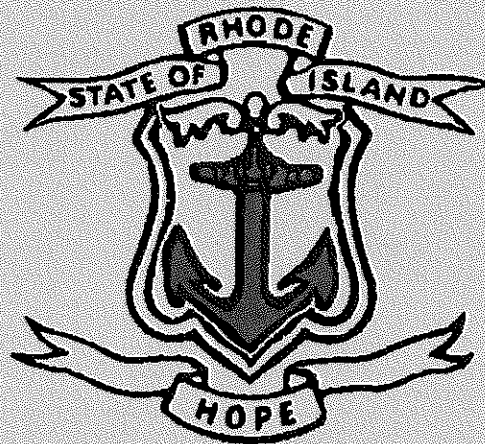


# State of Rhode Island and Providence Plantations



Office of the General Treasurer

Paul J. Tanarex  
General Treasurer

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
OCTOBER 31, 2002**

**STEPHEN F. IAFRATE**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

**Hon. Paul J. Tavares, Chair**

**J. Michael Costello  
Rosemary Booth Gallogly  
Marcia Reback  
William J. Whitty**

**Sen. Daniel DaPonte  
Dr. Robert J. McKenna  
James E. Thorsen**



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

Paul J. Tavares  
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION  
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, December 4, 2002 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 10/23/02 \*
3. Proposed Alternative Investments \*
  - Charterhouse Capital Partners VII, L.P. ✓
  - Nordic Capital V, L.P. ✓
4. General Consultant's Report – Wilshire Associates Incorporated
  - Asset/Liability Analysis \*
  - Capital Market Update
5. Legal Counsel Report
6. Deputy Treasurer for Finance Report
7. Treasurer's Report
8. New Business

\* Commission members will be asked to vote on this item.



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

**Minutes of the Regular Meeting October 23, 2002**

A State Investment Commission meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, October 23, 2002. There being a quorum present, the Treasurer called the meeting to order at 9:15 a.m.

Membership Roll Call. Present were: Mr. J. Michael Costello, Senator Daniel DaPonte, Ms. Marcia Reback, Mr. James E. Thorsen and General Treasurer Paul J. Tavares. Also present were Andrew M. Hodgkin, Esq., Legal Counsel to the Commission, Mr. William G. Bensur, Jr., of Wilshire Associates Incorporated, Consultant to the Commission, Mr. Peter Martenson, of Pacific Corporate Group, Alternative Investments Consultant to the Commission, and other members of the Treasurer's Staff. Ms. Rosemary Booth Gallogly joined the meeting at 9:20 a.m. and Dr. Robert J. McKenna joined the meeting at 9:25 a.m. Mr. William J. Whitty was absent.

State Investment Commission Minutes. Ms. Reback moved, Dr. McKenna seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Ms. Reback, Mr. Thorsen and Treasurer Tavares. (Note: Ms. Gallogly and Dr. McKenna were not present for this vote.)

**VOTED: To approve the Minutes of the September 25, 2002 Regular Meeting.**

Proposed Alternative Investment – Green Equity Investors IV, L.P. (“Green Equity”). Mr. Peter Martenson of Pacific Corporate Group noted that there were two proposed alternative investments coming before the Commission today. He noted that Green is a middle market buyout firm based in Los Angeles, California founded in 1989. Mr. Jonathan D. Sokoloff, Partner and Mr. Peter J. Nolan, Partner, represented the Fund.

Mr. Sokoloff explained that Green Equity is being formed to make control investments in a diversified portfolio of established companies, principally through acquisitions. The Fund will target equity investments between \$50 million and \$250 million per transaction in middle market companies with enterprise values of \$200 million to \$1 billion, and may invest up to 20% of the aggregate commitments in any one portfolio company. This is Green Equity's fourth fund and the general partners are investing \$40 million. The Fund's target is at least 30% gross IRR. \$1.4 billion has been invested in 26 portfolio companies since 1990. Over the last twelve years, all investments have an IRR of 40%. The proposed Fund has a target commitment size of \$1.5 billion and will not exceed \$2 billion.

Mr. Nolan noted that Green Equity's strategy is to invest at reasonable valuations in companies with favorable growth prospects either through internal growth, new products or product line extensions, added distribution channels, new business affiliations, acquisitions, consolidations, augmented management and more efficient operations. The Fund will focus on companies with the opportunity for early capital realization. Green Equity generates virtually all of its investments leads outside of traditional auctions, opting to contact companies in targeted sectors directly. The principals maintain a strict discipline of regularly visiting companies in industries that they deem attractive. By pursuing investment opportunities on an exclusive or

semi-exclusive basis, Green Equity is involved in less competitive transactions and thereby is likely to find pricing more attractive.

Mr. Costello moved, Mr. Thorsen seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Ms. Gallogly, Dr. McKenna, Ms. Reback, Mr. Thorsen and Treasurer Tavares.

**VOTED: To invest \$15 million in Green Equity Investors IV, L.P. contingent upon satisfactory review and negotiation of investment and other legal documents.**

Proposed Alternative Investment – Avenue Special Situations Fund III, L.P. (“Avenue”). Mr. Martenson noted that Avenue is being formed to make generally non-controlling investments in debt, equity securities or other obligations of companies in financial distress. Mr. Marc Lasry, General Partner and Portfolio Manager, Mr. Bruce D. Grossman, Senior Portfolio Manager and Ms. Julie F. Baumann, Portfolio Manager represented the Fund.

Mr. Lasry stated that the Fund will invest in companies in which they anticipate a turnaround, companies trading below liquidation value, or companies that are undervalued because of discrete extraordinary events. The Fund will utilize the top-down, value investing approach, leveraging off of its strategic alliance with Texas Pacific Group to assist in fundraising and jointly pursue investments in distressed companies.

Avenue will seek to invest between \$25 million and \$75 million in approximately 20 core portfolio companies. The target Fund size is \$750 million with a cap set at \$1 billion. This is Avenue’s third fund and it targets an IRR of 20%. Avenue’s Fund II has a gross IRR of 18.9% and Fund I has a gross IRR of 13.4%.

Ms. Baumann stated that Avenue generally focuses on non-controlling positions, as they believe this results in greater flexibility and a more efficient use of the time of its portfolio managers and analysts. Avenue employs a three pronged investment approach: 1) a thematic focus on industries undergoing transition or turmoil; 2) a value-investing approach, utilizing several value-oriented disciplines to ascertain that investments are created at low multiples of cash flow or below asset replacement cost; and 3) the sourcing and confirmation of investment ideas through their extensive network of relationships.

Mr. Thorsen moved, Ms. Reback seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Ms. Gallogly, Dr. McKenna, Ms. Reback, Mr. Thorsen and Treasurer Tavares.

**VOTED: To invest \$15 million in Avenue Special Situations Fund III, L.P. contingent upon satisfactory review and negotiation of investment and other legal documents.**

Securities Lending Program Review – State Street Bank & Trust Company. Mr. J. L. Carty, Senior Vice President and Mr. Henry M. Disano, Vice President represented State Street. Mr. Carty explained that securities lending started in the 1930’s and is considered as incremental revenue, an operational safety net and the prime contributor to market liquidity. Regulatory bodies such as the Federal Reserve, the Securities and Exchange Commission and most foreign governments and central banks recognize the need for securities lending because of the liquidity it provides to financial markets.

Mr. Carty noted that State Street is the securities lending agent for 68 public funds and every state public fund that is custodied at State Street lends its securities. Mr. Disano stated that State Street splits revenues 75/25 with its clients. Since inception, \$4.7 million of revenue has been generated by RIERS securities lending program. Total earnings for 2000 were \$115,155; total earnings in 2001 were \$2.6 million and year to date 2002, total earnings are \$2 million.

Consultant Report – Wilshire Associates Incorporated. Mr. Bensur gave his Capital Market Update noting that the economic environment still has a great deal of uncertainty regarding war, accounting fraud and terrorism. He stated that consumer confidence is down even though housing and automobile sales are up. The Fed funds rate at 1.75% is unchanged so far in 2002. Year-to-date the stock market is down 25%-28%. Growth stocks have underperformed value stocks by 6% through 9/30/02. International stocks are down 3%-4% less than US stocks. Year-to-date the S&P is down 20.7%, Nasdaq is down 33%, the Russell 2000 is down 24% and the Wilshire 5000 is down 20%. The Lehman Aggregate is up 6.4% year-to-date.

General Treasurer's Report. Treasurer Tavares noted that the CollegeBound*fund* launched the Rhode Island CollegeBound Academic Promise Scholarship. This program, sponsored by the Rhode Island Higher Education Assistance Authority, analyzes SAT scores from all RI students and grants a scholarship to those with the greatest need and the greatest potential. The scholarship is in the amount of \$2,500 per year for four years, for a total of \$10,000 each. This year there were 101 students who received this scholarship. Hopefully, this will be done on an annual basis.

Dr. McKenna moved, Ms. Reback seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Costello, Sen. DaPonte, Ms. Gallogly, Dr. McKenna, Ms. Reback, Mr. Thorsen and Treasurer Tavares.

**VOTED: To adjourn the meeting.**

There being no further business, the meeting was adjourned at 11:20 a.m.

Respectfully submitted,

Paul J. Tavares  
General Treasurer





RHODE ISLAND STATE INVESTMENT COMMISSION  
STAFF SUMMARY ANALYSIS  
PORTFOLIO HIGHLIGHTS  
October 31, 2002

**PORTFOLIO PERFORMANCE**

**October**

The ERSRI portfolio posted a gain of 3.99% for the month of October, against the Policy Index of 4.96%. Domestic equities were up by 6.80%, international equities were up by 6.80%, while the fixed income asset class was down by -0.63%. Additionally, the retirement fund earned \$99,337 from the securities lending program during the month of October.

**Calendar Year-to-Date**

On a calendar year basis, the portfolio is down -12.35% against the Policy Index of -12.35%. Domestic equities lost -21.37%, international equities were down -16.45%, and fixed income gained +4.00%.

**Fiscal Year-to-Date**

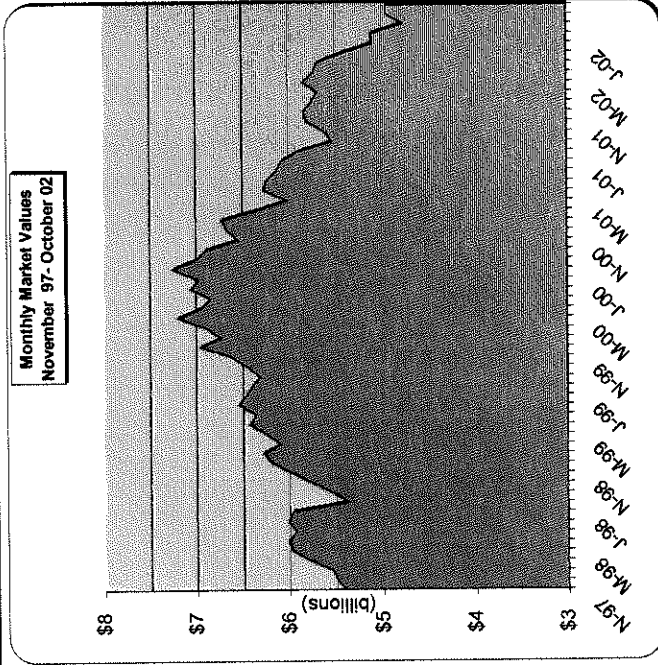
For four months ended October 31st, 2002, the fund has lost -7.49%, against the fiscal year policy index of -7.32%.

Index Performance Summary - October 2002		
Market Indices	Oct-02	Calendar YTD
<b>Domestic Equity</b>		
S & P 500	8.80%	-21.85%
Wilshire 5000	7.65%	-20.96%
Russell 2000	3.21%	-22.69%
Russell 2500	3.26%	-20.39%
Russell 1000	8.31%	-21.54%
Policy Index	4.96%	-12.35%
<b>International Equity</b>		
MSCI ACWI	5.36%	-15.86%
<b>Fixed Income</b>		
Lehman AGG	-0.46%	8.06%
<b>Real Estate</b>		
Wilshire RE Sec Ind	-5.00%	-3.64%

ERSRI Performance By Asset Class	Oct-02	Calendar YTD
Domestic Equity	6.80%	-21.37%
Fixed Income	-0.63%	4.00%
International Equity	6.80%	-16.45%
<b>Total Fund Composite*</b>	<b>3.99%</b>	<b>-12.35%</b>
<b>Manager Summary</b>		
	Oct-02	CYTD
<b>DOMESTIC EQUITY</b>		
Shott Capital Mgmt	17.27%	-22.12%
JP Morgan	8.18%	-23.86%
PIMCO	8.07%	-22.02%
SSgA Wilshire 5000	7.65%	-21.32%
SSgA Russell Value	7.39%	-17.02%
Provident	7.34%	-26.29%
SSgA Core	6.46%	-14.20%
Wellington Mgmt	3.96%	N/A
North Pointe Capital	2.20%	N/A
Columbia Mgmt	1.88%	N/A
Wasatch Advisors	-0.54%	N/A
	6.80%	-21.37%
<b>FIXED INCOME</b>		
In-State Fixed Income	0.54%	5.62%
Shenkman Capital Mgmt	0.51%	N/A
Fidelity	0.50%	7.99%
Mackay Shield	0.30%	N/A
Fleet Investment Advisors	-0.86%	8.48%
Taplin Canida & Habacht	-1.33%	-1.21%
Brown Brothers, Harriman	-1.91%	7.30%
	-0.63%	4.00%
<b>INTERNATIONAL EQUITY</b>		
Bank of Ireland	7.13%	-17.42%
Putnam Investments	6.48%	-15.51%
	6.80%	-16.45%
<b>Total International Equity</b>		
*Total Fund Composite includes all classes		

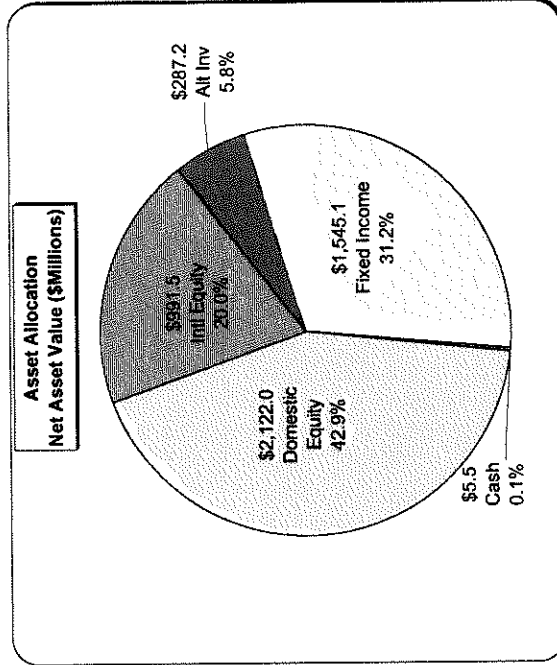
**Market Values**

The total portfolio value increased in October by \$173 million, including transfers, to \$4.951 billion. This compares with a increase in value of \$87 million for the same period in 2001. The domestic equity market values increased by \$133 million during the month of October; fixed income decreased by \$21 million, including transfers, while international equity values were up by \$63 million. Alternative investments increased in value by \$860,000, while the cash accounts were down by \$2 million.



**Asset Allocation**

The domestic equities portfolio is under-allocated by 2.1%. The fixed income portfolio is over-allocated by 3.7%. The international equity portfolio is on target, while the alternative investment assets are under-allocated by 1.7%



*Employees' Retirement Systems of Rhode Island  
Summary of Transfers by Asset Class  
October 31, 2002*

**Manager Funding**

A summary of cash transfers by asset class which took place during August is presented at right. Such transfers are required to provide sufficient cash for alternative investment funding as well as to meet current retirement payroll obligations (\$23.7 MM).

**Cash Flow**

October's pension payroll of \$40.2 million exceeded the \$22 million in contributions received by \$18.2 million. To meet this shortfall and other obligations, \$23.7 million was transferred from long term investments.

**Alternative Investments**

At this time the alternative investment asset class has unfunded commitments of approximately \$323.7 million, on commitments of \$626 million.

**CAPITAL CALLS  
Net of Contributions**

OCTOBER 2002	FYTD	UNFUNDED BALANCE
\$1,812,684	\$11,470,317	\$323,769,131

OCTOBER 2001	FYTD	UNFUNDED BALANCE
\$6,230,631	\$7,878,982	\$273,533,209

Asset Class	Cash In	Cash Out
Domestic Equities	182,250	2,378,680
Int'l Equities	81,375	883
Fixed Income	4,105,863	20,134,127
Real Estate	0	56,309
Alternative Investments	2,949,794	3,658,485
Cash outside Trust	21,140,375	21,200,000
Cash in Trust	4,094,357	5,949,794
<b>TOTAL</b>	<b>32,554,013</b>	<b>53,378,278</b>

**Expenses**

Expenses accrued during October totalled \$174,200 was comprised of private equity fees and other professional management fees.

