

STATE OF RHODE ISLAND  
INVESTMENT COMMISSION

MEETING

DECEMBER 3, 2008

DATA AT

NOVEMBER 30, 2008

RHODE ISLAND STATE RETIREMENT BOARD

# AGENDA



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

Frank T. Caprio  
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION  
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, December 17 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 12/3/08 \*
3. General Consultant Review – Pension Consulting Alliance
  - Manager Continuation and Review
4. Short Term Investments – Cash Manager & Fiscal Manager
  - Policy Update \*
  - Request for new Investment Providers \*  
(Wells Fargo, Federated Investments, and US Bank)
5. Legal Counsel Report
6. Deputy Treasurer for Finance Report
7. Treasurer's Report
8. New Business

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

**POSTED ON WEDNESDAY DECEMBER 10, 2008**

# APPROVAL OF MINUTES

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

**Mid-Monthly Meeting December 3, 2008**

A State Investment Commission (SIC) meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, December 3, 2008. The Treasurer called the meeting to order at 9:13 a.m.

Membership Roll Call. Present were: Mr. Michael Costello, Ms. Rosemary Booth Gallogly, Mr. Robert Gaudreau, Mr. Robert Giudici, Ms. Marcia Reback, Mr. Andrew Reilly, Mr. John Treat, and General Treasurer Frank T. Caprio. Also present were: Mr. Kenneth E. Goodreau, Chief Investment Officer; Ms. Sarah Dowling, of Adler Pollock & Sheehan, Legal Counsel to the Commission; Mr. Allan Emkin and Mr. John Burns of Pension Consulting Alliance, General Policy Consultants to the Commission; Mr. Michael Bain of the Pacific Corporate Group, Alternative Investments Consultant to the Commission; Ms. Laura Callahan of State Street Corporation; and other members of the Treasurer's staff. Dr. McKenna was not present and Ms. Gallogly left at 10:30 a.m.

State Investment Commission Minutes. The Treasurer entertained a motion for approval of the minutes. Mr. Costello moved, Ms. Gallogly seconded and the following motion was passed. The following members voted in favor: Mr. Costello, Ms. Gallogly, Mr. Gaudreau, Mr. Giudici, Ms. Reback, Mr. Reilly, Mr. Treat, and General Treasurer Caprio.

**VOTED: To approve the Minutes of the November 5, 2008 mid-month meeting.**

Treasurer Caprio noted that it is important for the Commission members to be aware of the various asset classes that are available for investment. He then introduced Mr. Emkin, who would be giving a background and review of Hedge Funds and Infrastructure.

Introduction to Hedge Funds – Pension Consulting Alliance. Mr. Emkin reminded the Commission that this is an educational exercise and he is not making an investment recommendation. Mr. Emkin explained that the term "hedge fund" can be broadly defined and it is not an asset class, but rather a type of asset management. He explained that the goal is to have asset class diversification within the portfolio that does not fluctuate with stocks and bonds. He explained hedge funds can provide superior returns relative to risk by utilizing a broad spectrum of investment styles, hedging strategies and financial instruments that have low or no market risk. Hedge funds are commonly considered alternative investments because they are privately structured and limited to sophisticated investors. Mr. Emkin also stated that hedge funds can also contain significant financial leverage and other risk factors, which can produce highly volatile returns.

Ms. Reback asked Mr. Emkin to explain why the presentation material indicates a risk factor for hedge funds from low risk to extremely volatile risk. Mr. Emkin explained that there are many different types of hedge funds and the risk within these various funds can

range from extreme high risk to low risk strategies. If hedge funds were part of ERSRI's portfolio, funds would be chosen that would have a moderate risk factor. Mr. Emkin closed his presentation by commenting that this is not the appropriate time for ERSRI to consider investment in hedge funds.

Mr. Giudici asked how hedge funds have performed during the last five years. Mr. Emkin replied that it would vary depending on the fund. Five years ago, the hedge fund market share was rather small. The performance was good for three to four years, followed by a year of drastic under performance. The result of the five year time horizon indicates most hedge funds broke even. The discussion then went on to Infrastructure.

*Introduction to Infrastructure – Pension Consulting Alliance.* Mr. Emkin provided an educational overview of Infrastructure as a potential asset class within the portfolio. Investments in Infrastructure pertain to physical structures, facilities, and networks which provide essential services within a community. There are three predominate types of Economic Infrastructures: transportation, energy utilities, and communications. Social Infrastructure includes educational facilities, healthcare facilities, correctional facilities, and judicial buildings. Infrastructure investing has been an asset class for many years, but was previously referred to as Project Finance. Recently, public to private partnerships have been formed to help public entities with their balance sheet while providing investment opportunities in the private sector. It is a method of providing capital for growth and maintenance of institutions without using taxpayer money. Many pension plan investors are embracing Infrastructure investments, including CalPERS and CalSTRS.

Ms. Reback asked for an example of an Infrastructure investment. Mr. Emkin replied that Heathrow Airport in London is not operated by the government, but rather it is operated by a private company. There was a discussion regarding the complexity of labor issues within an Infrastructure investment. Mr. Emkin went on to explain how many of the companies they provide with consulting services have handled labor issues in the past.

Mr. Emkin stated that Infrastructure as an asset class offers stability, long life assets, inflation protection, predictable cash flow, limited risk and volatility. Infrastructure is not reflective of the highs and lows of stocks and bonds and is well regulated. Infrastructure is a hybrid asset class with similarities to traditional asset classes, such as fixed income, private equity, and real estate. These investments can be either in North America or global.

Mr. Costello asked why a state would privatize Infrastructure if the state could conceivably find a way to raise the capital to fund the Infrastructure and capture the returns themselves. Mr. Emkin replied that it is sometimes a matter of limited tax exempt financing for Infrastructure on the part of the state, or operating efficiencies may be superior to that of the state if done by a private company.

Potential investor concerns can be leverage, market inefficiencies, political and headline risk, regulatory risk, construction and development, labor issues and asset management control.

Today's political spotlight has been placed on America's Infrastructure as a catalyst to create jobs and spur the economy. Government is facing budgetary constraints and looking for ways to address Infrastructure spending shortfalls. Also, the slowdown of alternative markets due to the credit crunch and financial crisis will increase the need for private capital in Infrastructure.

PCA expressed their belief that there are many great investment opportunities in Infrastructure. However, at this point they are providing general background information. Mr. Emkin suggested that when reviewing asset allocations, the Commission consider Infrastructure as an investment. At that time, PCA will bring more complex information and vendors to see what is being offered in the marketplace.

The Treasurer asked Mr. Emkin to comment on the current market conditions. Mr. Emkin stated that the cause of the volatility in the stock market is due to the credit markets. Businesses, both large and small, are not able to borrow money. Banks are not lending money and the public is not buying corporate bonds. Until there is a more readily available source of borrowing, the volatility will continue. Mr. Emkin commented that the new Administration has put together a very talented team in both the Treasury and Regulatory Departments, which is encouraging. He remarked that there are tremendous investment opportunities in the market because of current conditions.

Treasurer Caprio stated that over a year ago ERSRI decided to continue a Securities Lending Program, but invested the collateral in very low risk options, such as treasury holdings. This has proven to be a positive decision in regard to the portfolio. He asked Mr. Emkin to comment further on the Securities Lending Program. Mr. Emkin explained that many investors lost large sums of money by investing collateral in risky assets that had historically been great performers with little to no risk associated with the investment. This changed about nine months ago when investments such as commercial paper and short term bonds had huge losses. The Treasurer asked Mr. Goodreau to continue the discussion in regard to performance of ERSRI's Security Lending Program.

Mr. Goodreau remarked that last year, at the Treasurer's request, ERSRI moved the Securities Lending Program collateral from Quality D Fund to Quality A Fund. The Program has been under constant scrutiny and review by the staff. Earlier in the week a meeting was held with the staff, Mr. Burns from PCA, and Mr. DeSano from State Street Bank & Trust, to review the portfolio once again to be sure the collateral pool was in risk averse investments with no third party risk. To date, ERSRI's Securities Lending Program has earned \$8 million in returns. Mr. Goodreau cautioned that if and when the demand for treasuries diminishes, the returns will not be as lucrative. Mr. Costello asked why the returns are so high when treasury yields are very low. Mr. Goodreau replied that the returns are coming from the premium being paid on our holdings, not the risk of the collateral pool.

Legal Counsel Report. There were no legal developments for Counsel to report at this meeting.

Chief Investment Officer Report. Mr. Goodreau remarked that leverage is not working and the cost of capital is going up. The priority now should be to determine which asset classes can provide good returns with minimal risk. There are opportunities in capital

markets, credit markets and dividend paying strategies. On a relative basis the portfolio is exceeding the benchmark by 150 basis points. In the next mid-monthly meeting there will be a review of active manager's fees.

Mr. Reilly and Mr. Goodreau had a quick discussion regarding the portfolio's remaining \$10 million investment in Lehman Brothers Merchant Bank Fund IV. Mr. Reilly noted that Lazard has been acting in an advisory role for Lehman Brothers since last July. Lazard is currently trying to find a buyer for the Lehman Brothers' owned portion of the General Partnership. Mr. Goodreau remarked that the underlying assets are viable and there is a very high probability that the fund will be purchased.

Alternative Investments Consultant- Market Review. Although PCG was not on the agenda, Treasurer Caprio asked Mr. Bain to comment on market conditions within private equity. Mr. Bain stated that lack of liquidity has caused softness in the alternative investment market, which is expected to continue for quite some time. For the long term, the portfolio is in good standing. Managers of these investments have been chosen because they create value through active management operational improvements, rather than financial engineering and use of leverage. The portfolio should rebound and weather the down turn. Liquid strategies and credit based strategies, such as mezzanine investments, have become a major area of opportunity. ERSRI's investment timing in the secondary market has been successful and the secondary market will continue to be an attractive investment. Distressed debt strategies will continue to be favorable in the current market conditions. ERSRI will have the opportunity to capitalize in their current investments in distressed debt. Mr. Bain concluded by remarking that valuations are coming down and top managers are coming back to the market in 2009, which will create many opportunities in a strong vintage year.

Treasurer's Report. Treasurer Caprio announced that our Cash Management team has received a commitment from the SEC and the U.S. Treasury Department regarding ERSRI's remaining investment in The Reserve U.S. Government Fund. The Treasurer and several of the largest shareholders of the Fund, met in Washington with the SEC. Several top ranking members of the U.S. Treasury also assisted in the resolution. According to the U.S. Treasury, The Reserve U.S. Government Fund will use its best efforts to sell all portfolio securities by January 3, 2009. The Treasury, through the Exchange Stabilization Fund (ESF), has agreed to purchase any securities remaining in the Fund on January 3, 2009. This agreement will allow the Government Fund to return all of the Fund's money by early next year. This will eliminate our liquidity issue with short term cash management.

The Treasurer then went on to address the concerns that ERSRI's members have expressed due to the recent volatile market conditions. Treasurer Caprio asked the Fund's actuaries to project what the value of the portfolio would be in 2038. The projection was based on the following assumptions: the portfolio would have approximately \$6 billion in funds, the portfolio would average a 0% return, the members would continue to contribute the same percentage of earnings, and employers would continue to contribute the same range of funds. The results indicated that at the end of the thirty eight years the portfolio still would have approximately \$2.5 billion. Treasurer Caprio went through this exercise to assure ERSRI's members that the portfolio is capable of withstanding a downturn if market conditions continue to deteriorate for an extended period of time.



Ms. Reback asked what effect the inordinate number of recent retirees will have on the portfolio. Treasurer Caprio replied that a report will be available at the next Retirement Board meeting on Wednesday, December 10<sup>th</sup>.

The Treasurer remarked that when the market begins to recover, the asset allocations that the Commission has chosen within the portfolio will be positioned to capture these returns. Many other Funds will be scrambling to re-allocate assets similar to our allocation strategy. Predictions are now being made by financial analysts that over the next one to two years there will be a 50% return in the S&P and "FTSE". If these predictions are realized, ERSRI's portfolio will gain significant returns. The Treasurer asked the Commission to refer to the 2009 Meeting Schedule, remarking that the mid-monthly meetings will continue until further notice. Treasurer Caprio commented that the Commission, along with PCA Consultants and Brockhouse Cooper, will be reviewing manager fees at the December 17, 2008 meeting. Mr. Costello requested the Commission also review new opportunistic asset classes. The Treasurer agreed.

New Business. There being no further new business, the Treasurer entertained a motion to adjourn. Ms. Reback moved, Mr. Reilly seconded and the following motion was passed. The following members voted in favor: Mr. Costello, Mr. Gaudreau, Mr. Giudici, Ms. Reback, Mr. Reilly, Mr. Treat, and General Treasurer Caprio.

**VOTED: To adjourn the meeting.**

There being no further business, the meeting was adjourned at 10:50 a.m.

Respectfully submitted,



Frank T. Caprio  
General Treasurer

# STAFF SUMMARY

RHODE ISLAND STATE INVESTMENT COMMISSION  
STAFF SUMMARY ANALYSIS  
PORTFOLIO HIGHLIGHTS  
November 30, 2008

**PORTFOLIO PERFORMANCE**

**November**

The ERSRI portfolio posted a loss of -4.48% for the month of November, against the policy index of -4.23%. Domestic equities were down -9.06% international equities lost -4.03%, and the fixed income asset class returned 1.52%. Additionally, the retirement fund earned \$813,326 from the securities lending program during this month. If we factor out PE & RE investments, due to the way they are monitored the plan performance was -4.92% against its -4.27% index.

**Calendar Year to Date**

For the eleven months ended November 30, 2008, the portfolio is down -31.35% against the policy index of -31.02%. Domestic equities were down -38.44%, international equities were down -43.18%, while fixed income was down -5.61%.

**Fiscal Year to Date**

For the Fiscal Year ended June 30, 2009, the fund has lost 23.3%, against the policy index of -24.6%.

Index Performance Summary - November 30, 2008		
Market Indices	Nov-08	Calendar YTD
<b><u>Domestic Equity</u></b>		
S & P 500	-7.18%	-37.66%
DJ Wilshire 5000	-8.00%	-38.30%
Russell 2000	-11.83%	-37.42%
Russell 1000	-7.56%	-38.58%
Policy Index	-4.27%	-29.67%
<b><u>International Equity</u></b>		
MSCI ACWI	-5.74%	-48.20%
<b><u>Fixed Income</u></b>		
Lehman AGG	3.25%	1.45%
<b><u>Real Estate</u></b>		
NCREIF	0.08%	6.37%

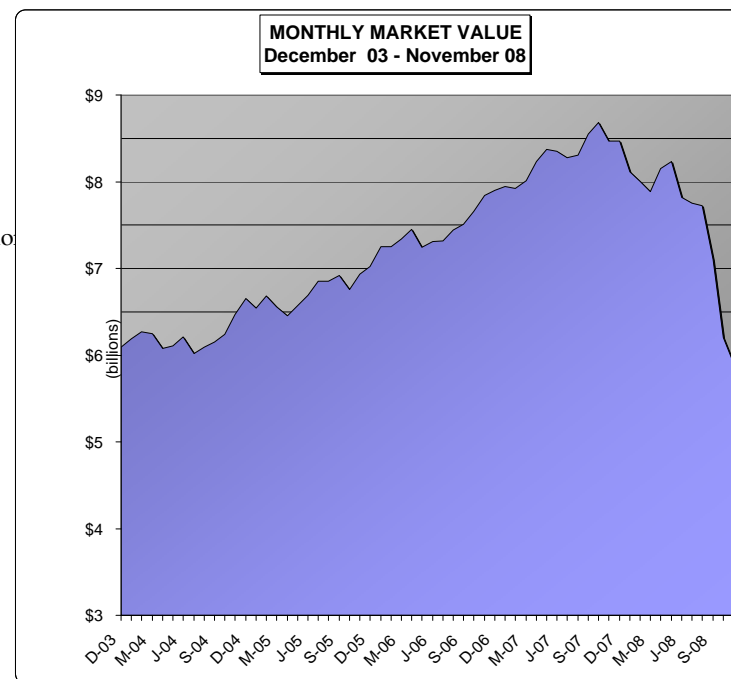
ERSRI Performance By Asset Class	Nov-08	Calendar YTD
Domestic Equity	-9.06%	-38.44%
Fixed Income	1.52%	-5.61%
International Equity	-4.03%	-43.18%
<b>Total Fund Composite*</b>	<b>-4.92%</b>	<b>-28.44%</b>
Manager Summary	Nov-08	CYTD
<b><u>DOMESTIC EQUITY</u></b>		
Shott	-1.50%	-13.23%
PIMCO	-11.72%	-43.10%
SSgA S&P 500	-7.16%	-37.61%
SSgA Core	-8.98%	-39.36%
Wasatch	-19.94%	0.00%
Northpointe	-11.23%	-38.32%
Wellington	-14.54%	-42.70%
Wellington Technical Eq	-3.38%	-19.17%
<b>Total Domestic Equity</b>	<b>-9.06%</b>	<b>-38.44%</b>
<b><u>FIXED INCOME</u></b>		
Brown Bros TIPS	0.89%	-5.69%
Brown Bros Core	3.25%	-0.88%
Fidelity	2.42%	2.71%
Taplin Canida & Habacht	2.61%	-17.01%
Fixed Income Cash Acct	0.16%	2.63%
Mackay Shield	-6.60%	-24.51%
<b>Total Fixed Income</b>	<b>1.52%</b>	<b>-5.61%</b>
<b><u>INTERNATIONAL EQUITY</u></b>		
Mondrian	-4.32%	-41.54%
Goldman Sachs	-4.95%	-47.37%
Boston Co	-2.90%	-40.66%
<b>Total International Equity</b>	<b>-4.03%</b>	<b>-43.18%</b>

\*Total Fund Composite includes all classes ex PE & RE

**Market Valuation Report  
November, 2008**

**Market Values**

The total portfolio value decreased in November by \$296.6 million to \$5.91 billion. This compares with a decrease in value of \$218.5 million for the same period in 2007. The Domestic Equity Market values decreased by \$239 million, including transfers in of \$361 thousand; Fixed Income decreased by \$25.1 million including transfers out of \$49.8 million; while International Values decreased by \$40.4 million, including transfers in of \$170 thousand. The Cash Accounts increased by \$20.7 million including transfers in of \$16.3 thousand, and Alternative Investments decreased by \$12.8 million, including transfers in of \$9.7 million.



