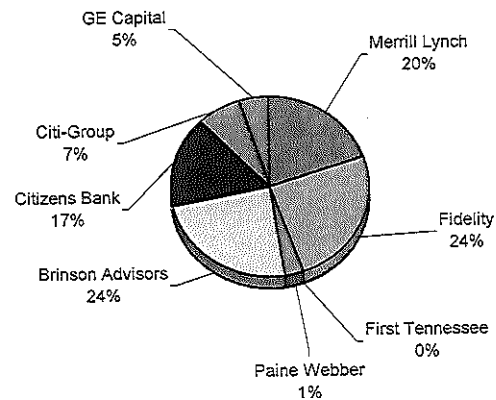
MANAGER	CURRENT PERIOD
TOTAL US EQUITY	3,580.9
TOTAL US FIXED INCOME	2,123.6
TOTAL INTERNATIONAL EQUITY	1,726.7
TOTAL ALTERNATIVE INVESTMENTS	735.3
TOTAL CASH	62.7
TOTAL	8,229.2

RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM CASH INVESTMENTS AT APRIL 30, 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
April, 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%	Aa3		P-1	A-1	Aa3	A+	Positive
Citigroup Inc.	2	7%	Aa1		P-1	A-1+	Aa1	AA-	Positive
Citizens Bank RI	3,4	17%	Aa2		P-1	A-1+	Aa2	AA-	Stable
Dreyfus	6	0%	Aa3		P-1	A-1+	Aa3	AA-	Stable
First Tennessee Capital Markets	5	0%	A1		P-1	A-1	A1	A	Stable
Fidelity	6	25%				N/R		N/R	N/R
Merrill Lynch	2,5,6	20%	Aa3		P-1	A-1	Aa3	A+	Positive
GE Capital	2	5%	Aaa		P-1	A-1+	Aaa	AAA	Stable
Morgan Stanley	1,2,5	0%	Aa3		P-1	A-1	Aa3	A+	Stable
Paine Webber	5	3%	Aa2		P-1	A-1+	Aa2	AA+	Stable
UBS Brinson Advisors	6	24%	Aa2		P-1	A-1+	Aa2	AA+	Stable
State Street Bank & Tru	1,3	0%	Aa2		P-1	A-1+	Aa2	AA	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

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.

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

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

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 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

May 22, 2007

State Investment Commission
Rhode Island State House
Providence, RI 02903

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 April 30, 2007.

Employee's Retirement System of Rhode Island
Composite reporting Investment Valuation
April 30, 2007

Asset Class		
Cash/Short Term Investments		707,170,673
Equities - Domestic		3,464,971,392
Equities - International		1,676,365,260
Fixed Income - Government	\$1,012,518,405	
Fixed Income - Corporate	\$632,755,842	
Fixed Income - In State	\$0	
Total Fixed Income		1,645,274,247
Alternative Investments		465,597,513
Real Estate		269,725,926
Total Fund Investments		8,229,105,011
Plan Allocation		
State Employees & Teachers	85.06%	6,999,341,683
Municipal Employees	13.98%	1,150,640,451
State Police	0.58%	48,043,770
Judicial	0.38%	31,079,108
Total Fund Investments	100.00%	8,229,105,011

The amount listed for the 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 April 30, 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	1,751,405	21.28	4.43	3.54	8.59	5.11						
NORTHPOINTE CAPITAL	417,321	5.07	1.88	3.04	8.64	4.38	12.88	8.06	20.50	16.44	22.60	13.78
PIMCO	575,821	7.00	4.12	3.65	8.22	4.94	18.59	14.99	14.90	12.08	14.58	8.45
SSGA - CORE	395,074	4.80	3.37	3.47	9.72	6.10	20.12	17.41	18.21	14.73	15.74	9.74
WELLINGTON MANAGEMENT CO. LLC	436,652	5.31	3.88	4.29	10.70	6.68	15.91	9.81	21.67	15.30	23.39	13.43
SHOTT CAPITAL	4,586	0.06	0.82	-3.47	-8.00	0.43	-15.80	-24.28				
TOTAL US EQUITY	3,580,860	43.51	3.89	3.58	8.89	5.29	17.00	12.87	16.78	13.39	17.19	10.14
<i>RUSSELL 1000</i>			4.20	3.47	9.10	5.47	18.51	15.16	15.93	12.94	15.59	9.09
<i>RUSSELL 2000</i>			1.80	2.07	6.86	3.78	13.51	7.83	19.97	14.65	20.95	11.14
<i>RUSSELL 2000 GROWTH</i>			2.62	3.24	7.42	5.16	12.38	4.53	19.29	12.27	18.97	8.91
<i>RUSSELL 2000 VALUE</i>			1.04	1.00	6.36	2.51	14.62	11.23	20.64	16.91	22.83	13.06
<i>S&P 500</i>			4.43	3.53	8.60	5.10	18.49	15.24	15.33	12.25	14.82	8.54
<i>DOW WILSHIRE 5000 FREE FLOAT</i>			4.00	3.49	9.10	5.46	18.11	14.53	16.55	13.31	16.38	9.65
INTERNATIONAL EQUITY												
GOLDMAN SACHS	576,858	7.01	4.29	7.78	16.65	8.60	25.73	19.51	29.51			
THE BOSTON COMPANY	554,697	6.74	4.00	5.53	11.56	5.79	19.23	14.00	22.91			
MONDRIAN	583,114	7.09	4.98	8.88	15.72	8.79	28.22	23.83	28.50	25.85		
TRANSITION ACCOUNT INT EQUITY	12,032	0.15										
PUTNAM INVESTMENTS	16	0.00										
BANK OF IRELAND	5	0.00										
TOTAL INTERNATIONAL EQUITY	1,726,721	20.98	4.39	6.89	14.10	7.22	23.78	18.52	26.69	23.41	25.94	15.88
<i>MSCI AC WORLD ex US (GROSS)</i>			4.64	8.24	16.10	8.65	25.60	19.69	28.59	24.57	28.56	18.29
<i>MSCI EAFE (NET)</i>			4.44	7.97	15.46	8.70	24.66	19.81	26.47	22.51	26.71	16.64

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING April 30, 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. FIXED INCOME												
BROWN BROTHERS HARRIMAN - CORE	299,166	3.64	0.57	2.21	2.77	2.26	6.68	7.30	4.20	4.71	4.27	5.78
FIDELITY MANAGEMENT TRUST	490,191	5.96	0.49	1.93	2.91	2.03	7.21	7.32	4.70	5.18	4.74	5.33
BROWN BROTHERS HARRIMAN - TIPS	532,477	6.47	0.60	2.92	1.69	2.87	5.19	5.78	2.33			
MACKAY SHIELDS, LLC	136,300	1.66	1.07	2.62	7.21	3.24	12.34	13.07	10.75	9.78	12.98	
TAPLIN, CANIDA & HABACHT	299,788	3.64	0.84	1.67	2.89	2.13	7.43	7.63	4.80	5.07	5.63	7.31
FIXED INCOME CASH ACCOUNT	364,530	4.43	0.42									
SHENKMAN CAPITAL MANAGEMENT	550	0.01										
TRANSITION ACCOUNT FIXED INCOME	575	0.01										
TOTAL US FIXED INCOME	2,123,577	25.81	0.60	2.24	2.99	2.45	7.12	7.43	4.64	5.26	5.33	6.24
<i>CSFB GLOBAL HIGH YIELD</i>			1.42	3.28	7.63	4.47	12.97	12.65	10.50	9.29	11.11	11.13
<i>LB AGGREGATE</i>			0.54	2.09	2.64	2.05	7.25	7.36	3.98	4.40	3.75	5.06
<i>LB CREDIT</i>			0.72	2.26	2.79	2.24	8.28	8.25	4.11	4.57	4.25	6.13
<i>LB GOV/CREDIT</i>			0.59	2.15	2.47	2.06	7.15	7.34	3.71	4.18	3.58	5.29
<i>CITIGROUP BIG</i>			0.55	2.08	2.62	2.06	7.31	7.41	4.04	4.49	3.83	5.12
<i>CITIGROUP LARGE PENSION FUND INDEX</i>			0.74	2.37	2.46	2.10	8.77	8.84	3.90	5.48	4.51	6.32
<i>CITIGROUP L.P.F. COLLATERALIZED INDEX</i>			0.47	1.96	2.89	2.05	7.45	7.45	4.48	4.87	4.12	4.72

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING April 30, 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	269,549	3.28	0.34	3.84	4.91	4.65	6.70	6.75	4.56			
PRIVATE EQUITY	465,711	5.66	-0.25	-1.60	-5.90	-1.59	-3.66	9.86	18.35	19.79	20.91	13.67
TOTAL ALTERNATIVE INVESTMENTS	735,260	8.93	-0.03	0.32	-2.24	0.60	-0.34	8.60	16.44	18.42	19.53	12.88
<i>NCREIF PROPERTY INDEX QTR LAG</i>			0.00	4.51	8.18	4.51	12.52	16.59	18.31	17.02	14.96	13.27
<i>S&P 500 PLUS 300 BP</i>			4.58	4.23	10.00	6.03	20.95	18.32	18.40	15.34	17.91	11.84
CASH EQUIVALENTS												
CASH ACCOUNT (INSIDE)	39,584	0.48	2.52	3.33	5.96	2.43	6.89	10.50	10.31	10.12	13.56	26.10
CASH ACCOUNT (OUTSIDE)	23,108	0.28	0.41	1.09	2.23	1.41	3.40	3.99	3.63	2.94	3.35	2.97
TOTAL PLAN												
TOTAL PLAN	8,229,111	100.00	2.75	3.61	7.46	4.50	14.19	12.24	15.66	13.74	16.21	10.97
¹ TOTAL PLAN BENCHMARK			3.11	4.21	8.87	5.25	16.73	14.17	15.98	13.57	15.82	10.79

State of Rhode Island

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING April 30, 2007



STATE STREET.
For everything You Invest In™

Endnotes

1 As of 04/31/2006 42.5% W5000/25.0% LB AGG/20.0% MSCIAWORLDFREEexUSA/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% MSCIAWORLDFREEexUSA