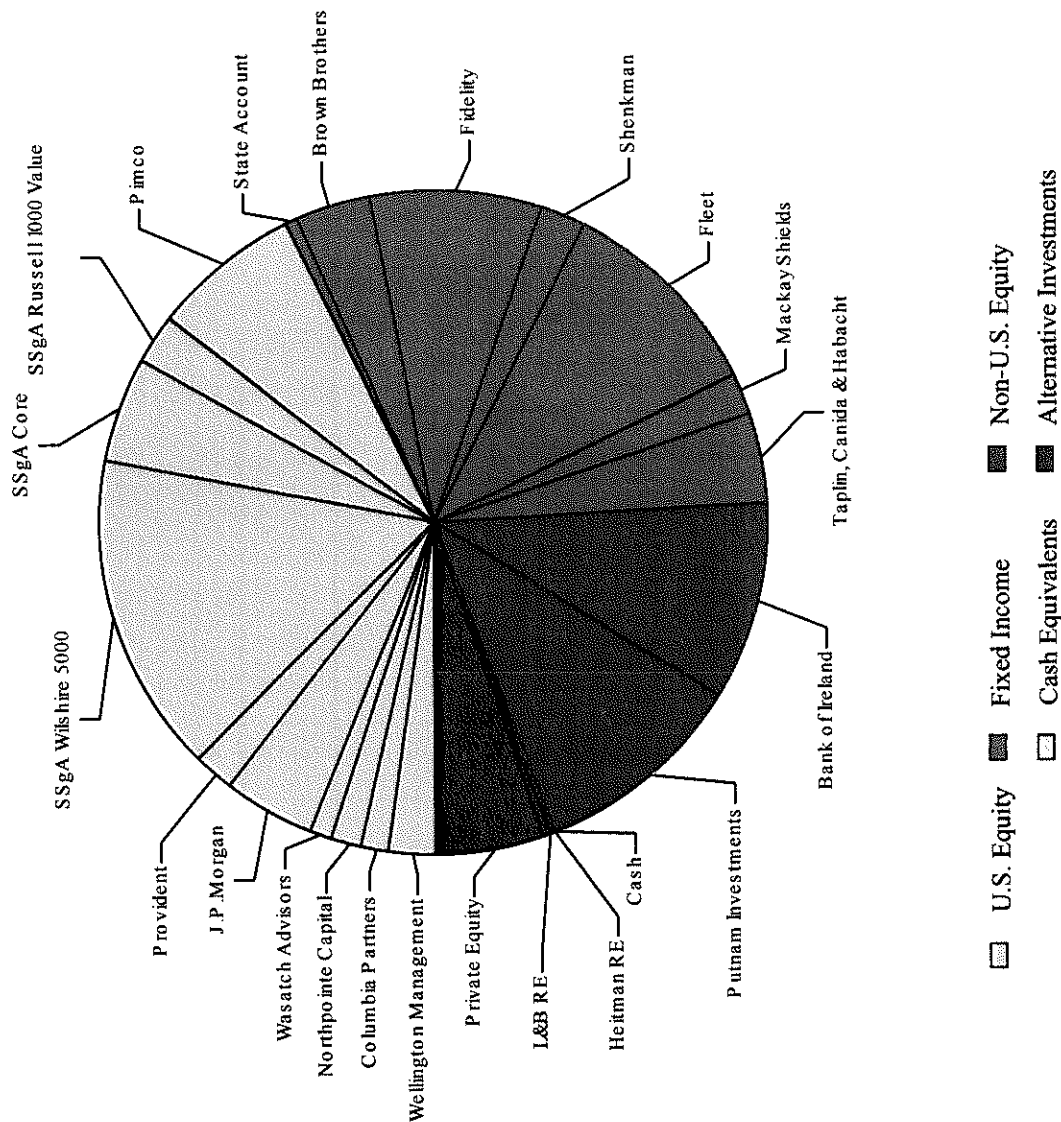
**Short Term Cash**

The short term cash portfolio had a 36 day weighted average maturity vs 33 days in September, and 3.0 days in October of 2001. The length in maturity is due primarily to the FY 04 tobacco funds being invested thru July of next year. Investments at October 31st totaled \$296.9 million. Interest earned during the month was \$195,369 of which \$8,365 was credited to the retirement accounts. The average investment rate of 1.70% was 11 basis points above the average 30 day treasury rate.

# Individual Manager Allocation

October 31, 2002

\$ 4,947 MM



Portfolio	\$MM	Allocation
Columbia Partners	60	1.2
Northpointe Capital	81	1.6
J.P. Morgan	218	4.4
PIMCO	360	7.3
Provident Investment	93	1.9
Shott Capital	0	0.0
SSgA Core	245	5.0
SSgA Russell 1000 Value	117	2.4
SSgA Wilshire 5000	782	15.8
Wasatch Advisors	52	1.0
Wellington Management	115	2.3
<b>U.S. Equity</b>	<u>2,122</u>	<u>42.9</u>
Brown Bros. Harriman	\$ 185	3.7
Fidelity Mgmt. Trust	415	8.4
Fleet Investment	514	10.4
Loomis Sayles	1	0.0
Mackay Shields	102	2.1
Shenkman Capital	99	2.0
State Account	22	0.5
Taplin, Canada & Habacht	202	4.2
<b>Fixed Income</b>	<u>1,541</u>	<u>31.2</u>
Bank of Ireland	\$ 488	9.9
Putnam Investments	503	10.2
<b>International Equity</b>	<u>991</u>	<u>20.0</u>
Heitman Real Estate	\$ 3	0.1
L&B Real Estate	19	0.4
Private Equity	264	5.3
Contingency Reserve	1	0.0
<b>Alternative Invest.</b>	<u>287</u>	<u>5.8</u>
Cash Account (inside)	\$ 5	0.1
Cash Account (outside)	<u>1</u>	<u>0.0</u>
<b>Cash Equivalents</b>	<u>6</u>	<u>0.1</u>
<b>Total</b>	<b>\$4,947</b>	<b>100.0</b>

U.S. Equity     Fixed Income     Non-U.S. Equity  
 Cash Equivalents     Alternative Investments

## Market Environment

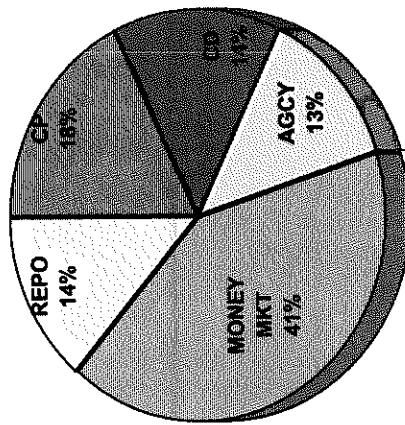
### Quarter Ended October 31, 2002

	<u>QTR.</u>	<u>YTD</u>	<u>1 YR.</u>	<u>2 YRS.</u>	<u>3 YRS.</u>	<u>4 YRS.</u>	<u>5 YRS.</u>
<b>U.S. EQUITY</b>							
RUSSELL 1000	-2.82	-21.54	-14.60	-20.53	-11.68	-3.56	0.07
RUSSELL 1000 GROWTH	-1.86	-26.52	-19.62	-30.52	-19.19	-8.25	-2.45
RUSSELL 1000 VALUE	-3.81	-16.92	-10.02	-10.95	-5.77	-0.63	2.29
S&P 500	-2.39	-21.84	-15.11	-20.15	-12.22	-3.98	0.73
WILSHIRE 5000	-2.58	-20.98	-13.40	-19.72	-11.32	-3.25	0.12
<b>INTERNATIONAL EQUITY</b>							
MSCI AC WORLD FREE ex USA	-5.79	-15.87	-10.88	-18.21	-13.15	-4.82	-2.95
MSCIEAFE	-6.15	-16.79	-13.21	-19.28	-14.15	-6.07	-3.12
<b>U.S. FIXED INCOME</b>							
FB DOM PLUS HIGH YIELD	-0.71	-3.40	-0.14	0.15	-0.47		0.48
FB GLOBAL HIGH YIELD	-0.57	-3.26	-0.06	0.15	-0.16	1.24	7.42
LB AGGREGATE	2.86	8.07	5.89	10.14	9.18	6.95	7.41
SSBI BROAD INV GRADE	2.90	7.87	5.75	10.09	9.14	6.91	6.92
SSBI LARGE PENSION FUND	4.01	9.12	5.58	10.99	9.90	6.92	
SSBI LPF COLLATERALIZED	2.01	7.83	6.44	9.67	9.00		
<b>TOTAL PLAN</b>	-1.71	-12.35	-8.41	-12.35	-5.23	-0.50	0.01

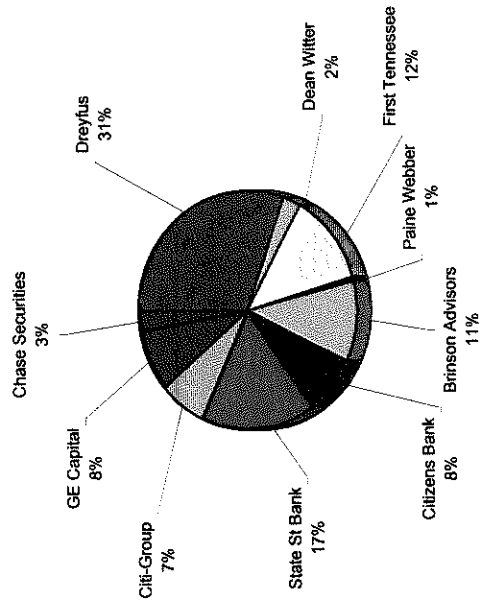
**RHODE ISLAND STATE INVESTMENT COMMISSION**

**SHORT TERM CASH INVESTMENTS AT OCTOBER 31, 2002**

**Portfolio By Instrument**



**Portfolio by Issuer**



REPO	= Repurchase Agreement
CP	= Commercial Paper
CD	= Certificate of Deposit
ETD	= Euro Time Deposit
Agency	= US Government Agency

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

**Issuer Credit Ratings  
October, 2002**

Issuer	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook	
	Moody's		Moody's	S&P	Moody's	S&P		S&P
FleetBoston	A1		P-1	A-1		A1	A	Negative
Chase Securities	Aa2		P-1	A-1+		Aa2	AA-	Negative
Citigroup Inc.	Aa1		P-1	A-1+		Aa1	AA-	Stable
Citizens Bank RI	Aa2		P-1	A-1+		Aa2	AA-	Stable
Dreyfus	Aa3		P-1	A-1+		Aa3	AA-	Stable
First Tennessee Capital Markets	A1		P-1	N/A		A1	A-	Stable
Ford Motor Credit	A3		P-2	A-2*		A3	BBB+	Negative
GE Capital	Aaa		P-1	A-1+		Aaa	AAA	Stable
Morgan Stanley Dean Witter	Aa3		P-1	A-1+		Aa3	AA-	Watch Negative
Paine Webber	Aa1		P-1	A-1+		Aa2	AA+	Negative
Brinson Advisors	Aaa							
State Street Bank & Trust Company	Aa2		P-1	A-1+		Aa2	AA	Stable
SunTrust Equitable Securities	Aa2		P-1	A-1		Aa2	A+	Stable

\* On October 15, Standard and Poor revised downward to A-2 Ford Motor's Short-Term Credit Rating. Outlook now is stable. State has suspended short-term trading.

**Ratings Definitions**

**Moody's Short-Term Debt Ratings:**

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

**Moody's Issuer Rating Symbols:**

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

**Modifiers:**

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

**Moody's Long-Term Debt Ratings:**

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

**Modifiers:**

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

**S&P Short-Term Credit Ratings:**

A-1 - Highest rated, strong capacity to meet obligations  
A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions, satisfactory  
A-3 - Exhibits adequate protection parameters  
B - Significant speculative characteristics, faces major ongoing uncertainties  
C - Vulnerable to non-payment  
D - Payment default

**Modifiers:**

+ or - show relative standing within the category.

**S&P Outlook Definitions:**

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

**S&P Long-Term Debt Ratings:**

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

**Modifiers:**

+ or - show relative standing within the category.







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

Paul J. Tavares  
General Treasurer

November 13, 2002

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 October 31, 2002.

**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
October 31, 2002**

Cash/Short Term Investments		\$ 196,709,324
Equities – Domestic		\$ 2,095,039,456
Equities – International		\$ 977,700,115
Fixed Income – Government	\$ 679,404,992	
Fixed Income – Corporate	\$ 688,257,472	
Fixed Income – In State	\$ 22,497,874	
Total Fixed Income		\$ 1,390,160,338
Alternative Investments		\$ 286,724,306
Other – Escrow		\$ 500,000
Total Fund Investments		\$ 4,946,833,538
<b>Allocation</b>		
State Employees & Teachers	86.6399%	\$ 4,285,933,867
Municipal Employees	12.8957%	\$ 637,926,829
State Police	0.2858%	\$ 14,137,061
Judicial	0.1786%	\$ 8,835,782
Total Fund Investments	100.0000%	\$ 4,946,833,538

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,

Paul J. Tavares  
General Treasurer

Monthly SIC Letter for Book.doc

**ERSRI Monthly Market Value Report With Time Weighted Returns**  
October 31, 2002

	Performance		Benchmark Description	Performance		Valuation Change				
	Performance	Calendar YTD Benchmark		Alpha	Current Month		Market Value 9/30/02	Transfers In/(out)	Market Value 10/31/02	Increase/ (Decrease)
					Net of Fees	Benchmark				
<b>Domestic Equity</b>										
Shott Capital Management IRR	-22.12%	N/A	N/A	N/A	17.27%	N/A	(378,680)	367,074	88,725	
JP Morgan Investment Management	-23.86%	-21.54%	-2.32%	-0.13%	8.18%	8.31%	14,625	217,990,499	16,482,353	
Provident Investment Council	-26.29%	-26.53%	0.24%	-1.83%	7.34%	9.17%	(985,375)	92,827,218	6,343,693	
SSGA Core	-14.20%	-21.54%	7.34%	-1.85%	6.46%	8.31%	(985,375)	245,263,169	14,877,213	
SSGA Russell Value	-17.02%	-16.93%	-0.09%	-0.02%	7.39%	7.41%	14,625	116,764,486	8,033,135	
SSGA Wilshire 5000	-21.32%	-20.98%	-0.34%	0.00%	7.65%	7.65%	66,750	781,935,380	55,569,997	
PIMCO	-22.02%	-21.85%	-0.17%	-0.73%	8.00%	8.80%	29,250	359,548,204	26,852,452	
NorthPointe Capital	N/A	N/A	N/A	-1.01%	2.20%	3.21%	7,125	81,252,451	1,751,941	
Wellington Mgmt	N/A	N/A	N/A	0.75%	3.96%	3.21%	12,375	114,611,104	4,366,452	
Wasatch Advisors	N/A	N/A	N/A	-3.75%	-0.54%	3.21%	4,125	51,961,307	51,682,937	
Columbia Mgmt	N/A	N/A	N/A	-3.18%	1.86%	5.06%	4,125	59,841,649	1,106,421	
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	
<b>Total Domestic Equity</b>	<b>-21.37%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.80%</b>	<b>N/A</b>	<b>(2,196,430)</b>	<b>2,122,084,152</b>	<b>135,189,488</b>	
<b>International Equity</b>										
Bank of Ireland	-17.42%	-15.86%	-1.56%	1.77%	7.13%	5.36%	40,058	488,394,822	32,520,674	
Putnam Investments	-15.51%	-15.86%	0.35%	1.12%	6.48%	5.36%	40,433	502,871,223	30,620,811	
Transition Account	N/A	N/A	N/A	N/A	0.09%	N/A	-	194,790	(1,079)	
<b>Total International Equity</b>	<b>-16.45%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>6.80%</b>	<b>N/A</b>	<b>80,492</b>	<b>991,460,835</b>	<b>63,140,407</b>	
<b>Fixed Income</b>										
Fleet Investment Advisors	8.48%	8.10%	0.38%	0.10%	-0.86%	-0.96%	(6,964,375)	514,225,079	(4,446,807)	
Fidelity Management & Research	7.98%	7.82%	0.17%	0.12%	0.50%	0.38%	27,375	415,009,488	2,047,980	
Brown Brothers, Harriman	7.30%	7.88%	-0.58%	-1.46%	-1.91%	-0.45%	(6,886,125)	184,875,343	(3,591,154)	
In-State Fixed Income	5.62%	N/A	N/A	N/A	0.54%	N/A	(139,640)	22,487,874	121,207	
Taplin, Canida & Habacht	-1.21%	5.98%	-7.19%	-0.17%	-1.33%	-1.16%	(1,982,750)	201,657,406	(2,725,205)	
Mackay Shields	N/A	N/A	N/A	N/A	0.30%	-0.61%	(3,985,863)	102,385,747	(1,611,079)	
Shenkan Capital Mgmt	N/A	N/A	N/A	N/A	0.51%	-0.61%	4,003,113	99,355,130	499,427	
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	-	575,198	0	
<b>Total Fixed Income</b>	<b>4.00%</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.63%</b>	<b>-0.63%</b>	<b>N/A</b>	<b>(16,028,265)</b>	<b>1,540,581,265</b>	<b>(9,705,631)</b>	
<b>Alternative Investments</b>										
Pacific Corporate Group	0.63%	N/A	N/A	N/A	0.76%	N/A	(709,427)	264,469,837	1,835,448	
JMB/Heitman Advisory Group	-2.91%	-3.64%	0.73%	-1.33%	-6.93%	-5.00%	(56,309)	2,774,936	(209,697)	
L & B Real Estate Counsel	-7.02%	-3.64%	-3.38%	5.00%	0.00%	-5.00%	-	19,479,533	(0)	
Bank Acquisition Contingency	0.00%	N/A	N/A	N/A	N/A	N/A	-	500,000	-	
<b>Total Alternatives</b>	<b>-0.27%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.62%</b>	<b>N/A</b>	<b>(765,736)</b>	<b>287,224,306</b>	<b>1,625,751</b>	
<b>Cash Accounts</b>										
Cash in Trust	87.01%	N/A	N/A	N/A	11.76%	N/A	(1,915,061)	4,719,598	241,918	
Internal Cash	1.51%	N/A	N/A	N/A	0.14%	N/A	-	763,382	(272,748)	
<b>Total Cash</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>(1,915,061)</b>	<b>5,482,980</b>	<b>(30,830)</b>	
<b>Fund Grand Total</b>	<b>-12.35%</b>	<b>-12.35%</b>	<b>0.00%</b>	<b>-0.97%</b>	<b>3.99%</b>	<b>4.96%</b>	<b>(20,825,000)</b>	<b>4,946,833,538</b>	<b>190,219,183</b>	

\*Policy Index:  
52.5% Wilshire 5000  
27.5% Lehman Aggregate  
20.0% MSCI ACWI X-US

**STATE OF RHODE ISLAND  
SUMMARY OF MANAGER PERFORMANCE  
RATES OF RETURN  
Periods Ending October 31, 2002**

	MKT VAL	% OF FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<b>U.S. EQUITY</b>												
COLUMBIA PARTNERS	59,842	1.21	1.88	-0.12	-22.11	-23.86	-13.08	-16.90	-21.22	-11.49	-3.01	
J.P. MORGAN	217,990	4.41	8.18	-3.42	-18.50		-10.70					
NORTHPOINTE CAPITAL	81,252	1.64	2.20	-2.28	-21.05		-15.58					
PIMCO	359,548	7.27	8.07	-2.33	-17.56	-22.02	-9.96	-15.86	-37.69	-22.60	-12.87	-8.15
PROVIDENT INVESTMENT	92,827	1.88	7.34	-3.09	-21.20	-26.29	-12.13	-17.03	-35.01	-22.43		
SHOTT CAPITAL	367	0.01	14.25	25.40	9.90	-25.56	16.01	-19.65	-7.44	-7.25	0.94	
SSGA - CORE	245,263	4.96	6.46	-2.30	-14.25	-14.20	-8.25	-7.44	-15.27			
SSGA RUSSELL 1000 VALUE	116,764	2.36	7.39	-3.82	-17.40	-17.02	-12.73	-10.11	-10.96			
SSGA WILSHIRE 5000	781,935	15.81	7.65	-2.52	-17.68	-21.32	-10.51	-13.74	-19.59			
SSGA TRANSITION ACCOUNT	4	0.00										
WASATCH ADVISORS	51,683	1.04	-0.54	-14.33	-33.31		-26.53					
WELLINGTON MANAGEMENT CO. LLC	114,611	2.32	3.96	-2.57	-27.21		-15.51					
TOTAL US EQUITY	2,122,088	42.90	6.80	-2.90	-18.80	-21.37	-11.40	-14.11	-21.31	-11.66	-4.00	-3.08
<b>INTERNATIONAL EQUITY</b>												
BANK OF IRELAND	488,395	9.87	7.13	-5.80	-18.16	-17.42	-15.08	-12.80				
PUTNAM INVESTMENTS	502,868	10.17	6.48	4.16	-17.64	-15.51	-14.08	-9.62				
BARING ASSET MANAGEMENT	5	0.00										
SCHRODER CAPITAL MANAGEMENT	121	0.00										
SCHLUDER KEMPER INVESTMENTS	66	0.00										
TOTAL INTERNATIONAL EQUITY	991,454	20.04	6.80	-4.97	-17.88	-16.45	-14.56	-11.11	-18.74	-11.16	-2.70	-5.05
MSCI AC WORLD FREE ex US (GROSS)			5.37	-5.79	-17.76	-15.87	-14.98	-10.88	-18.21	-13.15	-4.82	-2.95
MSCI EAFE (NET)			5.38	-6.15	-17.76	-16.79	-15.42	-13.21	-19.28	-14.15	-6.07	-3.12
<b>U.S. FIXED INCOME</b>												
BROWN BROTHERS HARRIMAN	184,875	3.74	-1.91	2.21	5.38	7.30	3.50	6.00	10.33	9.16	6.58	7.30
FIDELITY MANAGEMENT TRUST	415,009	8.39	0.50	1.75	4.94	7.99	3.07	6.85	10.04	9.55	7.72	7.82
FLEET INVESTMENT	514,225	10.40	-0.86	3.32	6.81	8.48	5.03	5.23	9.54	9.33	6.10	7.96
LOOMIS SAYLES	575	0.01										
MACKAY SHIELDS, LLC	102,386	2.07	0.30									