### **Cash Flow**

November's pension payroll of \$65.7 million was more than the \$62.1 million in contributions and wire transfers received by \$3.6 million.

To meet pension and other obligations, \$24 million was transferred from long-term investments.

### **Alternative Investments**

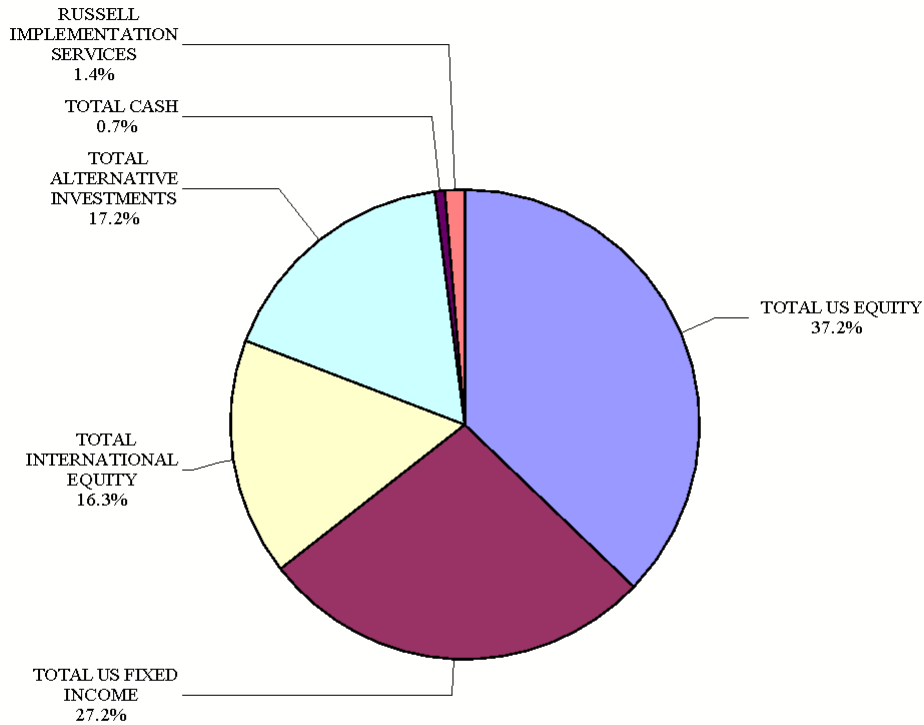
At this time the alternative investment asset class has unfunded commitments of approximately \$400 million on commitments of \$1,507 million.

#### **CAPITAL CALLS Net of Distributions**

November 2008	FYTD	UNFUNDED BALANCE
\$9,211,018	\$25,429,736	\$400,167,214
November 2007	FYTD	UNFUNDED BALANCE
\$4,519,968	\$12,567,835	\$424,590,844



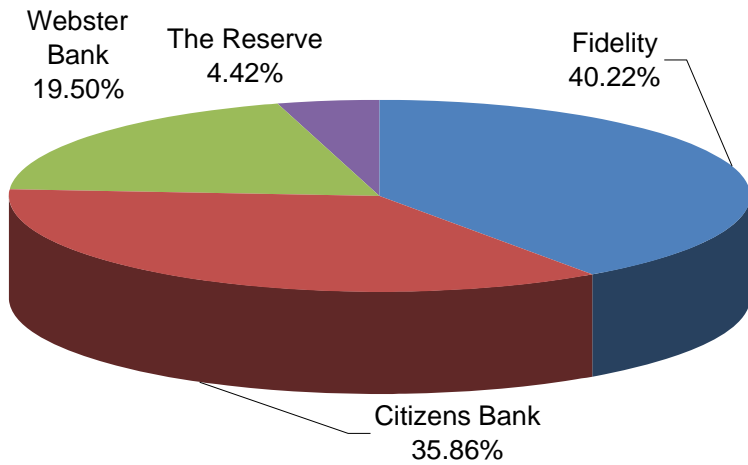
CURRENT ASSET CLASS ALLOCATION (IN MILLIONS)



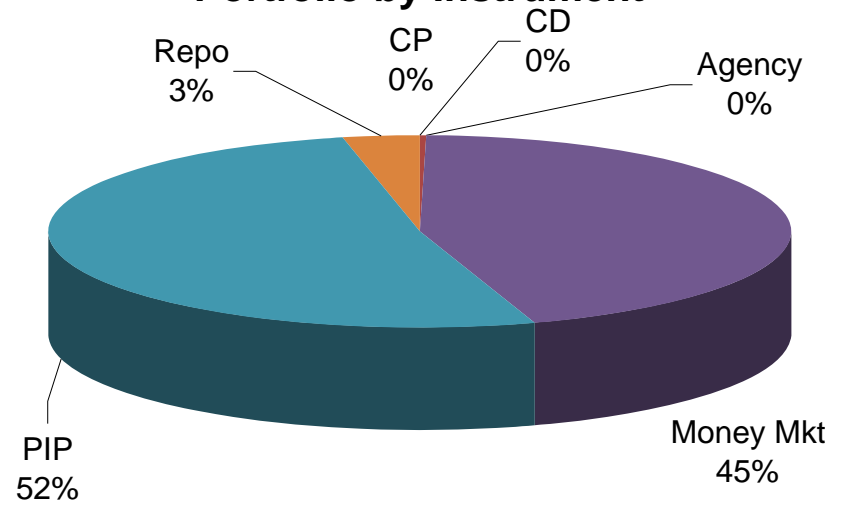
MANAGER	CURRENT PERIOD
TOTAL US EQUITY	2,196.8
TOTAL US FIXED INCOME	1,609.3
TOTAL INTERNATIONAL EQUITY	965.5
TOTAL ALTERNATIVE INVESTMENTS	1,013.3
TOTAL CASH	39.9
RUSSELL IMPLEMENTATION SERVICES	83.2
<b>TOTAL</b>	<b>5,908.0</b>

**RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM CASH INVESTMENTS AT:  
November 30, 2008**

**Portfolio by Issuer**



**Portfolio by Instrument**



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

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

**Issuer Credit Ratings  
November, 2008**

Issuer	Type of Instrument	Month End % Portfolio	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's		Moody's	S&P	Moody's	S&P	S&P
JP Morgan Chase	2,3,5	0%	Aa2		P-1	A-1+	Aa2	AA-	Negative
Citigroup Inc.	2	0%	Aa3		P-1	A-1+	Aa3	AA-	N/R
RBS Citizens	3,4	36%	Aa3		P-1	A-1	Aa2	A+	Stable
First Tennessee Capital Markets	5	0%	A3		P-2	A-2	A3	BBB+	Stable
Fidelity	6	40%				N/R		N/R	N/R
Merrill Lynch	2,5,6	0%	A2		P-1	A-1	A2	A	N/R
The Reserve	6	4%				N/R		N/R	N/R
GE Capital	2	0%	Aaa		P-1	A-1+	Aaa	AAA	Stable
Morgan Stanley	1,2,5	0%	A1		P-1	A-1	A1	A+	Negative
UBS Brinson Advisors	6	0%	Aa2		P-1	A-1+	Aa2	AA-	N/R
State Street Bank & Tru	1,3	0%	Aa1		P-1	A-1+	Aa1	AA	Negative
Webster Bank	3,4	20%	A2		P-1	A-2	A3	BBB+	Stable

**Instrument Codes**

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

**Ratings Definitions**

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

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

**Moody's Issuer Rating Symbols:**

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

Modifiers:

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

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

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

Modifiers:

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

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

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

**S&P Outlook Definitions:**

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

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

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



# PERFORMANCE



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

Frank T. Caprio  
General Treasurer

December 12, 2008

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

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on November 30, 2008.

Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation

November 30, 2008

Asset Class		
Cash/Short Term Investments		382,531,890
Equities - Domestic		2,036,924,038
Equities - International		911,665,612
<i>Fixed Income - Government</i>	\$1,154,533,815	
<i>Fixed Income - Corporate</i>	\$409,181,927	
<i>Fixed Income - In State</i>	\$0	
Total Fixed Income		1,563,715,743
Alternative Investments		628,880,343
Real Estate		384,337,038
<b>Total Fund Investments</b>		<b>5,908,054,663</b>
Plan Allocation		
State Employees & Teachers	84.54%	4,994,899,867
Municipal Employees	14.34%	847,180,016
State Police	0.69%	40,522,301
Judicial	0.43%	25,452,478
<b>Total Fund Investments</b>	<b>100.00%</b>	<b>5,908,054,663</b>

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

Respectfully submitted,

  
Vincent Izzo, Cash Manager

**State of Rhode Island**  
**Summary of Performance**  
Rates of Return  
PERIODS ENDING November 30, 2008

		MKT VAL	% of FUND	1 Month	3 Months	YTD	FYTD	1 Year	2 Years	3 Years	5 Years	ITD	Incept Date
<b>DOMESTIC EQUITY</b>													
<b>Index</b>													
	SSGA S&P 500 INDEX FUND S&P 500	1,067,236,731	18.1	-7.2	-29.6	-37.6	-29.2	-38.0	-18.3			-16.9	11/01/2006
				-7.2	-29.7	-37.7	-29.2	-38.1	-18.3			-16.9	
<b>Enhanced</b>													
	PIMCO S&P 500	304,303,147	5.2	-11.7	-35.6	-43.1	-35.1	-43.5	-21.9	-11.3	-3.2	-4.1	12/01/2000
				-7.2	-29.7	-37.7	-29.2	-38.1	-18.3	-8.7	-1.4	-3.0	
<b>Active Core</b>													
	SSGA - CORE RUSSELL 1000	230,313,234	3.9	-9.0	-31.5	-39.4	-32.7	-39.4	-18.7	-8.2	-0.7	1.7	10/01/1998
				-7.6	-31.0	-38.6	-30.8	-39.0	-18.9	-9.1	-1.4	0.7	
<b>Active Small Cap</b>													
	WELLINGTON TECHNICAL EQUITY S&P 500	129,527,520	2.2	-3.4	-19.1	-19.2	-21.8	-16.9				-7.5	08/01/2007
				-7.2	-29.7	-37.7	-29.2	-38.1				-28.9	
	NORTHPOINTE CAPITAL RUSSELL 2000	232,615,608	3.9	-11.2	-33.9	-38.3	-31.9	-38.9	-23.6	-11.5	-1.7	1.4	03/01/2002
				-11.8	-35.7	-37.4	-31.0	-37.5	-21.4	-10.1	-1.6	1.4	
	WELLINGTON MANAGEMENT CO. LLC RUSSELL 2000	231,734,015	3.9	-14.5	-40.0	-42.7	-36.4	-43.0	-24.6	-12.9	-3.2	-0.6	03/01/2002
				-11.8	-35.7	-37.4	-31.0	-37.5	-21.4	-10.1	-1.6	1.4	
<b>Other</b>													
	SHOTT CAPITAL	1,053,208	0.0										04/01/1999
<b>TOTAL US EQUITY</b>													
<b>DOW WILSHIRE 5000 FREE FLOAT</b>													
		<b>2,196,783,463</b>	<b>37.2</b>	<b>-9.1</b>	<b>-31.9</b>	<b>-38.4</b>	<b>-31.2</b>	<b>-38.7</b>	<b>-19.5</b>	<b>-9.5</b>	<b>-1.5</b>	<b>7.7</b>	<b>03/01/1989</b>
				<b>-8.0</b>	<b>-31.2</b>	<b>-38.3</b>	<b>-30.7</b>	<b>-38.7</b>	<b>-18.8</b>	<b>-8.9</b>	<b>-1.2</b>	<b>8.1</b>	
<b>INTERNATIONAL EQUITY</b>													
<b>Active</b>													
	GOLDMAN SACHS MSCI AC WORLD ex US (GROSS)	295,749,241	5.0	-5.0	-36.9	-47.4	-41.9	-47.9	-21.6	-7.9		2.1	08/01/2004
				-5.7	-37.5	-48.2	-42.6	-49.0	-20.9	-6.8		1.9	
	THE BOSTON COMPANY MSCI AC WORLD ex US (GROSS)	333,579,367	5.7	-2.9	-29.2	-40.7	-33.3	-41.3	-19.4	-6.4		-1.9	12/01/2004
				-5.7	-37.5	-48.2	-42.6	-49.0	-20.9	-6.8		-1.5	
	MONDRIAN MSCI AC WORLD ex US (GROSS)	336,128,388	5.7	-4.3	-30.3	-41.5	-33.6	-42.3	-17.1	-3.4		4.4	05/01/2004
				-5.7	-37.5	-48.2	-42.6	-49.0	-20.9	-6.8		1.7	
	TRANSITION ACCOUNT INT EQUITY	15,477	0.0										06/01/2003
	PUTNAM INVESTMENTS	4,888	0.0										05/01/2001
	BANK OF IRELAND	3,406	0.0										05/01/2001
<b>TOTAL INTERNATIONAL EQUITY</b>													
<b>MSCI AC WORLD ex US (GROSS)</b>													
		<b>965,480,768</b>	<b>16.3</b>	<b>-4.0</b>	<b>-32.1</b>	<b>-43.2</b>	<b>-36.3</b>	<b>-43.8</b>	<b>-19.5</b>	<b>-6.0</b>	<b>3.7</b>	<b>3.1</b>	<b>03/01/1989</b>
				<b>-5.7</b>	<b>-37.5</b>	<b>-48.2</b>	<b>-42.6</b>	<b>-49.0</b>	<b>-20.9</b>	<b>-6.8</b>	<b>3.4</b>	<b>3.6</b>	
<b>U.S. FIXED INCOME</b>													
<b>Core</b>													
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	304,142,068	5.2	3.3	-1.7	-0.9	-1.0	-1.0	1.6	3.0	3.4	6.3	03/01/1990
				4.5	1.1	3.4	2.0	3.7	5.0	5.3	4.6	7.2	
<b>Mortgage</b>													
	PYRAMIS GLOBAL ADVISORS BC MBS	470,269,534	8.0	2.4	1.1	2.7	2.0	3.1	3.4	4.5	4.4	7.4	10/01/1989
				3.9	3.4	6.6	4.5	6.9	6.6	6.6	5.4	7.2	
<b>Corporates</b>													
	TAPLIN, CANIDA & HABACHT BC CREDIT	255,416,851	4.3	2.6	-14.2	-17.0	-15.3	-16.7	-7.1	-2.8	0.1	4.9	04/01/1996
				3.9	-8.5	-8.8	-8.4	-8.7	-2.5	0.3	1.6	5.3	
<b>High Yield</b>													
	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	102,423,600	1.7	-6.6	-23.9	-24.5	-24.2	-24.4	-11.8	-4.4	1.0	6.8	10/01/2002
				-8.6	-28.5	-30.1	-29.3	-30.1	-14.8	-6.8	-1.2	3.6	
<b>TIPS</b>													
	BROWN BROTHERS HARRIMAN - TIPS BC U.S. TIPS	474,008,458	8.0	0.9	-10.4	-5.7	-10.1	-5.8	1.3	2.1		3.4	06/01/2004
				0.7	-11.6	-7.0	-11.3	-7.1	0.7	1.8		3.0	
<b>Other</b>													
	FIXED INCOME CASH ACCOUNT	3,045,596	0.1	0.2	0.6	2.6	1.0	3.1				4.0	04/01/2007
<b>TOTAL US FIXED INCOME</b>													
<b>BC AGGREGATE</b>													
		<b>1,609,306,107</b>	<b>27.2</b>	<b>1.5</b>	<b>-7.2</b>	<b>-5.6</b>	<b>-6.9</b>	<b>-5.5</b>	<b>-0.2</b>	<b>1.9</b>	<b>3.1</b>	<b>5.8</b>	<b>12/01/1992</b>
				<b>3.3</b>	<b>-0.5</b>	<b>1.5</b>	<b>0.3</b>	<b>1.7</b>	<b>3.9</b>	<b>4.6</b>	<b>4.1</b>	<b>6.3</b>	
<b>ALTERNATIVE INVESTMENTS</b>													
	REAL ESTATE NPI QTR LAG + 100 BP	384,337,759	6.5	-0.3	-0.6	1.6	-0.2	2.4	13.2	9.8		8.4	01/01/2005
				0.1	0.8	6.4	1.0	10.2	14.2	16.0		16.1	
	PRIVATE EQUITY S&P 500 PLUS 300 BP	629,006,392	10.7	-3.5	-7.8	-14.8	-8.1	-8.1	1.2	8.4	15.1	9.3	01/01/1989
				-6.6	-27.3	-33.8	-26.5	-34.1	-14.5	-5.0	2.1	11.9	
<b>TOTAL ALTERNATIVE INVESTMENTS</b>													
<b>TOTAL ALTERNATIVES BENCHMARK</b>													
		<b>1,013,344,152</b>	<b>17.2</b>	<b>-2.3</b>	<b>-5.1</b>	<b>-9.1</b>	<b>-5.2</b>	<b>-4.3</b>	<b>5.3</b>	<b>9.1</b>	<b>15.1</b>	<b>10.3</b>	<b>04/01/1996</b>
				<b>-4.0</b>	<b>-16.8</b>	<b>-19.7</b>	<b>-16.3</b>	<b>-18.8</b>	<b>-4.0</b>	<b>2.8</b>	<b>7.2</b>		
<b>RE-BALANCING</b>													
	RUSSELL IMPLEMENTATION SERVICES	83,223,521	1.4	-19.9	-71.0							-71.0	09/01/2008
<b>CASH</b>													
	CASH ACCOUNT (INSIDE)	25,210,703	0.4										07/01/2000
	CASH ACCOUNT (OUTSIDE)	14,705,948	0.3										07/01/2000
<b>TOTAL PLAN</b>													
<b>TOTAL PLAN BENCHMARK</b>													
		<b>5,908,054,663</b>	<b>100.0</b>	<b>-4.5</b>	<b>-22.7</b>	<b>-28.4</b>	<b>-23.3</b>	<b>-28.3</b>	<b>-11.7</b>	<b>-3.4</b>	<b>2.8</b>	<b>8.8</b>	<b>01/01/1984</b>
				<b>-4.2</b>	<b>-23.8</b>	<b>-29.7</b>	<b>-24.6</b>	<b>-29.9</b>	<b>-11.8</b>	<b>-3.5</b>	<b>2.3</b>		