ERSRI Monthly Market Value Report With Time Weighted Returns

April 30, 2007

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								3/31/2007	In/(out)	4/30/2007	Increase/decrease
Domestic Equity											
Shott Capital Management IRR	0.43%	5.10%	-4.67%	S & P 500	0.82%	4.43%	-3.61%	4,298,037	-	4,586,028	287,991
SSgA S&P 500	5.11%	5.10%	0.01%	S & P 500	4.43%	4.43%	0.00%	1,676,909,200	122,736	1,751,405,116	74,373,180
SSgA Core	6.10%	5.47%	0.63%	Russell 1000	3.37%	4.20%	-0.83%	382,184,652	26,462	395,074,386	12,863,272
PIMCO	4.94%	5.10%	-0.16%	S & P 500	4.12%	4.43%	-0.31%	552,990,769	40,453	575,820,512	22,789,290
NorthPointe Capital	4.38%	3.78%	0.60%	Russell 2000	1.88%	1.80%	0.08%	409,608,374	29,863	417,321,471	7,683,233
Wellington Mgmt	6.68%	3.78%	2.90%	Russell 2000	3.88%	1.50%	2.08%	420,293,568	32,917	436,652,348	16,325,864
Transition Account	N/A	N/A	N/A		N/A	N/A	N/A	-	-	(84)	(84)
Total Domestic Equity	5.29%				3.89%			3,446,284,600	252,431	3,580,859,778	134,322,747
International Equity											
Boston Company	5.79%	8.65%	-2.86%	MSCI ACWI	4.00%	4.64%	-0.64%	533,313,819	40,536	564,701,126	21,346,771
Goldman Sachs	8.60%	8.65%	-0.05%	MSCI ACWI	4.29%	4.64%	-0.35%	553,070,836	40,536	576,857,642	23,746,270
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12,800,248	(126,917)	12,623,374	(49,957)
Mondrian	8.79%	8.65%	0.14%	MSCI ACWI	4.98%	4.64%	0.34%	555,414,304	40,916	583,114,474	27,659,254
Total International Equity	7.22%				4.39%			1,654,599,207	(4,929)	1,727,296,817	72,702,339
Fixed Income											
Fidelity Management & Research	2.03%	2.06%	-0.03%	Lehman Mortgage Backed	0.49%	0.49%	0.00%	487,767,158	36,292	490,171,414	2,367,963
Brown Brothers, Harriman	2.26%	2.06%	0.20%	Salomon Brd Inv Grade	0.57%	0.55%	0.02%	297,458,710	22,137	299,165,724	1,684,877
Taplin, Canida & Habacht	2.13%	2.24%	-0.11%	Lehman Credit Index	0.84%	0.72%	0.12%	297,270,656	21,757	299,788,286	2,495,873
Mackay Shields	3.24%	4.47%	-1.23%	CS First BoshIYield	1.07%	1.42%	-0.35%	134,842,560	10,862	136,298,005	1,444,583
Shenkman Capital Mgmt			0.00%	CS First BoshIYield			0.00%	1,155,096	(544,867)	550,124	(60,105)
Brown Bros TIPS	2.87%	3.24%	-0.37%	Lehman US TIPS Index	0.60%	0.71%	-0.11%	529,235,218	43,671	532,476,817	3,197,928
Fixed Income Cash Acct					0.42%			-	362,560,338	364,529,748	1,969,410
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	378,018,838	(377,648,905)	16,422	(353,511)
Total Fixed Income	2.45%				0.60%			2,125,748,236	(15,498,715)	2,122,996,540	12,747,019
Alternative Investments											
Private Equity	-1.59%	N/A	N/A	N/A	-0.25%	N/A	N/A	464,011,147	(3,359,055)	465,710,676	5,058,584
Real Estate	4.65%	4.82%	-0.17%	NCREIF + 100	0.34%	0.80%	-0.46%	266,479,170	2,140,902	269,548,839	928,767
Total Alternatives	0.60%				-0.03%			730,490,317	(1,218,153)	735,259,515	5,987,351
Cash Accounts											
Cash in Trust	2.43%	N/A	N/A		2.52%	N/A	N/A	36,529,228	1,989,366	39,584,479	1,065,885
Cash Outside Trust	1.41%	N/A	N/A		0.41%	N/A	N/A	19,134,734	5,000,000	23,108,083	(1,026,652)
Total Cash	2.07%				1.48%			55,663,963	6,989,366	62,692,562	39,233
Grand Total	4.50%	5.25%	-0.75%		2.75%	3.11%	-0.36%	8,012,786,323	(9,480,000)	8,229,105,011	225,798,689

*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 April 30, 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	4.43	4.43	0.00	5.11	5.10	0.01	1,751,405	123
SSGA - CORE	RUSSELL 1000	3.37	4.20	-0.83	6.10	5.47	0.63	395,074	27
PIMCO	S&P 500	4.12	4.43	-0.31	4.94	5.10	-0.16	575,821	40
NORTHPOINTE CAPITAL	RUSSELL 2000	1.88	1.80	0.08	4.38	3.78	0.60	417,321	30
WELLINGTON MANAGEMENT CO. LLC	RUSSELL 2000	3.88	1.80	2.08	6.68	3.78	2.90	436,652	38
SHOTT CAPITAL	S&P 500	0.82	4.43	-3.61	0.43	5.10	-4.67	4,586	251
TOTAL US EQUITY		3.89			5.29			3,580,860	453
INTERNATIONAL EQUITY									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)	4.00	4.64	-0.64	5.79	8.65	-2.86	554,697	41
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)	4.29	4.64	-0.35	8.60	8.65	-0.05	576,858	41
MONDRIAN	MSCI AC WORLD ex US (GROSS)	4.98	4.64	0.34	8.79	8.65	0.14	583,114	41
TRANSITION ACCOUNT INT EQUITY								12,032	0
TOTAL INTERNATIONAL EQUITY		4.39			7.22			1,726,721	121
U.S. FIXED INCOME									
FIDELITY MANAGEMENT TRUST	LB MBS	0.49	0.49	0.00	2.03	2.06	-0.03	490,191	36
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	0.57	0.55	0.02	2.26	2.06	0.20	299,166	22
TAPLIN, CANIDA & HABACHT	LB CREDIT	0.84	0.72	0.12	2.13	2.24	-0.11	299,788	22
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	1.07	1.42	-0.35	3.24	4.47	-1.23	136,300	11
BROWN BROTHERS HARRIMAN - TIPS	LB U.S. TIPS	0.60	0.71	-0.11	2.87	3.24	-0.37	532,477	44
FIXED INCOME CASH ACCOUNT		0.42						364,530	-15,000
SHENKMAN CAPITAL MANAGEMENT	CSFB GLOBAL HIGH YIELD		1.42			4.47		550	-545
TRANSITION ACCOUNT FIXED INCOME								575	0
TOTAL US FIXED INCOME		0.60			2.45			2,123,577	-15,410

State of Rhode Island

RATES OF RETURN - Total

Periods Ending April 30, 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		-0.25			-1.59			465,711	2,848
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	0.34	0.08	0.26	4.65	4.82	-0.17	269,549	2,157
TOTAL ALTERNATIVE INVESTMENTS		-0.03			0.60			735,260	5,006
CASH EQUIVALENTS									
CASH ACCOUNT (INSIDE)		2.52			2.43			39,584	2,165
CASH ACCOUNT (OUTSIDE)		0.41			1.41			23,108	3,836
TOTAL CASH		1.48			2.07			62,693	6,000
TOTAL PLAN									
TOTAL PLAN	TOTAL PLAN BENCHMARK	2.75	3.11	-0.36	4.50	5.25	-0.75	8,229,111	-3,830

State of Rhode Island

TOTAL PLAN

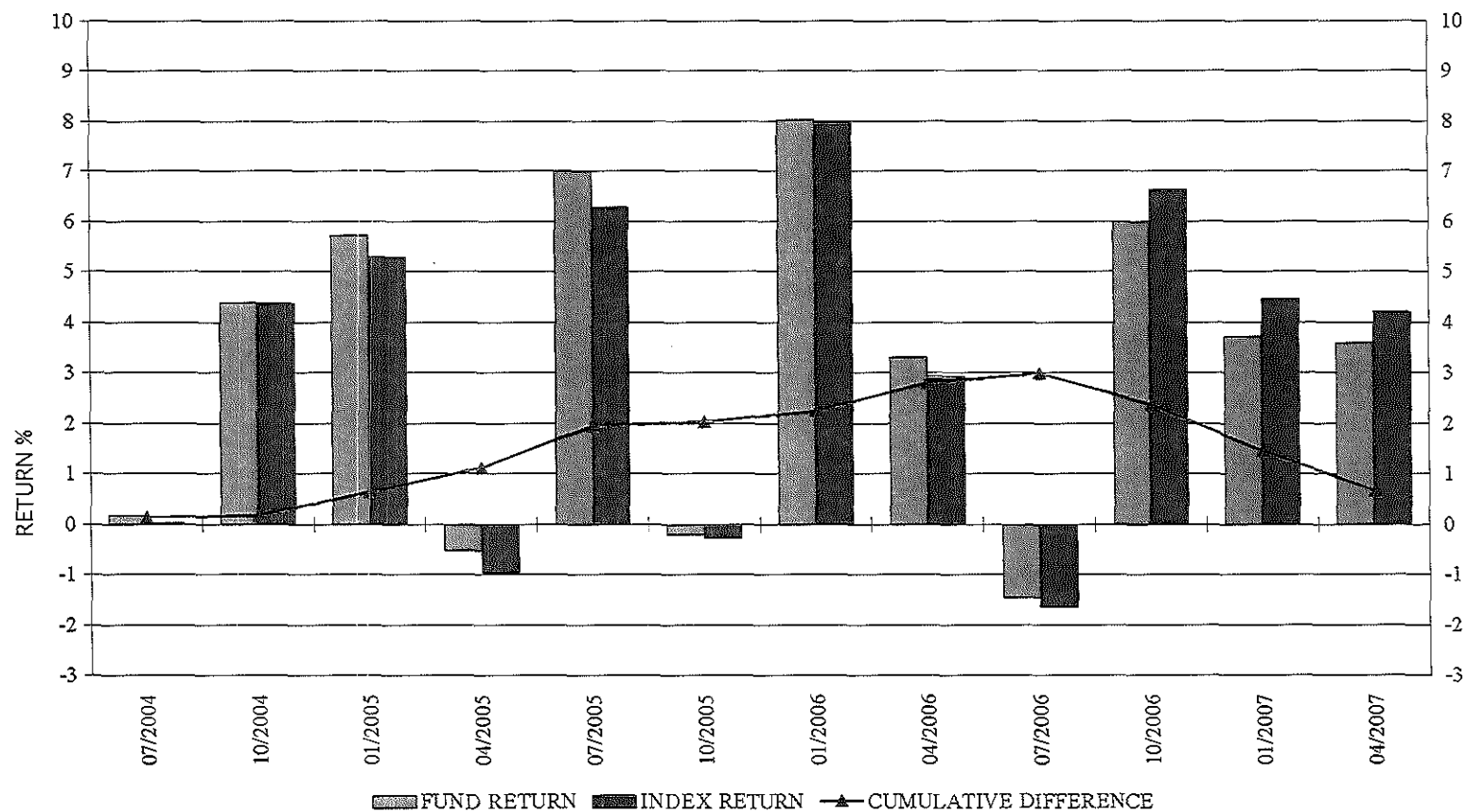
Index: TOTAL PLAN BENCHMARK

PERIODS: April 30, 2004 - April 30, 2007



STATE STREET
For Everything You Invest In

CUMULATIVE PERFORMANCE REPORT



State of Rhode Island

MANAGER ALLOCATION ANALYSIS

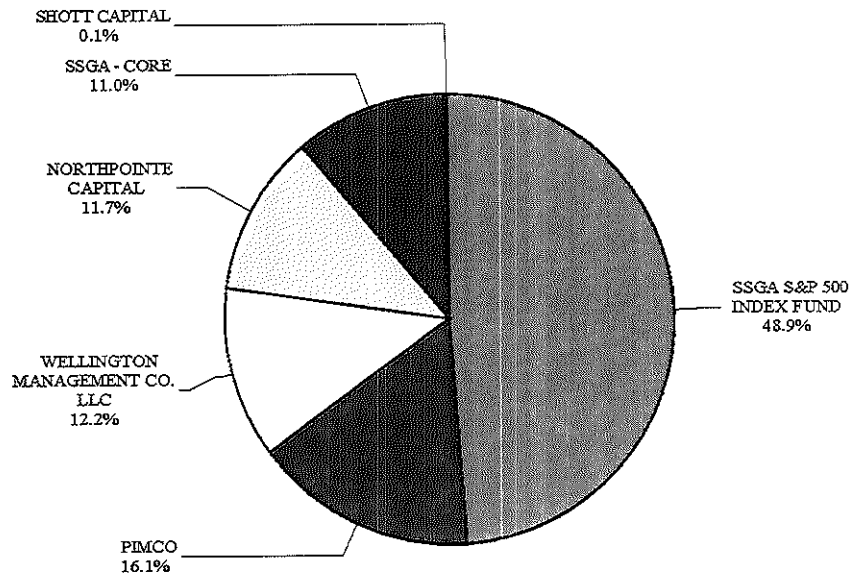
PERIOD ENDING 04/30/2007



STATE STREET.
For Everything You Invest In.