**STATE OF RHODE ISLAND  
SUMMARY OF MANAGER PERFORMANCE  
RATES OF RETURN  
Periods Ending October 31, 2002**

	MKT VAL	% OF FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<b>U.S. FIXED INCOME</b>												
SHENKMAN CAPITAL MANAGEMENT	99,355	2.01	0.51									
STATE ACCOUNT	22,498	0.45	0.54	1.67	3.35	5.62	2.22	6.85	6.91			
TAPLIN, CANADA & HABACHT	201,657	4.08	-1.33	2.10	-0.21	-1.21	0.76	-0.38	6.18	6.07	4.64	5.82
TOTAL US FIXED INCOME	1,540,581	31.14	-0.63	1.84	2.44	4.00	2.40	2.84	6.70	6.93	5.48	6.30
<b>FIRST BOSTON DOMESTIC PLUS HIGH YIELD</b>												
FIRST BOSTON GLOBAL HIGH YIELD			-0.65	-0.71	-7.19	-3.40	-3.55	-0.14	0.15	-0.47		
LB AGGREGATE			-0.61	-0.57	-7.11	-3.26	-3.41	-0.06	0.15	-0.16	1.24	0.48
SSBI BROAD INV GRADE			-0.46	2.86	5.90	8.07	4.11	5.89	10.14	9.18	6.95	7.42
SSBI LARGE PENSION FUND			-0.45	2.90	5.79	7.87	4.13	5.75	10.09	9.14	6.91	7.41
SSBI LPF COLLATERALIZED			-1.33	4.01	7.03	9.12	5.34	5.58	10.99	9.90	6.92	
			0.38	2.00	4.76	7.84	3.16	6.45	9.68	9.00		
<b>ALTERNATIVE INVESTMENTS</b>												
HEITMAN REAL ESTATE	2,775	0.06	-6.93	-6.93	-6.93	-2.91	-6.93	-2.91	-1.77	6.18	7.15	7.83
L&B REAL ESTATE	19,480	0.39	0.00	2.31	2.31	-7.02	2.31	-1.68	2.80	4.45	6.10	9.45
PRIVATE EQUITY INVESTMENT	264,469	5.35	0.76	-0.58	-2.96	0.63	-0.89	-3.47	-16.03	1.22	2.71	4.87
CONTINGENCY RESERVE FUND	500	0.01	0.00	0.00	0.00	0.00	0.00	0.00				
TOTAL ALTERNATIVE INVESTMENTS	287,224	5.81	0.62	-0.46	-2.59	-0.27	-0.73	-3.33	-13.70			
NCREIF PROPERTY INDEX			0.00	1.65	3.30	4.87	1.65	5.57	7.82	9.13	9.86	11.36
<b>CASH EQUIVALENTS</b>												
CASH ACCOUNT (INSIDE)	4,637	0.09	11.76	17.48	47.14	87.01	23.31	122.58	69.97			
CASH ACCOUNT (OUTSIDE)	846	0.02	0.14	0.43	0.86	1.51	0.56	1.92	3.44			
<b>TOTAL PLAN</b>	4,946,829	100.00	3.99	-1.71	-11.86	-12.35	-7.49	-8.41	-12.35	-5.23	-0.50	0.01
<b>TOTAL PLAN BENCHMARK*</b>			4.96	-1.56	-11.47	-12.35	-7.32	-7.42	-11.58	-6.04	-0.43	1.91



Asset Allocation Report Market Values at Oct 31, 2002 (\$Millions)		Style Mandate	Actual		Target		Difference	Cash	% of Total
<b>Domestic Equity</b>									
Shott Capital Mgmt	alternative distribution	0.37	0.0%	0.00	0.00%	0.37	0.49	132.5%	
JP Morgan Investment Management	active core	217.99	4.4%	173.14	3.50%	44.85	0.45	0.2%	
Provident Investment Council	Active lrg cap grwth	92.83	1.9%	173.14	3.50%	-80.31	4.54	4.9%	
SSgA Core	lrg cap value	245.26	5.0%	173.14	3.50%	72.12	4.17	1.7%	
SSgA Russell 1000	lrg cap value Index	116.76	2.4%	173.14	3.50%	-56.37	0.00	0.0%	
SSgA Wilshire 5000	Passive Index	781.94	15.8%	865.70	17.50%	-83.76	(0.01)	0.0%	
PIMCO	Enhanced Equity	359.55	7.3%	371.01	7.50%	-11.46	0.00	0.0%	
NorthPointe Capital	Small Cap Value	81.25	1.6%	74.20	1.50%	7.05	7.52	9.3%	
Wellington Mgmt	Small Cap Core	114.61	2.3%	148.41	3.00%	-33.79	4.67	4.1%	
Wasatch Advisors	Small Cap Growth	51.68	1.0%	37.10	0.75%	14.58	1.47	2.8%	
Columbia Mgmt	Small Cap Growth	59.84	1.2%	37.10	0.75%	22.74	3.75	6.3%	
Transition Account	Small Cap	0.00	0.0%	0.00	0.00%	0.00	0.00	0.0%	
<b>TOTAL DOMESTIC EQUITY</b>		<b>\$2,122.08</b>	<b>42.9%</b>	<b>2,226.08</b>	<b>45.00%</b>	<b>-\$103.99</b>	<b>\$27.05</b>	<b>1.3%</b>	
<b>International Equity</b>									
Bank of Ireland	M/S all country ex US	488.39	9.9%	494.68	10.00%	-6.29	8.17	1.7%	
Putnam Investments	M/S all country ex US	502.87	10.2%	494.68	10.00%	8.19	5.58	1.1%	
Transition Account	M/S all country ex US	0.19	0.0%	0.00	0.00%	0.19	(0.00)	0.0%	
<b>TOTAL INT'L EQUITY</b>		<b>\$991.46</b>	<b>20.0%</b>	<b>\$989.37</b>	<b>20.00%</b>	<b>\$2.09</b>	<b>\$13.75</b>	<b>1.4%</b>	
<b>Domestic Fixed Income</b>									
Fleet investment Advisors	active core	514.23	10.4%	448.93	9.08%	65.30	12.20	2.4%	
Fidelity Management & Research	mortgages	415.01	8.4%	340.09	6.88%	74.91	27.95	6.7%	
Brown Brothers, Harriman	opportunistic core	184.88	3.7%	163.25	3.30%	21.63	14.27	7.7%	
In-State Fixed Income	short/int govt	22.50	0.5%	0.00	0.00%	22.50	0.00	0.0%	
Taplin, Canida & Habacht	corporates	201.66	4.1%	204.06	4.13%	-2.40	23.63	11.7%	
Mackay Shields	high yield	102.39	2.1%	105.12	2.13%	-2.73	34.08	33.3%	
Shenkman Capital Mgmt	high yield	99.36	2.0%	98.94	2.00%	0.42	38.28	38.5%	
Transition Account		0.58							
<b>TOTAL FIXED-INCOME</b>		<b>1,540.58</b>	<b>31.1%</b>	<b>1,360.38</b>	<b>27.50%</b>	<b>\$179.63</b>	<b>\$150.42</b>	<b>9.8%</b>	
<b>Alternative Investments</b>									
JMB/ Heitman Advisory Corp	real estate	2.77	0.1%						
L&B Real Estate Counsel	real estate	19.48	0.4%						
Shott Capital Mgmt	alternative distribution	0.00	0.0%						
Pacific Corp Group	Private Equity	264.47	5.3%						
Bank Disposition	contingency	0.50	0.0%						
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>\$287.22</b>	<b>5.8%</b>	<b>\$371.01</b>	<b>7.50%</b>	<b>-\$83.79</b>	<b>\$0.00</b>	<b>0.0%</b>	
<b>CASH EQUIVALENTS</b>		<b>5.48</b>	<b>0.1%</b>	<b>0.00</b>	<b>0.00%</b>	<b>5.48</b>	<b>5.48</b>	<b>100.0%</b>	
<b>TOTAL ASSETS</b>		<b>\$4,946.83</b>	<b>100.0%</b>	<b>\$4,946.83</b>	<b>100.00%</b>	<b>-\$0.58</b>	<b>\$196.70</b>	<b>4.0%</b>	
<b>Allocation By Management Style</b>									
<b>Domestic Equity</b>									
Core		463.25	9.4%	346.28	7.00%	116.98	4.62	1.0%	
Large Cap Growth		92.83	1.9%	173.14	3.50%	(80.31)	4.54	4.9%	
Large Cap Value		116.76	2.4%	173.14	3.50%	(56.37)	-	0.0%	
Index		781.94	15.8%	865.70	17.50%	(83.76)	(0.01)	0.0%	
Enhanced Equity		359.55	7.3%	371.01	7.50%	(11.46)	(0.01)	0.0%	
Alt Distribution		0.37	0.0%	-	0.00%	0.37	0.49	132.5%	
Small Cap		307.39	6.2%	296.81	6.00%	10.58	17.41	5.7%	
<b>TOTAL DOMESTIC EQUITY</b>		<b>\$2,122.08</b>	<b>42.9%</b>	<b>2,226.08</b>	<b>45.00%</b>	<b>(103.99)</b>	<b>27.04</b>	<b>1.3%</b>	
<b>International Equity</b>									
Active		991.46	20.0%	989.37	20.00%	2.09	13.75	1.4%	
<b>TOTAL INT'L EQUITY</b>		<b>\$991.46</b>	<b>20.0%</b>	<b>\$989.37</b>	<b>20.00%</b>	<b>\$2.09</b>	<b>\$13.75</b>	<b>1.4%</b>	
<b>Domestic Fixed Income</b>									
Mortgage		415.01	18.8%	340.09	6.88%	74.91	27.95	6.7%	
Core		721.60	4.2%	612.17	12.38%	109.43	26.47	3.7%	
Corporates		201.66	4.1%	204.06	4.13%	(2.40)	23.63	11.7%	
High Yield		202.32	4.1%	204.06	4.13%	(1.74)	72.37	35.8%	
<b>TOTAL FIXED-INCOME</b>		<b>\$1,540.58</b>	<b>31.1%</b>	<b>\$1,360.38</b>	<b>27.50%</b>	<b>\$180.20</b>	<b>\$150.42</b>	<b>9.8%</b>	
<b>Alternative Investments</b>									
Real Estate		22.25	0.4%						
Other Alternative Investments		264.97	5.4%						
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>\$287.22</b>	<b>5.8%</b>	<b>\$371.01</b>	<b>7.50%</b>	<b>(\$83.79)</b>	<b>-</b>	<b>-</b>	
<b>CASH EQUIVALENTS</b>		<b>5.48</b>	<b>0.1%</b>	<b>0.00</b>	<b>0.00%</b>	<b>5.48</b>	<b>5.48</b>	<b>100.0%</b>	
<b>TOTAL ASSETS</b>		<b>\$4,946.83</b>	<b>100.0%</b>	<b>\$4,946.83</b>	<b>100.00%</b>	<b>(\$0.00)</b>	<b>\$196.70</b>	<b>4.0%</b>	

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

OCTOBER 31, 2002

<i>Equities</i>				
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS
1	MICROSOFT CORP	402,100	\$21,500,287	SSgA,Provident,J.P.Morgan
2	GENERAL ELC. CO	654,300	16,521,075	SSgA,Provident,J.P.Morgan
3	PFIZER INC	504,300	16,021,611	SSgA,Provident,J.P.Morgan
4	JOHNSON + JOHNSON	257,400	15,122,250	SSgA,Provident,J.P.Morgan
5	EXXON MOBIL CORP	385,470	12,974,920	SSgA,J.P.Morgan
6	CITIGROUP INC	351,133	12,974,364	SSgA,J.P.Morgan
7	INTEL CORP	570,500	9,869,650	SSgA,Provident,J.P.Morgan
8	WAL MART STORES INC	179,600	9,617,580	SSgA,Provident,J.P.Morgan
9	DELL COMPUTER CORP	323,800	9,263,918	SSgA,Provident,J.P.Morgan
10	VIACOM INC	190,600	8,502,666	SSgA,Provident,J.P.Morgan
		6.24%	\$132,368,322	
Total Composite Equities			\$2,121,720,694	

International Equity Holdings By Top 10 Market Values

OCTOBER 31, 2002

<i>International Equities</i>				
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS
1	TOTAL FINA ELF	265,200	\$36,532,073	Bank of Ireland,Putnam
2	NESTLE SA	156,190	33,487,651	Bank of Ireland,Putnam
3	SHELL TRNSPT+TRDG	3,807,700	24,468,974	Bank of Ireland,Putnam
4	VODAFONE GROUP	15,108,858	24,287,842	Bank of Ireland,Putnam
5	CANON INC	654,000	24,130,063	Bank of Ireland,Putnam
6	GLAXOSMITHLINE	1,164,026	22,217,643	Bank of Ireland,Putnam
7	NOVARTIS AG	570,991	21,776,867	Bank of Ireland,Putnam
8	ING GROEP NV CVA	1,291,562	21,603,224	Bank of Ireland,Putnam
9	SAMSUNG ELECTRONIC	121,920	17,373,600	Bank of Ireland,Putnam
10	DIAGEO ORD	1,531,565	17,264,137	Bank of Ireland,Putnam
		24.52%	\$243,142,074	
Total Composite International Equities			\$991,457,220	

Alternative Investments Funding

2002

Manager	Inception Date	Partnership Commitment	Prior Funding Thru 9/30/02	Current Month Funding	Cumulative Total at 10/31/02	Unfunded Balance	Market Values at 10/31/02
ABS Capital Partners	May 1996	5,000,000	2,590,334	0	2,590,334	2,409,666	883,927
Apollo Investment Fund IV L.P.	Apr 1998	15,000,000	12,217,011	0	12,217,011	2,782,989	15,998,374
Alta BioPharma Partners, L.P.	Mar 1998	10,000,000	6,974,103	0	6,974,103	3,025,897	4,585,926
Alta California Partners II L.P.	Oct 1998	10,000,000	9,253,607	0	9,253,607	746,393	7,248,947
Alta California Partners III L.P.	Jan 2001	15,000,000	6,000,000	750,000	6,750,000	8,250,000	6,371,453
Aurora Equity Partners II	Mar 1998	15,000,000	10,483,471	0	10,483,471	4,516,529	11,769,248
Avenue Special Situations Fund III	Oct 2002	15,000,000	0	0	0	15,000,000	0
Blackstone Capital Ptnrs III	May 1997	20,000,000	13,213,394	0	13,213,394	6,786,606	13,586,411
Blackstone Capital Ptnrs IV	Sept 2001	25,000,000	0	0	0	25,000,000	0
Boston Ventures Ltd	Sept 1996	5,000,000	4,271,482	0	4,271,482	728,518	2,275,563
Coller Capital	Mar 2002	15,000,000	0	0	0	15,000,000	0
Crossroads/Providence LP	Dec 1988	37,319,303	36,510,945	0	36,510,945	0	7,277,188
CVC Capital Partners	Mar 1998	15,000,000	10,107,682	776,644	10,884,326	4,115,674	9,037,212
CVC Capital Partners III	Mar 2001	20,000,000	1,893,468	869,344	2,762,812	17,237,188	2,488,654
Doughty Hanson II	Mar 1996	5,000,000	1,904,717	0	1,904,717	3,095,283	821,672
Doughty Hanson III	Nov 1997	15,000,000	11,638,869	0	11,638,869	3,361,131	10,528,603
Fenway	Aug 1998	15,000,000	7,987,852	0	7,987,852	7,012,148	5,972,485
First Reserve Fund VIII L.P.	Apr 1998	15,000,000	13,576,459	0	13,576,459	1,423,541	16,675,352
First Reserve Fund IX L.P.	Jan 2001	20,000,000	6,800,160	0	6,800,160	13,199,840	6,562,000
Green Equity investors IV L.P.	Oct 2002	15,000,000	0	0	0	15,000,000	0
Harvest Partners III	Dec 1997	15,000,000	12,805,596	0	12,805,596	2,194,404	15,970,315
Harvest Partners IV	Aug 2001	15,000,000	1,800,000	0	1,800,000	13,200,000	1,828,872
Heritage Fund	May 1997	5,000,000	3,987,804	0	3,987,804	1,012,196	3,951,669
Lumina Ventures, L.P.	Sep 2002	15,000,000	0	0	0	15,000,000	0
Matlin Patterson Global Oppor Ptnrs L P	Sep 2001	15,000,000	11,077,757	0	11,077,757	3,922,243	11,077,757
Nautic Partners V	Feb 2001	20,000,000	1,804,341	0	1,804,341	18,195,659	1,907,249
Nordic Capital III	Feb 1998	10,000,000	8,163,079	0	8,163,079	1,836,921	9,919,156
OCM Opportunities Fund	Jan 1996	8,000,000	823,006	0	823,006	7,176,994	3,537,696
OCM Principal Opportunities	Nov 1996	5,000,000	4,383,638	0	4,383,638	616,362	4,404,380
OCM Opportunities II	Oct 1997	12,000,000	7,131,237	0	7,131,237	4,868,763	8,530,812
Parthenon Investors, L.P.	Feb 1999	15,000,000	11,207,607	0	11,207,607	3,792,393	13,739,668
Parthenon Investors II, L.P.	Dec 2000	20,000,000	2,114,458	0	2,114,458	17,885,542	2,201,324
Providence Equity Partners	Dec 1996	10,000,000	4,815,293	(846,647)	3,968,646	6,031,354	1,893,825
Providence Equity Partners III L.P.	Dec 1998	15,000,000	8,560,543	(79,470)	8,481,073	6,518,927	4,827,652
Providence Equity Partners IV L.P.	Sep 2000	25,000,000	3,196,000	(51,271)	3,144,729	21,855,271	3,235,193
SKM Equity Fund II	Dec 1996	10,000,000	7,784,244	0	7,784,244	2,215,756	7,222,799
THL Equity Fund IV	Dec 1997	9,000,000	7,194,662	0	7,194,662	1,805,338	6,765,702
TPG Partners	Apr 1997	10,000,000	8,193,060	0	8,193,060	1,806,940	5,312,890
Triumph Partners III	Feb 1998	15,000,000	9,664,606	0	9,664,606	5,335,394	8,683,188
VS & A Communications Ptnrs III L.P.	Nov 1998	15,000,000	7,560,281	388,624	7,948,905	7,051,095	5,602,955
Wellspring Capital Partners	Sep 1998	15,000,000	7,541,428	0	7,541,428	7,458,572	7,104,770
Wellspring Capital Partners III	Sep 2002	20,000,000	0	0	0	20,000,000	0
Welsh, Carson, Anderson & Stowe	Oct 1995	15,000,000	12,064,326	0	12,064,326	2,935,674	13,450,950
Willis Stein	Jun 1996	5,000,000	2,632,610	0	2,632,610	2,367,390	1,217,247
Real Estate Investments	Various	80,544,204	31,386,984	0	31,386,984	0	22,254,469
Contingency Fund		500,000	500,000	0	500,000	0	500,000
<b>TOTALS:</b>		<b>\$707,363,507</b>	<b>\$331,816,114</b>	<b>\$1,807,224</b>	<b>\$333,623,338</b>	<b>\$323,774,591</b>	<b>\$287,223,553</b>