\* As of 4/31/2006 Total Plan Benchmark consists of 42.5% Wilshire 5000, 20% MSCI AC World ex U.S., 25% BC Aggregate, 7.5% S&P 500 + 300 BP, 5% NCREIF Property Qtr Lag

## State of Rhode Island

### Summary of Performance

Rates of Return

PERIODS ENDING November 30, 2008

	MKT VAL	% of FUND	6 YEARS	7 YEARS	8 YEARS	9 YEARS	10 YEARS	ITD	Incept Date
<b>DOMESTIC EQUITY</b>									
<b>Index</b>									
	SSGA S&P 500 INDEX FUND S&P 500	1,067,236,731	18.1						
				1.2	-1.6	-3.0	-3.1	-0.9	-16.9
<b>Enhanced</b>									-16.9
	PIMCO S&P 500	304,303,147	5.2	-0.2	-2.8	-4.1		-4.1	12/01/2000
				1.2	-1.6	-3.0	-3.1	-0.9	-3.0
<b>Active Core</b>									
	SSGA - CORE RUSSELL 1000	230,313,234	3.9	1.8	-0.1	-1.3	-1.0	1.7	10/01/1998
				1.4	-1.3	-2.7	-2.8	-0.6	0.7
	WELLINGTON TECHNICAL EQUITY S&P 500	129,527,520	2.2						
				1.2	-1.6	-3.0	-3.1	-0.9	-7.5
<b>Active Small Cap</b>									-28.9
	NORTHPOINTE CAPITAL RUSSELL 2000	232,615,608	3.9	3.8				1.4	03/01/2002
				3.9	1.7	2.0	1.8	3.1	1.4
	WELLINGTON MANAGEMENT CO. LLC RUSSELL 2000	231,734,015	3.9	3.3				-0.6	03/01/2002
				3.9	1.7	2.0	1.8	3.1	1.4
<b>Other</b>									
	SHOTT CAPITAL	1,053,208	0.0						04/01/1999
<b>TOTAL US EQUITY</b>		<b>2,196,783,463</b>	<b>37.2</b>	<b>2.3</b>	<b>-0.5</b>	<b>-2.3</b>	<b>-2.0</b>	<b>0.3</b>	<b>7.7</b>
<b>DOW WILSHIRE 5000 FREE FLOAT</b>				<b>1.9</b>	<b>-0.6</b>	<b>-2.0</b>	<b>-2.4</b>	<b>-0.2</b>	<b>8.1</b>
<b>INTERNATIONAL EQUITY</b>									
<b>Active</b>									
	GOLDMAN SACHS MSCI AC WORLD ex US (GROSS)	295,749,241	5.0						
				7.0	4.3	1.2	-0.1	2.1	2.1
	THE BOSTON COMPANY MSCI AC WORLD ex US (GROSS)	333,579,367	5.7						
				7.0	4.3	1.2	-0.1	2.1	-1.9
	MONDRIAN MSCI AC WORLD ex US (GROSS)	336,128,388	5.7						
				7.0	4.3	1.2	-0.1	2.1	4.4
	TRANSITION ACCOUNT INT EQUITY	15,477	0.0						06/01/2003
	PUTNAM INVESTMENTS	4,888	0.0						05/01/2001
	BANK OF IRELAND	3,406	0.0						05/01/2001
<b>TOTAL INTERNATIONAL EQUITY</b>		<b>965,480,768</b>	<b>16.3</b>	<b>6.1</b>	<b>3.5</b>	<b>0.3</b>	<b>0.5</b>	<b>2.9</b>	<b>3.1</b>
<b>MSCI AC WORLD ex US (GROSS)</b>				<b>7.0</b>	<b>4.3</b>	<b>1.2</b>	<b>-0.1</b>	<b>2.1</b>	<b>3.6</b>
<b>U.S. FIXED INCOME</b>									
<b>Core</b>									
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	304,142,068	5.2	4.1	4.5	5.4	5.8	5.1	6.3
				4.7	5.1	5.8	6.2	5.5	7.2
<b>Mortgage</b>									
	PYRAMIS GLOBAL ADVISORS BC MBS	470,269,534	8.0	4.5	4.9	5.6	6.1	5.8	7.4
				5.0	5.3	6.0	6.3	5.9	7.2
<b>Corporates</b>									
	TAPLIN, CANIDA & HABACHT BC CREDIT	255,416,851	4.3	2.7	2.6	3.8	4.2	3.8	4.9
				2.9	3.5	4.6	4.9	4.3	5.3
<b>High Yield</b>									
	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	102,423,600	1.7	6.3					6.8
				3.0	2.8	3.4	2.3	2.3	3.6
<b>TIPS</b>									
	BROWN BROTHERS HARRIMAN - TIPS BC U.S. TIPS	474,008,458	8.0						
				4.5	5.5	6.1	6.6	6.2	3.4
									3.0
<b>Other</b>									
	FIXED INCOME CASH ACCOUNT	3,045,596	0.1						4.0
<b>TOTAL US FIXED INCOME</b>		<b>1,609,306,107</b>	<b>27.2</b>	<b>4.3</b>	<b>4.2</b>	<b>4.8</b>	<b>5.2</b>	<b>4.8</b>	<b>5.8</b>
<b>BC AGGREGATE</b>				<b>4.3</b>	<b>4.7</b>	<b>5.5</b>	<b>5.9</b>	<b>5.3</b>	<b>6.3</b>
<b>ALTERNATIVE INVESTMENTS</b>									
	REAL ESTATE NCREIF PROPERTY INDEX QTR LAG	384,337,759	6.5						
				13.5	12.3	12.2	12.2	12.2	8.4
	PRIVATE EQUITY S&P 500 PLUS 300 BP	629,006,392	10.7	14.0	11.6	5.3	9.3	9.1	9.3
				4.6	2.0	0.6	0.4	2.6	11.9
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>1,013,344,152</b>	<b>17.2</b>	<b>14.0</b>	<b>11.6</b>	<b>6.0</b>	<b>8.7</b>	<b>8.3</b>	<b>10.3</b>
<b>TOTAL ALTERNATIVES BENCHMARK</b>				<b>8.4</b>	<b>6.3</b>	<b>5.4</b>			<b>04/01/1996</b>
<b>RE-BALANCING</b>									
	RUSSELL IMPLEMENTATION SERVICES	83,223,521	1.4						-71.0
									09/01/2008
<b>CASH</b>									
	CASH ACCOUNT (INSIDE)	25,210,703	0.4						07/01/2000
	CASH ACCOUNT (OUTSIDE)	14,705,948	0.3						07/01/2000
<b>TOTAL PLAN</b>		<b>5,908,054,663</b>	<b>100.0</b>	<b>5.3</b>	<b>3.3</b>	<b>1.7</b>	<b>2.1</b>	<b>3.3</b>	<b>8.8</b>
<b>TOTAL PLAN BENCHMARK</b>				<b>4.7</b>	<b>2.9</b>	<b>1.7</b>	<b>1.2</b>	<b>2.6</b>	<b>01/01/1984</b>

\* As of 4/31/2006 Total Plan Benchmark consists of 42.5% Wilshire 5000, 20% MSCI AC World ex U.S., 25% BC Aggregate, 7.5% S&P 500 + 300 BP, 5% NCREIF Property Qtr Lag

## State of Rhode Island

### SUMMARY OF PERFORMANCE

#### RATES OF RETURN

PERIODS ENDING November 30, 2008



STATE STREET

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### Endnotes

- 1 As of 7/1/2000: 60% S&P 500 plus 300bps / 40% NCREIF PROPERTY LAG
  
- 2 As of 04/31/2006: 42.5% W5000 / 25.0% LB AGG / 20.0% MSCI AC WORLD FREE ex USA / 5.0% NCREIF PROPERTY LAG / 7.5% S&P 500 plus 300bps  
  
Prior to 04/31/2006: 52.5% W5000/ 25.0% LB AGG / 22.5% MSCI AC WORLD FREE ex USA
  
- 3 As of 01/01/1988: 48.57% Wilshire 5000 / 28.57% LB Aggregate / 22.86% MSCI AC World Free ex US

**ERSRI Monthly Market Value Report With Time Weighted Returns**

November 30, 2008

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								10/31/2008	In/(out)	11/30/2008	Increase/decrease
<b>Domestic Equity</b>											
Shott Capital Management IRR	-13.23%	-37.66%	24.43%	S & P 500	-1.50%	-16.80%	15.30%	1,062,292	-	1,053,208	(9,084)
SSgA S&P 500	-37.61%	-37.66%	0.05%	S & P 500	-7.16%	-7.18%	0.02%	1,149,324,964	176,293	1,067,236,731	(82,264,526)
SSgA Core	-39.36%	-38.58%	-0.78%	Russell 1000	-8.98%	-7.56%	-1.42%	253,006,763	38,198	230,313,234	(22,731,727)
PIMCO	-43.10%	-37.66%	-5.44%	S & P 500	-11.72%	-7.18%	-4.54%	344,647,091	57,368	304,303,147	(40,401,312)
NorthPointe Capital	-38.32%	-37.42%	-0.90%	Russell 2000	-11.23%	-11.83%	0.60%	261,993,593	42,458	232,615,608	(29,420,443)
Wellington Mgmt	-42.70%	-37.42%	-5.28%	Russell 2000	-14.54%	-11.83%	-2.71%	271,112,967	46,718	231,734,015	(39,425,670)
Russell Overlay			0.00%		-19.94%		-19.94%	103,951,177	-	83,223,521	(20,727,656)
Wellington Tech Eq	-19.17%	-37.66%	18.49%	Russell 3000	-3.38%	-7.18%	3.80%	134,052,370	-	129,527,520	(4,524,850)
Transition Account	N/A	N/A	N/A		N/A	N/A	N/A	-	-	-	-
<b>Total Domestic Equity</b>	<b>-38.44%</b>				<b>-9.06%</b>			<b>2,519,151,216</b>	<b>361,035</b>	<b>2,280,006,984</b>	<b>(239,505,267)</b>
<b>International Equity</b>											
Boston Company	-40.66%	-48.20%	7.54%	MSCI ACWI	-2.90%	-5.74%	2.84%	343,480,724	56,658	333,579,367	(9,958,015)
Goldman Sachs	-47.37%	-48.20%	0.83%	MSCI ACWI	-4.95%	-5.74%	0.79%	311,102,394	56,658	295,749,241	(15,409,811)
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20,902	-	23,771	2,869
Mondrian	-41.54%	-48.20%	6.66%	MSCI ACWI	-4.32%	-5.74%	1.42%	351,242,506	56,658	336,128,388	(15,170,776)
<b>Total International Equity</b>	<b>-43.18%</b>				<b>-4.03%</b>			<b>1,005,846,527</b>	<b>169,974</b>	<b>965,480,767</b>	<b>(40,535,734)</b>
<b>Fixed Income</b>											
Fidelity Management & Research	2.71%	6.56%	-3.85%	Lehman Mortgage Backed	2.42%	3.93%	-1.51%	478,721,218	(19,969,470)	470,269,534	11,517,786
Brown Brothers, Harriman	-0.88%	3.44%	-4.32%	Salomon Brd Inv Grade	3.25%	4.53%	-1.28%	294,529,022	30,601	304,142,068	9,582,445
Taplin, Canida & Habacht	-17.01%	-8.79%	-8.22%	Lehman Credit Index	2.61%	3.93%	-1.32%	248,908,854	13,916	255,416,851	6,494,081
Mackay Shields	-24.51%	-30.09%	5.58%	CS First BosHiYield	-6.60%	-8.63%	2.03%	109,610,880	53,960	102,423,600	(7,241,240)
Brown Bros TIPS	-5.69%	-6.97%	1.28%	Lehman US TIPS Index	0.89%	0.71%	0.18%	489,639,949	(19,950,016)	474,008,458	4,318,525
Fixed Income Cash Acct	2.63%				0.16%			13,029,818	(10,000,000)	3,045,596	15,778
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-
<b>Total Fixed Income</b>	<b>-5.61%</b>				<b>1.52%</b>			<b>1,634,439,741</b>	<b>(49,821,009)</b>	<b>1,609,306,107</b>	<b>24,687,375</b>
<b>Alternative Investments</b>											
Private Equity	-14.84%	-33.82%	18.98%	N/A	-3.49%	-6.63%	N/A	641,349,358	9,211,018	629,006,392	(21,553,984)
Real Estate	1.62%	6.37%	-4.75%	NCREIF + 100	-0.25%	0.08%	-0.33%	384,775,882	519,948	384,337,759	(958,072)
<b>Total Alternatives</b>	<b>-9.14%</b>				<b>-2.28%</b>			<b>1,026,125,241</b>	<b>9,730,966</b>	<b>1,013,344,151</b>	<b>(22,512,056)</b>
<b>Cash Accounts</b>											
Cash in Trust	2.67%	N/A	N/A		0.16%	N/A	N/A	8,045,032	-	25,210,703	17,165,671
Cash Outside Trust	85.00%	N/A	N/A		0.05%	N/A	N/A	11,100,280	16,269	14,705,948	3,589,399
<b>Total Cash</b>	<b>8.67%</b>	<b>*</b>			<b>4.25%</b>	<b>*</b>	<b>0</b>	<b>19,145,312</b>	<b>16,269</b>	<b>39,916,651</b>	<b>20,755,070</b>
<b>Total Plan Ex PE &amp; RE</b>	<b>-28.44%</b>	<b>-29.67%</b>	<b>1.23%</b>		<b>-4.92%</b>	<b>-4.27%</b>	<b>-0.65%</b>	<b>6,204,708,035</b>	<b>(39,542,765)</b>	<b>5,908,054,660</b>	<b>(257,110,611)</b>
<b>Total Plan</b>	<b>-31.35%</b>	<b>-31.02%</b>	<b>-0.33%</b>		<b>-4.48%</b>	<b>-4.23%</b>	<b>-0.25%</b>				

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

- 42.5% Wilshire 5000
- 25.0% Lehman Aggregate
- 20.0% MSCI ACWI X-US
- 5.0% NCREIF 1 Qtr Lag
- 7.5% S&P500 plus 300bps