CURRENT MANAGER ALLOCATION

<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
SSGA S&P 500 INDEX FUND	1,751.4	
PIMCO	575.8	500.4
WELLINGTON MANAGEMENT CO. LLC	436.7	435.1
NORTHPOINTE CAPITAL	417.3	385.8
SSGA - CORE	395.1	336.2
SHOTT CAPITAL	4.6	3.0
SSGA RUSSELL 1000		1,484.3
WASATCH ADVISORS		212.7
TOTAL	3,580.9	3,357.5



State of Rhode Island

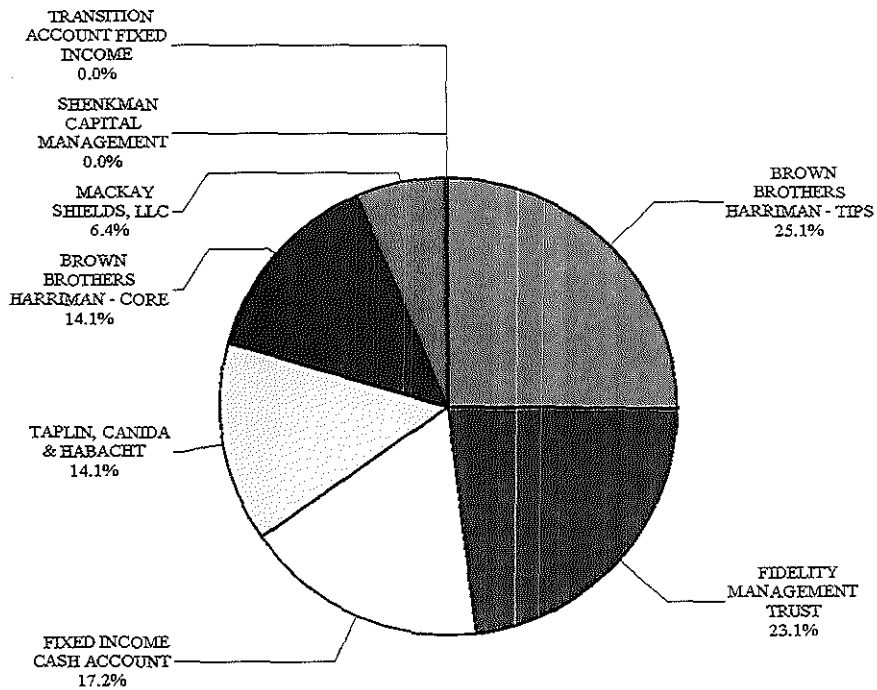
MANAGER ALLOCATION ANALYSIS

PERIOD ENDING 04/30/2007



STATE STREET.
For Everything You Invest In.

CURRENT MANAGER ALLOCATION



MANAGER	CURRENT PERIOD	ONE YEAR AGO
BROWN BROTHERS HARRIMAN - TIPS	532.5	486.8
FIDELITY MANAGEMENT TRUST	490.2	416.0
FIXED INCOME CASH ACCOUNT	364.5	
TAPLIN, CANIDA & HABACHT	299.8	256.3
BROWN BROTHERS HARRIMAN - CORE	299.2	243.3
MACKAY SHIELDS, LLC	136.3	120.4
SHENKMAN CAPITAL MANAGEMENT	0.6	123.9
TRANSITION ACCOUNT FIXED INCOME	0.6	0.6
TOTAL	2,123.7	1,647.3

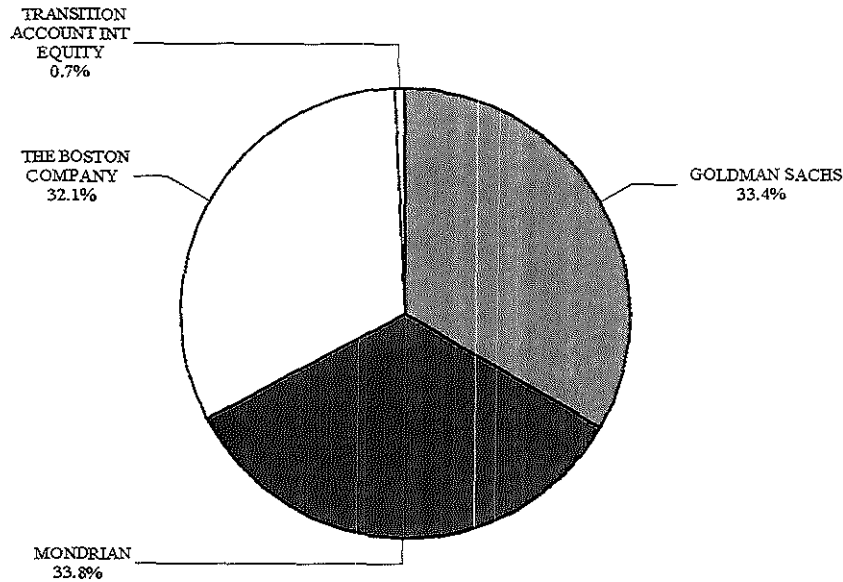
State of Rhode Island

MANAGER ALLOCATION ANALYSIS
 PERIOD ENDING 04/30/2007



STATE STREET
 For Everything You Invest In™

CURRENT MANAGER ALLOCATION



MANAGER	CURRENT PERIOD	ONE YEAR AGO
GOLDMAN SACHS	576.9	595.3
MONDRIAN	583.1	590.3
THE BOSTON COMPANY	554.7	600.2
TRANSITION ACCOUNT INT EQUITY	12.0	0.1
TOTAL	1,726.7	1,785.9

ASSET ALLOCATION REPORT
APRIL 30th, 2007

	Style Mandate	Actual (Millions \$)		Target (Millions \$)		Difference (Millions \$)
Domestic Equity						
SSgA S&P 500 Index Fund	Passive	1,751.41	21.3%	1,707.54	20.75%	43.86
SSgA Core	Active core	395.07	4.8%	370.31	4.50%	24.76
PIMCO	Enhanced Equity	575.82	7.0%	555.46	6.75%	20.36
NorthPointe Capital	Small Cap Value	417.32	5.1%	411.46	5.00%	5.87
Wellington Mgmt	Small Cap Core	436.65	5.3%	452.60	5.50%	(15.95)
Shott Capital	Alternative Distribution	4.59	0.1%	0.00	0.00%	4.59
TOTAL DOMESTIC EQUITY		3,580.86	43.5%	3,497.37	42.50%	83.49
International Equity						
Boston Company	MSCI ACWI	554.70	6.7%	548.88	6.67%	5.82
Goldman Sachs	MSCI ACWI	576.86	7.0%	548.88	6.67%	27.98
Mondrian	MSCI ACWI	583.11	7.1%	548.06	6.66%	35.06
Transition Account		12.03	0.1%	0.00	0.00%	12.03
TOTAL INT'L EQUITY		1,726.72	21.0%	1,645.82	20.00%	80.90
Domestic Fixed Income						
Fidelity Management & Research	Mortgages	490.19	6.0%	514.32	6.25%	(24.13)
Brown Brothers, Harriman	Opportunistic Core	299.17	3.6%	308.59	3.75%	(9.43)
Taplin, Canida & Habacht	Corporates	299.79	3.6%	308.59	3.75%	(8.80)
Mackay Shields	High yield	136.30	1.7%	154.30	1.88%	(18.00)
Shenkman Capital Mgmt	High yield	0.55	0.0%	154.30	1.88%	(153.75)
Brown Brothers, Harriman TIPS	TIPS	532.48	6.5%	617.18	7.50%	(84.71)
Fixed Income Cash Account		364.53	4.4%	0.00	0.00%	364.53
Transition Account		0.58	0.0%	0.00	0.00%	0.58
TOTAL FIXED-INCOME		2,123.58	25.8%	2,057.28	25.00%	66.30
Alternative Investments						
Real Estate	Real Estate	269.55	3.3%	411.5	5.00%	(141.9)
Pacific Corp Group	Private Equity	465.71	5.7%	617.18	7.50%	(151.5)
TOTAL ALTERNATIVE INVESTMENTS		735.26	8.9%	\$1,028.64	12.50%	(293.38)
CASH EQUIVALENTS	STIF, Yield+	62.69	0.8%	0.00	0.00%	62.69
TOTAL ASSETS		8,229.11	100.0%	8,229.11	100.00%	(0.00)

ALLOCATION BY MANAGEMENT STYLE

Domestic Equity						
Core		395.07	4.8%	370.31	4.50%	24.76
Index		1,751.41	21.3%	1,707.54	17.75%	43.86
Enhanced Equity		575.82	7.0%	555.46	6.75%	20.36
Active Small Cap		853.97	10.4%	864.06	13.50%	(10.08)
TOTAL DOMESTIC EQUITY		3,580.86	43.5%	3,497.37	42.50%	83.49
International Equity						
Active		1,726.72	21.0%	1,645.82	20.00%	80.90
TOTAL INT'L EQUITY		1,726.72	21.0%	1,645.82	20.00%	80.90
Domestic Fixed Income						
Mortgage		490.19	6.0%	514.32	6.25%	(24.13)
Core		299.17	3.6%	308.59	3.75%	(9.43)
Corporates		299.79	3.6%	308.59	3.75%	(8.80)
High Yield		137.43	1.7%	308.59	3.75%	(171.17)
TIPS		532.48	6.5%	617.18	7.50%	(84.71)
Other		364.53	4.4%	-	0.00%	364.53
TOTAL FIXED-INCOME		2,123.58	25.8%	2,057.28	25.00%	66.30
Alternative Investments						
Real Estate		269.55	3.3%	411.46	5.00%	(141.91)
Other Alternative Investments		465.71	5.7%	\$617.18	7.50%	(151.47)
TOTAL ALTERNATIVE INVESTMENTS		735.26	8.9%	1,028.64	12.50%	(293.38)
CASH EQUIVALENTS	STIF, Yield+	62.69	0.8%	0.00	0.00%	62.69
TOTAL ASSETS		8,229.11	100.0%	8,229.11	100.00%	(0.00)

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

APRIL 30, 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	\$14,547,973	SSgA
2	HERCULES INC	609,300	11,479,212	Wellington,NorthPointe,SSgA
3	TELEDYNE TECH	246,300	10,864,293	Wellington,NorthPointe
4	ADVANTA CORP	214,523	9,829,444	Wellington,NorthPointe
5	PFIZER INC	359,800	9,520,308	SSgA
6	CITIGROUP INC	176,733	9,476,423	SSgA
7	BANK AMERICA CORP	185,700	9,452,130	SSgA
8	ADC TELECOMMUNICATION	505,400	9,299,360	Wellington,SSgA
9	INTERNATIONAL BUSINESS MAC	90,700	9,270,447	SSgA
10	RED HAT INC	417,700	8,830,178	Wellington
		2.87%	\$102,569,768	
Total Composite Equities		\$3,574,967,619		

International Equity Holdings By Top 10 Market Values

APRIL 30, 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	3,933,776	\$58,259,229	Mondrian
2	UNILEVER PLC	1,148,764	36,206,290	Mondrian,Goldman,Boston Co.
3	ROYAL BANK SCOT GRP	903,737	34,881,597	Mondrian,Goldman,Boston Co.
4	TOTAL SA	391,427	29,092,529	Mondrian,Goldman,Boston Co.
5	ROYAL DUTCH SHELL	758,399	26,527,689	Mondrian,Goldman,Boston Co.
6	GLAXOSMITHKLINE	905,260	26,232,441	Mondrian,Boston Co.
7	BP PLC	1,926,243	21,784,153	Mondrian,Boston Co.
8	CANON INC	379,528	21,436,877	Mondrian,Goldman,Boston Co.
9	NATL AUSTRALIA BANK	585,145	20,942,948	Mondrian,Boston Co.
10	TELSTRA CORP	5,090,574	19,787,435	Mondrian,Goldman,Boston Co.
		17.29%	\$295,151,188	
Total Composite International Equities		\$1,707,527,430		

Top 10 Market Values SIC

SCAL YEAR 2007 INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI ACCRUAL BASIS