**Retirement Systems  
Investment Earnings  
Fiscal Year 2003 to Date Summary**

**ERSRI  
&  
MERSRI**

at October 31, 2002

	<u>LONG TERM</u>	<u>SHORT TERM</u>	<u>TOTAL</u>
INTEREST SOLD	\$13,604,592		\$13,604,592
SECURITIES LENDING	513,637		513,637
DIVIDENDS	11,232,748		11,232,748
INTEREST	28,986,202	71,762	29,057,964
MISCELLANEOUS	(1,645,039)		(1,645,039)
CAPITAL GAINS/LOSSES	(127,484,330)		(127,484,330)
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GRAND TOTAL:	(\$74,792,190)	\$71,762	(\$74,720,428)

FISCAL YEAR 2003

ERSRI & MERSKI

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ACCRUAL BASIS

	Actual Jul 02	Actual Aug	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 03	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected TOTAL
<b>EQUITIES</b>													
<i>President Investmt</i>			175,000			175,000			175,000			175,000	700,000
<i>JP Morgan</i>			210,000			210,000			210,000			210,000	840,000
<i>SSgA Core</i>			205,000			205,000			205,000			205,000	820,000
<i>SSgA Russell</i>			25,000			25,000			25,000			25,000	100,000
<i>Sheff Capital</i>			3,500			3,500			3,500			3,500	14,000
<i>SSgA Wislfire 5000</i>			50,000			50,000			50,000			50,000	200,000
<i>PIMCO</i>								1,000,000					1,000,000
<i>Columbia Plurs</i>			145,000			145,000			145,000			145,000	580,000
<i>Wellington Mgmt</i>			250,000			250,000			250,000			250,000	1,000,000
<i>Winsatch Advisors</i>								620,000					620,000
<i>NorthPointe</i>			160,000			160,000			160,000			160,000	640,000
<b>FIXED INCOME</b>													
<i>Fleet Investment Advisors</i>			207,500			207,500			207,500			207,500	830,000
<i>Brown Bros.</i>			115,000			115,000			115,000			115,000	460,000
<i>Fidelity</i>			140,000			140,000			140,000			140,000	560,000
<i>Toplin</i>			170,000			170,000			170,000			170,000	680,000
<i>Mackay Shields</i>			135,000			135,000			135,000			135,000	540,000
<i>Shenman</i>			135,000			135,000			135,000			135,000	540,000
<b>INT'L EQUITIES</b>													
<i>Bank of Ireland</i>			388,000			388,000			388,000			388,000	1,552,000
<i>Putnam Investments</i>			433,000			433,000			433,000			433,000	1,732,000
<b>REAL ESTATE</b>													
<i>Heitman Advisory</i>			4,000			4,000			4,000			4,000	16,000
<i>L &amp; B Real Estate</i>			85,836			130,000			130,000			130,000	475,836
<b>ALTERNATIVE INVESTMENTS</b>													
<i>Other Alt Inv Mgmt Fees</i>	804,486	176,384	137,707	132,033	325,000	300,000	1,400,000	60,000	15,000	300,000	265,000	180,000	4,095,610
<b>SUB TOTAL - INV MGMT FEES</b>	<b>804,486</b>	<b>176,384</b>	<b>3,174,543</b>	<b>132,033</b>	<b>325,000</b>	<b>3,381,000</b>	<b>1,400,000</b>	<b>60,000</b>	<b>3,096,000</b>	<b>300,000</b>	<b>1,885,000</b>	<b>3,261,000</b>	<b>17,995,446</b>
<b>PROFESSIONAL FEES</b>													
<i>Consulting</i>			3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
<i>Legal</i>	3,500	11,452	10,889	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	22,000	235,284
<i>Slate Street Bank Custodial</i>	14,943		68,750	68,750	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	275,000
<i>Pacific Corp Group</i>			16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,004
<i>Wislfire Assoc</i>	16,667												
<b>OPERATING EXPENSE</b>													
<i>Retirement Transfers</i>			2,313,340			2,313,340			2,400,000			2,400,000	9,426,680
<i>Other Expense</i>													
<b>TOTAL:</b>	<b>839,596</b>	<b>208,003</b>	<b>5,587,689</b>	<b>174,200</b>	<b>367,167</b>	<b>5,805,257</b>	<b>1,442,167</b>	<b>102,167</b>	<b>5,606,917</b>	<b>342,167</b>	<b>1,927,167</b>	<b>5,771,917</b>	<b>28,174,414</b>

**CASH FLOW ANALYSIS - INCOME & EXPENSES**

Employees Retirement System

**FISCAL YEAR 2003**

	FY 2002-03 Actual July 2002	Actual August	Actual September	Actual October	Projected November	Projected December	Projected January 2003	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	35,574,521	37,073,530	37,007,777	36,820,823	36,000,000	36,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	37,000,000	440,476,651
ADMINISTRATIVE EXPENSES	36,560	36,553	2,100,884	36,533	40,000	2,750,000	40,000	40,000	2,750,000	40,000	40,000	2,750,000	10,660,530
INVESTMENT EXPENSES	697,528	152,901	2,814,493	114,393	300,000	3,500,000	1,350,000	57,500	3,200,000	285,000	255,000	3,400,000	16,126,815
TOTAL OUTFLOW	36,308,609	37,262,984	41,923,154	36,971,749	36,340,000	42,250,000	38,390,000	37,097,500	42,950,000	37,325,000	37,295,000	43,150,000	467,263,996
CONTRIBUTIONS	28,107,965	18,656,510	18,955,473	19,020,445	24,000,000	21,000,000	20,000,000	9,000,000	22,000,000	23,000,000	21,000,000	26,000,000	250,740,393
OTHER INCOME*	46,322	105,468	143,939	2,425,750	775,000	1,200,000	8,500,000	475,000	600,000	2,300,000	1,600,000	2,500,000	20,671,479
TOTAL INCOME	28,154,287	18,761,978	19,099,412	21,446,195	24,775,000	22,200,000	28,500,000	9,475,000	22,600,000	25,300,000	22,600,000	28,500,000	271,411,872
DIFFERENCE	(8,154,322)	(18,501,006)	(22,823,742)	(15,525,554)	(11,565,000)	(20,050,000)	(9,890,000)	(27,622,500)	(20,350,000)	(12,025,000)	(14,695,000)	(14,650,000)	(195,852,124)

Municipal Employees Retirement System

	Actual July 2002	Actual August	Actual September	Actual October	Projected November	Projected December	Projected January 2003	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	3,025,920	3,079,014	3,074,947	3,105,861	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	3,100,000	37,085,742
ADMINISTRATIVE EXPENSES	5,813	5,428	312,353	5,438	1,800	150,000	1,800	1,800	150,000	1,800	1,800	150,000	788,032
INVESTMENT EXPENSES	103,546	23,090	418,451	17,027	20,000	150,000	1,400,000	2,250	150,000	12,500	7,500	125,000	2,429,364
TOTAL OUTFLOW	3,135,279	3,107,532	3,805,751	3,128,326	3,121,800	3,400,000	4,501,800	3,104,050	3,400,000	3,114,300	3,109,300	3,375,000	40,303,138
CONTRIBUTIONS	2,822,362	2,198,979	1,818,445	2,592,004	1,500,000	4,000,000	750,000	1,750,000	1,250,000	3,250,000	2,000,000	3,500,000	27,431,790
OTHER INCOME*	6,876	15,661	21,400	361,053	120,000	175,000	122,000	75,000	95,000	375,000	250,000	375,000	1,991,990
TOTAL INCOME	2,829,238	2,214,640	1,839,845	2,953,057	1,620,000	4,175,000	872,000	1,825,000	1,345,000	3,625,000	2,250,000	3,875,000	29,423,780
DIFFERENCE	(306,041)	(892,892)	(1,965,906)	(175,269)	(1,501,800)	(775,000)	(3,629,800)	(1,279,050)	(2,055,000)	(510,700)	(859,300)	(500,000)	(10,879,358)

Judges/State Police Retirement System

	Actual July 2002	Actual August	Actual September	Actual October	Projected November	Projected December	Projected January 2003	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	13,451	13,451	13,451	13,451	13,500	13,500	13,500	13,500	13,500	13,500	13,500	13,500	161,805
ADMINISTRATIVE EXPENSES	206	186	14,763	196	200	25,000	200	200	200	200	200	200	41,751
INVESTMENT EXPENSES	3,412	779	35,000	613	5,000	10,000	5,000	500	25,000	2,500	2,500	15,000	105,304
TOTAL OUTFLOW	17,069	14,416	63,214	14,260	18,700	48,500	18,700	14,200	38,700	16,200	16,200	28,700	308,860
CONTRIBUTIONS	884,586	1,511,768	375,000	360,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	6,331,354
OTHER INCOME*	227	537	756	13,003	3,200	5,500	60,000	3,000	3,000	12,000	7,500	125,000	233,723
TOTAL INCOME	884,813	1,512,305	375,756	373,003	403,200	405,500	460,000	403,000	403,000	412,000	407,500	525,000	6,565,077
DIFFERENCE	867,744	1,497,889	312,542	358,743	384,500	357,000	441,300	388,800	364,300	395,800	391,300	496,300	6,256,218

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

	JUL 1999	AUG	SEPT	OCT	NOV	DEC	JAN 2000	FEB	MAR	APR	MAY	JUN	YTD
FISCAL YEAR 2000													
FUNDING	9,823,066	5,110,752	9,901,425	6,380,627	3,468,723	8,796,622	8,253,423	8,993,081	8,615,559	7,611,390	4,752,500	3,911,269	85,618,437
DISTRIB & RET OF CAPITAL	936,824	943,255	614,451	625,662	1,479,086	2,264,032	613,896	626,829	4,401,772	1,193,941	908,508	621,479	15,229,735
GAINS/LOSSES/INCOME	4,494,508	482,472	2,183,904	1,137,446	917,857	433,686	1,006,405	288,160	9,976,688	1,546,109	502,193	2,169,983	25,139,411
FISCAL YEAR 2001													
FUNDING	7,850,261	7,940,976	2,416,691	3,798,586	2,964,509	4,678,116	3,051,803	1,099,337	2,863,015	9,106,342	4,013,476	1,925,133	51,708,245
DISTRIB & RET OF CAPITAL	454,835	6,058,639	1,926,442	3,217,130	4,769,473	856,092	665,329	3,042,558	1,987,251	3,733,464	765,820	1,167,650	28,644,683
GAINS/LOSSES/INCOME	2,947,475	1,573,768	8,843,848	944,012	788,589	1,599,978	742,481	2,806,552	1,217,223	446,040	189,909	1,116,919	23,216,774
FISCAL YEAR 2002													
FUNDING	2,811,969	2,446,774	887,809	7,070,705	2,539,487	4,008,151	7,307,155	6,607,182	4,926,838	2,754,691	3,785,407	3,374,775	48,520,943
DISTRIB & RET OF CAPITAL	1,900,266	572,212	1,949,501	48,098	1,255,339	1,773,166	2,539,580	559,306	2,194,701	637,233	1,183,349	3,353,124	17,965,875
GAINS/LOSSES/INCOME	443,245	20,359,100	398,539	23,394	479,230	1,882,213	10,453,060	301,945	213,708	871,873	1,101,240	2,851,061	39,378,608
FISCAL YEAR 2003													
FUNDING	5,688,208	908,809	4,008,692	2,784,612									13,390,321
DISTRIB & RET OF CAPITAL	8,481,884	0	109,159	971,928									9,562,971
GAINS/LOSSES/INCOME	648,652	0	0	2,743,091									3,391,743

<b>Rhode Island Employees Retirement System</b> <b>Securities Lending Report</b> <b>October, 2002</b>
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<u>INVESTMENT MANAGER</u>	<u>Income</u>	<u>Average Collateral Balance</u>
<b><u>DOMESTIC EQUITY</u></b>		
Provident Investment Council	69	724,513
Columbia Partners	1,449	6,738,690
Wellington Mgmt. Co., LLP	1,973	11,134,525
Wasatch Advisors	7,587	12,981,262
NorthPointe Capital	2,084	6,471,063
JP Morgan Investment Management	701	4,213,468
MacKay Shields	3,745	12,348,323
Shenkman Capital Management	2,299	10,265,081
SSgA Core	<u>849</u>	<u>5,690,709</u>
<b>Total Domestic Equity</b>	<b><u>\$20,754</u></b>	<b><u>\$70,567,634</u></b>
<b><u>INTERNATIONAL EQUITY</u></b>		
Bank of Ireland	18,254	50,354,012
Putnam Investments	20,507	70,273,834
<b>Total International Equity</b>	<b><u>\$38,761</u></b>	<b><u>\$120,627,845</u></b>
<b><u>FIXED INCOME</u></b>		
Fleet Investment Advisors	29,869	188,059,056
Brown Brothers, Harriman	5,988	33,651,327
Taplin, Canida & Habacht	3,965	22,868,335
<b>Total Fixed Income</b>	<b><u>\$39,822</u></b>	<b><u>\$244,578,717</u></b>
<b>TOTAL SECURITIES LENDING INCOME</b>	<b><u>\$99,337</u></b>	<b><u>\$435,774,197</u></b>
 <b>Calendar Year 2002 YTD</b>	 <b>\$ 1,960,556</b>	





## **General Information**

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

Short Term Investments Portfolio by Fund

As of October 31, 2002

	Principal	Interest*	Total Value @ Maturity
4901 GENERAL FUND	95,772,309	1,900	95,774,210
4902 GENERAL FUND	0	0	0
4904 PENSION C	2,500,000	122	2,500,122
4908 PAYROLL A	500,000	24	500,024
4920 GENERAL FUND (HIST PRES)	443,307	1,250	444,556
5200 RI UNDERGROUND STORAGE TNK	1,300,286	458	1,300,744
5400 HIGHWAY FUND	7,560,091	535	7,560,626
5500 UNIVERSITY COLLEGE	0	0	0
5800 PROV. RIVER RELOCATION	0	0	0
6920 AUTO EQUIPMENT SERVICE	0	0	0
8000 T.D.I. RESERVE (DET)	54,029,121	58,934	54,088,054
8300 PERMANENT SCHOOL FUND	650,652	221	650,874
8400 EMP RETIREMENT FUND	0	0	0
8500 MUN EMP RETIREMENT FUND	0	0	0
8700 R.I. CLEAN WATER ACT	3,099,836	2,601	3,102,437
9000 BOND CAPITAL FUND	0	0	0
9400 R.I. HIGHER EDUCATION	0	0	0
9700 STATE LOTTERY FUND	24,190,228	21,443	24,211,671
9800 INDUS. BLDG. & MTG. INS.	3,301,829	4,240	3,306,069
9900 SINKING FUND	3,304,429	2,185	3,306,614
4911 TOBACCO SETTLEMENT FY04	36,628,837	575,949	37,204,786
Subtotal	233,280,924	669,862	233,950,786
8701 CLEAN WATER CCDL2000 A	222		
8702 CLEAN WATER 1993 SER. A	33,947		
8703 CLEAN WATER 1991 SERIES A	696,321		
8704 CLEAN WATER 96 SERIES A	259,443		
8706 CLEAN WATER CCDL 1994 (A)	172,984		
8707 CAP DEV. OF 1997 SERIES A	154,824		
8733 CAP DEV. OF 1997 SERIES A	100,242		
8737 RI POLLUT. CONT 94 SER. A	41,255		
8738 POLLUTION CONTROL 1998B	24		
8739 CCDL99A 1999A	374,965		
8740 POLLUTION CONTROL CCDL200A	900,288		
8741 BOND 2001	1,208,499		
9108 BOND SALE 1990 SER. A&B	5		
9114 G.O. NOTE 1991 SER. B	8,549		
9115 BOND CCDL 1992 SERIES A	2		
9116 BOND CCDL 1993 SERIES A	1,378,291		
9117 BOND CCDL 1994 SERIES A	1,157,956		
9118 BOND CCDL 1995 SER. A	5,124		
9120 BOND CCBL96A	1,892,445		
9121 CAP DEV OF 1997 SERIES A	1,352,630		
9123 CCDL 1998B	4,460,296		
9124 CCDL99A 1999A	13,248,151		
9125 MMG099 1999	2,730,451		
9126 BOND CAPITOL CCDL2000A	18,295,525		
9127 MULTI-MODAL GEN OBL 2000	1,550,989		
9128 BOND 2001	13,674,920		
Subtotal Bond Proceed Accounts	63,698,346		
Total Short Term Portfolio	296,979,271		

\* General Fund (4901), TDI (8000), & ISTE (5400) investments do not reflect interest earnings on Brinson Advisors & Dreyfus MM due to nature of Money Market investments. Interest is posted on the 1st business day of the next month.