# State of Rhode Island

RATES OF RETURN - Total

Periods Ending November 30, 2008



STATE STREET

## PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
<b>U.S. EQUITY</b>									
SSGA S&P 500 INDEX FUND	S&P 500	-7.16	-7.18	0.02	-37.61	-37.66	0.05	1,067,237	176
SSGA - CORE	RUSSELL 1000	-8.98	-7.56	-1.42	-39.36	-38.58	-0.78	230,313	38
PIMCO	S&P 500	-11.72	-7.18	-4.54	-43.10	-37.66	-5.44	304,303	57
NORTHPOINTE CAPITAL	RUSSELL 2000	-11.23	-11.83	0.60	-38.32	-37.42	-0.90	232,616	42
WELLINGTON MANAGEMENT CO. LLC	RUSSELL 2000	-14.54	-11.83	-2.71	-42.70	-37.42	-5.28	231,734	47
SHOTT CAPITAL	S&P 500	-1.10	-7.18	6.08	-13.23	-37.66	24.43	1,053	3
WELLINGTON TECHNICAL EQUITY	S&P 500	-3.38	-7.18	3.80	-19.17	-37.66	18.49	129,528	0
TOTAL US EQUITY	DOW WILSHIRE 5000 FREE FLOAT	-9.06	-8.00	-1.06	-38.44	-38.30	-0.14	2,196,783	364
<b>INTERNATIONAL EQUITY</b>									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)	-2.90	-5.74	2.84	-40.66	-48.20	7.54	333,579	57
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)	-4.95	-5.74	0.79	-47.37	-48.20	0.83	295,749	57
MONDRIAN	MSCI AC WORLD ex US (GROSS)	-4.32	-5.74	1.42	-41.54	-48.20	6.66	336,128	57
TRANSITION ACCOUNT INT EQUITY								15	0
TOTAL INTERNATIONAL EQUITY	MSCI AC WORLD ex US (GROSS)	-4.03	-5.74	1.71	-43.18	-48.20	5.02	965,481	170
<b>U.S. FIXED INCOME</b>									
PYRAMIS GLOBAL ADVISORS	BC MBS	2.42	3.93	-1.51	2.71	6.56	-3.85	470,270	-19,969
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	3.25	4.53	-1.28	-0.88	3.44	-4.32	304,142	31
TAPLIN, CANIDA & HABACHT	BC CREDIT	2.61	3.93	-1.32	-17.01	-8.79	-8.22	255,417	14
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	-6.60	-8.63	2.03	-24.51	-30.09	5.58	102,424	54
BROWN BROTHERS HARRIMAN - TIPS	BC U.S. TIPS	0.89	0.71	0.18	-5.69	-6.97	1.28	474,008	-19,950
FIXED INCOME CASH ACCOUNT		0.16			2.63			3,046	-10,000
TOTAL US FIXED INCOME	BC AGGREGATE	1.52	3.25	-1.73	-5.61	1.45	-7.06	1,609,306	-49,821

**State of Rhode Island**

RATES OF RETURN - Total

Periods Ending November 30, 2008



**STATE STREET**

**PERFORMANCE SUMMARY REPORT**

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
<b>ALTERNATIVE INVESTMENTS</b>									
PRIVATE EQUITY	S&P 500 PLUS 300 BP	-3.49	-6.63	3.14	-14.84	-33.82	18.98	629,006	10,192
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	-0.25	0.08	-0.33	1.62	6.37	-4.75	384,338	520
TOTAL ALTERNATIVE INVESTMENTS	TOTAL ALTERNATIVES BENCHMARK	-2.28	-3.98	1.70	-9.14	-19.71	10.57	1,013,344	10,712
<b>CASH EQUIVALENTS</b>									
CASH ACCOUNT (INSIDE)		0.16			2.67			25,211	16,283
CASH ACCOUNT (OUTSIDE)		0.05			0.85			14,706	3,600
TOTAL CASH		4.25			8.67			39,917	19,883
<b>OTHER</b>									
RUSSELL IMPLEMENTATION SERVICES		-19.94						83,224	0
<b>TOTAL PLAN</b>									
TOTAL PLAN	TOTAL PLAN BENCHMARK	-4.48	-4.23	-0.25	-28.44	-29.67	1.23	5,908,055	-18,692
TOTAL PLAN ex PE RE	TOTAL PLAN BENCHMARK ex PE RE	-4.92	-4.27	-0.65	-31.35	-31.02	-0.33	4,894,711	-29,404



# State of Rhode Island

TOTAL PLAN

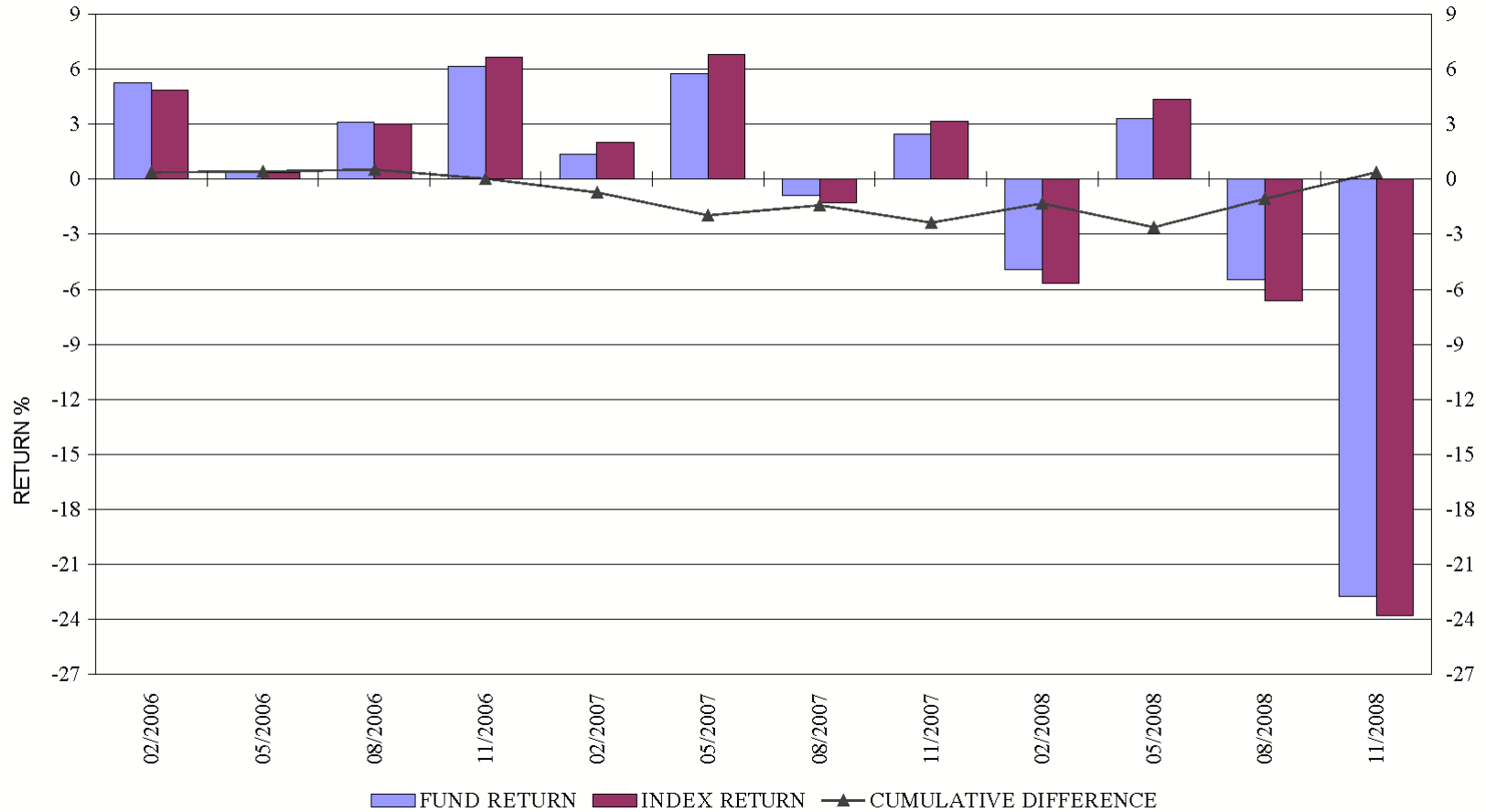
Index: TOTAL PLAN BENCHMARK

PERIODS: November 30, 2005 - November 30, 2008



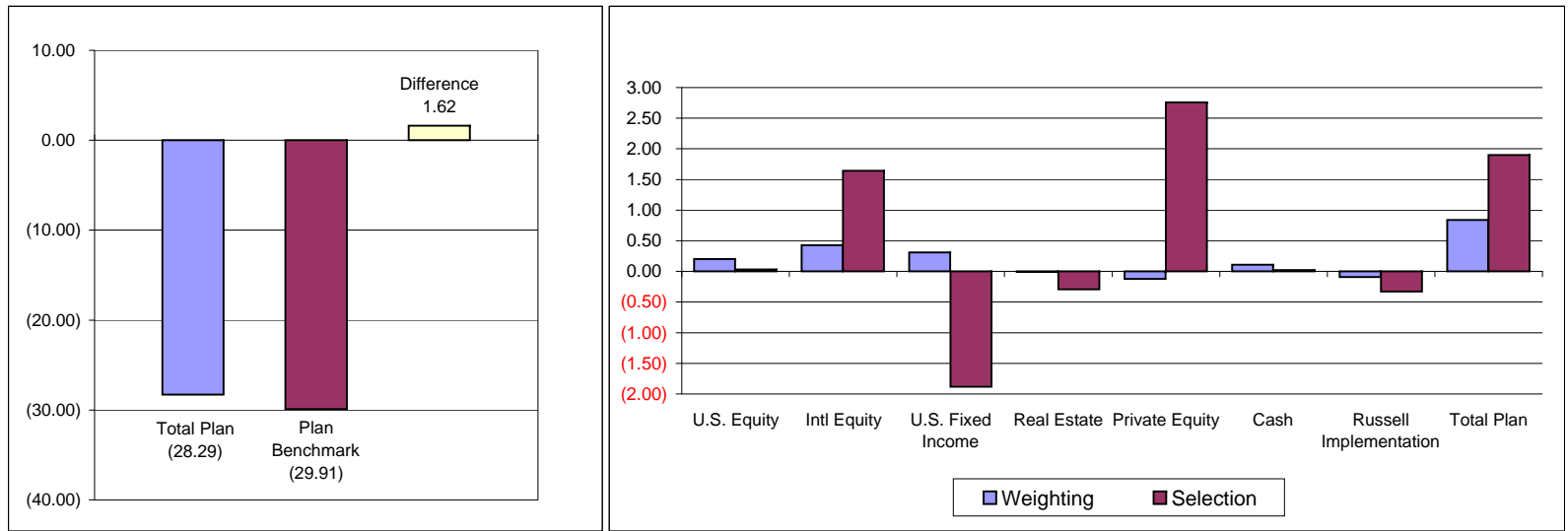
STATE STREET

## CUMULATIVE PERFORMANCE REPORT



**STATE OF RHODE ISLAND**  
**TOTAL PLAN POOL ATTRIBUTION**  
 1 Year Ending November 30th, 2008  
 Value Added

**1 YEAR RETURNS** **VALUE ADDED ATTRIBUTION**



	Beginning Weights			Returns			Value Added		
	Portfolio	Benchmark	Difference	Portfolio	Benchmark	Difference	Weighting	Selection	Timing
U.S. Equity	42.30	42.50	(0.20)	(38.73)	(38.68)	(0.05)	0.20	0.03	
Intl Equity	20.30	20.00	0.30	(43.84)	(49.21)	5.37	0.43	1.64	
U.S. Fixed Income	25.60	25.00	0.60	(5.45)	1.74	(7.19)	0.31	(1.88)	
Real Estate	4.10	5.00	(0.90)	2.40	9.20	(6.80)	(0.01)	(0.29)	
Private Equity	7.00	7.50	(0.50)	(8.05)	(34.10)	26.05	(0.12)	2.76	
Cash	0.70	0.00	0.70	9.00	2.34	6.66	0.11	0.02	
Russell Implementation	0.00	0.00	0.00	(70.95)	(31.22)	(39.73)	(0.09)	(0.33)	
<b>Total Plan</b>	<b>100.00</b>	<b>100.00</b>		<b>(28.29)</b>	<b>(29.91)</b>	<b>1.62</b>	<b>0.84</b>	<b>1.90</b>	<b>(0.44)</b>

State of Rhode Island

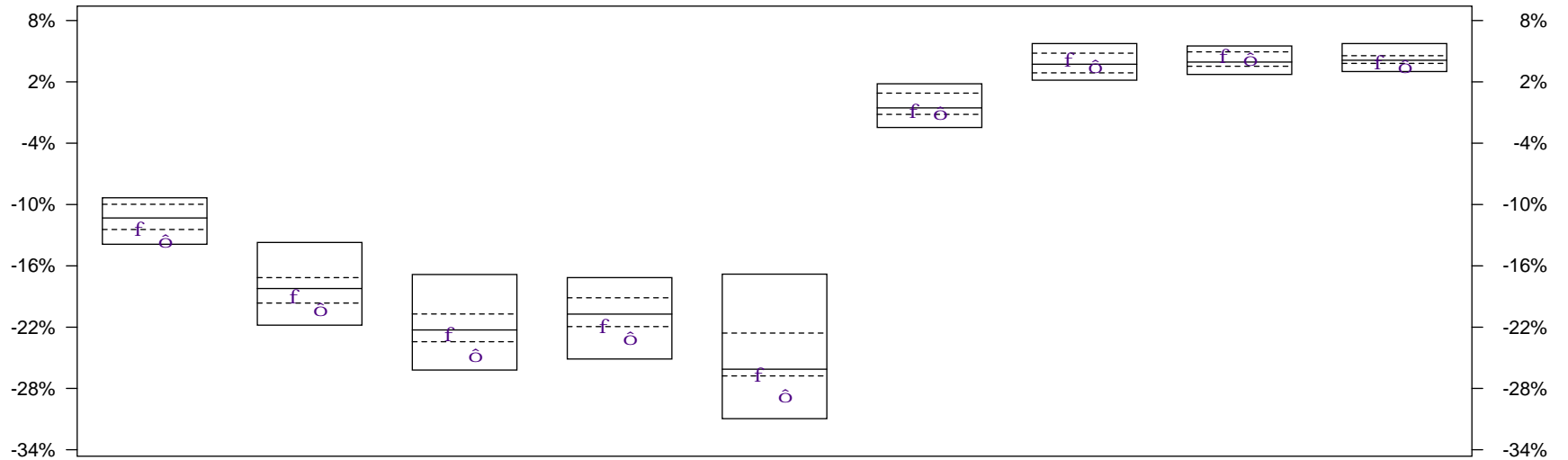
PUBLIC FUNDS (DB) > \$ 1 BILLION (SSC)

PERIOD ENDING October 31, 2008



STATE STREET

TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank
5th Percentile	-9.35		-13.71		-16.85		-17.15		-16.82		1.81		5.74		5.51		5.74	
25th Percentile	-9.98		-17.16		-20.71		-19.13		-22.58		0.89		4.81		4.93		4.56	
50th Percentile	-11.32		-18.22		-22.28		-20.73		-26.11		-0.55		3.73		3.94		4.11	
75th Percentile	-12.44		-19.65		-23.43		-21.95		-26.77		-1.18		2.88		3.53		3.81	
95th Percentile	-13.89		-21.80		-26.20		-25.12		-30.96		-2.46		2.16		2.73		3.01	
No. of Obs	23		23		23		23		23		21		21		21		21	
f TOTAL PLAN	-12.45	76	-19.05	67	-22.78	67	-21.96	76	-26.77	76	-0.95	64	4.06	41	4.45	32	3.80	78
o TOTAL PLAN BENCHMARK	-13.59	85	-20.32	85	-24.79	87	-23.10	89	-28.73	87	-1.13	69	3.46	57	4.15	47	3.50	89

State of Rhode Island

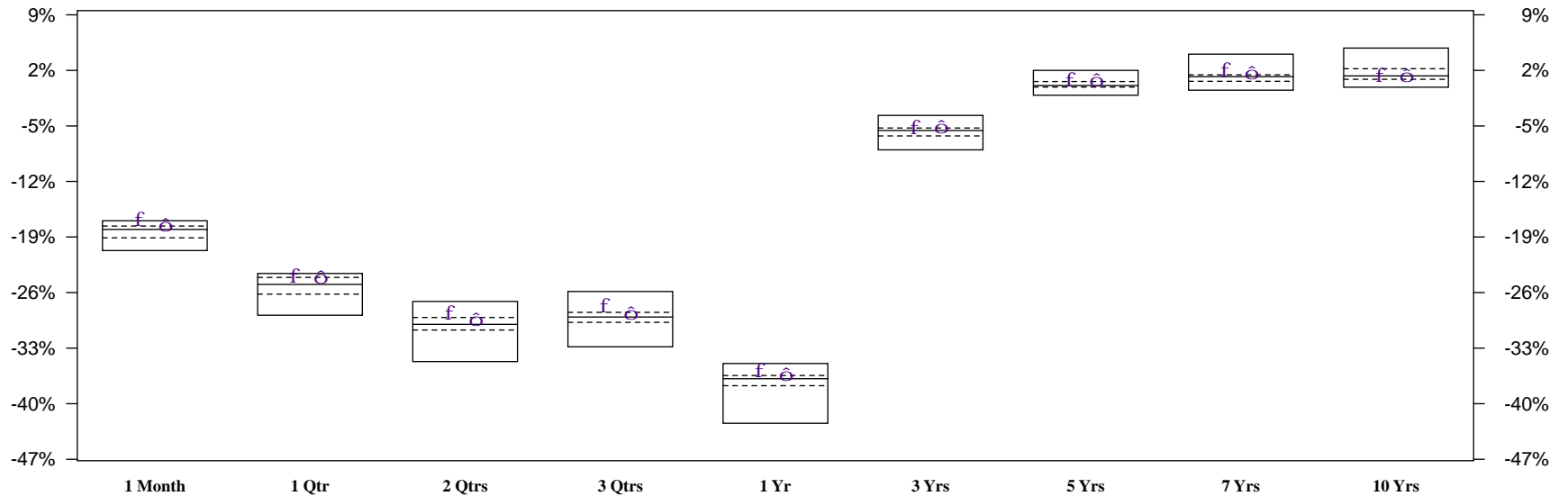
US EQUITY POOLS - PUBLIC (SSC)