	Actual Jul 06	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Projected Jan 07	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected TOTAL
UTILITIES													
SSgA Core			228,174			242,895			200,000			222,371	893,439
SSgA Russell 1000/S&P 500			25,333			40,562			40,000			32,408	138,304
Shott Capital			2,447			2,751			2,509			2,718	10,425
PIMCO			0			200,000			1,000			225,000	426,000
Wellington Mgmt			627,504			634,038			600,000			652,373	2,513,915
Wasatch Advisors			118,277			121,645			120,000			126,713	486,636
NorthPointe			<u>523,527</u>			<u>543,982</u>			<u>480,000</u>			<u>542,135</u>	<u>2,089,644</u>
			1,525,262			1,785,873			1,443,509			1,803,718	6,558,363
FIXED INCOME													
Brown Bros.			137,999			140,551			120,000			129,732	528,282
Fidelity			156,625			157,334			140,000			148,636	602,595
Taplin			180,056			184,623			160,000			169,909	694,588
Mackay Shields			135,754			141,118			140,000			132,920	549,792
Shenkman			137,910			142,580			94,837			135,952	511,279
Brown Bros.TIPS			<u>139,383</u>			<u>140,110</u>			<u>140,000</u>			<u>136,883</u>	<u>556,377</u>
			887,727			906,315			794,837			854,032	3,442,912
FIXED INCOME													
the Boston Co			567,016			584,801			550,000			566,138	1,717,954
Mondrian			344,188			363,762			250,000			316,283	1,274,233
Goldman Sachs Asset Mgmt			487,960			523,450			488,384			488,465	1,988,259
SSgA MSCI ACWI			0			0			0			0	0
	0		1,399,164	0		1,472,013			1,288,384			1,370,886	4,980,446
REAL ESTATE													
L & B Real Estate		73,438		73,899	312,588	34,375	34,375	17,188	202,228	55,479		100,000	903,570
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt Fees	1,336,032	401,114	73,438	693,948	316,403	999,806	971,558	19,516	249,256	206,620	606,207	583,151	6,457,049
SUB TOTAL-INV MGMT FEES	1,336,032	474,552	3,885,591	767,847	628,991	5,198,382	1,005,933	36,704	3,978,214	262,099	606,207	4,711,788	22,342,340
PROFESSIONAL FEES													
Legal	36,171	8,822	8,767	6,510	8,769	3,500	13,726	6,000	7,365	12,737	9,677	17,791	139,834
St St Bank Custodial	10,784	8,495	13,277	18,017	8,948	15,129	9,541	10,000	10,000	7,915	10,235	12,861	135,203
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>
	67,787	131,901	78,503	45,361	132,301	75,087	44,100	130,583	73,823	41,484	149,496	87,110	1,057,534
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	<u>8,333</u>	<u>8,333</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>155,917</u>
	8,333	8,333	999,564	2,552	8,014	1,233,152	21,497	22,425	3,000	3,680,498	8,333	8,333	6,004,036
TOTAL:	1,412,153	614,786	4,963,658	815,759	769,306	6,506,622	1,071,530	189,712	4,055,037	3,984,081	764,036	4,807,231	29,403,910

Note: Numbers in bold are actual.

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2007	FY 2006-07												
	Actual July 2006	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2007	Actual February	Actual March	Actual April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	49,578,730	50,240,812	50,355,437	50,266,881	50,154,854	50,574,307	48,816,683	51,896,341	51,826,438	51,877,789	48,800,465	48,775,210	603,161,747
ADMINISTRATIVE EXPENSES	30,852	7,525	97,502	35,665	119,438	61,564	41,155	89,849	65,360	3,165,767	8,339	0	3,723,015
INVESTMENT EXPENSES	1,139,595	404,779	0	654,009	535,706	880,803	764,774	31,234	384,116	222,931	522,400	497,410	6,037,758
TOTAL OUTFLOW	50,749,178	50,653,116	50,450,939	50,956,355	50,809,998	51,516,673	49,622,611	52,017,424	52,275,914	55,266,486	49,331,205	49,272,620	612,922,519
CONTRIBUTIONS	26,323,220	30,454,769	24,504,216	35,966,284	33,747,419	43,321,050	33,232,665	45,847,529	37,662,635	42,576,485	32,614,800	51,544,371	437,785,443
OTHER INCOME*	18,334,758	9,340,820	7,710,133	2,948,630	9,168,433	14,913,727	3,782,660	8,825,708	11,598,390	6,200,118	7,288,538	18,612,285	116,724,250
TOTAL INCOME	42,657,978	39,795,589	32,214,349	38,904,914	42,915,852	58,234,777	37,015,325	54,673,237	49,261,025	48,776,603	39,903,388	70,156,656	554,509,693
DIFFERENCE	(8,091,200)	(10,857,527)	(18,236,591)	(12,051,441)	(7,894,146)	6,718,104	(12,607,286)	2,655,813	(3,014,889)	(6,489,884)	(9,427,817)	20,884,036	(58,412,826)

Municipal Employees Retirement System

FISCAL YEAR 2007	FY 2006-07												
	Actual July 2006	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2007	Actual February	Actual March	Actual April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	4,091,872	4,179,838	4,204,071	4,189,210	4,196,673	4,282,907	4,015,188	4,433,290	4,402,787	4,402,669	4,093,406	4,069,723	50,561,634
ADMINISTRATIVE EXPENSES	5,005	1,221	14,600	5,828	19,516	10,060	6,173	14,745	10,731	520,429	1,255	0	609,561
INVESTMENT EXPENSES	184,863	65,662	0	106,865	67,535	143,923	114,714	5,126	63,063	36,648	78,629	30,689	967,718
TOTAL OUTFLOW	4,281,740	4,246,721	4,218,671	4,301,903	4,303,724	4,436,890	4,136,075	4,453,160	4,476,581	4,959,746	4,173,290	4,150,412	52,138,913
CONTRIBUTIONS	2,505,378	3,560,211	4,502,206	3,257,542	3,890,409	4,500,854	5,191,597	3,888,036	4,038,723	4,393,140	4,050,208	2,630,672	46,408,976
OTHER INCOME*	2,649,790	1,515,248	1,154,504	481,807	1,498,125	2,436,908	567,390	1,448,337	1,904,204	1,019,254	1,097,041	2,694,810	18,467,418
TOTAL INCOME	5,155,168	5,075,459	5,656,710	3,739,349	5,388,534	6,937,762	5,758,967	5,336,373	5,942,927	5,412,394	5,147,249	5,325,482	64,876,394
DIFFERENCE	873,429	828,738	1,438,039	(562,554)	1,084,810	2,500,872	1,622,912	883,212	1,466,346	452,648	973,959	1,175,070	12,737,481



	Actual July 2006	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2007	Actual February	Actual March	Actual April	Actual 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	313	76	893	380	1,282	661	395	988	732	35,787	83	0	41,592
INVESTMENT EXPENSES	11,574	4,111	0	6,972	5,750	9,455	7,341	344	4,305	2,520	5,178	5,052	62,602
TOTAL OUTFLOW	25,887	18,187	14,893	21,353	21,032	24,116	21,736	15,333	19,037	52,307	19,260	19,052	272,194
CONTRIBUTIONS	500,000	535,000	485,000	500,000	490,000	510,000	510,000	1,280,000	520,000	540,000	779,800	760,000	7,409,800
OTHER INCOME*	165,900	94,868	70,594	31,436	98,416	160,088	36,310	97,177	129,982	70,088	72,239	188,719	1,195,816
TOTAL INCOME	665,900	629,868	555,594	531,436	588,416	670,088	546,310	1,377,177	649,982	610,088	852,039	928,719	8,605,616
DIFFERENCE	640,013	611,680	540,701	510,083	567,384	645,972	524,574	1,361,844	630,945	557,781	832,779	909,667	8,333,422

*Includes Income from Real Estate Investments, Private Equity, Securities
Trading, and Cash Accounts.

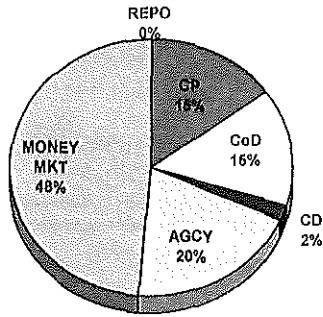
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**Rhode Island Employees Retirement System
Securities Lending Report
April, 2007**

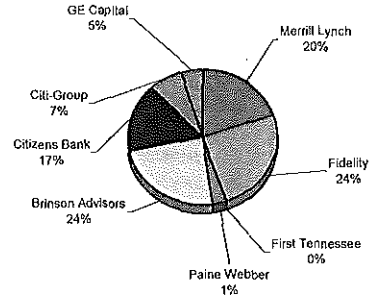
<u>INVESTMENT MANAGER</u>	<u>Income</u>	<u>Average Collateral Balance</u>
<u>DOMESTIC EQUITY</u>		
Wellington Mgmt. Co., LLP	25,845	172,947,696
NorthPointe Capital	26,722	207,126,791
SSgA Core	<u>3,395</u>	<u>34,999,441</u>
Total Domestic Equity	\$ <u>55,962</u>	\$ <u>415,073,927</u>
 <u>INTERNATIONAL EQUITY</u>		
Goldman Sachs	26,151	75,863,450
Boston Company	13,894	87,904,736
Mondrian	<u>29,525</u>	<u>143,001,857</u>
Total International Equity	\$ <u>69,569</u>	\$ <u>306,770,043</u>
 <u>FIXED INCOME</u>		
Brown Brothers, Harriman	4,921	51,213,468
Taplin, Canida & Habacht	1,944	22,102,268
MacKay Shields	9,348	18,709,897
Shenkman Capital Management	0	0
Brown Brothers, Harriman (TIPS)	<u>23,010</u>	<u>475,796,364</u>
Total Fixed Income	\$ <u>39,223</u>	\$ <u>567,821,998</u>
 TOTAL SECURITIES LENDING INCOME		
	\$ <u>164,754</u>	\$ <u>1,289,665,968</u>
 Calendar Year 2007 YTD		
	\$ 705,199	

RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM CASH INVESTMENTS AT APRIL 30, 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	CD	Agency	Money Mkt	CoD	Repo	Total (\$)
Guidelines-Total/Vendor	25%/10%	25%/10%	75%/35%	50%/35%	25%/25%	100%/20%	
Merrill Lynch	0	0	42,385,031	0	0	0	42,385,031
	0%	0%	20%	0%	0%	0%	20%
Dean Witter	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Chase Securities	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Paine Webber	6,986,830	0	0	0	0	0	6,986,830
	3%	0%	0%	0%	0%	0%	3%
Fidelity	0	0	0	53,709,765	0	0	53,709,765
	0%	0%	0%	25%	0%	0%	25%
First Tennessee	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Brinson Advisors	0	0	0	51,184,775	0	0	51,184,775
	0%	0%	0%	24%	0%	0%	24%
Citizens Bank	0	4,253,059	0	0	31,435,401	0	35,688,461
	0%	2%	0%	0%	15%	0%	17%
GE Capital	9,985,500	0	0	0	0	0	9,985,500
	5%	0%	0%	0%	0%	0%	5%
Citi-Group	15,478,309	0	0	0	0	0	15,478,309
	7%	0%	0%	0%	0%	0%	7%
State St Bank	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
TOTALS	32,460,639	4,253,059	42,386,031	104,894,540	31,435,401	0	215,418,670
(%) PORTFOLIO	15%	2%	20%	49%	15%	0%	100%