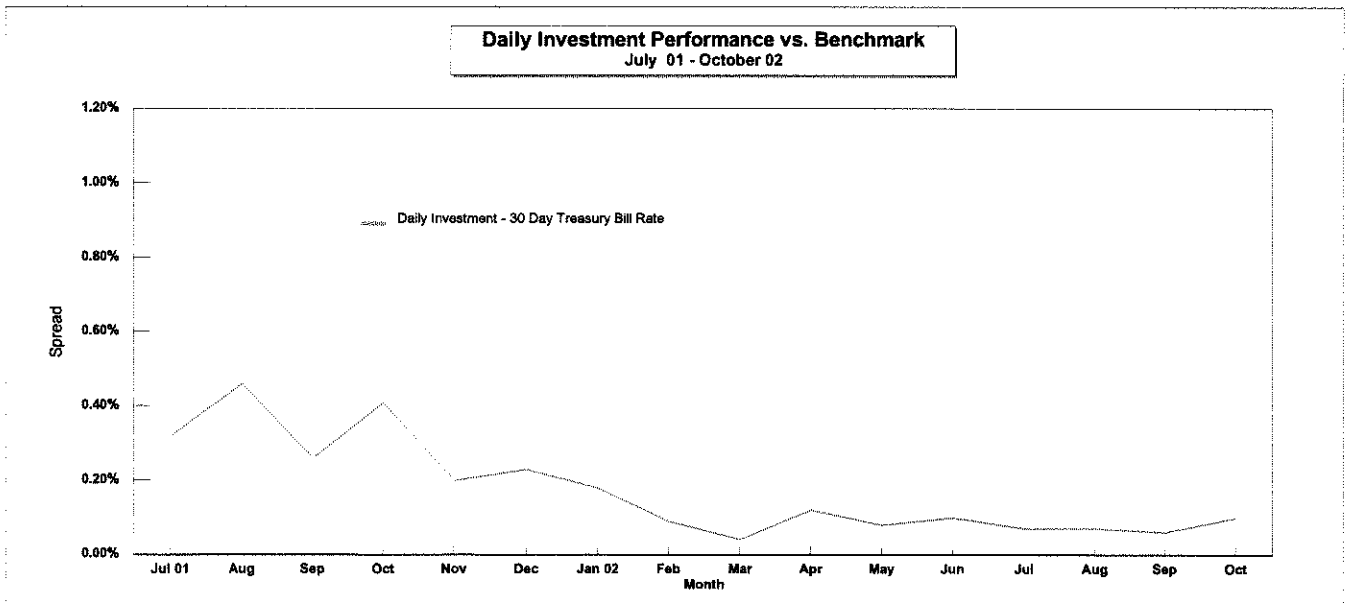
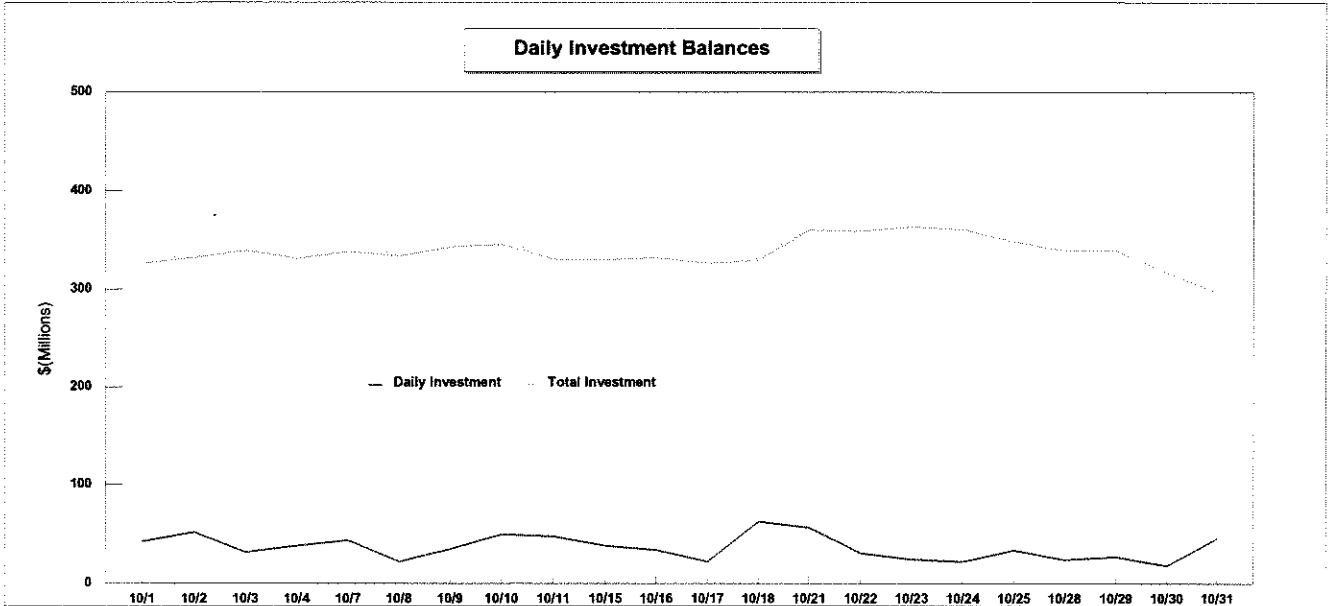
**Short Term Interest Rate Performance**  
**October 31, 2002**

<u>Date</u>	<u>Amount Invested (millions)</u>	<u>Money Market Funds</u>	<u>Weighted Interest Rate</u>	<u>30 Day Treasury Rate</u>	<u>Basis Point Difference</u>	<u>Date</u>	<u>Total Investment (millions)</u>
10/01	\$43.53	\$0.00	1.73	1.58	14.66	10/01	\$326.93
10/02	\$52.59	\$0.00	1.71	1.59	12.00	10/02	\$332.49
10/03	\$32.40	\$0.00	1.70	1.58	12.00	10/03	\$339.54
10/04	\$38.80	\$0.00	1.64	1.58	6.37	10/04	\$331.64
10/07	\$44.40	\$0.00	1.67	1.58	9.18	10/07	\$338.44
10/08	\$22.80	\$0.00	1.67	1.58	8.91	10/08	\$334.04
10/09	\$35.60	\$0.00	1.71	1.59	12.12	10/09	\$343.24
10/10	\$50.49	\$0.00	1.71	1.56	14.91	10/10	\$346.13
10/11	\$48.59	\$0.00	1.71	1.54	16.68	10/11	\$330.79
10/15	\$38.90	\$0.00	1.74	1.61	12.92	10/15	\$330.28
10/16	\$34.75	\$0.00	1.70	1.63	6.71	10/16	\$332.63
10/17	\$22.85	\$0.00	1.72	1.63	8.69	10/17	\$326.47
10/18	\$63.23	\$0.00	1.73	1.61	11.53	10/18	\$329.92
10/21	\$57.19	\$0.00	1.66	1.67	-1.14	10/21	\$361.11
10/22	\$31.20	\$0.00	1.72	1.68	3.76	10/22	\$359.41
10/23	\$25.30	\$0.00	1.66	1.64	1.88	10/23	\$364.01
10/24	\$22.95	\$0.00	1.69	1.63	6.15	10/24	\$360.91
10/25	\$34.30	\$0.00	1.67	1.58	8.82	10/25	\$348.51
10/28	\$25.00	\$0.00	1.69	1.58	11.00	10/28	\$339.77
10/29	\$27.80	\$0.00	1.75	1.58	16.69	10/29	\$339.97
10/30	\$19.00	\$0.00	1.75	1.55	20.00	10/30	\$317.57
10/31	\$46.55	\$0.00	1.75	1.54	20.94	10/31	\$296.98
	<u>Amount Invested</u>		<u>Weighted Average Rate</u>	<u>Average 30 day Rate</u>	<u>Basis Point Difference</u>		
	\$818.21	\$0.00	\$1.70	\$1.60	11		
Money Market	0.00						
<b>Total</b>	<b>818.21</b>						

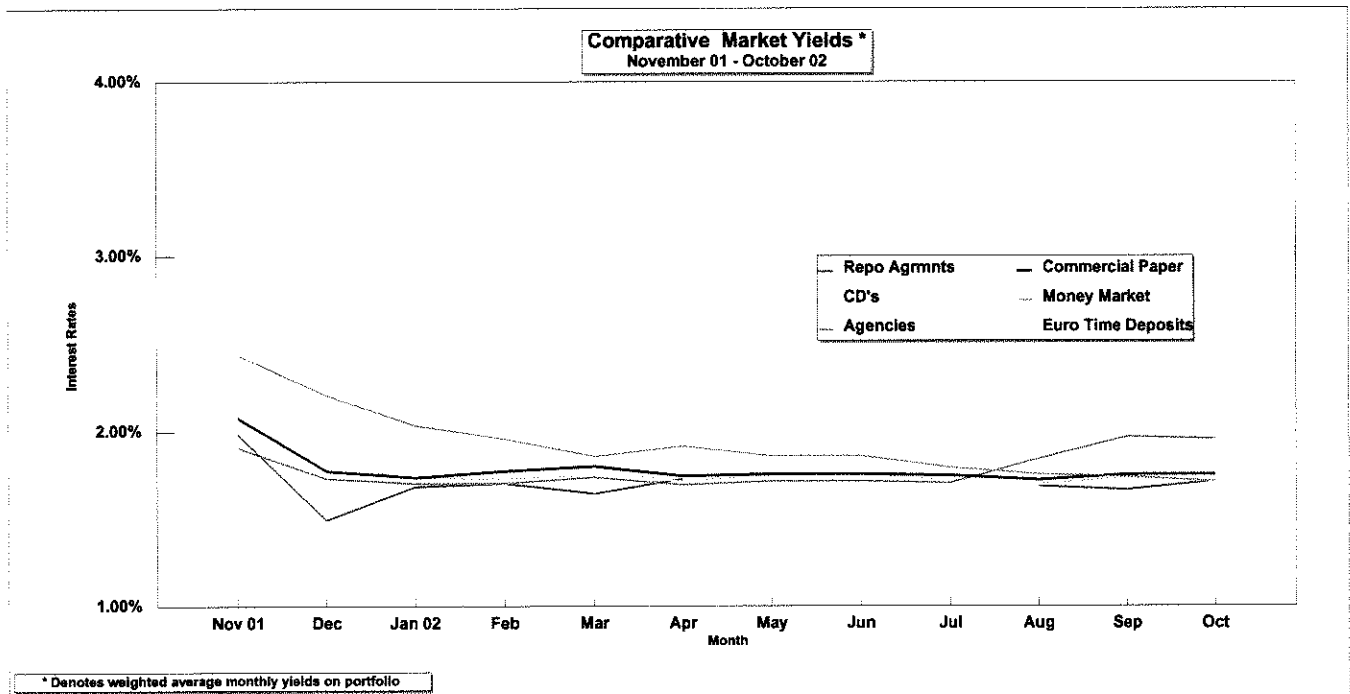
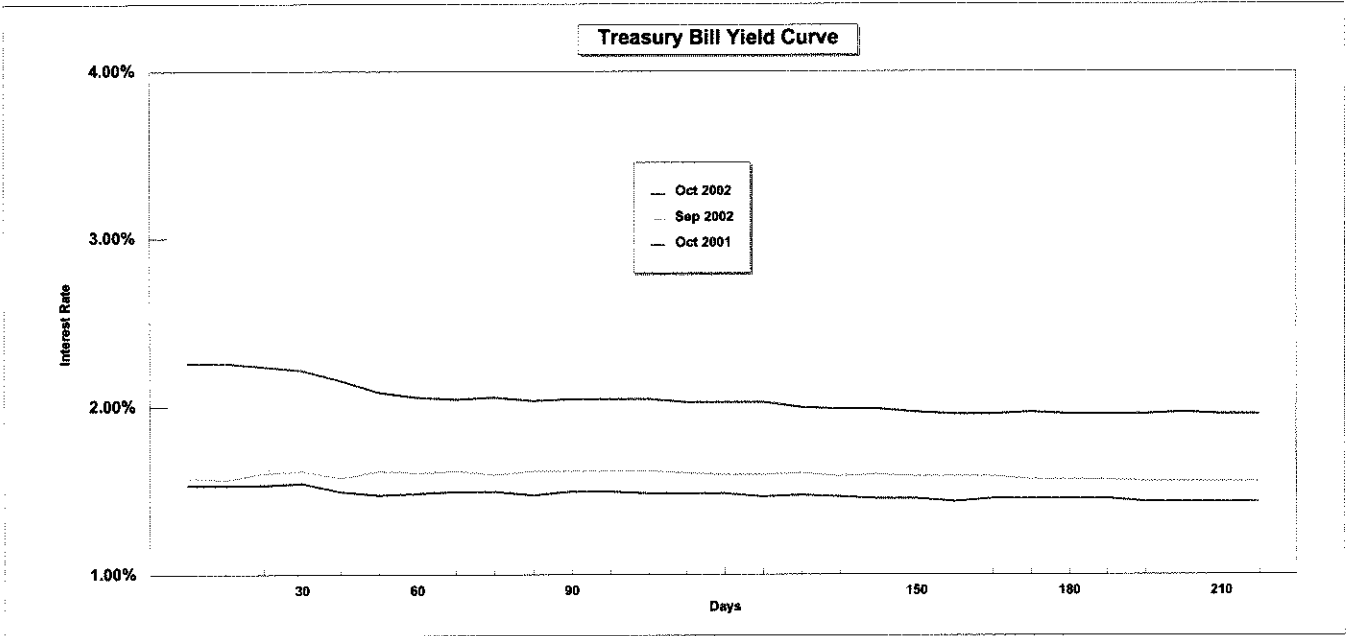
INTEREST

**RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM INVESTMENTS**

October 31, 2002



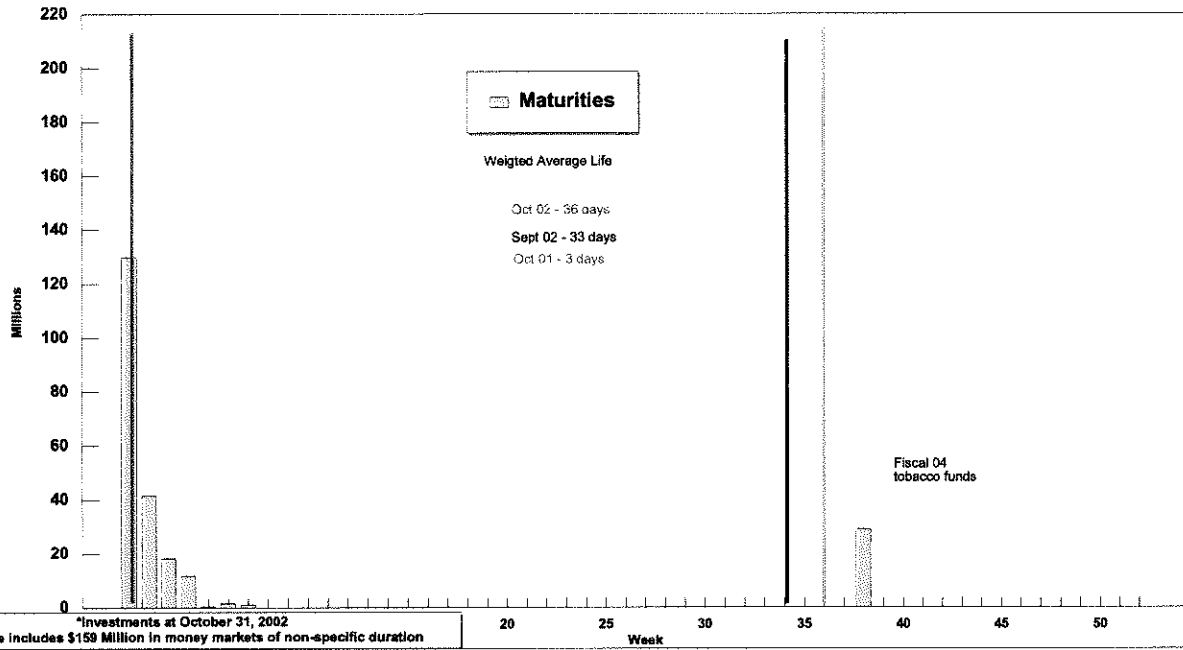
**RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM INVESTMENTS**



\* Denotes weighted average monthly yields on portfolio

**RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM INVESTMENTS**

**Portfolio Maturities by Week\***

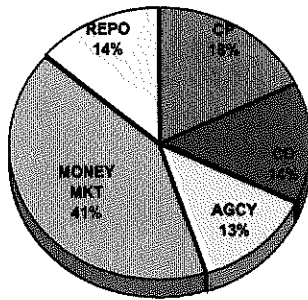


**SUMMARY PORTFOLIO YIELDS**

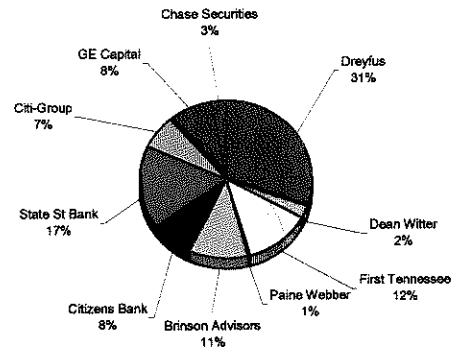
	<b>WEIGHTED AVERAGE YIELD(%)</b>
Oct 31, 2002	1.8%
Sept 30, 2002	1.8%
Oct 31, 2001	2.6%

**RHODE ISLAND STATE INVESTMENT COMMISSION**  
**SHORT TERM CASH INVESTMENTS AT OCTOBER 31, 2002**

**Portfolio By Instrument**



**Portfolio by Issuer**



REPO = Repurchase Agreement  
 CP = Commercial Paper  
 CD = Certificate of Deposit  
 ETD = Euro Time Deposit  
 Agency = US Government Agency

Vendor	CP	CD	Agency	Money Mkt	ETD	Repo	Total (\$)
Guidelines-Total/Vendor	25%/10%	25%/10%	75%/35%	50%/35%		100%/20%	
Fleet Bank	0	0	0	0	0	0	0
Dreyfus	0	0	0	71,371,795	0	0	71,371,795
Zions Bank	0	0	0	0	0	0	0
Dean Witter	5,797,100	0	0	0	0	0	5,797,100
Chase Securities	0	6,500,000	0	0	0	0	6,500,000
Paine Webber	0	0	1,498,521	0	0	0	1,498,521
Ford Motor	0	0	0	0	0	0	0
First Tennessee	0	0	28,938,051	0	0	0	28,938,051
Brinson Advisors	0	0	0	25,117,866	0	0	25,117,866
Citizens Bank	0	18,900,703	0	0	0	0	18,900,703
GE Capital	19,387,459	0	0	0	0	0	19,387,459
Sun Trust	0	0	0	0	0	0	0
Citi-Group	16,269,144	0	0	0	0	0	16,269,144
State St Bank	0	8,000,000	0	0	0	31,500,286	39,500,286
<b>TOTALS</b>	<b>41,453,703</b>	<b>33,400,703</b>	<b>30,436,572</b>	<b>96,489,661</b>	<b>0</b>	<b>31,500,286</b>	<b>233,280,924</b>
<b>(%) PORTFOLIO</b>	<b>18%</b>	<b>14%</b>	<b>13%</b>	<b>41%</b>	<b>0%</b>	<b>14%</b>	<b>100%</b>