PERIOD ENDING October 31, 2008



STATE STREET

TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank
5th Percentile	-16.96		-23.60		-27.11		-25.86		-34.94		-3.68		1.99		4.04		4.80	
25th Percentile	-17.62		-24.10		-29.15		-28.50		-36.45		-5.26		0.59		1.43		2.20	
50th Percentile	-18.04		-24.97		-30.01		-29.08		-36.85		-5.58		0.09		1.21		1.30	
75th Percentile	-19.10		-26.19		-30.72		-29.75		-37.74		-6.26		-0.11		0.62		0.87	
95th Percentile	-20.71		-28.86		-34.70		-32.84		-42.46		-8.01		-1.13		-0.50		-0.13	
No. of Obs	30		29		29		29		29		29		25		24		24	
f TOTAL US EQUITY	-16.87	4	-23.96	11	-28.60	14	-27.75	11	-35.92	17	-5.28	27	0.70	16	1.97	13	1.26	53
o DOW WILSHIRE 5000 FREE FLO	-17.57	23	-24.06	24	-29.40	42	-28.61	35	-36.32	21	-5.13	23	0.78	16	1.63	20	1.26	54

State of Rhode Island

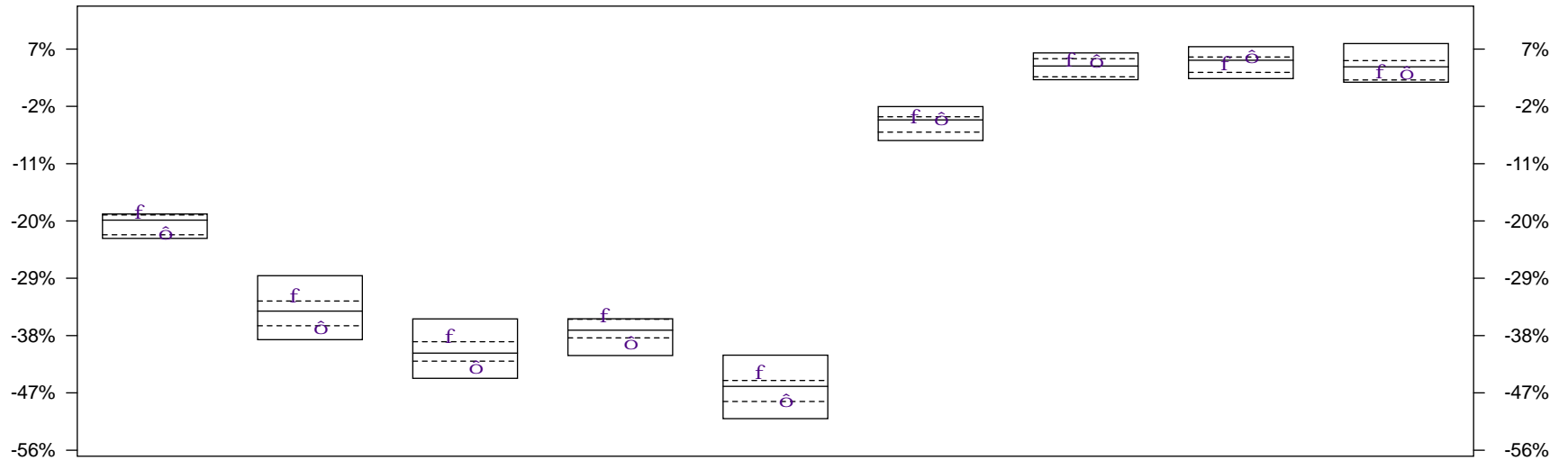
INTL EQTY POOL - PUBLIC (SSC)

PERIOD ENDING October 31, 2008



STATE STREET

TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank
5th Percentile	-18.91		-28.59		-35.38		-35.37		-41.07		-2.03		6.39		7.37		7.86	
25th Percentile	-19.06		-32.58		-38.96		-35.44		-45.06		-3.64		5.50		5.76		5.20	
50th Percentile	-19.86		-34.16		-40.76		-37.16		-45.98		-4.12		4.34		5.25		4.21	
75th Percentile	-22.17		-36.46		-42.01		-38.36		-48.35		-6.04		2.65		3.34		2.16	
95th Percentile	-22.73		-38.64		-44.71		-41.14		-51.06		-7.36		2.19		2.37		1.80	
No. of Obs	11		11		11		11		11		11		9		9		8	
f TOTAL INTERNATIONAL	-18.73	5	-31.89	16	-38.19	15	-35.01	5	-43.86	15	-3.70	26	5.21	34	4.71	65	3.36	60
o MSCI AC WORLD ex US (GROSS)	-22.01	75	-36.78	77	-43.07	81	-39.16	80	-48.27	67	-3.93	31	5.05	35	5.83	21	3.19	65

State of Rhode Island

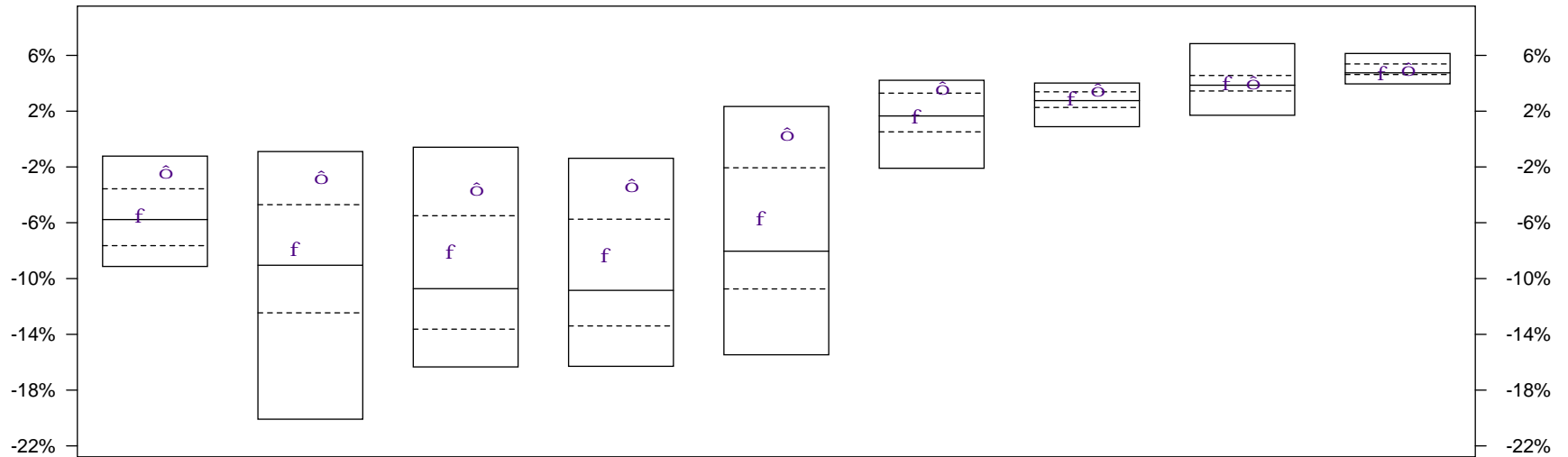
US FIXED INC POOL - PUBLIC (SSC)

PERIOD ENDING October 31, 2008



STATE STREET

TOTAL RETURN



	1 Month		1 Qtr		2 Qtrs		3 Qtrs		1 Yr		3 Yrs		5 Yrs		7 Yrs		10 Yrs	
	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank
5th Percentile	-1.22		-0.89		-0.58		-1.38		2.34		4.22		4.02		6.84		6.14	
25th Percentile	-3.57		-4.70		-5.50		-5.75		-2.06		3.29		3.39		4.56		5.39	
50th Percentile	-5.77		-9.05		-10.73		-10.85		-8.04		1.66		2.76		3.86		4.75	
75th Percentile	-7.64		-12.46		-13.63		-13.40		-10.74		0.52		2.27		3.45		4.63	
95th Percentile	-9.13		-20.09		-16.34		-16.29		-15.47		-2.09		0.89		1.71		3.96	
No. of Obs	26		27		26		26		26		21		20		20		19	
f TOTAL US FIXED INCOM	-5.55	49	-7.92	40	-8.16	34	-8.40	34	-5.74	45	1.53	55	2.85	48	3.94	43	4.66	61
o BC AGGREGATE	-2.36	14	-2.76	10	-3.63	12	-3.37	11	0.31	13	3.60	17	3.48	20	4.03	43	5.00	35

# State of Rhode Island

TOTAL PLAN

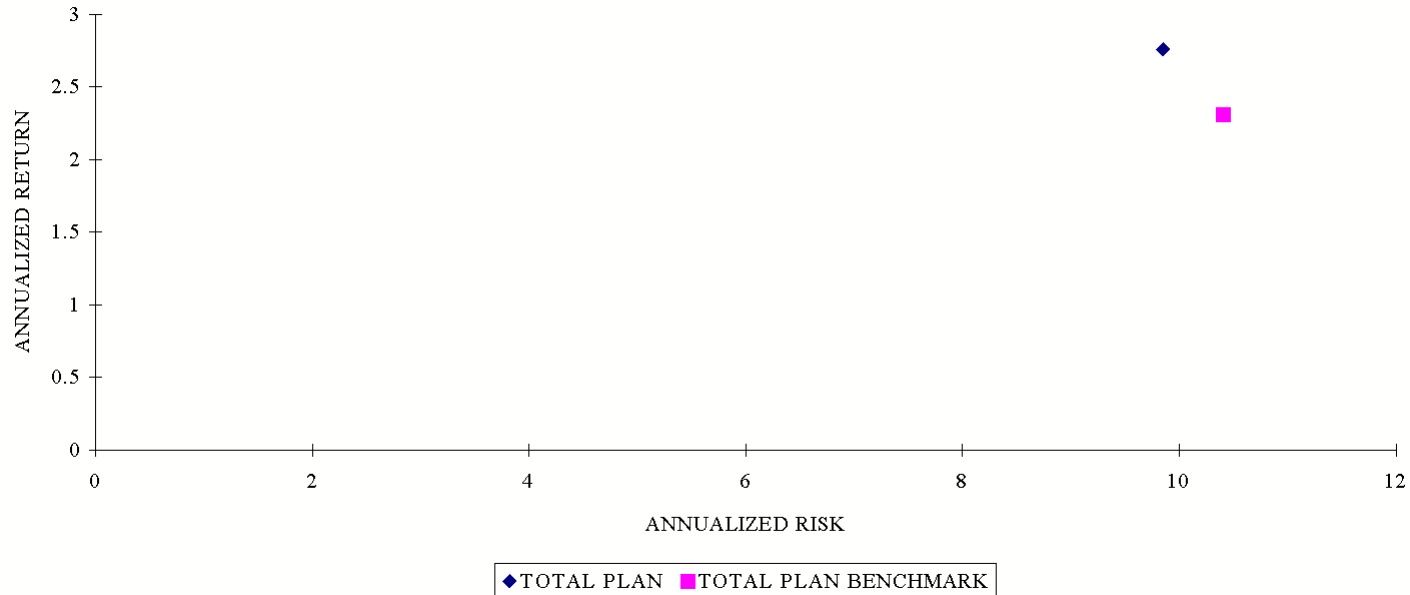
Benchmark: TOTAL PLAN BENCHMARK

November 30, 2003 - November 30, 2008



STATE STREET

## RISK VS. RETURN



### RISK INFORMATION

Portfolio Return	2.76
Benchmark Return	2.31
Return Differences	0.45
Portfolio Standard Deviation	9.85
Benchmark Standard Deviation	10.41
Tracking Error	1.21

### RISK STATISTICS

Historic Beta	0.94
R-squared	0.99
Jensen's Alpha	0.40
Sharpe Ratio	-0.05
Treynor Ratio	-0.54
Information Ratio	0.37

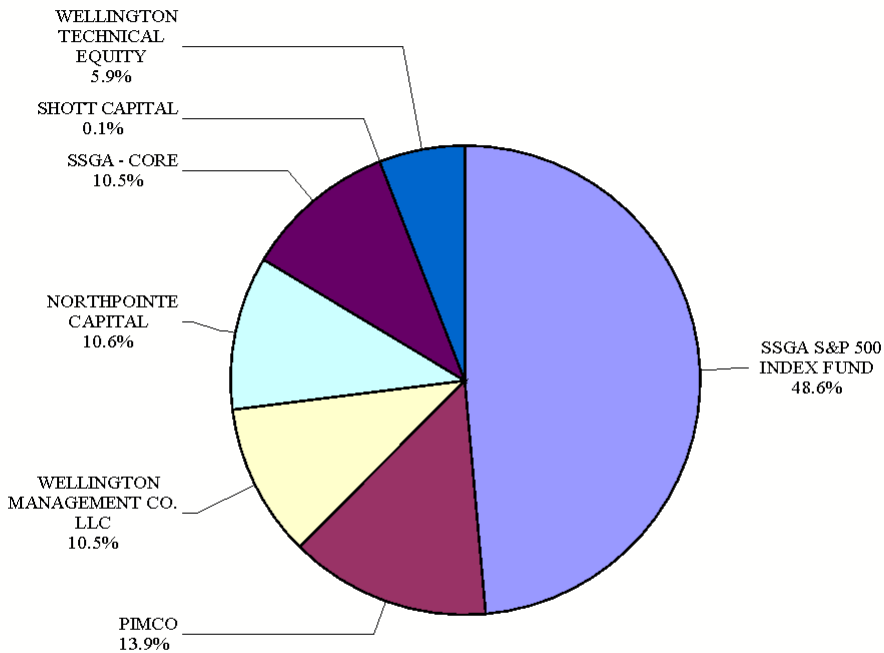
**State of Rhode Island**

MANAGER ALLOCATION ANALYSIS  
 PERIOD ENDING 11/30/2008



**STATE STREET**

**CURRENT MANAGER ALLOCATION**



<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
SSGA S&P 500 INDEX FUND	1,067.2	1,720.7
PIMCO	304.3	537.8
WELLINGTON MANAGEMENT CO. LLC	231.7	405.9
NORTHPOINTE CAPITAL	232.6	380.2
SSGA - CORE	230.3	379.7
SHOTT CAPITAL	1.1	1.3
WELLINGTON TECHNICAL EQUITY	129.5	155.9
<b>TOTAL</b>	<b>2,196.7</b>	<b>3,581.5</b>



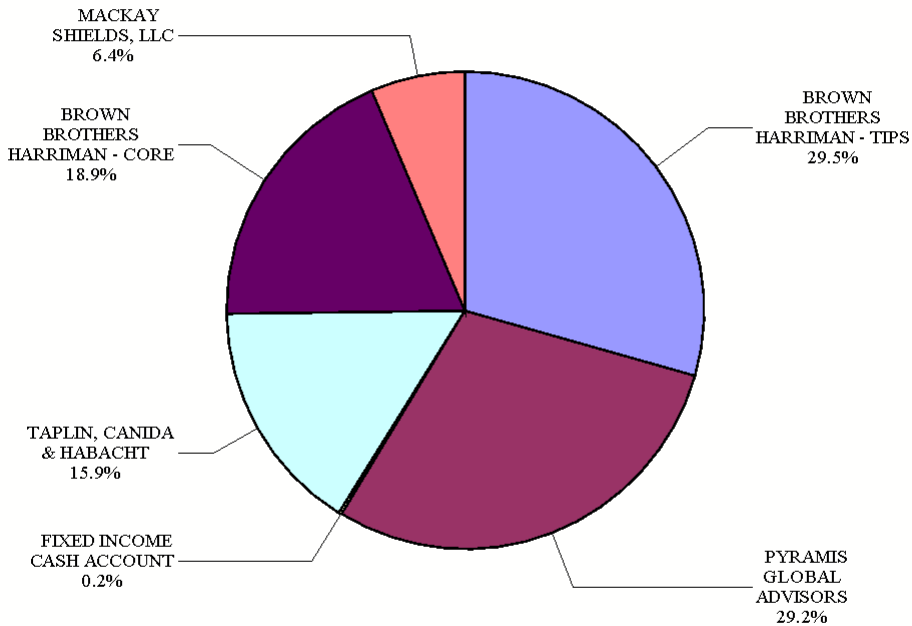
**State of Rhode Island**

MANAGER ALLOCATION ANALYSIS  
 PERIOD ENDING 11/30/2008



**STATE STREET**

**CURRENT MANAGER ALLOCATION**



<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
BROWN BROTHERS HARRIMAN - TIPS	474.0	576.9
PYRAMIS GLOBAL ADVISORS	470.3	500.1
FIXED INCOME CASH ACCOUNT	3.0	346.0
TAPLIN, CANIDA & HABACHT	255.4	305.6
BROWN BROTHERS HARRIMAN - CORE	304.1	307.0
MACKAY SHIELDS, LLC	102.4	134.9
TRANSITION ACCOUNT FIXED INCOME		0.6
<b>TOTAL</b>	<b>1,609.2</b>	<b>2,171.1</b>