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

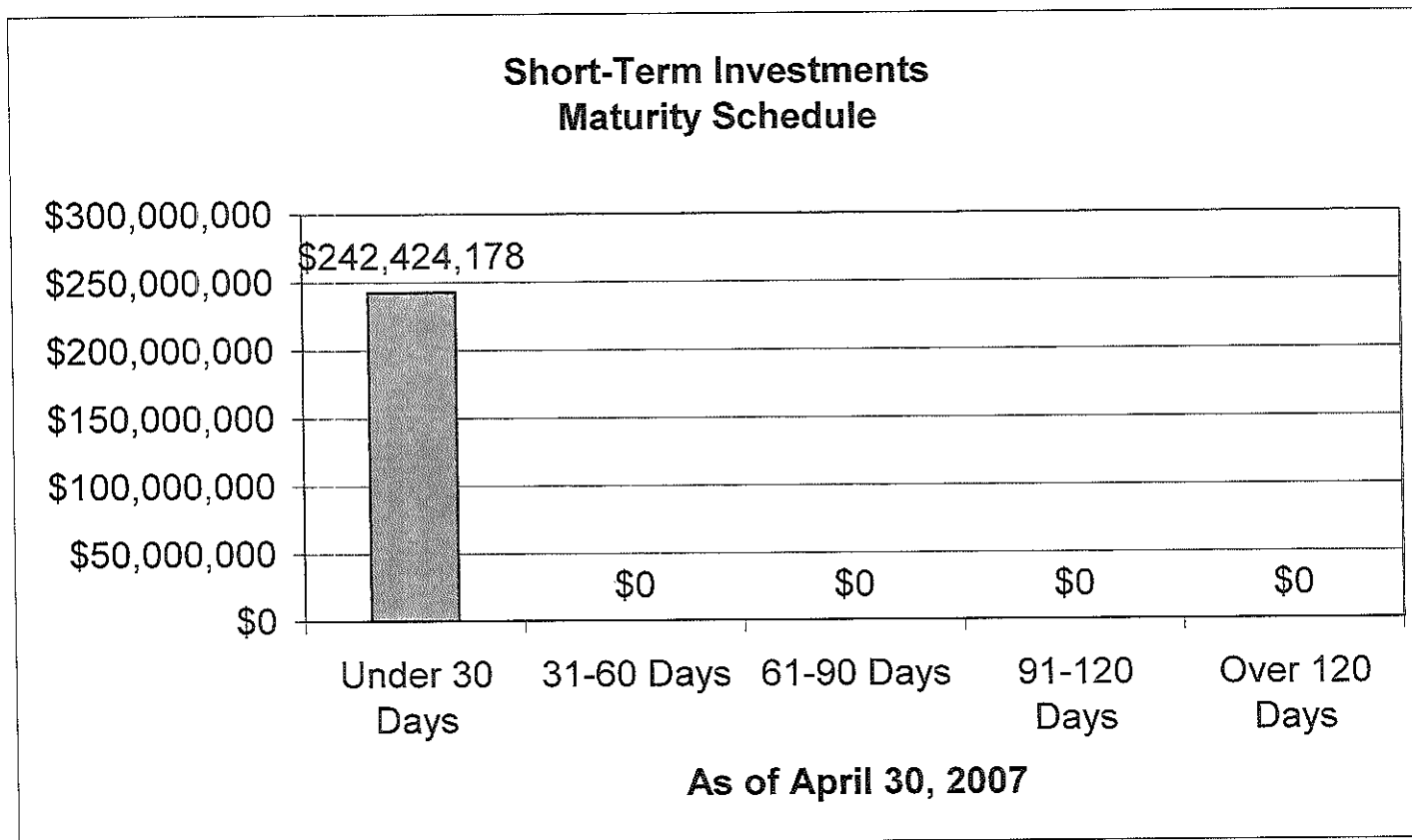
State of Rhode Island and Providence Plantations
Office of the General Treasurer

Short Term Investments Portfolio by Fund

As of April 30, 2007

	Principal	Interest*	Total Value @ Maturity
4901 GENERAL FUND	46,916,965	2,952	46,919,916
4904 PENSION C	3,799,466	534	3,800,000
4908 PAYROLL A	399,944	56	400,000
4916 GENERAL FUND H.A.V.A.	1,246,523	0	1,246,523
4920 GENERAL FUND (HIST PRES)	499,258	4,111	503,369
4955 HEALTH INSURANCE FUND	18,505,703	5,410	
5400 HIGHWAY FUND	7,253,532	633	7,254,165
5500 UNIVERSITY COLLEGE	1,008,929	141	1,009,069
6920 AUTO EQUIPMENT SERVICE	2,284,310	0	2,284,310
8000 T.D.I. RESERVE (DET)	86,214,017	1,186	86,215,203
8300 PERMANENT SCHOOL FUND	753,801	1,510	755,311
8400 EMP RETIREMENT FUND	181,039	0	181,039
8500 MUN EMP RETIREMENT FUND	51,697	0	51,697
8700 R.I. CLEAN WATER ACT	2,756,515	0	2,756,515
9000 BOND CAPITAL FUND	839,046	0	839,046
9700 STATE LOTTERY FUND	41,408,949	56,423	41,465,372
9800 INDUS. BLDG. & MTG. INS.	1,298,976	0	1,298,976
9900 SINKING FUND	0	0	0
4911 TANS	27,005,507	0	27,005,507
Subtotal	242,424,178	72,954	223,986,018
8703 CLEAN WATER 1991 SERIES A	146,608		
8704 CLEAN WATER 96 SERIES A	2		
8706 CLEAN WATER CCDL 1994 (A)	6,097		
8707 CAP DEV. OF 1997 SERIES A	19,477		
8710 CLEAN WATER CCDL 2002 A	290,421		
8711 CLEAN WATER 2004 SERIES A	700,175		
8712 CLN WATER CCDL 2005 SER E	885,908		
8733 CAP DEV. OF 1997 SERIES A	7,096		
8737 RI POLLUT. CONT 94 SER. A	6,375		
8739 CCDL99A 1999A	337,892		
8742 POLLUTION CNTRL 2002 A	309		
8743 POLL.CONTRL 2004 SERIES A	6,425		
8744 POLLUTION CON 2005 SER C	570		
8745 POLUTION CTRL CCDL 2005 E	110		
8746 POLUTION CTRL CCDL 2006 C	1,481,463		
9114 G.O. NOTE 1991 SER. B	3,816		
9116 BOND CCDL 1993 SERIES A	4		
9117 BOND CCDL 1994 SERIES A	522,054		
9120 BOND CCBL96A	1,259,063		
9121 CAP DEV OF 1997 SERIES A	549,910		
9123 CCDL 1998B	2,133,803		
9124 CCDL99A 1999A	89		
9125 MMG099 1999	2,864		
9126 BOND CAPITAL CCDL2000A	1,526,809		
9127 MULTI-MODAL GEN OBL 2000	2,835		
9128 BOND 2001	0		
9131 CCDL 2004 SERIES A	12,550,197		
9132 BOND CCDL 2005 SERIES C	20,868,960		
9133 BOND CCDL 2005 SERIES E	9,196,806		
9134 BOND CCDL 2006 SERIES B	34,917		
9135 BOND CCDL 2006 SERIES C	86,459,979		
Subtotal Bond Proceed Accounts	139,001,035		
Total Short Term Portfolio	381,425,213		

* General Fund (4901,4911,4916), TDI (8000), & ISTE A (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.



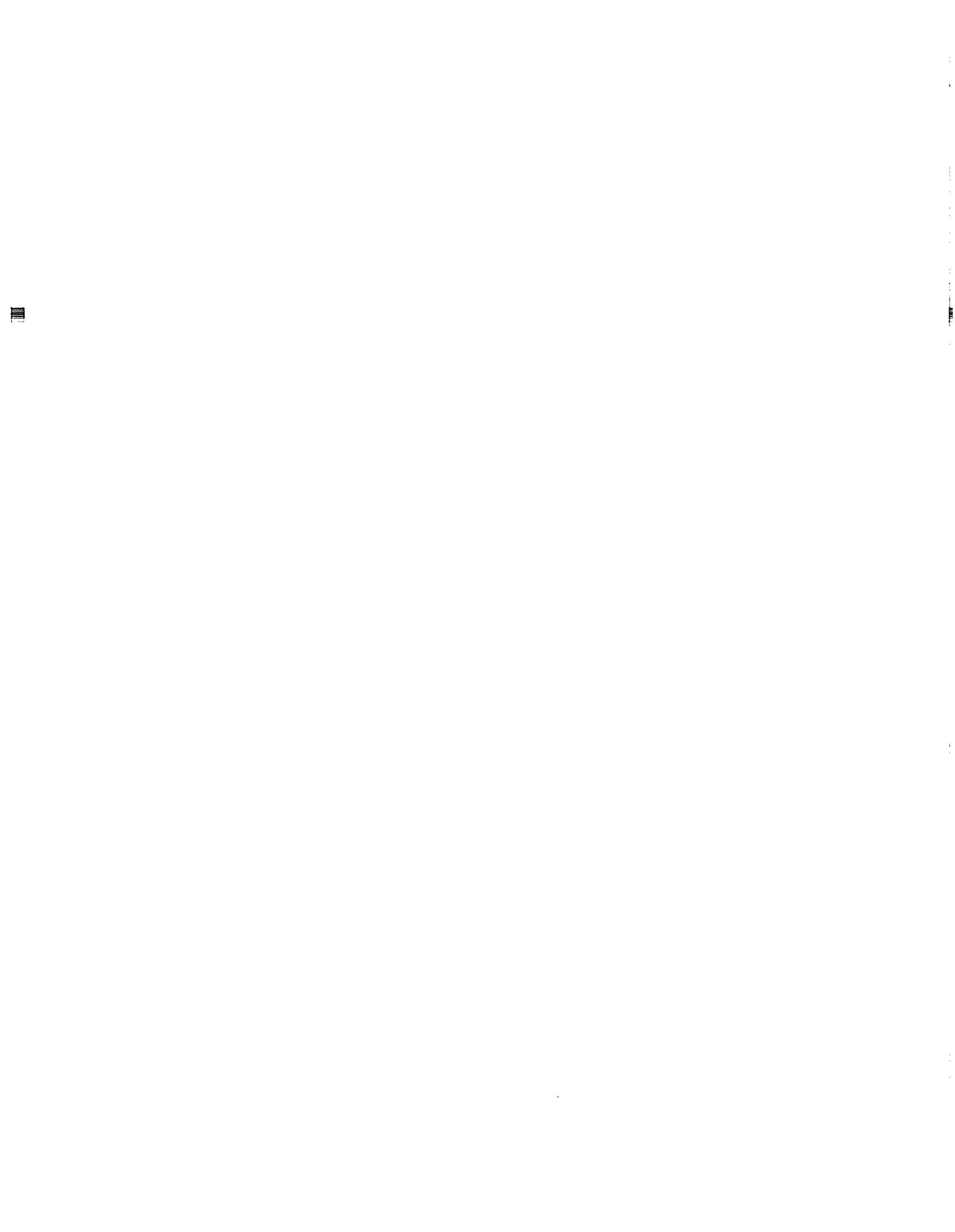
Maturities in \$Millions

Note: Includes \$163.3 Million of Money Market investments with no specific maturity

April, 2007	5.19%
March, 2007	5.14%
April, 2006	4.73%

**ABRAHAM TOURO FUND
INVESTMENT SUMMARY
APRIL 30, 2007**

<u>FUND NAME</u>	April Gain/Loss	TOTAL MARKET VALUE
Abraham Touro Fund (Fidelity Balanced Fund)	\$ 74,309	\$ 2,427,627
<u>TOTALS</u>	\$ 74,309	\$ 2,427,627



STATE OF RHODE ISLAND RETIREMENT PLANS INVESTMENT OPTIONS

PERFORMANCE UPDATE

AS OF MARCH 31, 2007

UNDERSTANDING INVESTMENT PERFORMANCE

As you review this update, please remember that the performance data stated represents past performance, which does not guarantee future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your shares. Current performance may be higher or lower than the performance stated. To learn more or to obtain the most recent month-end performance, call Fidelity at 1-800-343-0860 or visit www.fidelity.com.