SPECIAL FUNDS  
 INVESTMENT SUMMARY  
 OCTOBER 31, 2002

<u>FUND NAME</u>	<u>EQUITIES</u>	<u>CASH &amp; EQUIVALENTS</u>	<u>FIXED INCOME</u>	<u>Gain/Loss</u>	<u>TOTAL MARKET VALUE</u>
Abraham Touro Fund	\$1,103,147	\$148,509	\$586,848	\$123,028	\$1,838,503
State of Rhode Island Land Grant Fund	0	\$65,264	0	(\$118)	\$65,264
<b>TOTALS</b>	<b>\$1,103,147</b>	<b>\$213,772</b>	<b>\$586,848</b>	<b>\$122,910</b>	<b>\$1,903,767</b>

32  
 364  
 83  
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 37  
 12  
 5  
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 17



FISCAL YEAR 2003

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
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SUMMARY BY SOURCE:

ISO:	7,718,424	2,489,788	1,505,720	1,890,660	0	0	0	0	0	0	0	0	0	13,604,592
SCL:	179,714	128,361	106,226	99,337	0	0	0	0	0	0	0	0	0	513,637
DIV:	2,386,720	2,395,342	3,655,982	2,794,703	0	0	0	0	0	0	0	0	0	11,232,748
INT:	7,544,885	7,542,311	7,835,599	6,063,408	0	0	0	0	0	0	0	0	0	28,986,202
MIS:	(840,057)	(1,189,982)	336,573	48,426	0	0	0	0	0	0	0	0	0	(1,645,039)
CAPGNLS:	(51,793,358)	(18,451,416)	(24,005,579)	(33,233,978)	0	0	0	0	0	0	0	0	0	(127,484,330)
<b>TOTAL</b>	<b>(34,803,672)</b>	<b>(7,085,595)</b>	<b>(10,565,479)</b>	<b>(22,337,445)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(74,792,190)</b>
<b>SHORT TERM TOTAL</b>	<b>35,599</b>	<b>15,038</b>	<b>12,760</b>	<b>8,365</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>71,762</b>

FY 2001

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
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SUMMARY BY SOURCE:

ISO	1,570,173	801,997	518,772	1,060,463	1,600,171	3,970,345	976,396	584,183	1,145,046	1,122,471	2,812,488	1,267,235	17,429,740
SCL:	144,694	121,147	182,026	228,368	250,924	230,713	196,566	165,375	251,028	317,547	299,640	216,762	2,604,790
DIV:	1,850,179	1,514,638	3,392,318	2,701,696	1,101,683	3,755,221	1,070,124	888,770	2,660,577	4,726,014	7,376,644	4,715,163	35,752,817
INT:	9,991,736	15,623,111	10,537,045	7,472,268	13,756,874	7,211,142	8,325,524	13,635,890	8,350,350	7,037,656	8,997,532	6,136,765	117,075,893
MIS:	(537,473)	1,360,112	85,548	(16,611)	220,351	847,276	(935,933)	49,303	310,586	228,729	971,485	1,171,394	3,754,767
CAPGNLS:	(15,363,524)	(26,768,978)	(33,034,259)	(94,262,956)	(12,420,046)	11,093,085	(9,774,329)	(52,872,478)	29,080,145	(7,861,101)	2,828,925	(23,244,435)	(232,599,953)
<b>TOTAL</b>	<b>(2,344,215)</b>	<b>(7,347,973)</b>	<b>(18,318,550)</b>	<b>(82,816,784)</b>	<b>4,509,957</b>	<b>27,107,782</b>	<b>(141,652)</b>	<b>(37,548,957)</b>	<b>41,797,532</b>	<b>5,571,316</b>	<b>23,286,714</b>	<b>(9,737,116)</b>	<b>(55,981,946)</b>
<b>SHORT TERM TOTAL</b>	<b>42,125</b>	<b>29,395</b>	<b>11,452</b>	<b>14,962</b>	<b>21,088</b>	<b>12,081</b>	<b>14,714</b>	<b>7,161</b>	<b>12,267</b>	<b>20,133</b>	<b>14,784</b>	<b>16,408</b>	<b>216,570</b>

Key:

- ISO - Interest Sold
- SCL - Securities Lending
- DIV - Dividend earned
- INT - Interest earned
- MIS - Miscellaneous Income
- CAPGNLS - Capital Gains/Losses

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY 2003
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ZU 12

ISO													0
SCL													0
DIV													0
INT													0
MIS													0
CAPGNLS													0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

ZU 16

ISO													0
SCL													0
DIV	564	0	0	0	0	0	0	0	0	0	0	0	564
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	(6,634)	0	0	0	0	0	0	0	0	0	0	0	(6,634)
TOTAL	(6,071)	0	0	0	0	0	0	0	0	0	0	0	(6,071)

Provident ZU21 & 22

ISO													0
SCL													0
DIV	26,880	8,588	80,925	31,780	0	0	0	0	0	0	0	0	148,173
INT	6,744	8,854	12,219	9,328	0	0	0	0	0	0	0	0	37,145
MIS	(3,733)	0	0	0	0	0	0	0	0	0	0	0	(3,733)
CAPGNLS	(4,765,888)	(334,007)	(1,899,417)	(2,210,454)	0	0	0	0	0	0	0	0	(9,209,765)
TOTAL	(4,735,996)	(316,565)	(1,806,273)	(2,169,346)	0	0	0	0	0	0	0	0	(9,028,180)

Columbia ZU 37

ISO													0
SCL													0
DIV	7,173	11,413	28,461	7,725	0	0	0	0	0	0	0	0	54,772
INT	3,041	6,513	6,433	2,808	0	0	0	0	0	0	0	0	18,795
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	(3,552,030)	(1,188,092)	(1,927,442)	(3,243,158)	0	0	0	0	0	0	0	0	(9,910,723)
TOTAL	(3,541,816)	(1,170,166)	(1,892,548)	(3,232,625)	0	0	0	0	0	0	0	0	(9,837,156)

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY 2003
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ZU 55 PIMCO

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	33	41	96	60	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	230
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	33	41	96	60	0	0	0	0	0	0	0	0	230

ZU 56 TRANSITION

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

Wellington ZU 38

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	66,091	68,824	65,753	43,660	0	0	0	0	0	0	0	0	244,327
INT	5,952	5,843	8,404	7,335	0	0	0	0	0	0	0	0	27,534
MIS	(101)	0	0	0	0	0	0	0	0	0	0	0	(101)
CAPGNLS	(3,785,937)	(1,591,269)	(1,075,375)	(5,060,253)	0	0	0	0	0	0	0	0	(11,512,833)
TOTAL	(3,713,996)	(1,516,602)	(1,001,218)	(5,009,258)	0	0	0	0	0	0	0	0	(11,241,074)

Wasatch ZU 39

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	123,128	38,046	61,743	71,988	0	0	0	0	0	0	0	0	294,906
INT	3,426	2,569	928	562	0	0	0	0	0	0	0	0	7,485
MIS	(99)	0	(12)	(66)	0	0	0	0	0	0	0	0	(177)
CAPGNLS	(314,050)	232	(77,143)	(1,971,154)	0	0	0	0	0	0	0	0	(2,362,116)
TOTAL	(187,595)	40,847	(14,484)	(1,898,670)	0	0	0	0	0	0	0	0	(2,059,902)

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
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NoPointe ZU 47

ISO													0
SCL													0
DIV	205,243	43,417	74,617	210,259	0	0	0	0	0	0	0	0	533,536
INT	7,813	6,772	6,697	6,411	0	0	0	0	0	0	0	0	27,692
MIS	0	(14)	0	(32)	0	0	0	0	0	0	0	0	(46)
CAPGNLS	(1,733,325)	(1,524,444)	(909,310)	(2,331,751)	0	0	0	0	0	0	0	0	(6,498,830)
TOTAL	(1,520,269)	(1,474,269)	(827,996)	(2,115,114)	0	0	0	0	0	0	0	0	(5,937,647)

Alternative Investments ZU 32

ISO													0
SCL													0
DIV													0
INT		17	0	0	0	0	0	0	0	0	0	0	17
MIS	(835,062)	(176,384)	239,901	(164,590)	0	0	0	0	0	0	0	0	(936,135)
CAPGNLS	512,133	0	2,552,884	2,680,505	0	0	0	0	0	0	0	0	5,745,522
TOTAL	(322,929)	(176,367)	2,792,785	2,515,915	0	0	0	0	0	0	0	0	4,809,404

Bank Acquisition ZU 60

ISO													0
SCL													0
DIV													0
INT	782	801	779	736	0	0	0	0	0	0	0	0	3,097
MIS													0
CAPGNLS													0
TOTAL	782	801	779	736	0	0	0	0	0	0	0	0	3,097

Inetate ZU 40

ISO													0
SCL													0
DIV													0
INT	121,604	125,555	125,452	121,306	0	0	0	0	0	0	0	0	493,918
MIS		0											0
CAPGNLS													0
TOTAL	121,604	125,555	125,452	121,306	0	0	0	0	0	0	0	0	493,918

INCOME FILE

July 2002 August September October November December January 2003 February March April May June YTD FY2003

Fleet ZU 42

ISO	662,982	211,791	675,896	659,111	0	0	0	0	0	0	0	0	0	0	0	2,209,781
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	1,539,626	2,222,052	2,066,747	1,243,823	0	0	0	0	0	0	0	0	0	0	0	7,072,248
MIS	(1,837)	(917)	(3,092)	(477)	0	0	0	0	0	0	0	0	0	0	0	(5,523)
CAPGNLS	3,377,972	797,828	2,480,510	3,388,955	0	0	0	0	0	0	0	0	0	0	0	10,045,264
TOTAL	5,579,543	3,230,754	5,220,061	5,291,412	0	0	0	0	0	0	0	0	0	0	0	19,321,770

Brown Bros Zu 44

ISO	165,103	218,979	332,293	580,662	0	0	0	0	0	0	0	0	0	0	0	1,297,036
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	8,656	0	0	8,656	0	0	0	0	0	0	0	0	0	0	0	17,313
INT	422,237	912,759	825,168	694,107	0	0	0	0	0	0	0	0	0	0	0	2,854,271
MIS	19	(16)	422	(153)	0	0	0	0	0	0	0	0	0	0	0	272
CAPGNLS	191,741	1,488,768	831,324	2,203,649	0	0	0	0	0	0	0	0	0	0	0	4,715,482
TOTAL	787,755	2,620,489	1,989,207	3,486,922	0	0	0	0	0	0	0	0	0	0	0	8,884,374

Fidelity ZU 46

ISO	235,764	280,913	45,374	87,457	0	0	0	0	0	0	0	0	0	0	0	649,509
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	2,159,265	2,178,536	2,097,188	2,475,515	0	0	0	0	0	0	0	0	0	0	0	8,910,504
MIS	(62,419)	0	89,832	71,015	0	0	0	0	0	0	0	0	0	0	0	98,429
CAPGNLS	949,622	3,044,486	938,041	217,505	0	0	0	0	0	0	0	0	0	0	0	5,149,654
TOTAL	3,282,233	5,503,935	3,170,436	2,851,492	0	0	0	0	0	0	0	0	0	0	0	14,808,096

Taplin, Canida & Habecht ZU 84

ISO	420,104	0	46,925	453,486	0	0	0	0	0	0	0	0	0	0	0	920,515
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	1,718,404	1,163,618	1,722,787	812,129	0	0	0	0	0	0	0	0	0	0	0	5,416,939
MIS	0	(14)	(0)	0	0	0	0	0	0	0	0	0	0	0	0	(14)
CAPGNLS	948,900	0	606,056	(3,956,152)	0	0	0	0	0	0	0	0	0	0	0	(2,401,196)
TOTAL	3,087,408	1,163,604	2,375,768	(2,690,537)	0	0	0	0	0	0	0	0	0	0	0	3,936,243

INCOME FILE

July 2002 August September October November December January February March April May June YTD FY2003

Heitman ZU84

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
ISO													0
SCL													0
DIV													0
INT													0
MIS	43,576	0	0	56,309	0	0	0	0	0	0	0	0	99,885
CAPGNLS													0
<b>TOTAL</b>	<b>43,576</b>	<b>0</b>	<b>0</b>	<b>56,309</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>99,885</b>

L & B ZU 36

ISO													0
SCL													0
DIV													0
INT													0
MIS	0*	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS													0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Mackay Shield ZU 59

ISO	1,868,541	1,720,118	352,708	33,776									3,975,143
SCL													0
DIV	12,653			35,569									48,221
INT	1,012,994	764,142	576,584	282,776									2,636,496
MIS	0	74,300	0	0	0	0	0	0	0	0	0	0	74,300
CAPGNLS	(796,883)	(4,223,202)	(2,129,570)	(2,003,486)									(9,155,141)
<b>TOTAL</b>	<b>2,097,304</b>	<b>(1,666,642)</b>	<b>(1,200,278)</b>	<b>(1,651,364)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(2,420,980)</b>

Shankman ZU 61

ISO	12,668	57,988	52,523	76,168									199,346
SCL													0
DIV													0
INT	0	80,822	311,077	351,904									743,802
MIS	(12,935)	(119,063)	(12,542)	(340,703)									(485,243)
CAPGNLS													0
<b>TOTAL</b>	<b>(268)</b>	<b>19,747</b>	<b>351,059</b>	<b>87,368</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>457,905</b>



INCOME FILE

July 2002 August September October November December January 2003 February March April May June YTD FY2003

Cash - Out of Trust ZU 66

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
ISO													0
SCL													0
DIV													0
INT	23,181	27,523	31,813	28,874	0	0	0	0	0	0	0	0	111,391
MIS					0	0							0
CAPGNLS													0
<b>TOTAL</b>	<b>23,181</b>	<b>27,523</b>	<b>31,813</b>	<b>28,874</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>111,391</b>

Cash - In Trust ZU 76

ISO													0
SCL													513,637
DIV	179,714	128,361	106,226	99,337	0	0	0	0	0	0	0	0	0
INT	7,498	7,767	17,620	7,746	0	0	0	0	0	0	0	0	40,630
MIS	0	9,026	9,658	90,889	0	0	0	0	0	0	0	0	108,573
CAPGNLS													0
<b>TOTAL</b>	<b>187,211</b>	<b>144,154</b>	<b>133,503</b>	<b>197,972</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>662,841</b>

Loomis Sayles ZU 90

ISO	4,353,262	0	0	0	0	0	0	0	0	0	0	0	4,353,262
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	43,483	0	0	0	0	0	0	0	0	0	0	0	43,483
INT	483,627	699	0	0	0	0	0	0	0	0	0	0	484,326
MIS	54,196	(12)	51	0	0	0	0	0	0	0	0	0	54,234
CAPGNLS	(21,451,136)	0	0	0	0	0	0	0	0	0	0	0	(21,451,136)
<b>TOTAL</b>	<b>(16,516,569)</b>	<b>686</b>	<b>51</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(16,515,832)</b>

J.P. Morgan ZU 48

ISO													0
SCL													0
DIV	343,782	270,756	336,456	357,774	0	0	0	0	0	0	0	0	1,308,769
INT	811	776	695	822	0	0	0	0	0	0	0	0	3,104
MIS	(0)	(1)	(1)	(1)	0	0	0	0	0	0	0	0	(3)
CAPGNLS	(4,967,273)	(1,743,384)	(3,449,631)	(5,582,621)	0	0	0	0	0	0	0	0	(15,742,908)
<b>TOTAL</b>	<b>(4,622,680)</b>	<b>(1,471,852)</b>	<b>(3,112,480)</b>	<b>(5,224,025)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(14,431,038)</b>

INCOME FILE

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
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SSgA Core ZU 99

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	275,123	223,015	466,774	244,540	0	0	0	0	0	0	0	0	1,209,452
INT	2,533	4,438	7,506	4,339	0	0	0	0	0	0	0	0	18,815
MIS	0	(1,128,599)	0	0	0	0	0	0	0	0	0	0	(1,128,599)
CAPGNLS	(2,395,124)	0	(2,941,725)	(2,266,449)	0	0	0	0	0	0	0	0	(7,603,298)
TOTAL	(2,117,468)	(901,146)	(2,467,446)	(2,017,570)	0	0	0	0	0	0	0	0	(7,503,630)

Shott Capital Mgmt ZU 49

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	85	206	21	5	0	0	0	0	0	0	0	0	317
INT	(59)	0	0	0	0	0	0	0	0	0	0	0	(59)
MIS	(88,407)	(17,806)	5,431	(142,823)	0	0	0	0	0	0	0	0	(243,605)
CAPGNLS													
TOTAL	(88,382)	(17,600)	5,452	(142,818)	0	0	0	0	0	0	0	0	(243,347)

SSgA Russell ZU 98

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	723,748	0	0	0	0	0	0	0	0	0	723,748
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	723,748	0	0	0	0	0	0	0	0	0	723,748

SSgA Wilshire 5 ZU 50

ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

INCOME FILE

Bank of Ireland ZU 57

	July 2002	August	September	October	November	December	January 2003	February	March	April	May	June	YTD FY2003
ISO													0
SCL													0
DIV	583,804	703,676	888,382	1,070,623	0	0	0	0	0	0	0	0	3,246,486
INT	20,642	17,346	10,399	7,834	0	0	0	0	0	0	0	0	56,221
MIS	15	(567)	0	(0)	0	0	0	0	0	0	0	0	(553)
CAPGNLS	(7,776,950)	(4,412,425)	(6,260,685)	(1,345,976)	0	0	0	0	0	0	0	0	(19,796,036)
<b>TOTAL</b>	<b>(7,172,490)</b>	<b>(3,691,969)</b>	<b>(5,361,904)</b>	<b>(267,519)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(16,493,881)</b>

Putnam														
ZU 58														
ISO	0												0	
SCL													0	
DIV	688,980	821,985	892,115	712,129	0	0	0	0	0	0	0	0	3,115,210	
INT	4,590	4,662	6,986	4,986	0	0	0	0	0	0	0	0	21,224	
MIS	(35,374)	34,217	(186)	(4,469)	0	0	0	0	0	0	0	0	(5,812)	
CAPGNLS	(5,935,856)	(7,149,739)	(9,909,546)	(9,065,963)	0	0	0	0	0	0	0	0	(32,061,104)	
<b>TOTAL</b>	<b>(5,277,661)</b>	<b>(6,288,875)</b>	<b>(9,010,630)</b>	<b>(8,353,317)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(28,930,483)</b>	

Scudder														
ZU 70														
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0	
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIV	1,161	205,622	37,008	0	0	0	0	0	0	0	0	0	283,791	
INT	0	0	0	0	0	0	0	0	0	0	0	0	0	
MIS	21	0	0	0	0	0	0	0	0	0	0	0	21	
CAPGNLS	446	11,468	3,885	0	0	0	0	0	0	0	0	0	15,800	
<b>TOTAL</b>	<b>1,628</b>	<b>217,091</b>	<b>40,894</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>259,612</b>	

ZU 92														
ZU 92														
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0	
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	
INT	0	0	0	0	0	0	0	0	0	0	0	0	0	
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0	
CAPGNLS	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



## Performance Update

### STATE OF RHODE ISLAND ING Custom Choice Classic Variable Annuity Account D

Average Annual Total Returns as of 09/30/2002

Investment returns and principal values fluctuate so that, if surrendered, an investment may be worth more or less than the original amount. Results are historical and not intended to portray future performance. Current performance may be less than the figures shown.