**State of Rhode Island**

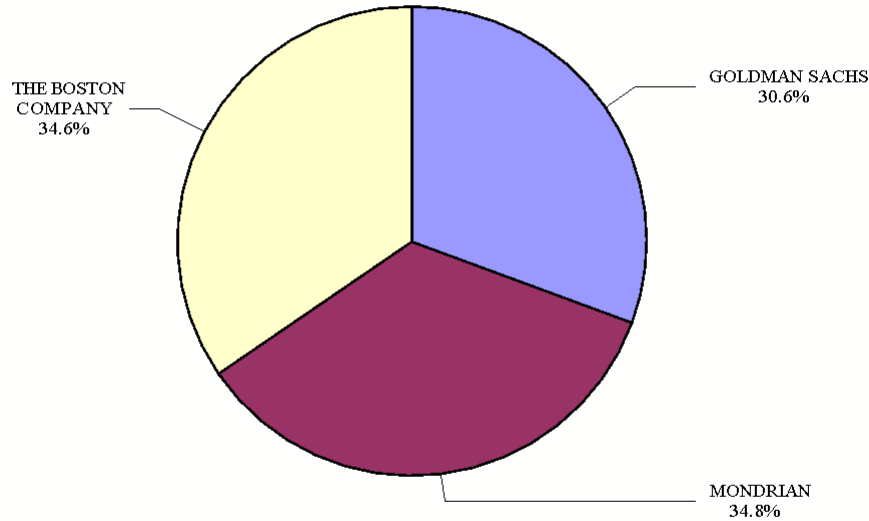
MANAGER ALLOCATION ANALYSIS  
PERIOD ENDING 11/30/2008



**STATE STREET**

**CURRENT MANAGER ALLOCATION**

<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
GOLDMAN SACHS	295.7	567.5
MONDRIAN	336.1	582.0
THE BOSTON COMPANY	333.6	567.6
TRANSITION ACCOUNT INT EQUITY	0.0	0.1
<b>TOTAL</b>	<b>965.4</b>	<b>1,717.2</b>



# ASSET ALLOCATION

**ASSET ALLOCATION REPORT  
NOVEMBER 30th, 2008**

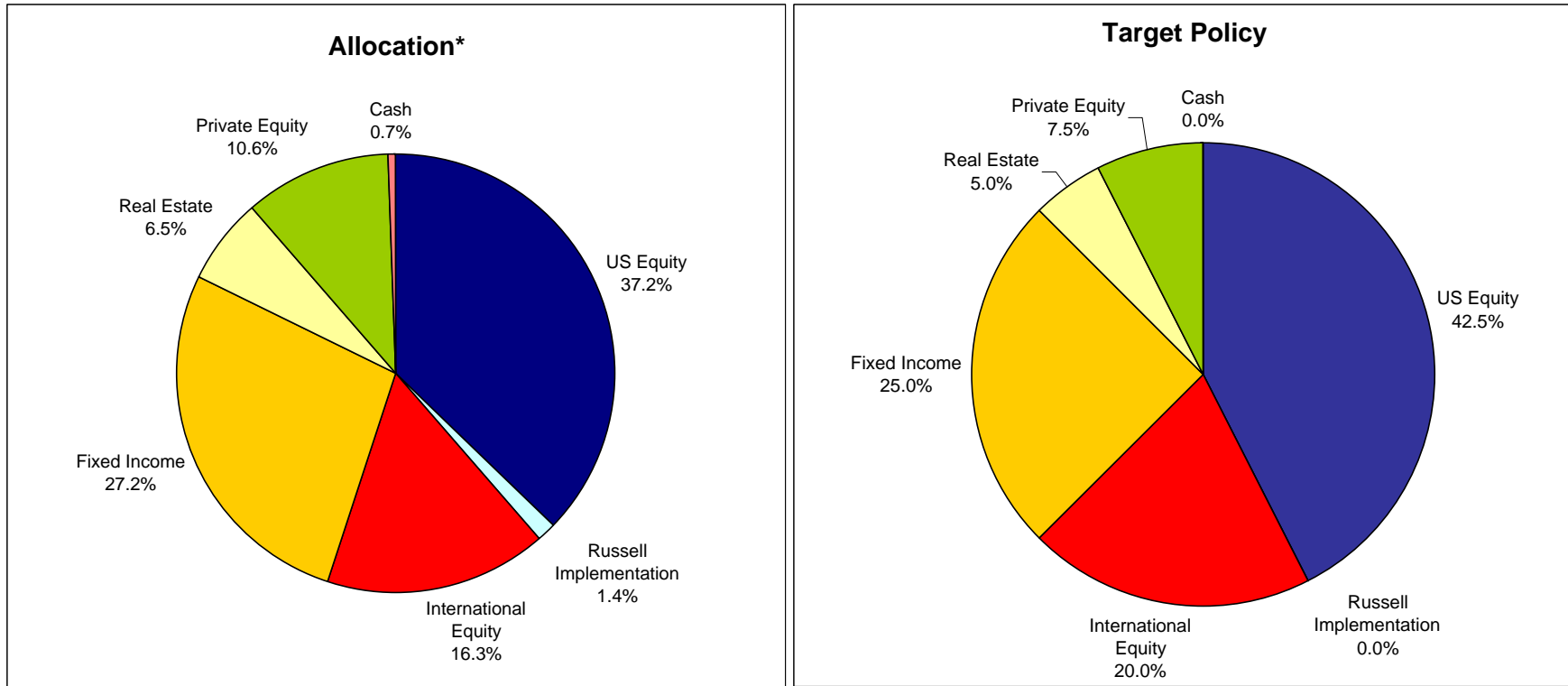
	Style Mandate	Actual (Millions \$)		Target (Millions \$)		Difference (Millions \$)
<b>Domestic Equity</b>						
SSgA S&P 500 Index Fund	Passive	1,067.24	18.06%	1,208.20	20.45%	(140.96)
SSgA Core	Active core	230.31	3.90%	265.86	4.50%	(35.55)
PIMCO	Enhanced Equity	304.30	5.15%	381.07	6.45%	(76.77)
NorthPointe Capital	Small Cap Value	232.62	3.94%	295.40	5.00%	(62.79)
Wellington Mgmt	Small Cap Core	231.73	3.92%	324.94	5.50%	(93.21)
Wellington Technical Equity	Tactical Equity	129.53	2.19%	35.45	0.60%	94.08
Shott Capital	Alternative Distribution	1.05	0.02%	0.00	0.00%	1.05
<b>TOTAL DOMESTIC EQUITY</b>		<b>2,196.78</b>	<b>37.18%</b>	<b>2,510.92</b>	<b>42.50%</b>	<b>(314.14)</b>
<b>International Equity</b>						
Boston Company	MSCI ACWI	333.58	5.65%	394.07	6.67%	(60.49)
Goldman Sachs	MSCI ACWI	295.75	5.01%	394.07	6.67%	(98.32)
Mondrian	MSCI ACWI	336.13	5.69%	393.48	6.66%	(57.35)
Transition Account		0.02	0.00%	0.00	0.00%	0.02
<b>TOTAL INT'L EQUITY</b>		<b>965.48</b>	<b>16.34%</b>	<b>1,181.61</b>	<b>20.00%</b>	<b>(216.13)</b>
<b>Domestic Fixed Income</b>						
Fidelity Management & Research	Mortgages	470.27	7.96%	369.25	6.25%	101.02
Brown Brothers, Harriman	Opportunistic Core	304.14	5.15%	221.55	3.75%	82.59
Taplin, Canida & Habacht	Corporates	255.42	4.32%	221.55	3.75%	33.86
Mackay Shields	High yield	102.42	1.73%	110.78	1.88%	(8.35)
Shenkman Capital Mgmt	High yield	0.00	0.00%	110.78	1.88%	(110.78)
Brown Brothers, Harriman TIPS	TIPS	474.01	8.02%	443.10	7.50%	30.90
Fixed Income Cash Account		3.05	0.05%	0.00	0.00%	3.05
<b>TOTAL FIXED-INCOME</b>		<b>1,609.31</b>	<b>27.24%</b>	<b>1,477.01</b>	<b>25.00%</b>	<b>132.29</b>
<b>Alternative Investments</b>						
Real Estate	Real Estate	384.34	6.51%	295.4	5.00%	88.9
Pacific Corp Group	Private Equity	629.01	10.65%	443.10	7.50%	185.9
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>1,013.34</b>	<b>17.15%</b>	<b>738.51</b>	<b>12.50%</b>	<b>274.84</b>
<b>Cash</b>						
<b>CASH EQUIVALENTS</b>	STIF, Yield+	39.92	0.68%	0.00	0.00%	39.92
<b>Other</b>						
<b>OTHER - Russell Implementation Services</b>		83.22	1.41%	0.00	0.00%	83.22
<b>TOTAL ASSETS</b>		<b>5,908.06</b>	<b>100.00%</b>	<b>5,908.06</b>	<b>100.00%</b>	<b>(0.00)</b>

**ALLOCATION BY MANAGEMENT STYLE**

<b>Domestic Equity</b>						
Core		359.84	6.09%	301.31	4.50%	58.53
Index		1,067.24	18.06%	1,208.20	17.75%	(140.96)
Enhanced Equity		304.30	5.15%	381.07	6.75%	(76.77)
Active Small Cap		464.35	7.88%	620.35	13.50%	(156.00)
<b>TOTAL DOMESTIC EQUITY</b>		<b>2,196.78</b>	<b>37.18%</b>	<b>2,510.92</b>	<b>42.50%</b>	<b>(314.14)</b>
<b>International Equity</b>						
Active		965.48	16.34%	1,181.61	20.00%	(216.13)
<b>TOTAL INT'L EQUITY</b>		<b>965.48</b>	<b>16.34%</b>	<b>1,181.61</b>	<b>20.00%</b>	<b>(216.13)</b>
<b>Domestic Fixed Income</b>						
Mortgage		470.27	7.96%	369.25	6.25%	101.02
Core		304.14	5.15%	221.55	3.75%	82.59
Corporates		255.42	4.32%	221.55	3.75%	33.86
High Yield		102.42	1.73%	221.55	3.75%	(119.13)
TIPS		474.01	8.02%	443.10	7.50%	30.90
Other		3.05	0.05%	-	0.00%	3.05
<b>TOTAL FIXED-INCOME</b>		<b>1,609.31</b>	<b>27.24%</b>	<b>1,477.01</b>	<b>25.00%</b>	<b>132.29</b>
<b>Alternative Investments</b>						
Real Estate		384.34	6.51%	295.40	5.00%	88.94
Other Alternative Investments		629.01	10.65%	443.10	7.50%	185.90
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>1,013.34</b>	<b>17.15%</b>	<b>738.51</b>	<b>12.50%</b>	<b>274.84</b>
<b>Cash</b>						
<b>CASH EQUIVALENTS</b>	STIF, Yield+	39.92	0.68%	0.00	0.00%	39.92
<b>Other</b>						
<b>OTHER - Russell Implementation Services</b>		83.22	1.41%	0.00	0.00%	83.22
<b>TOTAL ASSETS</b>		<b>5,908.06</b>	<b>100.00%</b>	<b>5,908.06</b>	<b>100.00%</b>	<b>(0.00)</b>

# State of Rhode Island

Asset Allocation  
November 30th, 2008



## Allocation vs. Target Policy

	Weights		
	Allocation*	Policy	Difference
US Equity	37.2	42.5	-5.3
Russell Implementation	1.4	0.0	1.4
International Equity	16.3	20.0	-3.7
Fixed Income	27.2	25.0	2.2
Real Estate	6.5	5.0	1.5
Private Equity	10.6	7.5	3.1
Cash	0.7	0.0	0.7
Total Fund	100.0	100.0	0.0

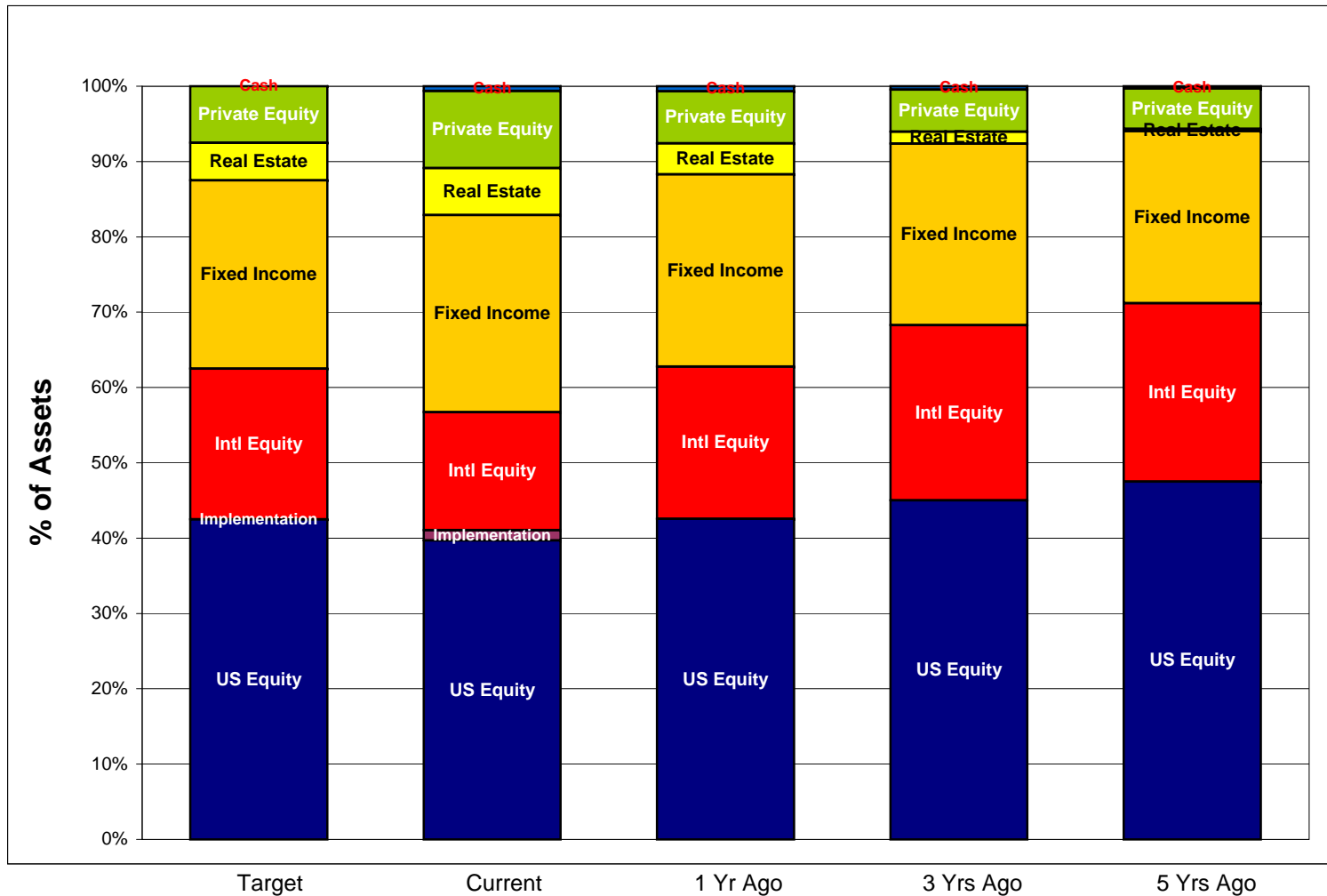


\* End of Period Weights

# State of Rhode Island

Historical Asset Allocation

November 30th, 2008



Asset Class	Target	Current	1 Yr Ago	3 Yrs Ago	5 Yrs Ago
US Equity	42.5%	37.2%	42.3%	45.4%	47.5%
Implementation	0.0%	1.4%	0.0%	0.0%	0.0%
Intl Equity	20.0%	16.3%	20.3%	23.1%	23.7%
Fixed Income	25.0%	27.2%	25.6%	23.9%	22.8%
Real Estate	5.0%	6.5%	4.1%	1.5%	0.3%
Private Equity	7.5%	10.6%	7.0%	5.6%	5.4%
Cash	0.0%	0.7%	0.7%	0.5%	0.3%