Fund No.	Fund Name	Cumulative Total Returns % Period Ending March 31, 2007			Average Annual Total Returns % Period Ending March 31, 2007				Fund Inception	Short-Term Trading Fee (%/Days)	Expense Ratio
		7-Day Yield▲	3 Month	YTD	1 Year	5 Year	10 Year	Life of Fund			
LIFE-CYCLE											
00370	Fidelity Freedom 2000		1.52	1.52	6.64	4.79	6.97	6.87	10/17/96	n/a	0.00☆
00371	Fidelity Freedom 2010		1.85	1.85	8.17	6.68	8.52	8.39	10/17/96	n/a	0.00☆
00372	Fidelity Freedom 2020		2.00	2.00	8.95	7.66	9.00	8.90	10/17/96	n/a	0.00☆
00373	Fidelity Freedom 2030		2.06	2.06	9.40	7.99	8.95	8.84	10/17/96	n/a	0.00☆
00369	Fidelity Freedom Income		1.56	1.56	6.54	4.50	5.97	5.90	10/17/96	n/a	0.00☆
MONEY MARKET (SHORT-TERM)*											
00630	Fidelity Retirement Money Market	5.01	1.24	1.24	5.04	2.42	3.73	4.58	12/02/88	n/a	0.42
BOND											
99474	PIMCO Total Return - Administrative Class		1.64	1.64	6.06	5.48	6.81	7.10	9/08/94	2.00/7	0.68
BALANCED/HYBRID											
00004	Fidelity Puritan®		1.25	1.25	12.43	7.91	8.72	11.72	4/16/47	n/a	0.62
DOMESTIC EQUITY - LARGE VALUE											
00023	Fidelity Equity-Income		1.06	1.06	15.08	8.14	9.26	13.10	5/16/66	n/a	0.68
DOMESTIC EQUITY - MID VALUEⓈ											
00039	Fidelity Value		4.78	4.78	13.11	13.38	12.30	14.50	12/01/78	n/a	0.67
DOMESTIC EQUITY - LARGE BLEND											
00330	Fidelity Dividend Growth		0.25	0.25	9.74	4.16	9.84	13.35	4/27/93	n/a	0.60
00027	Fidelity Growth & Income		-0.48	-0.48	5.93	3.75	6.98	12.91	12/30/85	n/a	0.69
00650	Spartan® U.S. Equity Index - Investor Class		0.62	0.62	11.75	6.16	8.05	11.56	2/17/88	n/a	0.10

Please see important disclosures on the last page(s).

continued

AS OF MARCH 31, 2007

Fund No.	Fund Name	Cumulative Total Returns % Period Ending March 31, 2007		Average Annual Total Returns % Period Ending March 31, 2007			Life of Fund	Fund Inception	Short-Term Trading Fee (%/Days)	Expense Ratio↔
		3 Month	YTD	1 Year	5 Year	10 Year				
DOMESTIC EQUITY - LARGE GROWTH										
00312	Fidelity Blue Chip Growth	-0.61	-0.61	2.50	1.82	5.55	11.78	12/31/87	n/a	0.63
00022	Fidelity <i>Contrafund</i> [®]	1.41	1.41	7.98	11.20	11.34	13.27	5/17/67	n/a	0.90
00021	Fidelity <i>Magellan</i> [®]	2.01	2.01	3.21	3.91	7.26	18.35	5/02/63	n/a	0.59
00093	Fidelity OTC	1.60	1.60	5.05	6.62	8.24	13.92	12/31/84	n/a	0.80
DOMESTIC EQUITY - MID GROWTHⓈ										
00337	Fidelity Mid-Cap Stock	6.59	6.59	7.89	8.56	13.98	14.82	3/29/94	0.75/30	0.72
93392	Franklin Small-Mid Cap Growth - Class A	5.90	5.90	5.95	7.24	9.52	12.61	2/14/92	2.00/7	0.97
INTERNATIONAL/GLOBAL††										
00325	Fidelity Diversified International	3.09	3.09	15.18	17.41	13.22	12.48	12/27/91	1.00/30	1.01
MARKET INDICES^^										
For comparison only. These are not Fidelity funds.										
	Dow Jones Industrial Average	-0.33	-0.33	13.83	5.86	8.60				
	Lehman Brothers Intermediate Gov't/Credit Bond Index	1.59	1.59	6.14	4.91	5.99				
	MSCI EAFE [®] Index	4.10	4.10	20.38	16.02	8.53				
	Standard & Poor's 500 SM Index	0.64	0.64	11.83	6.27	8.20				

Total returns are historical and include change in share value and reinvestment of dividends and capital gains, if any. Cumulative total returns are reported as of the period indicated. Life of fund figures are reported as of the inception date to the period indicated. The figures do not include the effects of sales charges, if any, as these charges are waived for contributions made through your company's employee benefit plan. If sales charges were included, returns would have been lower.

With the exception of domestic equity mutual funds, investment options have been assigned to investment categories based on Fidelity's analysis. Fidelity has verified the accuracy of the placement of certain third party non-mutual funds with either the plan sponsor or the plan sponsor's consultant. Within Domestic Equities, mutual funds are listed according to their actual Morningstar categories as of the date indicated. Morningstar categories are based on a fund's style as measured by its underlying portfolio holdings over the past 3 years and may change at any time. These style calculations do not represent the funds' objectives and do not predict the funds' future styles.

SPECIFIC FUNDS

Morningstar, Inc., provided data on the non-Fidelity mutual funds. Although the data is gathered from reliable sources, accuracy and completeness cannot be guaranteed by Morningstar.

- ▲ The current yield more closely reflects the current earnings of the fund, while total return refers to a specific past holding period.
- ↔ Expense Ratio is the total annual fund operating expense ratio from the fund's most recent prospectus. For a mutual fund, the expense ratio is the total annual fund or class operating expenses (before waivers or reimbursements) paid by the fund and stated as a percent of the fund's total net assets. Where the investment option is not a mutual fund, the figure displayed in the expense ratio field is intended to reflect similar information. However, it may have been calculated using methodologies that differ from those used for mutual funds. Mutual fund data has been drawn from the most recent prospectus. For non-mutual fund investment options, the information has been provided by the trustee or plan sponsor. When no ratio is shown for these options it is due to the fact that none was available. Nevertheless, there may be fees and expenses associated with the investment option.
- ☆ The Combined Total Expense Ratio reflects expense reimbursements and reductions and is based on the total operating expense ratio of the fund plus a weighted average of the total operating expense ratios of the underlying Fidelity funds in which it was invested. This ratio may be higher or lower depending on the allocation of the fund's assets among the underlying Fidelity funds and the actual expenses of the underlying Fidelity funds.
 - The Combined Total Expense Ratio for Freedom 2000 is 0.52%.
 - The Combined Total Expense Ratio for Freedom 2010 is 0.62%.
 - The Combined Total Expense Ratio for Freedom 2020 is 0.70%.
 - The Combined Total Expense Ratio for Freedom 2030 is 0.74%.
 - The Combined Total Expense Ratio for Freedom Income is 0.51%.

INDICES

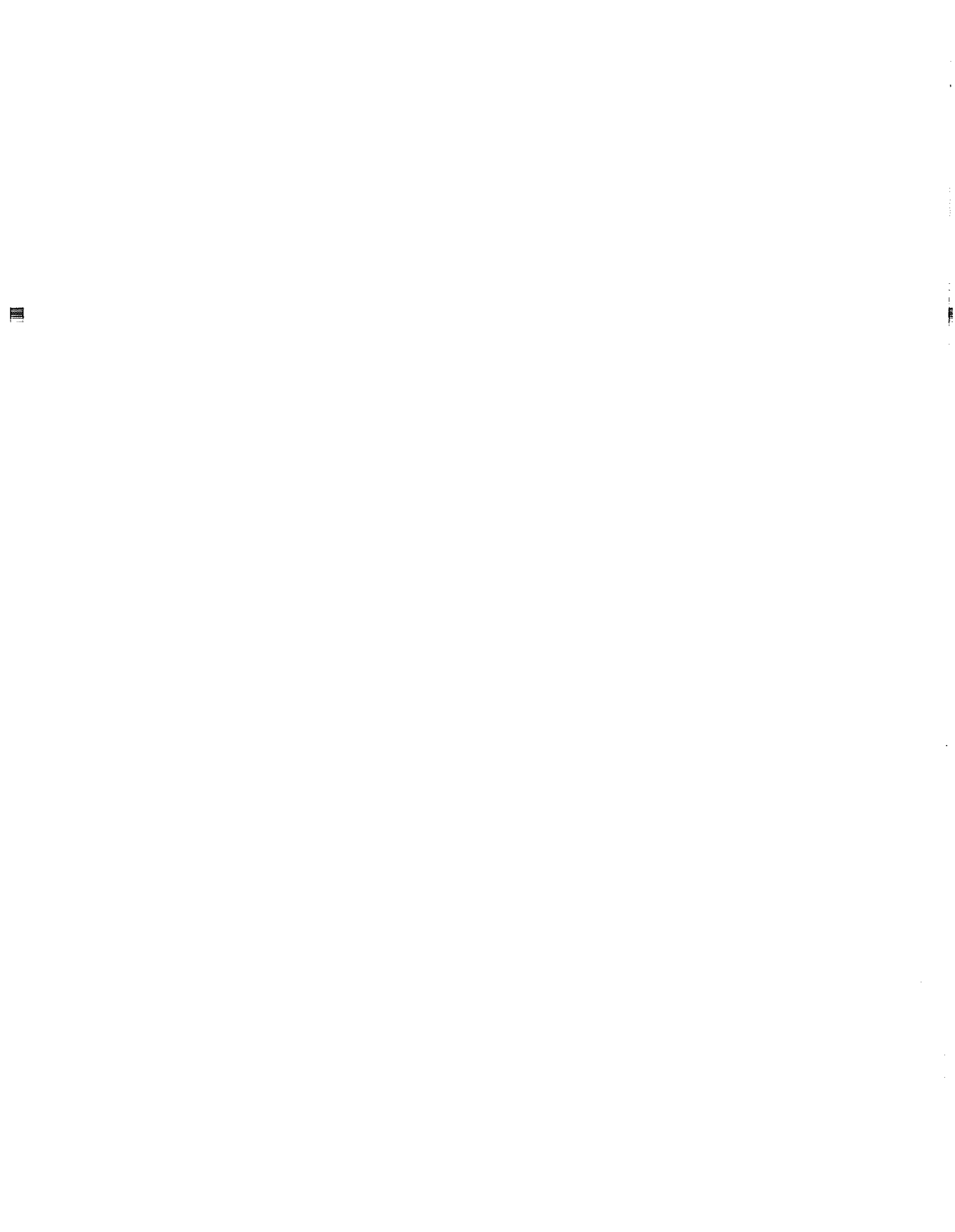
- ^^ Performance of an index is not illustrative of any particular investment and an investment cannot be made directly in an index.
 - Dow Jones Industrial Average (DJIA)**, published by Dow Jones and Company, is an unmanaged average of 30 actively traded stocks (primarily industrial) and assumes reinvestment of dividends. It is not offered as a comparison for any investment option but rather as a general stock market indicator.
 - Lehman Brothers Intermediate Government/Credit Bond Index** is an unmanaged, market-value weighted index of government and investment-grade corporate fixed-rate debt issues with maturities between one and ten years.
 - MSCI EAFE[®] Index (Morgan Stanley Capital International Europe, Australasia, Far East Index)** is an unmanaged index of over 1,000 foreign common stock prices and includes the reinvestment of dividends. The EAFE[®] Index is a registered service mark of Morgan Stanley and has been licensed for use by FMR Corp. The investment options offered through the plan are neither sponsored by nor affiliated with Morgan Stanley.
 - The Standard & Poor's 500SM Index (S&P 500[®])** is a registered service mark of the McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks.