Investment Options	Relative Risk Level	Relative Risk							Since Fund Inception	Fund Inception Date
		1-Mo*	3-Mo*	YTD*	1-Yr	3-Yr	5-Yr	10-Yr		
<b>Global / International</b>										
ING Scudder International Growth Portfolio - Initial Class - 104	A	-9.93%	-19.68%	-21.69%	-19.03%	-16.08%			-3.31%	11/28/1997
Janus Aspen Series Worldwide Growth Portfolio - Inst Shares - 123	A	-10.46%	-17.54%	-28.58%	-19.64%	-13.29%	-1.63%		9.33%	09/13/1993
<b>Aggressive Growth</b>										
AIM V.I. Capital Appreciation Fund - Series I Shares - 076	A	-7.82%	-16.55%	-28.68%	-15.77%	-13.41%	-5.74%		6.03%	05/05/1993
ING VP Small Company Portfolio - Class R - 042	A	-7.13%	-19.45%	-25.31%	-12.91%	0.54%	0.70%		6.56%	12/27/1996
Janus Aspen Series Aggressive Growth Portfolio - Inst Shares - 119	A	-4.22%	-13.04%	-30.07%	-20.69%	-23.29%	-3.01%		6.27%	09/13/1993
<b>Growth</b>										
Fidelity® VIP Contrafund® Portfolio - Initial Class - 133	M	-4.15%	-10.04%	-11.12%	-5.19%	-5.70%	2.29%		11.55%	01/03/1995
Fidelity® VIP Growth Portfolio - Initial Class - 109	M	-10.73%	-19.12%	-34.96%	-24.19%	-16.71%	-2.65%	8.25%		10/09/1986
ING MFS Capital Opportunities Portfolio - Initial Class - 100	M	-11.81%	-19.75%	-35.85%	-23.96%	-16.74%			-3.52%	11/28/1997
ING MFS Research Portfolio - Initial Class - 105	M	-9.40%	-16.95%	-29.55%	-21.03%	-13.96%			-5.25%	11/28/1997
ING VP Value Opportunity Portfolio - Class R - 041	M	-9.35%	-20.11%	-28.61%	-23.61%	-6.77%	0.09%		6.36%	12/13/1996
<b>Growth &amp; Income (Stocks)</b>										
AIM V.I. Core Equity Fund - Series I Shares - 079	M	-7.71%	-14.25%	-20.90%	-9.73%	-14.24%	-3.35%		6.45%	05/02/1994
Fidelity® VIP Equity-Income Portfolio - Initial Class - 108	M	-11.86%	-19.28%	-24.56%	-17.67%	-7.63%	-1.91%	8.70%		10/09/1986
ING VP Growth and Income Portfolio - Class R - 001	M	-9.85%	-16.47%	-26.89%	-22.53%	-16.24%	-7.38%	4.64%		05/01/1975
ING VP Index Plus LargeCap Portfolio - Class R - 035	M	-10.91%	-17.41%	-27.91%	-21.79%	-13.36%	-1.64%		4.51%	09/16/1996
<b>Growth &amp; Income (Stocks &amp; Bonds)</b>										
Calvert Social Balanced Portfolio - 101	M	-5.88%	-9.21%	-16.73%	-12.15%	-6.82%	-0.99%	5.59%		09/02/1986
ING VP Balanced Portfolio, Inc. - Class R - 008	M	-6.12%	-9.80%	-15.02%	-9.41%	-4.30%	1.27%	7.29%		04/03/1989
Janus Aspen Series Balanced Portfolio - Inst Shares - 124	M	-3.29%	-5.62%	-9.01%	-4.80%	-1.10%	7.31%		11.01%	09/13/1993
<b>Income</b>										
ING VP Bond Portfolio - Class R - 004	M	0.97%	3.33%	5.76%	6.01%	7.31%	5.98%	6.00%		05/15/1973
<b>Stability of Principal</b>										
ING VP Money Market Portfolio - Class R - 003	C	0.09%	0.21%	0.73%	1.14%	3.60%	3.96%	3.97%		08/01/1975

The 7-day annualized Subaccount yield as of 09/30/2002 is 0.80%. (+)

(+) The current yield reflects the deduction of all charges under the Contract that are deducted from the total return quotations shown. The current yield more closely reflects current earnings.

An investment in ING VP Money Market Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund is a money market fund which does not seek to maintain a stable \$1.00 net asset value. While the fund's investment objective includes the preservation of capital, it is possible to lose money by investing in the fund.

The chart shows the performance for each investment option for the time periods shown.

\* Returns not annualized.

Investment Options are listed in asset class order, each of which has unique risk characteristics. The returns assume reinvestment of all dividends (ordinary income and capital gains) and are net of management fees and other fund operating expenses.

These numbers reflect the deductions from the Separate Account (0.70% for the ING Managed funds, and 0.85% for ING Partners, Inc. and all other

## Performance Update

funds), investment advisory fees, and all other expenses of the funds.

Fund prospectuses and disclosure booklets, containing more complete information regarding charges and expenses, are available by calling 1-800-584-6001. Please read them carefully before investing. Not all investment options are available under all contracts; please check your disclosure booklet for options available under your plan.

The ING Fixed Account - 457/401 -Base+40 is not part of the Separate Account. The return as of September 30, 2002 for the 1, 3 month, YTD periods are 0.43%, 1.33%, 4.01%, and does not include the impact of contract charges.

The CURRENT rate for the ING Fixed Account - 457/401 -Base+40 is 5.40%, expressed as an annual effective yield, and is guaranteed not to drop below 1.70% through 12/31/2002. 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.

Anyone who wishes to obtain a free copy of the disclosure book and/or fund prospectuses may call their ING representative. Relative Risk Level: C=Conservative, M=Moderate, A=Aggressive. Relative Risk Level is a measure of Risk Level against all funds offered under the contract as determined by ING Life Insurance and Annuity Company.

The relative risk levels correspond to the asset class descriptions as described in marketing material.

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

The risks of investing in small company stocks may include relatively low trading volumes, a greater degree of change in earnings and greater short-term volatility.

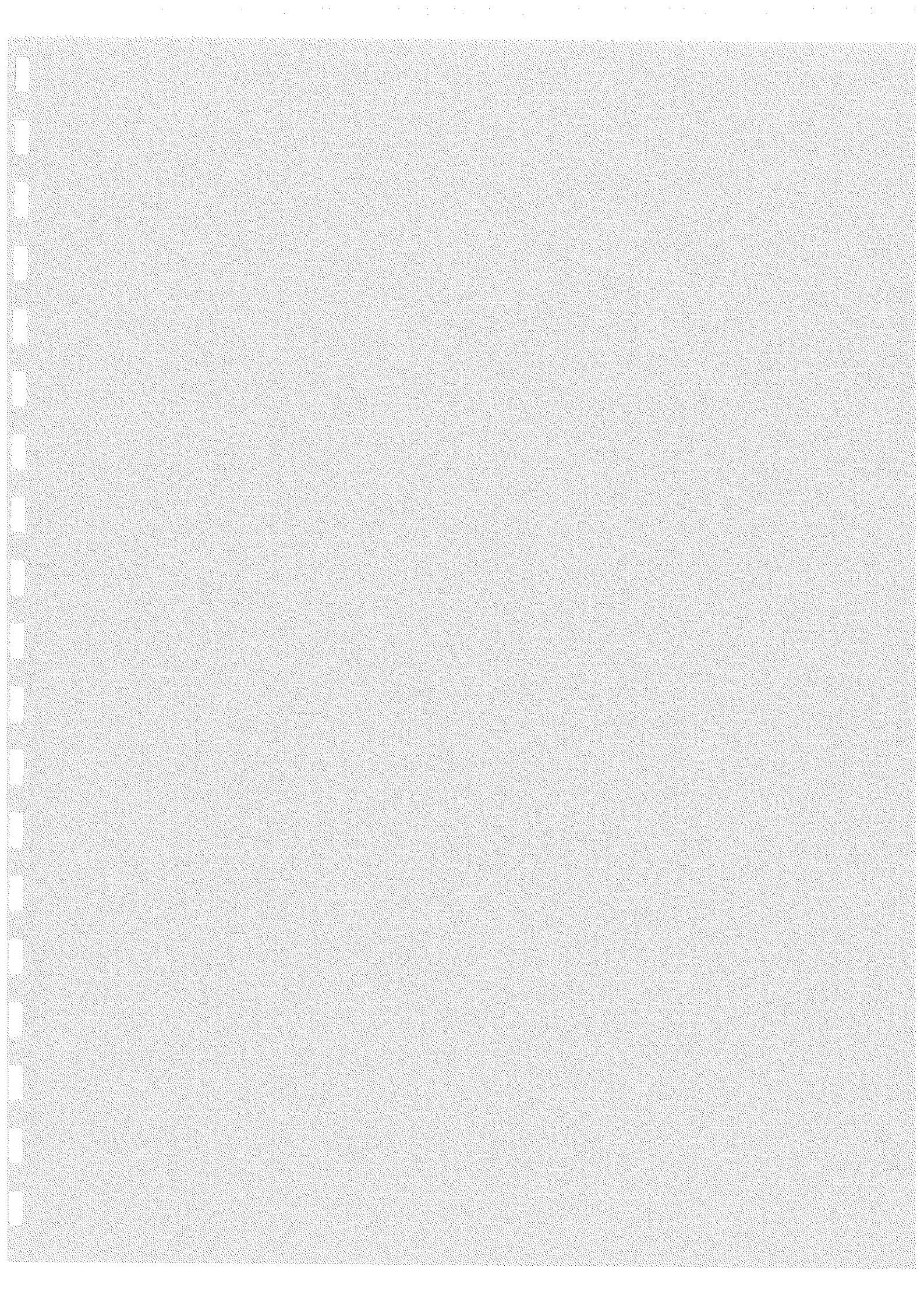
Foreign investing involves special risks such as currency fluctuation and public disclosure, as well as economic and political risks.

Some of the Funds invest in securities guaranteed by the U.S. Government as to the timely payment of principal and interest; however, shares of the Funds are not insured nor guaranteed.

High yielding fixed-income securities generally are subject to greater market fluctuations and risk of loss of income and principal than are investments in lower yielding fixed-income securities.

The principal risks of investing in technology funds are those generally attributed to stock investing. Stocks of smaller companies tend to be less liquid, more volatile and sensitive to expected changes in interest rates. Because the Fund's investments are concentrated in information technology industries, the value of its shares will be especially affected by factors peculiar to those industries and may fluctuate more widely than the value of shares of more diversified portfolios.

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.



## Current Performance

### HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending September 30, 2002

Fund Name	YTD		3Q02		1 YR	% Lipper Peers Beaten		3 YRS	% Lipper Peers Beaten		5 YRS	% Lipper Peers Beaten		10 YRS	% Lipper Peers Beaten		
	09/30/02	3Q02	09/30/02	3Q02	1 YR	3 YRS	5 YRS	10 YRS	3 YRS	5 YRS	10 YRS	3 YRS	5 YRS	10 YRS	3 YRS	5 YRS	10 YRS
Fidelity MM:Retirement	1.23	0.39	1.82	1.82	1.82	4.30	61%	4.66	57%	4.63	55%	4.66	57%	4.63	57%	4.63	55%
SSB 3-Month Treasury Bill	1.31	0.43	1.97	1.97	1.97	4.19	4.48	4.48	4.48	4.54	4.54	4.48	4.48	4.54	4.48	4.48	4.54
<b>Inst Money Market Funds</b>	<b>1.17</b>	<b>0.37</b>	<b>1.74</b>	<b>1.74</b>	<b>1.74</b>	<b>4.19</b>	<b>4.59</b>	<b>4.61</b>	<b>4.59</b>	<b>4.61</b>	<b>4.61</b>	<b>4.59</b>	<b>4.59</b>	<b>4.61</b>	<b>4.59</b>	<b>4.59</b>	<b>4.61</b>
<b>Lipper Rank / Count</b>						<b>115 / 258</b>	<b>80 / 206</b>	<b>69 / 160</b>	<b>69 / 160</b>	<b>28 / 61</b>	<b>28 / 61</b>	<b>69 / 160</b>	<b>69 / 160</b>	<b>28 / 61</b>	<b>69 / 160</b>	<b>69 / 160</b>	<b>28 / 61</b>
PIMCO:Total Return;Admn	7.38	3.36	7.54	7.54	7.54	9.45	92%	7.99	97%	N/A	N/A	7.99	97%	N/A	97%	N/A	N/A
LB Aggregate Bond	8.55	4.58	8.60	8.60	8.60	9.48	7.83	7.83	7.83	7.37	7.37	7.83	7.83	7.37	7.83	7.83	7.37
<b>Intermediate Investment Grade Debt Funds</b>	<b>6.35</b>	<b>3.70</b>	<b>6.20</b>	<b>6.20</b>	<b>6.20</b>	<b>7.91</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>	<b>5.51</b>
<b>Lipper Rank / Count</b>						<b>86 / 358</b>	<b>22 / 260</b>	<b>6 / 188</b>	<b>6 / 188</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>6 / 188</b>	<b>6 / 188</b>	<b>6 / 188</b>	<b>6 / 188</b>	<b>6 / 188</b>	<b>N/A / N/A</b>
Fidelity Puritan	-13.87	-10.74	-8.74	-8.74	-8.74	-1.55	78%	2.43	75%	9.28	85%	2.43	75%	9.28	75%	9.28	85%
60% RS 3000V/40% LB Aggr	-10.61	-9.93	-6.30	-6.30	-6.30	0.67	3.65	3.65	3.65	9.48	9.48	3.65	3.65	9.48	3.65	3.65	9.48
<b>Balanced Funds</b>	<b>-15.60</b>	<b>-9.49</b>	<b>-9.93</b>	<b>-9.93</b>	<b>-9.93</b>	<b>-3.97</b>	<b>0.69</b>	<b>7.20</b>	<b>0.69</b>	<b>7.20</b>	<b>7.20</b>	<b>0.69</b>	<b>0.69</b>	<b>7.20</b>	<b>0.69</b>	<b>0.69</b>	<b>7.20</b>
<b>Lipper Rank / Count</b>						<b>193 / 503</b>	<b>90 / 405</b>	<b>79 / 317</b>	<b>79 / 317</b>	<b>13 / 79</b>	<b>13 / 79</b>	<b>90 / 405</b>	<b>90 / 405</b>	<b>13 / 79</b>	<b>90 / 405</b>	<b>90 / 405</b>	<b>13 / 79</b>
Fidelity Equity-Inc	-24.29	-19.09	-17.21	-17.21	-17.21	-6.80	48%	-0.77	55%	9.76	81%	-0.77	55%	9.76	55%	9.76	81%
Russell 3000 Value	-22.12	-18.96	-15.89	-15.89	-15.89	-5.41	0.30	0.30	0.30	10.48	10.48	0.30	0.30	10.48	0.30	0.30	10.48
<b>Equity Income Funds</b>	<b>-22.33</b>	<b>-16.83</b>	<b>-17.04</b>	<b>-17.04</b>	<b>-17.04</b>	<b>-6.18</b>	<b>-1.18</b>	<b>7.79</b>	<b>-1.18</b>	<b>7.79</b>	<b>7.79</b>	<b>-1.18</b>	<b>-1.18</b>	<b>7.79</b>	<b>-1.18</b>	<b>-1.18</b>	<b>7.79</b>
<b>Lipper Rank / Count</b>						<b>87 / 196</b>	<b>91 / 174</b>	<b>63 / 140</b>	<b>63 / 140</b>	<b>10 / 49</b>	<b>10 / 49</b>	<b>91 / 174</b>	<b>91 / 174</b>	<b>10 / 49</b>	<b>91 / 174</b>	<b>91 / 174</b>	<b>10 / 49</b>

Mutual fund performance changes over time, sometimes significantly. Most recent performance data is published online at each month end. Please visit Fidelity.com or call Fidelity for current performance figures.