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

Sunday, November 30, 2008

<i>Equities</i>					
<b>RANK</b>	<b>SECURITY NAME</b>	<b>PAR VALUES/SHARES</b>	<b>BASE MARKET AMOUNT</b>	<b>MONEY MANAGERS</b>	
1	EXXON MOBIL CORP	197,770	\$ 15,851,265.50	SSgA	
2	MICROSOFT CORP.	378,100	\$ 7,645,182.00	SSgA	
3	WAL MART STORES INC	128,600	\$ 7,186,168.00	SSgA	
4	INTERNATIONAL BUSINESS MACHS	78,500	\$ 6,405,600.00	SSgA	
5	CHEVRON CORP	79,500	\$ 6,281,295.00	SSgA	
6	PFIZER INC	372,200	\$ 6,115,246.00	SSgA	
7	JPMORGAN CHASE + CO	191,100	\$ 6,050,226.00	SSgA	
8	HEWLET PACKARD CO	168,500	\$ 5,944,680.00	SSgA	
9	INTEL CORP	404,600	# \$ 5,583,480.00	SSgA	
10	DREAMWORKS ANIMATION	240,700	\$ 5,560,170.00	Wellington	
		3.31%	\$ 72,623,312.50		
<b>Total Composite Equities</b>			<b>\$ 2,196,783,463.00</b>		

**International Equity Holdings By Top 10 Market Values**

Sunday, November 30, 2008

<i>International Equities</i>					
<b>RANK</b>	<b>SECURITY NAME</b>	<b>PAR VALUES/SHARES</b>	<b>BASE MARKET AMOUNT</b>	<b>MONEY MANAGERS</b>	
1	NOVARTIS AG	506,923	\$ 23,579,755.07	Mondrian, Boston	
2	TOTAL SA	452,385	\$ 23,563,990.96	Mondrian, Boston, GS	
3	BP PLC	2,228,042	\$ 18,008,637.78	Mondrian, Boston	
4	UNILEVER PLC	736,963	\$ 16,883,342.75	Mondrian, Boston	
5	GLAXOSMITHKLINE	980,793	\$ 16,855,759.48	Mondrian, Boston	
6	ROYAL DUTCH SHELL	627,979	\$ 16,650,028.69	Mondrian	
7	RWE AG (NEU)	186,813	\$ 15,664,070.13	Mondrian	
8	TAKEDA PHARMACEUTICAL CO LTD	320,400	\$ 15,507,837.68	Mondrian	
9	TELEFONICA SA	684,607	\$ 13,794,924.35	Mondrian	
10	FRANCE TELECOM	518,408	\$ 13,300,878.78	Mondrian	
		18.00%	\$ 173,809,225.67		
<b>Total Composite International Equities</b>			<b>\$ 965,480,768.00</b>		

FISCAL YEAR 2009

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 08	Actual Aug	Actual Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 09	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected TOTAL
<b>EQUITIES</b>													
SSgA Core			260,984			259,816			239,756			222,371	982,927
SSgA Russell 1000/S&P 500			35,288			3,933			66,927			32,408	138,557
Shott Capital			421			948			460			2,718	4,547
PIMCO			0			200,000			1,000			225,000	426,000
Wellington Mgmt			690,947			654,863			600,645			679,274	2,625,730
Wellington Tech Eq			33,802			217,630			333,783			126,713	711,928
NorthPointe			477,596			558,190			503,070			589,850	2,128,705
			1,499,038			1,895,380			1,745,641			1,878,334	7,018,393
<b>FIXED INCOME</b>													
Brown Bros.			146,129			145,453			147,283			129,732	568,598
Fidelity			160,096			162,325			164,535			148,636	635,592
Taplin			181,184			193,592			191,949			169,909	736,634
Mackay Shields			148,591			148,274			145,994			147,848	590,707
Brown Bros.TIPS			149,341			145,234			148,967			136,883	580,426
			785,341			794,878			798,728			733,008	3,111,956
<b>INT'L EQUITIES</b>													
The Boston Co			468,563			561,584			526,042			551,739	2,107,929
Mondrian			338,577			321,646			304,892			316,283	1,281,398
Goldman Sachs Asset Mgmt			475,637			489,525			432,913			499,383	1,897,458
SSgA MSCI ACWI			0			0			0			0	0
	0		1,282,777	0		1,372,755			1,263,847			1,367,405	5,286,785
<b>REAL ESTATE</b>													
L & B Real Estate	0	154,023	98,031	39,601	0	348,834	0	193,318	116,143	180,637	213,729	114,312	1,458,627
<b>ALTERNATIVE INVESTMENTS</b>													
Other Alt Inv Mgmt Fees	1,632,815	444,364	633,700	243,709	80,031	998,614	1,488,953	4,710	782,270	422,507	425,855	768,471	7,925,999
<b>SUB TOTAL-INV MGMT FEES</b>	1,632,815	598,387	4,298,886	283,310	80,031	5,410,462	1,488,953	198,028	4,706,630	603,144	639,583	4,861,530	24,801,761
<b>PROFESSIONAL FEES</b>													
Legal	0	0	20,589	0	6,701	15,535	13,726	6,000	6,150	3,075	9,677	17,791	99,243
St St Bank Custodial	18,888	15,412	16,951	18,017	15,080	12,586	12,981	11,543	12,333	12,887	1,563	12,861	161,101
Pacific Corp Group		93,750	0	93,750	93,750	0	0	93,750	0	0	93,750	0	468,750
PCA/Wilshire/Russell	20,161	0	43,750	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	251,409
Townsend	0	0	35,625	0	0	35,625	0	0	35,625	0	15,000	35,625	157,500
	39,049	109,162	116,915	132,600	136,363	84,579	47,539	132,126	74,941	36,795	140,823	87,110	1,138,004
<b>OPERATING EXPENSE</b>													
Retirement Transfers	312,688	431,063	457,333	804,721	483,883	808,484	402,617	503,343	434,231	446,640	607,644	950,000	6,642,647
Other Expense	0	3,097	11,650	6,250	6,250	6,250	21,497	22,425	6,250	0	8,333	8,333	100,335
	312,688	434,159	468,983	810,971	490,133	814,734	424,114	525,768	440,481	446,640	615,978	958,333	6,742,982
<b>TOTAL:</b>	1,984,553	1,141,708	4,884,784	1,226,881	706,528	6,309,776	1,960,607	855,922	5,222,053	1,086,579	1,396,384	5,906,973	32,682,747

Note: Numbers in bold are actual.



State of Rhode Island Alternative Investment Unfunded Commitment  
November 2008

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>Inception to Date Total Funded</u>	<u>ERSRI Remaining Commitment</u>
ABS Capital Partners II	\$ 5,000,000.00	\$ 4,911,478.00	\$ 88,522.00
Alta BioPharma Partners	\$ 10,000,000.00	\$ 10,000,000.00	\$ -
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 12,000,000.00	\$ 3,000,000.00
Alta California Partners II	\$ 10,000,000.00	\$ 10,000,000.00	\$ -
Alta California Partners III	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
Alta Partners VIII	\$ 15,000,000.00	\$ 6,000,000.00	\$ 9,000,000.00
Apollo Investment Fund IV	\$ 15,000,000.00	\$ 14,710,373.00	\$ 289,627.00
Apollo Investment Fund VI	\$ 20,000,000.00	\$ 16,320,792.22	\$ 3,679,207.78
Apollo VII	\$ 25,000,000.00	\$ 4,634,071.00	\$ 20,365,929.00
Aurora Equity Partners II**	\$ 15,000,000.00	\$ 14,961,083.00	\$ 38,917.00
Aurora Equity Partners III**	\$ 15,000,000.00	\$ 9,658,354.00	\$ 5,341,646.00
Avenue Special Situations Fund III	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ 15,927,277.00	\$ 4,072,723.00
Avenue V	\$ 20,000,000.00	\$ 13,539,665.00	\$ 6,460,335.00
Bain X	\$ 25,000,000.00	\$ 6,812,500.00	\$ 18,187,500.00
Birch Hill Equity Partners III*	\$ 14,563,106.80	\$ 11,379,734.83	\$ 3,183,371.97
Blackstone Capital Partners III **	\$ 20,000,000.00	\$ 19,075,955.00	\$ 924,045.00
Blackstone Capital Partners IV **	\$ 25,000,000.00	\$ 20,254,311.00	\$ 4,745,689.00
Blackstone Capital Partners V**	\$ 20,000,000.00	\$ 15,545,817.00	\$ 4,454,183.00
Boston Ventures Ltd V	\$ 5,000,000.00	\$ 5,000,000.00	\$ -
Castile III	\$ 5,000,000.00	\$ 2,000,000.00	\$ 3,000,000.00
Catterton Partners V	\$ 15,000,000.00	\$ 14,070,697.00	\$ 929,303.00
Catterton Partners VI	\$ 15,000,000.00	\$ 8,486,759.00	\$ 6,513,241.00
Centerbridge	\$ 15,000,000.00	\$ 9,887,909.00	\$ 5,112,091.00
Charterhouse Capital Partners VII*	\$ 19,041,000.00	\$ 16,304,026.35	\$ 2,736,973.65
Charterhouse Capital Partners VIII*	\$ 19,041,000.00	\$ 14,170,262.69	\$ 4,870,737.31
Coller International Capital IV**	\$ 15,000,000.00	\$ 12,600,000.00	\$ 2,400,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 6,262,500.00	\$ 8,737,500.00
Constellation 3	\$ 15,000,000.00	\$ 3,495,000.00	\$ 11,505,000.00
Crossroads Providence (Prov. Liquidating Trust)	\$ 45,000,000.00	\$ 45,000,000.00	\$ -
CVC European Equity Partners II*	\$ 15,000,000.00	\$ 13,714,105.82	\$ 1,285,894.18
CVC European Equity Partners III*	\$ 20,000,000.00	\$ 18,428,203.06	\$ 1,571,796.94
CVC European Equity Partners IV*	\$ 20,945,100.00	\$ 18,071,367.86	\$ 2,873,732.14
CVC V	\$ 25,388,000.00	\$ 3,453,117.22	\$ 21,934,882.78
Doughty Hanson Fund II **	\$ 5,300,000.00	\$ 5,300,001.00	\$ (1.00)
Doughty Hanson Fund III **	\$ 15,000,000.00	\$ 14,224,305.00	\$ 775,695.00
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 14,086,808.00	\$ 913,192.00
Fenway Partners Capital Fund III	\$ 15,000,000.00	\$ 9,499,847.00	\$ 5,500,153.00
First Reserve Fund VIII	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
First Reserve Fund IX	\$ -	\$ -	\$ -
First Reserve Fund X	\$ 20,000,000.00	\$ 19,999,998.37	\$ 1.63
First Reserve Fund XI	\$ 20,000,000.00	\$ 15,016,295.00	\$ 4,983,705.00
Focus Ventures III	\$ 15,000,000.00	\$ 8,025,000.00	\$ 6,975,000.00
Granite Global Ventures II	\$ 15,000,000.00	\$ 14,325,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 5,250,000.00	\$ 9,750,000.00
Green Equity Investors IV	\$ 15,000,000.00	\$ 14,611,612.37	\$ 388,387.63
Green Equity Investors V	\$ 20,000,000.00	\$ 5,511,034.24	\$ 14,488,965.76
Harvest Partners III	\$ 15,000,000.00	\$ 14,631,273.39	\$ 368,726.61
Harvest Partners IV	\$ 15,000,000.00	\$ 13,580,200.00	\$ 1,419,800.00
Heritage Fund II	\$ 5,000,000.00	\$ 4,971,500.00	\$ 28,500.00
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 8,103,199.90	\$ 6,896,800.10
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 3,149,999.47	\$ 11,850,000.53
Leapfrog Ventures II	\$ 10,000,000.00	\$ 5,975,000.00	\$ 4,025,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 9,892,628.61	\$ 107,371.39
Lehman Bros IV	\$ 15,000,000.00	\$ 3,662,102.36	\$ 11,337,897.64

State of Rhode Island Alternative Investment Unfunded Commitment  
November 2008

Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 10,462,500.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 11,625,000.01	\$ 3,374,999.99
LNK Partners	\$ 12,500,000.00	\$ 5,575,973.90	\$ 6,924,026.10
Matlin Patterson Glb. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 12,210,677.00	\$ 7,789,323.00
Nautic Partners V	\$ 20,000,000.00	\$ 18,519,194.39	\$ 1,480,805.61
Nautic Partners VI	\$ 20,000,000.00	\$ 6,065,814.01	\$ 13,934,185.99
Nordic Capital Fund III*	\$ 9,852,338.08	\$ 9,692,657.79	\$ 159,680.30
Nordic Capital Fund V*	\$ 18,552,979.17	\$ 17,746,591.73	\$ 806,387.44
Nordic Capital Fund VI*	\$ 19,041,000.00	\$ 18,092,776.45	\$ 948,223.55
Nordic VII	\$ 19,041,000.00	\$ 3,677,351.94	\$ 15,363,648.06
OCM Opportunities Fund	\$ 8,000,000.00	\$ 8,000,000.00	\$ -
OCM Opportunities Fund II	\$ 12,000,000.00	\$ 12,000,000.00	\$ -
OCM Principal Opportunities Fund	\$ 5,000,000.00	\$ 5,000,000.00	\$ -
Paladin	\$ 10,000,000.00	\$ 2,403,343.00	\$ 7,596,657.00
Parthenon Investors	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
Parthenon Investors II	\$ 20,000,000.00	\$ 18,755,730.00	\$ 1,244,270.00
Perseus VII	\$ 15,000,000.00	\$ 5,009,581.00	\$ 9,990,419.00
Point 406	\$ 10,000,000.00	\$ 3,680,000.00	\$ 6,320,000.00
Point Judith II	\$ 5,000,000.00	\$ 1,730,552.00	\$ 3,269,448.00
Providence Equity Partners* *	\$ 10,000,000.00	\$ 10,000,000.00	\$ -
Providence Equity Partners III	\$ 15,000,000.00	\$ 13,085,208.49	\$ 1,914,791.51
Providence Equity Partners IV	\$ 25,000,000.00	\$ 24,479,143.00	\$ 520,857.00
Providence Equity Partners V	\$ 25,000,000.00	\$ 22,721,000.00	\$ 2,279,000.00
Providence Equity Partners VI	\$ 25,000,000.00	\$ 14,579,976.00	\$ 10,420,024.00
SKM Equity Fund II**	\$ 10,000,000.00	\$ 8,270,166.00	\$ 1,729,834.00
Thomas H. Lee Equity Fund IV (THL)**	\$ 9,000,000.00	\$ 8,608,696.00	\$ 391,304.00
Thomas McNerney & Partners	\$ 15,000,000.00	\$ 11,925,000.00	\$ 3,075,000.00
Thomas McNerney & Partners 2	\$ 15,000,000.00	\$ 4,800,000.00	\$ 10,200,000.00
TPG Partners II	\$ 10,000,000.00	\$ 9,691,485.00	\$ 308,515.00
TPG Partners IV	\$ 15,000,000.00	\$ 13,676,117.00	\$ 1,323,883.00
TPG Partners V	\$ 20,000,000.00	\$ 16,201,436.00	\$ 3,798,564.00
TPG VI	\$ 20,000,000.00	\$ 1,015,078.00	\$ 18,984,922.00
VS&A Communication Partners III	\$ 15,000,000.00	\$ 14,840,701.00	\$ 159,299.00
W Capital Partners	\$ 15,000,000.00	\$ 13,182,000.00	\$ 1,818,000.00
W Capital Partners II	\$ 15,000,000.00	\$ 4,312,500.00	\$ 10,687,500.00
WLR	\$ 8,000,000.00	\$ 3,123,323.00	\$ 4,876,677.00
Washington & Congress Capital Partners**	\$ 15,000,000.00	\$ 14,694,362.76	\$ 305,637.24
Wellspring Capital Partners II	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
Wellspring Capital Partners III	\$ 20,000,000.00	\$ 19,286,992.00	\$ 713,008.00
Wellspring Capital Partners IV	\$ 20,000,000.00	\$ 11,116,219.00	\$ 8,883,781.00
Welsh, Carson, Anderson & Stowe VII	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
Willis Stein & Partners	\$ 5,000,000.00	\$ 5,000,000.00	\$ -
<b>Total Alternative Investments</b>	<b>\$ 1,506,515,524.05</b>	<b>\$ 1,106,348,310.23</b>	<b>\$ 400,167,213.82</b>