AS OF MARCH 31, 2007

INVESTMENT RISK

- ⇒ These funds are subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in high yield, small cap and foreign securities.
- * *An investment in a money market fund is not insured or guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in these funds.*
- Ⓢ Investments in mid-sized companies may involve greater risks than those of larger, more well-known companies, but may be less volatile than investments in smaller companies.
- †† Foreign investments, especially those in emerging markets, involve greater risk and may offer greater potential returns than U.S. investments. This risk includes political and economic uncertainties of foreign countries, as well as the risk of currency fluctuation.

Before investing in any mutual fund, please carefully consider the investment objectives, risks, charges and expenses. For this and other information, call Fidelity at 1-800-343-0860 or visit www.fidelity.com for a free mutual fund prospectus. Read it carefully before you invest.



Performance Update

ING Life Insurance and Annuity Company



State of Rhode Island

Average Annual Total Returns as of 03/31/2007

Mutual funds offered through a retirement plan are investments designed for retirement purposes. Early withdrawals will reduce your account value and if taken prior to age 59 1/2, a 10% IRS penalty may apply.

THE PERFORMANCE DATA QUOTED REPRESENTS PAST PERFORMANCE. PAST PERFORMANCE DOES NOT GUARANTEE FUTURE RESULTS. FOR MONTH-END PERFORMANCE WHICH MAY BE LOWER OR HIGHER THAN THE PERFORMANCE DATA SHOWN PLEASE CALL 800-525-4225. INVESTMENT RETURN AND PRINCIPAL VALUE OF AN INVESTMENT WILL FLUCTUATE SO THAT, WHEN SOLD, AN INVESTMENT MAY BE WORTH MORE OR LESS THAN THE ORIGINAL COST.

The returns assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses.

YOU SHOULD CONSIDER THE INVESTMENT OBJECTIVES, RISKS AND CHARGES, AND EXPENSES OF THE FUNDS CAREFULLY BEFORE INVESTING. THE PROSPECTUS CONTAINS THIS AND OTHER INFORMATION. ANYONE WHO WISHES TO OBTAIN A FREE COPY OF THE FUND PROSPECTUSES MAY CALL THEIR ING REPRESENTATIVE OR THE NUMBER ABOVE. PLEASE READ THE PROSPECTUS CAREFULLY BEFORE INVESTING.

Returns less than one year are not annualized. Fund Inception Date is the date of inception for the underlying fund, and is the date used in calculating the periodic returns. This date may also precede the portfolio's inclusion in the product.

Investment Options	Fund Benchmark (BM)	Returns Not Annualized						Average Annual Total Returns								Since Fund Inception	Fund Inception Date	
		1-Mo		3-Mo		YTD		1-Yr		3-Yr		5-Yr		10-Yr				
		Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	Fund	BM	
Stability of Principal																		
ING Fixed Account - 457/401-Base + 60 (***) - 043	MFR	0.33%	0.40%	0.97%	1.16%	0.97%	1.16%	4.00%	4.70%	4.06%	2.95%	4.56%	2.10%	5.49%	3.39%			
Money Market																		
ING VP Money Market Portfolio - Class I - 003	IBCM	0.43%	0.45%	1.25%	1.32%	1.25%	1.32%	5.09%	5.33%	3.33%	3.60%	2.45%	2.80%	3.76%	3.69%			08/01/1975
<i>The 7-day annualized yield as of 03/31/2007 is 5.04%. (+)</i>																		
Bonds																		
Intermediate-Term Bond																		
ING VP Intermediate Bond Portfolio - Class I - 004	LEHM	0.15%	0.00%	1.70%	1.50%	1.70%	1.50%	6.24%	6.58%	3.73%	3.31%	5.81%	5.35%	6.24%	6.46%			05/23/1973
Balanced																		
Moderate Allocation																		
Calvert Social Balanced Portfolio - 101	SPXRE	0.34%	1.12%	0.59%	0.64%	0.59%	0.64%	7.42%	11.83%	6.96%	10.05%	5.87%	6.27%	6.57%	8.21%			09/02/1986
ING VP Balanced Portfolio, Inc. - Class I - 008	SPXL	0.95%	0.67%	1.16%	1.00%	1.16%	1.00%	7.71%	9.76%	7.33%	7.37%	6.32%	6.14%	7.74%	7.85%			04/03/1989
ING Van Kampen Equity and Income Portfolio - Initial Class - 452	SPXRE	0.99%	1.12%	0.60%	0.64%	0.60%	0.64%	11.01%	11.83%	10.21%	10.05%	5.90%	6.27%			5.70%		12/10/2001
Large Cap Value																		
Large Blend																		
AIM V.I. Core Equity Fund - Series I Shares - 079	RS1000	1.98%	1.04%	1.98%	1.22%	1.98%	1.22%	12.54%	11.85%	10.77%	10.73%	7.24%	6.93%	7.47%	8.61%			05/02/1994
ING VP Growth and Income Portfolio - Class I - 001	SPXRE	1.20%	1.12%	0.68%	0.64%	0.68%	0.64%	9.09%	11.83%	9.85%	10.05%	5.08%	6.27%	4.70%	8.21%			05/01/1975

Performance Update

The returns listed do not include the impact of contract charges.

The CURRENT rate for the ING Fixed Account - 457/401 - is 4.000%, expressed as an annual effective yield, and is guaranteed not to drop below 3.60% through 12/31/2007. The annual rate of interest applied to your account may be higher or lower than the current rate. Restrictions apply to transfers of funds from the Fixed Account to other contract investment options. Please refer to your product prospectus / disclosure booklet and call your 800 number for more information. The chart shows the performance for each investment option for the time periods shown.

Effective December 2, 2005, the ING VP MagnaCap Portfolio - Class I merged into the ING VP Value Opportunity Portfolio - Class I.

Effective April 28, 2006, AIM V.I. Premier Equity Fund - Series I Shares merged into AIM V.I. Core Equity Fund - Series I Shares.

Effective April 28, 2006, AIM V.I. Growth Fund - Series I Shares merged into AIM V.I. Capital Appreciation Fund - Series I Shares.

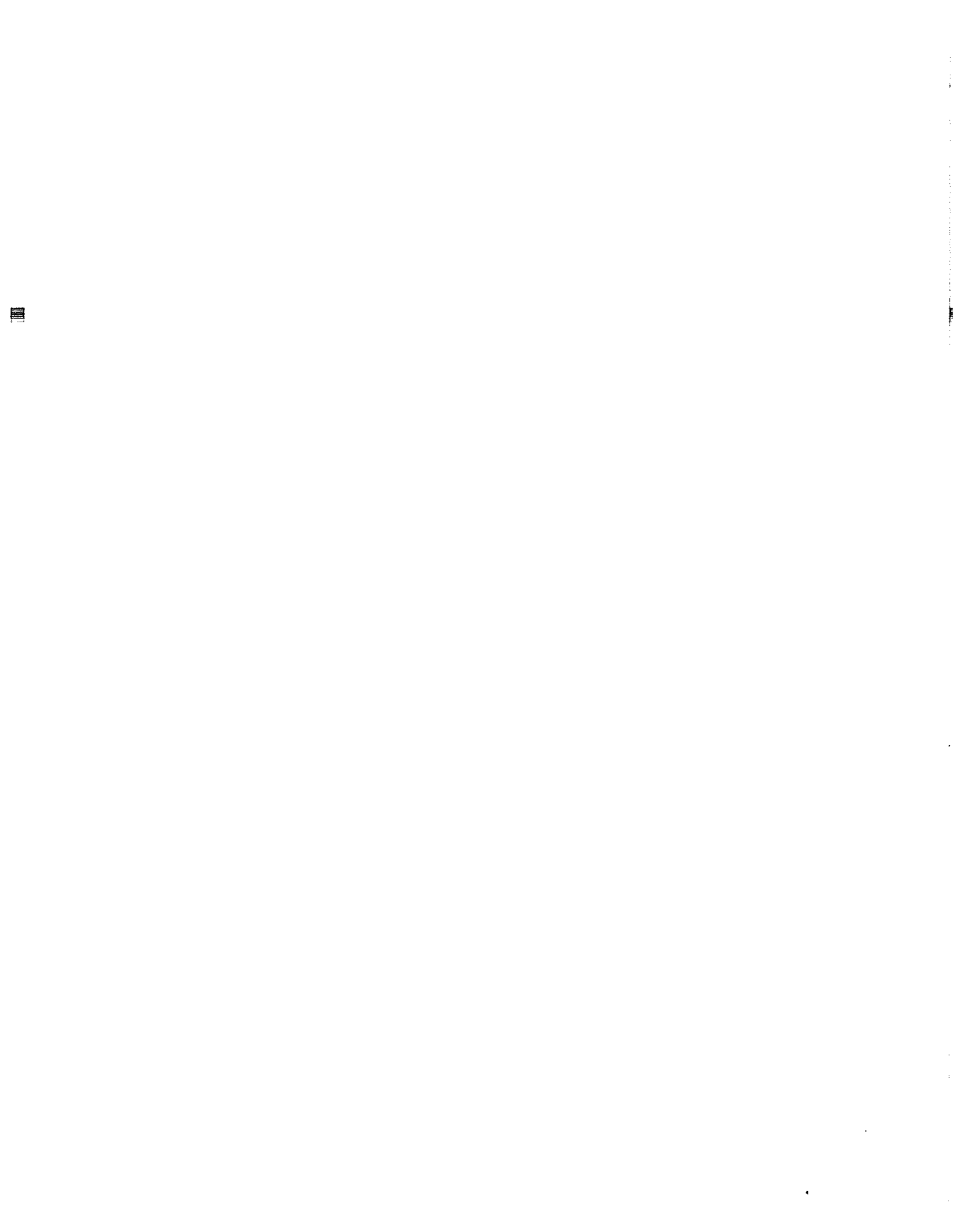
Effective April 28, 2006, AIM V.I. Core Stock Fund - Series I Shares merged into AIM V.I. Core Equity Fund - Series I Shares.

Please note, the three or four digit number which appears next to each investment option is the fund number as assigned by ING.

Insurance products and/or third party administration services are offered by ING Life Insurance and Annuity Company. Securities offered through ING Financial Advisers, LLC (member SIPC) or other broker-dealers with which it has a selling agreement.

Benchmark Id Benchmark Description

IBCM	The Money Fund Report Averages - All Taxable is an average of the returns of over 250 money market mutual funds surveyed each month by IBC/Donoghue, Inc.
LEHM	Composed of securities from the Lehman Brothers Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment.
MFR	Returns are based upon historical average 30-day compound yields on a universe of taxable money market funds. The data for the universe, which includes approximately 980 funds, is compiled by iMoney.net, Inc. Goal of ING Fixed Account - 457/401 is to outperform the MFR by 150 - 200 basis points over 3 - 5 year time periods.
MSCIAC	MSCI All Country World Index is a broad-based unmanaged index of developed country and emerging market equities.
MSCIEAFE	Morgan Stanley Capital International Europe, Australia, Far East Index (MSCI EAFE) is a market value-weighted average of the performance of more than 900 securities listed on the stock exchanges of countries in Europe, Australia and the Far East. The MSCI EAFE returns assume reinvestment of all dividends.
RS1000	The Russell 1000 Index measures the performance of the 1,000 largest companies in the Russell 3000 Index, and represents approximately 92% of the total market capitalization of the Russell 3000 Index.
RS1000G	The Russell 1000 Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Growth returns assume reinvestment of all dividends.
RS2000	The Russell 2000 Index (a small cap index) consists of the smallest 2,000 companies in the Russell 3000 Index and represents approximately 10% of the Russell 3000 total market capitalization. The Russell 2000 returns assume reinvestment of all dividends.
RS3000G	The Russell 3000 Growth Index measures the performance of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indexes.
RS3000V	The Russell 3000 Value Index is a market capitalization-weighted index of value-oriented stocks of U.S. domiciled corporations.
RSMIDGRW	The Russell MidCap Growth Index is an unmanaged index of U.S. mid-cap growth stocks.
SPXL	A benchmark consisting of a mix of 60% of an unmanaged stock index (The Standard & Poor's 500) and 40% of an unmanaged bond index (Lehman Aggregate Bond Index).
SPXRE	The Standard & Poor's (S&P) 500 Index is considered to be representative of the stock market in general. The S&P 500 returns assume reinvestment of all dividends.