## Current Performance

### HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending September 30, 2002

Fund Name	YTD		09/30/02		3Q02		1 YR		% Lipper Peers Beaten		3 YRS		% Lipper Peers Beaten		5 YRS		% Lipper Peers Beaten		10 YRS		% Lipper Peers Beaten	
Fidelity Sprt US Eq Indx	-28.24	-17.29	-20.59	90%	-13.01	84%	-1.79	86%	8.77	84%	8.77	86%	8.77	84%	8.77	86%	8.77	84%	8.77	86%	8.77	84%
S&P 500	-28.16	-17.28	-20.49		-12.89		-1.63		9.00		9.00		9.00		9.00		9.00		9.00		9.00	
<b>S&amp;P 500 Index Objective Funds</b>	<b>-28.49</b>	<b>-17.36</b>	<b>-21.01</b>	<b>18 / 177</b>	<b>-13.36</b>	<b>20 / 119</b>	<b>-2.13</b>	<b>12 / 77</b>	<b>8.59</b>	<b>4 / 20</b>	<b>8.59</b>	<b>12 / 77</b>	<b>8.59</b>	<b>4 / 20</b>	<b>8.59</b>	<b>12 / 77</b>	<b>8.59</b>	<b>4 / 20</b>	<b>8.59</b>	<b>12 / 77</b>	<b>8.59</b>	<b>4 / 20</b>
<b>Lipper Rank / Count</b>																						
Fidelity Blue Chip Grow	-30.10	-16.04	-20.77	67%	-14.44	71%	-2.46	70%	9.18	89%	9.18	70%	9.18	89%	9.18	70%	9.18	89%	9.18	70%	9.18	89%
Russell 1000 Growth	-32.70	-15.05	-22.51		-19.59		-4.87		6.69		6.69		6.69		6.69		6.69		6.69		6.69	
<b>Large-Cap Growth Funds</b>	<b>-31.66</b>	<b>-15.78</b>	<b>-22.17</b>	<b>226 / 683</b>	<b>-17.46</b>	<b>130 / 453</b>	<b>-4.49</b>	<b>93 / 308</b>	<b>6.19</b>	<b>11 / 90</b>	<b>6.19</b>	<b>93 / 308</b>	<b>6.19</b>	<b>11 / 90</b>	<b>6.19</b>	<b>93 / 308</b>	<b>6.19</b>	<b>11 / 90</b>	<b>6.19</b>	<b>93 / 308</b>	<b>6.19</b>	<b>11 / 90</b>
<b>Lipper Rank / Count</b>																						
Fidelity Contrafund	-10.69	-9.86	-4.70	98%	-5.09	80%	3.41	90%	12.44	94%	12.44	90%	12.44	94%	12.44	90%	12.44	94%	12.44	90%	12.44	94%
S&P 500	-28.16	-17.28	-20.49		-12.89		-1.63		9.00		9.00		9.00		9.00		9.00		9.00		9.00	
<b>Multi-Cap Core Funds</b>	<b>-26.49</b>	<b>-16.53</b>	<b>-17.58</b>	<b>12 / 447</b>	<b>-9.60</b>	<b>59 / 295</b>	<b>-2.20</b>	<b>18 / 178</b>	<b>8.38</b>	<b>4 / 48</b>	<b>8.38</b>	<b>18 / 178</b>	<b>8.38</b>	<b>4 / 48</b>	<b>8.38</b>	<b>18 / 178</b>	<b>8.38</b>	<b>4 / 48</b>	<b>8.38</b>	<b>18 / 178</b>	<b>8.38</b>	<b>4 / 48</b>
<b>Lipper Rank / Count</b>																						
Fidelity Dividend Growth	-27.93	-15.42	-19.54	64%	-5.76	97%	3.19	98%	N/A	N/A	N/A	98%	N/A	N/A	N/A	98%	N/A	N/A	N/A	N/A	N/A	N/A
S&P 500	-28.16	-17.28	-20.49		-12.89		-1.63		9.00		9.00		9.00		9.00		9.00		9.00		9.00	
<b>Large-Cap Core Funds</b>	<b>-28.24</b>	<b>-16.79</b>	<b>-20.41</b>	<b>325 / 909</b>	<b>-12.79</b>	<b>21 / 699</b>	<b>-2.88</b>	<b>10 / 441</b>	<b>7.66</b>	<b>N/A / N/A</b>	<b>7.66</b>	<b>10 / 441</b>	<b>7.66</b>	<b>N/A / N/A</b>	<b>7.66</b>	<b>10 / 441</b>	<b>7.66</b>	<b>N/A / N/A</b>	<b>7.66</b>	<b>10 / 441</b>	<b>7.66</b>	<b>N/A / N/A</b>
<b>Lipper Rank / Count</b>																						

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## Current Performance

### HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending September 30, 2002

Fund Name	YTD		% Lipper Peers Beaten		3 YRS		5 YRS		% Lipper Peers Beaten		10 YRS		% Lipper Peers Beaten	
	09/30/02	3Q02	1 YR	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count	Count
Fidelity Magellan Fund	-28.99	-16.36	-21.06	44%	-12.94	53%	-1.24	74%	8.92	75%				
S&P 500	-28.16	-17.28	-20.49		-12.89		-1.63		9.00					
<b>Large-Cap Core Funds</b>	<b>-28.24</b>	<b>-16.79</b>	<b>-20.41</b>	<b>509 / 909</b>	<b>-12.79</b>	<b>330 / 699</b>	<b>-2.88</b>	<b>117 / 441</b>	<b>7.66</b>	<b>36 / 142</b>				
<b>Lipper Rank / Count</b>														
Fidelity Gro & Inc	-22.41	-14.03	-17.40	82%	-8.60	86%	0.24	88%	10.35	93%				
S&P 500	-28.16	-17.28	-20.49		-12.89		-1.63		9.00					
<b>Large-Cap Core Funds</b>	<b>-28.24</b>	<b>-16.79</b>	<b>-20.41</b>	<b>161 / 909</b>	<b>-12.79</b>	<b>96 / 699</b>	<b>-2.88</b>	<b>56 / 441</b>	<b>7.66</b>	<b>11 / 142</b>				
<b>Lipper Rank / Count</b>														
Fidelity Value Fund	-17.14	-19.27	-5.51	52%	0.05	27%	0.94	39%	10.83	50%				
Russell Midcap Value	-15.61	-17.95	-5.46		2.22		2.37		11.33					
<b>Mid-Cap Value Funds</b>	<b>-19.40</b>	<b>-18.25</b>	<b>-6.34</b>	<b>92 / 192</b>	<b>3.31</b>	<b>89 / 121</b>	<b>1.59</b>	<b>52 / 84</b>	<b>9.91</b>	<b>14 / 27</b>				
<b>Lipper Rank / Count</b>														
Fidelity OTC	-29.52	-16.50	-8.42	93%	-16.96	51%	-3.33	51%	8.01	62%				
NASDAQ	-39.74	-19.82	-21.52		-24.50		-6.72		7.89					
<b>Multi-Cap Growth Funds</b>	<b>-32.75</b>	<b>-16.28</b>	<b>-20.38</b>	<b>31 / 410</b>	<b>-17.39</b>	<b>111 / 226</b>	<b>-3.97</b>	<b>78 / 157</b>	<b>6.91</b>	<b>19 / 48</b>				
<b>Lipper Rank / Count</b>														

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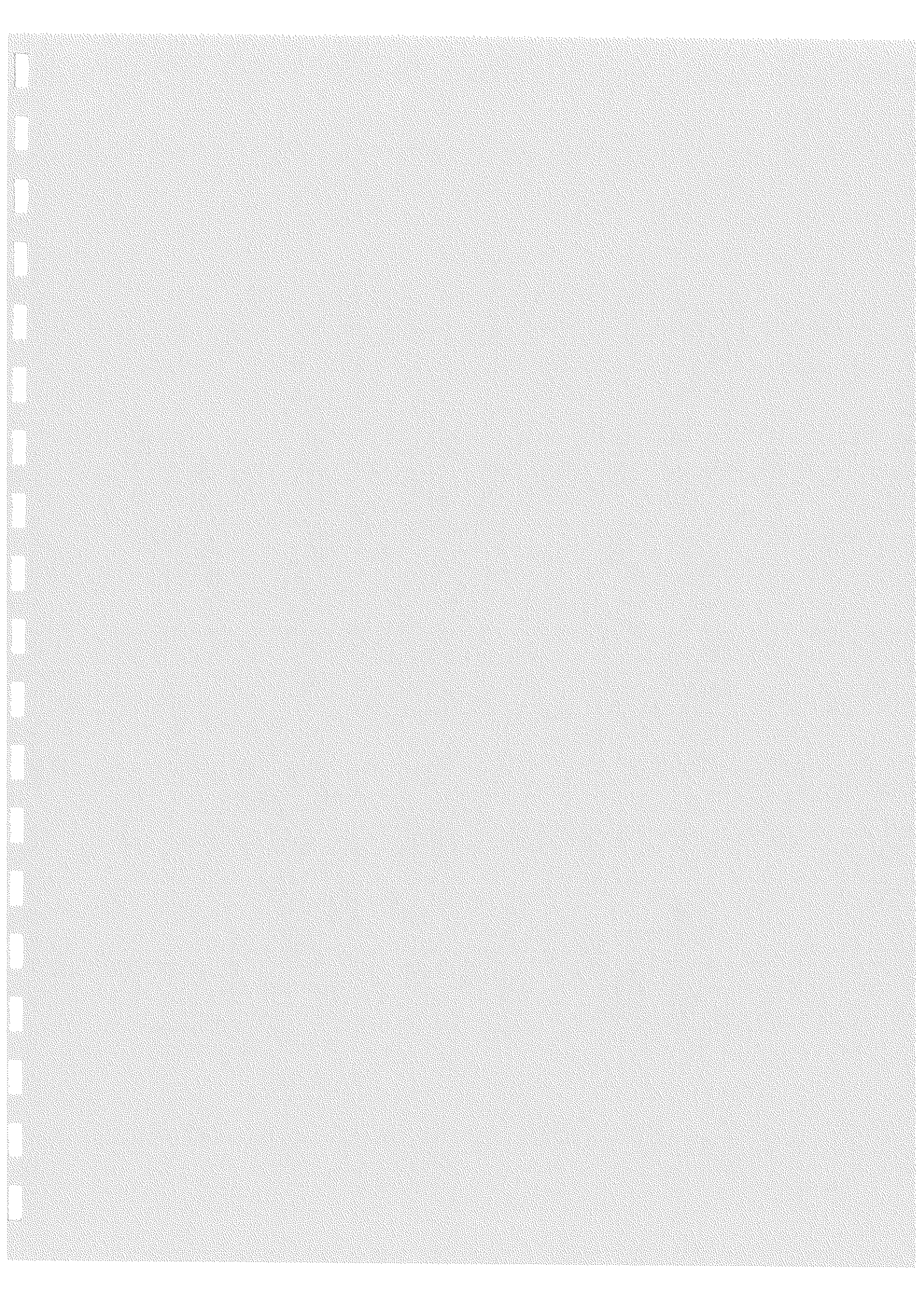
## Current Performance

### HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending September 30, 2002

Fund Name	YTD 09/30/02	1 YR		3Q02		1 YR		3 YRS		5 YRS		10 YRS		% Lipper Peers Beaten
		% Lipper Peers Beaten	% Lipper Peers Beaten	% Lipper Peers Beaten	% Lipper Peers Beaten	% Lipper Peers Beaten	% Lipper Peers Beaten	% Lipper Peers Beaten	% Lipper Peers Beaten					
Fidelity Freedom 2000	-4.28	-2.23	-0.57	85%	2.39	69%	5.40	98%	N/A	N/A	N/A	N/A	N/A	N/A
FID Freedom 2000	-3.91	-2.61	-0.41		2.00	4.86								
<b>Income Funds</b>	<b>-7.27</b>	<b>-5.33</b>	<b>-3.75</b>	<b>18 / 114</b>	<b>0.51</b>	<b>25 / 79</b>	<b>2.52</b>	<b>2 / 58</b>	<b>7.63</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>
<i>Lipper Rank / Count</i>														
Fidelity Freedom 2010	-10.76	-6.05	-5.01	94%	-1.16	79%	4.11	91%	N/A	N/A	N/A	N/A	N/A	N/A
FID Freedom 2010	-10.16	-6.65	-4.84		-1.73	3.22								
<b>Balanced Funds</b>	<b>-15.60</b>	<b>-9.49</b>	<b>-9.93</b>	<b>30 / 503</b>	<b>-3.97</b>	<b>84 / 405</b>	<b>0.69</b>	<b>28 / 317</b>	<b>7.20</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>
<i>Lipper Rank / Count</i>														
Fidelity Freedom 2020	-18.67	-11.16	-10.78	89%	-5.78	78%	1.73	84%	N/A	N/A	N/A	N/A	N/A	N/A
FID Freedom 2020	-17.74	-11.66	-10.64		-6.68	0.47								
<b>Multi-Cap Core Funds</b>	<b>-26.49</b>	<b>-16.53</b>	<b>-17.58</b>	<b>52 / 447</b>	<b>-9.60</b>	<b>66 / 295</b>	<b>-2.20</b>	<b>29 / 178</b>	<b>8.38</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>
<i>Lipper Rank / Count</i>														
Fidelity Freedom 2030	-22.66	-13.94	-13.93	76%	-8.39	64%	0.19	72%	N/A	N/A	N/A	N/A	N/A	N/A
FID Freedom 2030	-21.58	-14.32	-13.78		-9.34	-1.21								
<b>Multi-Cap Core Funds</b>	<b>-26.49</b>	<b>-16.53</b>	<b>-17.58</b>	<b>106 / 447</b>	<b>-9.60</b>	<b>106 / 295</b>	<b>-2.20</b>	<b>50 / 178</b>	<b>8.38</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>
<i>Lipper Rank / Count</i>														
Fidelity Freedom Income	-2.22	-1.12	0.42	92%	3.50	90%	5.15	95%	N/A	N/A	N/A	N/A	N/A	N/A
FID Freedom Income	-2.05	-1.52	0.59		3.26	4.88								
<b>Income Funds</b>	<b>-7.27</b>	<b>-5.33</b>	<b>-3.75</b>	<b>10 / 114</b>	<b>0.51</b>	<b>9 / 79</b>	<b>2.52</b>	<b>4 / 58</b>	<b>7.63</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>	<b>N/A / N/A</b>
<i>Lipper Rank / Count</i>														

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VALIC

**STATE OF RHODE ISLAND  
MUTUAL FUND SELECTION**

The information is current as of 9/30/2002

Category/Funds	YTD	1 Year Return	3 Year Return	5 Year Return	10 Year Return	Since Inception	Expense Ratio
<b>International Equity</b>							
<i>Large Growth</i>							
Janus Adviser Worldwide	(28.34)	(19.88)	(11.82)	-0.49	**	2.61	1.20
<b>Aggressive Growth</b>							
<i>Large Growth</i>							
Putnam Voyager A	(30.12)	(22.63)	(14.17)	-2.46	8.94		0.88
<b>Science &amp; Tech</b>							
<i>Large Growth</i>							
Franklin DynaTech A	(24.58)	(16.83)	(11.16)	-1.07	8.49		0.95
<b>Socially Responsible</b>							
<i>Large Blend</i>							
Calvert Social Inv Equity A	(23.25)	(11.58)	0.41	2.68	7.28		1.26
<b>Growth</b>							
<i>Large Growth</i>							
MFS Massachusetts Inv Grth A	(30.26)	(19.73)	(14.55)	-0.37	10.52		0.94
SunAmerica Blue Chip Growth I	(31.58)	**	**	**	**	(32.61)	1.33
<b>Growth &amp; Income</b>							
<i>Large Blend</i>							
Dreyfus Disc Stock	(26.86)	(19.02)	(12.96)	-2.51	8.59		1.00
SunAmerica Growth & Income I	(28.56)	**	**	**	**	(26.73)	1.32
<b>Index</b>							
<i>Large Blend</i>							
Dreyfus Intl Stock Index	(22.45)	(17.49)	(15.70)	(6.57)	**	(6.54)	0.60
Vanguard 500 Index	(28.17)	(20.52)	(12.90)	(1.65)	8.92		0.18
<i>Small Growth</i>							
Dreyfus Small Cap Stock Idx	(18.61)	(1.88)	2.52	0.50	**	3.38	0.50
<i>Mid-Cap Blend</i>							
Dreyfus MidCap Index	(19.61)	(5.23)	2.82	4.76	12.00		0.50
<b>Balanced</b>							
<i>Large Growth/ Bond: Intern Corp/Govt</i>							
Dreyfus Founders Balanced F	(20.62)	(9.81)	(13.59)	(6.26)	4.57		1.08
<i>Large Blend/ Bond: Intern Corp</i>							
SunAmerica Balanced Assets I	(15.91)	**	**	**	**	(17.33)	1.33
<b>Lifecycle</b>							
<i>Asset Allocation</i>							
SunAmerica Agg Growth LifeStage I	(25.60)	(17.84)	(10.27)	**	**	(4.52)	0.10
SunAmerica Mod Growth LifeStage I	(19.15)	(13.48)	(5.79)	**	**	(1.67)	0.10
SunAmerica Con Growth LifeStage I	(12.43)	(8.08)	(1.75)	**	**	0.92	0.10
<b>Bond</b>							
<i>Intern Corp/Govt</i>							
SunAmerica Core Bond I	6.28	6.03	**	**	**	8.36	1.22
<i>Interm-Term Govt</i>							
Strong Government Secs Inv	9.58	9.88	9.76	7.78	7.72		0.90
<b>Fixed Account</b>							
VALIC Fixed-Interest Option ***				October 2002 Calendar Year 2002	5.00% 5.00% (min. guaranteed)		


Source: Lipper and Investment Company Prospectus

Past performance does not guarantee future results. The investment return and principle value will fluctuate, so an investor's shares, when redeemed, may be worth more or less than their original cost. For more complete information about these mutual funds, including charges and expenses, call 1-888-568-2542 for a prospectus. Please read the prospectus carefully before investing or sending money. Mutual funds are offered through American General Financial Advisors, member NASD/SIPC.

For more complete information about the mutual funds and services, including charges and expenses, please call 1-888-568-2542 for a prospectus kit. Please read the prospectus carefully before investing or sending money. Securities and investment advisory services are offered through VALIC Financial Advisors Inc., member NASD/SIPC.

International fund unit values and returns will fluctuate with market conditions, currencies, and economic climates where investments are made. Higher potential return generally involves greater risk, and short-term volatility is not uncommon when investing in various types of funds, including but not limited to: sector funds, emerging market funds and small & mid-cap funds.





# College **Bound**fund<sup>SM</sup>

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**Underlying Mutual Fund Performance**  
**September 30, 2002**

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**AllianceCapital** <sup>®</sup>  
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# CollegeBoundfund Underlying Mutual Fund Performance

Data Through September 30, 2002

	<u>YTD</u>	<u>1 YEAR</u>	<u>3 YEARS</u>	<u>5 YEARS</u>	<u>10 YEARS</u>
• Alliance Growth & Income - Adv Russell 1000 Value	-32.25%	-24.73%	-6.49%	0.86%	---
	-22.65%	-16.95%	-6.25%	0.27%	10.46%
• Alliance Mid-Cap Growth - Adv <sup>1</sup> Russell Midcap Growth	-40.77%	-27.00%	-19.72%	-12.24%	---
	-33.50%	-15.50%	-13.22%	-4.06%	6.95%
• Alliance Premier Growth - Adv Russell 1000 Growth	-33.75%	-26.68%	-21.17%	-5.15%	---
	-32.70%	-22.51%	-19.59%	-4.87%	-6.68%
• Alliance Quasar - Adv Alliance Quasar - Instl Russell 2000 Growth	-34.24%	-17.68%	-14.40%	-11.59%	---
	-32.90%	-16.69%	-7.69%	---	---
	-25.10%	-9.30%	-4.11%	-3.19%	8.01%
• Alliance Technology - Adv Goldman Sachs Technology	-49.34%	-31.88%	-25.60%	-7.67%	---
	-51.17%	-34.83%	-32.48%	-9.33%	---
• Alliance Quality Bond Portfolio - Adv Lehman Aggregate	6.05%	6.30%	---	---	---
	8.55%	8.60%	9.48%	7.83%	7.37%
• Alliance US Gov't Portfolio - Adv Lehman Brothers Gov't Bond Index	9.35%	8.25%	---	---	---
	10.69%	10.01%	10.13%	8.32%	7.49%

<sup>1</sup> Removed from allocation portfolios on 8/7/02