Portfolio Director

The information is current as of 03/31/2007.

Effective December 31, 2001, all future contributions for all existing and new participants will be directed to VALIC Retirement Services for investment into the mutual fund and fixed-interest option investments. All VALIC annuity investment options will be closed to current or future Plan participants after this date.

Category/Funds	YTD Return	1 Year Return	3 Year Return	5 Year Return	10 Year Return	Since Inception	Expense Ratio	ITD Date
Domestic Equity								
Domestic Large Cap Equity								
<i>Large Cap Value</i>								
Core Value Fund (American Century)	0.05	13.19	9.60	6.45	3.30	3.30	1.63	12/8/2000
Vanguard Windsor II Fund	1.40	14.86	12.08	8.47	9.09	9.09		6/24/1985
<i>Large Cap Blend</i>								
Core Equity Fund (Black Rock)	0.78	8.96	7.00	3.86	3.96	3.96	1.65	4/29/1994
Social Awareness Fund	1.14	12.59	8.82	5.06	6.65	6.65	1.43	10/2/1989
Stock Index Fund	0.37	10.60	8.83	5.05	6.99	6.99	1.16	4/20/1987
<i>Large Cap Growth</i>								
Large Capital Growth Fund (SAAMCo/AIM)	0.68	-	-	-	9.76	9.76	1.59	12/20/2004
VALIC Ultra Fund (American Century)	-0.09	-	-	-	2.60	2.60	1.73	12/5/2005
Domestic Mid Cap Equity								
<i>Mid Cap</i>								
Mid Cap Strategic Growth Fund (MorganStanley/Brazos)	4.17	-	-	-	7.92	7.92	1.64	12/20/2004
Global Equity								
Global Equity Fund (Putnam)	2.68	-	-	-	17.59	17.59	1.78	12/5/2005
International Equity								
Foreign Value Fund (Franklin/Templeton)	2.33	-	-	-	17.48	17.48	1.64	12/5/2005
Specialty								
Science & Technology Fund (T. Rowe/RCM/Wellington)	0.36	0.32	3.72	0.84	1.94	1.94	1.81	4/29/1994
Hybrid								
<i>Balanced</i>								
Vanguard Wellington Fund	0.91	11.72	9.40	7.35	8.71	8.71	1.36	7/1/1929
Fixed Income								
<i>Investment Grade</i>								
Vanguard Long-Term Investment Grade Fund	0.44	6.55	3.34	6.63	6.71	6.71	1.05	7/9/1973
Vanguard Long-Term Treasury Fund	0.70	5.53	2.84	6.49	6.94	6.94	1.06	5/19/1986
<i>International</i>								
International Government Bond Fund	1.31	7.90	4.83	9.96	5.06	5.06	1.51	10/1/1991
<i>Stable Value</i>								
Money Market I Fund	1.01	3.99	2.26	1.35	2.64	2.64	1.33	1/16/1986
7-Day Yield at 31-Dec-2006; 4.03%								
Fixed Account Plus	0.00	0.00	2.33	3.28	4.71	4.71		4/1/1982
Short Term Fixed Account	3.00	3.00	3.00	3.00	3.71	3.71		2/1/1982

An investment in money market funds is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the funds.

Returns for periods prior to the date the funds became available in the Separate Account are hypothetical and are derived from the performance of the underlying fund, adjusted to reflect fees, expenses, and surrender charges if applicable, of Portfolio Director as if the fund had been in the Separate Account during the stated period.

If applicable, returns on pages 1 & 2 reflect deduction of account maintenance fees and surrender charges, but not premium taxes or IncomeLOCK fees, if applicable. Partial or full surrenders may be subject to a surrender charge of the lesser of either 5% of the sum of the contributions received during the prior 60 months, or 5% of the amount withdrawn. There may be a quarterly account maintenance fee of \$3.75 for investments in the variable options, depending on the contract. There are no account maintenance fees for investments in the fixed options.

The current 7-day yield more closely reflects the current earnings of the money market fund than does the total average annual return. Yields are historical and do not guarantee future performance. Yields do not reflect deduction of surrender charges or premium taxes, if applicable.

- 1) The Inclusion data found in this chart are based upon the date the funds were included in the Separate Account.
- 2) The Inception data are based upon the inception date of underlying fund.

For funds with less than a full year of performance the returns are cumulative.

Generally, higher potential returns involve greater risk and short-term volatility. For example: Small-cap, mid-cap, sector and emerging funds can experience significant price fluctuation due to business risks and adverse political developments. International (global) and foreign funds can experience price fluctuation due to changing market conditions, currency values, and economic and political climates. High-yield bond funds, which invest in bonds that have lower ratings, typically experience price fluctuation and a greater risk of loss of principal and income than when investing directly in U.S. government securities such as U.S. Treasury bonds and bills, which are guaranteed by the government for repayment of principal and interest if held to maturity. Mortgage-related funds' underlying mortgages are more likely to be prepaid during periods of declining interest rates, which could hurt the fund's share price or yield, and may be prepaid more slowly during periods of rapidly rising interest rates, which may lengthen the fund's expected maturity. Investors should carefully assess the risks associated with an investment in the fund. Fund shares are not insured and are not backed by the U.S. government, and their value and yield will vary with market.

FUND EXPENSES

The following represents annual variable fund fees.

Fund Name	Separate Account Fee ¹	Management Fee	12b-1 Fee	Other Expenses ²	Expense Waivers or Reimbursements	Total Expense
Core Equity Fund ¹ (Wellington/WAMU)	0.80%	0.78%	None	0.12%	-0.05%	1.65%
Core Value Fund (American Century)	0.80%	0.77%	None	0.15%	-0.09%	1.63%
International Government Bond Fund	0.80%	0.50%	None	0.21%	None	1.51%
Mid Cap Strategic Growth Fund ³ (MorganStanley/Brazos)	0.80%	0.70%	None	0.69%	-0.55%	1.64%
Money Market I Fund*	0.80%	0.43%	None	0.13%	-0.03%	1.33%
Science & Technology Fund ¹ (T. Rowe Price/RCM)	0.80%	0.88%	None	0.13%	None	1.81%
Social Awareness Fund	0.80%	0.50%	None	0.13%	None	1.43%
Stock Index Fund ³	0.80%	0.25%	None	0.11%	None	1.16%
Large Capital Growth (SAAMCo/AIM)	0.80%	0.68%	None	0.65%	-0.54%	1.59%
VALIC Ultra Fund (American Century)	0.80%	0.83%	None	0.56%	-0.46%	1.73%
Global Equity Fund (Putnam)	0.80%	0.80%	None	1.36%	-1.18%	1.78%
Foreign Value Fund (Franklin/Templeton)	0.80%	0.69%	None	0.96%	-0.81%	1.64%
Vanguard Long-Term Investment Grade Fund	0.80%	0.22%	None	0.03%	None	1.05%
Vanguard Long-Term Treasury Fund	0.80%	0.23%	None	0.03%	None	1.06%
Vanguard Wellington Fund	1.05%	0.29%	None	0.02%	None	1.36%
Vanguard Windsor II Fund	1.05%	0.34%	None	0.02%	None	1.41%

*An investment in a money market fund is not insured by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

Annuities are long-term investments. Income taxes are payable upon withdrawal. Federal restrictions and tax penalties can apply to early withdrawals.

**STATE OF RHODE ISLAND
MUTUAL FUND SELECTION**

The information is current as of 03/31/2007.

Category/Funds	YTD	1 Year Return	3 Year Return	5 Year Return	10 Year Return	Since Inception	Expense Ratio	Inception Date
Foreign Large Blend								
Dreyfus International Stock Index	3.89%	19.60%	19.18%	14.68%	-	6.23%	0.60%	6/30/1997
MSCI EAFE		20.20%	19.83%	15.68%	-			
World Stock								
Janus Adviser Worldwide	3.07%	15.12%	8.31%	4.21%	-	6.91%	1.15%	5/1/1997
MSCI World		15.44%	14.63%	10.39%	-			
Small Blend								
Dreyfus Small Cap Stock Index	3.09%	4.94%	13.48%	11.27%	-	10.57%	0.50%	6/30/1997
Standard & Poor's Smallcap 600		5.29%	13.89%	11.69%	-			
Mid-Cap Blend								
Dreyfus Midcap Index	5.68%	7.91%	12.85%	10.17%	13.68%	14.00%	0.50%	6/19/1991
Standard & Poor's Midcap 400		8.44%	13.35%	10.70%	14.28%			
Large Growth								
MFS Massachusetts Investors Growth Stock	-0.29%	3.30%	6.46%	1.96%	7.67%	10.63%	0.93%	1/1/1935
Calvert Social Investment Equity F	-0.64%	5.45%	7.03%	4.45%	8.84%	8.34%	1.23%	8/24/1987
SunAmerica Blue Chip Growth	1.27%	5.13%	4.72%	1.26%	4.91%	0.59%	1.27%	11/21/2001
Putnam Voyager	-0.60%	2.36%	4.63%	1.34%	5.80%	11.64%	1.04%	4/1/1969
Franklin DynaTech	1.38%	1.38%	6.12%	6.48%	7.50%	8.75%	0.97%	1/2/1968
S&P 500		11.83%	10.06%	6.27%	8.20%			
Large Blend								
Dreyfus Disciplined Stock	1.30%	11.96%	9.80%	5.25%	7.01%	11.43%	0.93%	12/31/1987
Vanguard 500 Index	0.60%	11.67%	9.91%	6.14%	8.12%	12.15%	0.18%	8/31/1976
SunAmerica Growth & Income	0.14%	11.16%	8.27%	3.62%	5.62%	3.19%	1.31%	11/16/2001
S&P 500		11.83%	10.06%	6.27%	8.20%	-		
SunAmerica Focused Equity Strategy	0.54%	6.19%	8.73%	-	-	8.41%	1.81%	2/20/2004
Russell 1000 Growth		7.06%	7.01%	-	-	-		
Moderate Allocation								
SunAmerica Balanced Assets	0.89%	8.63%	5.60%	3.25%	4.72%	2.49%	1.28%	11/16/2001
Dreyfus Founders Balanced	0.63%	6.89%	7.01%	3.70%	2.36%	7.01%	1.42%	2/19/1963
SunAmerica Focused Balanced Strategy	0.80%	6.16%	6.93%	-	-	6.81%	1.63%	2/20/2004
60% S&P 500 + 40% Lehman Agg.		9.76%	7.38%	-	-			
Intermediate-Term Bond								
PIMCO Total Return	1.59%	5.83%	3.18%	5.25%	6.58%	6.44%	0.90%	1/13/1997
Lehman Brothers Aggregate Bond		6.59%	3.31%	5.35%	6.46%			
Intermediate Government								
Wells Fargo Advantage Government Securities	1.41%	5.74%	2.56%	4.80%	5.93%	7.35%	1.02%	10/29/1986
Lehman Brothers Intermediate Govt Bond		5.75%	2.39%	4.29%	5.64%			
Stable Value								
VALIC Fixed-Interest Option ***		March 2006		3.75%				
		Calendar Year 2006		3.25% (min. guaranteed)				

Source: Morningstar Principia Pro (as of 03/31/2007)

Securities and investment advisory services offered through VALIC Financial Advisors, Inc., member NASD, SIPC and an SEC-registered investment advisor.

The performance data quoted represents past performance. Current performance may be higher or lower than the performance stated due to recent market volatility. Past performance does not guarantee future result. Investment return and principal value will fluctuate so an investor's shares, when redeemed, may be worth more or less than their original cost. Please visit www.algvalic.com for month-end performance.

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