\* transactions occur in foreign currency

\*\* fees NOT affecting unfunded commitment

State of Rhode Island Alternative Investment Unfunded Commitment  
November 2008

<u>Real Estate Partnership Investment</u>	<u>Total Commitment</u>	<u>Total Inception to Date</u>	
		<u>Funded</u>	<u>Remaining Commitment</u>
Fillmore East Fund I	\$ 10,000,000.00	\$ 9,677,061.30	\$ 322,938.70
Fremont Strategic Property Partners II	\$ 15,000,000.00	\$ 13,792,687.00	\$ 1,207,313.00
GMAC Commerical Realty Partners II	\$ 15,000,000.00	\$ 11,655,179.00	\$ 3,344,821.00
Heitman Advisory Corporation		\$ -	\$ -
JPMorgan Fleming Asset Mgmt. Strat. Prop. Fund	\$ 50,000,000.00	\$ 50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ 20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$ 15,000,000.00	\$ 14,602,062.43	\$ 397,937.57
L&B Real Estate Counsel		\$ -	\$ -
Magna Hotel		\$ -	\$ -
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ 50,000,000.00	\$ -
Prudential Real Estate Investors (PRISA) II	\$ 15,000,000.00	\$ 10,229,815.00	\$ 4,770,185.00
RREEF America REIT II Fund	\$ 35,000,000.00	\$ 35,000,000.00	\$ -
Starwood Hospitality Fund I	\$ 10,000,000.00	\$ 7,000,000.00	\$ 3,000,000.00
TA Realty Fund VIII	\$ 15,000,000.00	\$ 14,250,000.00	\$ 750,000.00
Tri Continental Fund VII	\$ 15,000,000.00	\$ 14,640,061.00	\$ 359,939.00
Walton Street Real Estate Fund V	\$ 20,000,000.00	\$ 19,999,999.82	\$ 0.18
Westbrook Real Estate Fund VI	\$ 15,000,000.00	\$ 15,000,000.00	\$ -
Westbrook Real Estate Fund VII	\$ 15,000,000.00	\$ 3,636,364.00	\$ 11,363,636.00
	\$ 350,000,000.00	\$ 324,483,229.55	\$ 25,516,770.45

# CASH FLOW

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2009

	PY 2008-09 Actual July 2008	Actual August	Actual September	Actual October	Actual November	Projected December	Projected January 2009	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	57,282,256	58,826,989	58,826,615	60,515,062	58,795,680	58,000,000	58,000,000	58,000,000	58,000,000	58,000,000	58,000,000	58,000,000	700,246,602
ADMINISTRATIVE EXPENSES	339,779	339,513	503,815	797,732	529,312	777,259	55,682	556,812	434,195	407,974	641,541	462,197	5,845,813
INVESTMENT EXPENSES	1,383,055	506,539	619,415	239,522	67,616	1,143,783	1,263,900	167,996	761,883	511,398	542,176	748,052	7,955,336
TOTAL OUTFLOW	59,005,091	59,673,041	59,949,846	61,552,315	59,392,609	59,921,042	59,319,583	58,724,808	59,196,079	58,919,373	59,183,717	59,210,249	714,047,751
CONTRIBUTIONS	51,338,466	30,225,420	30,166,263	35,094,098	56,872,505	41,453,000	43,124,000	43,490,135	37,241,439	50,541,113	49,746,039	46,722,223	516,014,701
OTHER INCOME*	3,158,335	2,555,511	8,931,581	1,387,882	2,384,334	3,705,916	2,194,110	3,078,130	2,015,428	5,353,647	2,436,587	4,336,772	41,538,234
TOTAL INCOME	54,496,801	32,780,931	39,097,844	36,481,980	59,256,839	45,158,916	45,318,110	46,568,265	39,256,867	55,894,760	52,182,626	51,058,995	557,552,935
DIFFERENCE	(4,508,290)	(26,892,110)	(20,852,001)	(25,070,335)	(135,770)	(14,762,126)	(14,001,472)	(12,156,543)	(19,939,212)	(3,024,613)	(7,001,091)	(8,151,254)	(156,494,817)

Municipal Employees Retirement System

	Actual July 2008	Actual August	Actual September	Actual October	Actual November	Projected December	Projected January 2009	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	4,770,894	4,875,073	4,891,449	4,897,404	4,918,953	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	58,653,774
ADMINISTRATIVE EXPENSES	57,009	57,172	84,839	135,302	90,085	129,077	9,247	92,692	72,424	68,100	107,195	77,374	980,516
INVESTMENT EXPENSES	232,052	85,298	104,305	40,625	11,508	189,944	209,891	27,966	127,083	85,364	90,592	125,228	1,329,856
TOTAL OUTFLOW	5,059,955	5,017,543	5,080,594	5,073,331	5,020,546	5,219,020	5,119,138	5,020,658	5,099,508	5,053,464	5,097,787	5,102,602	60,964,146
CONTRIBUTIONS	4,031,169	3,812,600	3,564,788	4,920,264	5,245,873	4,383,000	6,233,000	3,904,841	4,070,728	6,870,013	4,927,100	5,422,967	57,386,343
OTHER INCOME*	529,911	430,331	1,504,020	235,397	405,794	615,428	364,368	512,415	336,177	893,644	407,129	725,998	6,960,612
TOTAL INCOME	4,561,080	4,242,931	5,068,808	5,155,661	5,651,667	4,998,428	6,597,368	4,417,256	4,406,905	7,763,657	5,334,229	6,148,965	64,346,955
DIFFERENCE	(498,874)	(774,611)	(11,786)	82,330	631,121	(220,593)	1,478,230	(603,402)	(692,603)	2,710,193	236,442	1,046,363	3,382,809

CASH FLOW ANALYSIS - INCOME & EXPENSES

Judges/State Police  
Retirement System

	Actual July 2008	Actual August	Actual September	Actual October	Actual November	Projected December	Projected January 2009	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	73,502	73,502	73,502	80,750	73,502	75,000	75,000	75,000	75,000	75,000	75,000	75,000	899,759
ADMINISTRATIVE EXPENSES	4,350	4,390	6,515	10,537	7,099	9,324	668	6,846	5,383	5,092	8,064	5,872	74,140
INVESTMENT EXPENSES	17,708	6,550	8,010	3,164	907	13,721	15,162	2,066	9,446	6,383	6,815	9,503	99,434
TOTAL OUTFLOW	95,561	84,443	88,027	94,450	81,508	98,045	90,830	83,912	89,830	86,474	89,879	90,375	1,073,334
CONTRIBUTIONS	455,000	410,000	468,000	710,000	455,000	480,000	490,000	490,000	505,000	535,000	730,000	470,000	6,198,000
OTHER INCOME*	40,438	33,047	115,499	18,332	31,977	44,456	26,321	37,848	24,988	66,817	30,628	55,094	525,444
TOTAL INCOME	495,438	443,047	583,499	728,332	486,977	524,456	516,321	527,848	529,988	601,817	760,628	525,094	6,723,444
DIFFERENCE	399,877	358,604	495,471	633,881	405,469	426,411	425,491	443,936	440,159	515,343	670,749	434,719	5,650,110

\*includes income from Real Estate Investments, Private Equity, Securities Lending, and Cash Accounts,

**Rhode Island Employees Retirement System**  
**Securities Lending Income**  
**November 2008**

Investment Manager	Fund	Income	Average Collateral Balance
<b><u>Domestic Equity</u></b>			
Wellington Technical Equity	ZU04	\$7,149.80	\$6,938,522.48
Wellington Mgmt. Co., LLP	ZU38	\$78,896.46	\$85,458,878.62
Northpointe Capital	ZU47	\$137,474.87	\$110,062,178.87
Mackay Shields	ZU59	\$18,306.27	\$21,393,877.56
SSgA Core	ZU99	\$31,350.35	\$43,642,718.33
<b>Total Domestic Equity</b>		<b>\$273,177.75</b>	<b>\$267,496,175.86</b>
<b><u>International Equity</u></b>			
Goldman Sachs	ZU25	\$28,747.05	\$25,566,541.25
Delaware Investment Advisors	ZU67	\$28,079.66	\$15,564,139.85
The Boston Company	ZU77	\$43,152.47	\$42,915,366.08
<b>Total International Equity</b>		<b>\$99,979.18</b>	<b>\$84,046,047.18</b>
<b><u>Fixed Income</u></b>			
Brown Brothers, Harriman	ZU44	\$17,162.32	\$20,181,191.57
Fidelity Management Trust Company	ZU46	\$1,066.97	\$977,287.50
Brown Brothers, Harriman	ZU69	\$413,094.50	\$493,073,079.31
Taplin, Canida & Habacht	ZU84	\$8,845.21	\$11,690,663.18
<b>Total Fixed Income</b>		<b>\$440,169.00</b>	<b>\$525,922,221.56</b>
<b>Total Securities Lending Income</b>		<b>\$813,325.93</b>	<b>\$877,464,444.60</b>

**Cumulative Securities Lending Income**

Calendar Year 2006	\$3,278,468.18
Calendar Year 2007	\$3,977,087.74
Calendar Year 2008	\$8,556,166.38

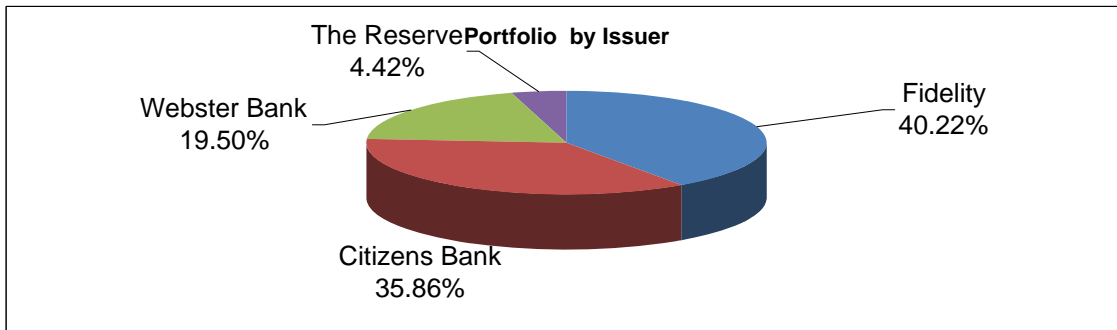
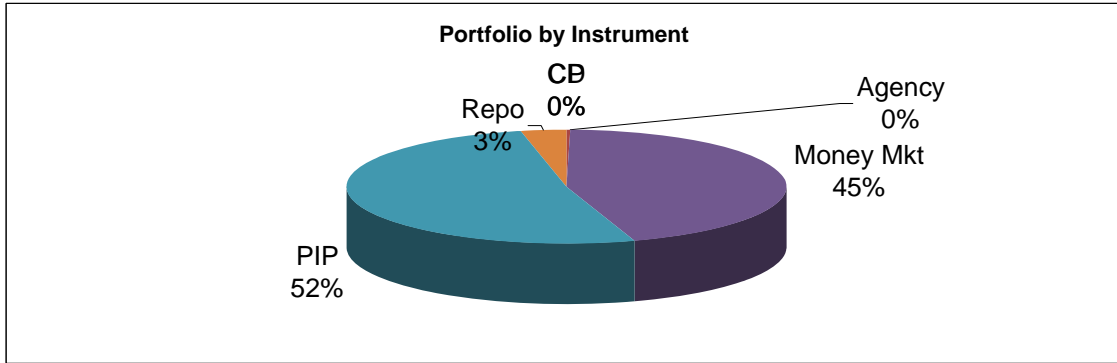


# SHORT TERM INVESTMENTS



**State of Rhode Island  
Short Term Investment Portfolio**

Portfolio Analysis by Issuer and Investment Type with data as of:  
**11/30/2008 0:00**



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

Vendor	CP 25%/10%	CD 25%/10%	Agency 75%/35%	Money Mkt 75%/35%	PIP 25%/25%	Repo 100%/20%	Total (\$)
Guidelines-Total/Vendor							
Merrill Lynch	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
Sovereign Bank	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
JP Morgan Chase	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
Paine Webber	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
Fidelity	0	0	0	74,554,197	0	0	74,554,197
	0%	0%	0%	40%	0%	0%	40.22%
First Tennessee	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
Brinson Advisors	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
Citizens Bank	0	530,283	0	0	59,736,463	6,200,000	66,466,746
	0%	0%	0%	0%	32%	3%	35.86%
GE Capital	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
Webster Bank	0	0	0	0	36,134,760	0	36,134,760
	0%	0%	0%	0%	19%	0%	19.50%
Citi-Group	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
State St Bank	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0.00%
The Reserve	0	0	0	8,189,657	0	0	8,189,657
	0%	0%	0%	4%	0%	0%	4.42%
<b>TOTALS</b>	<b>0</b>	<b>530,283</b>	<b>0</b>	<b>82,743,855</b>	<b>95,871,223</b>	<b>6,200,000</b>	<b>185,345,360</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>0.29%</b>	<b>0.00%</b>	<b>44.64%</b>	<b>51.73%</b>	<b>3.35%</b>	<b>100.00%</b>

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

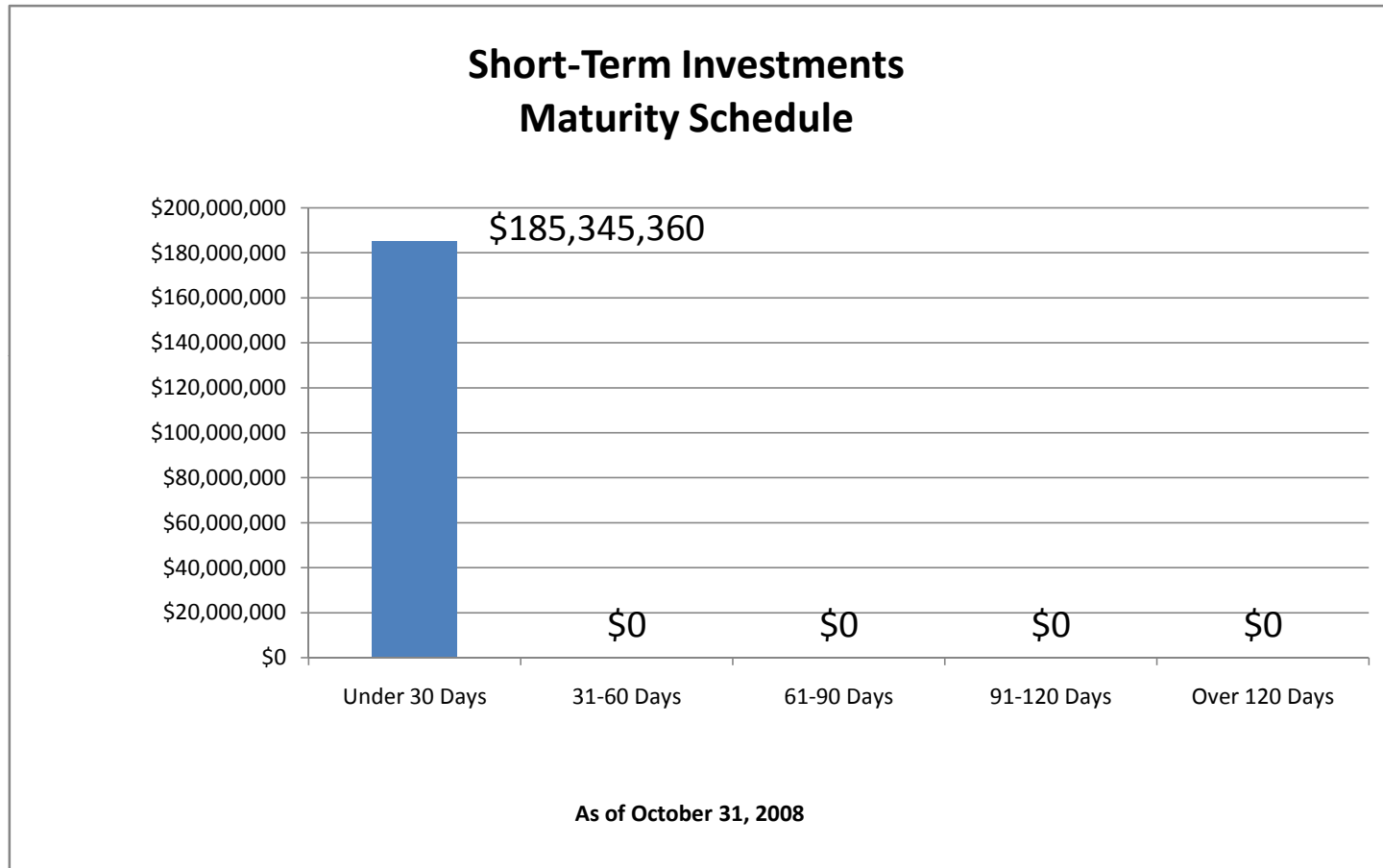
**State of Rhode Island and Providence Plantations  
Office of the General Treasurer**

**Short Term Investment Portfolio by Fund  
As of November 30, 2008**

	Principal	Interest	TV @ Maturity
4901 GENERAL FUND	\$312,893.42	\$0.00	\$312,893.42
4916 H.A.V.A	\$133,114.09	\$0.00	\$133,114.09
4918 RICAP GL FUND 21	\$3,241,140.18	\$0.00	\$3,241,140.18
4920 GENERAL FUND (HIST PRES)	\$530,282.63	\$1,443.55	\$531,726.18
4955 HEALTH INSURANCE FUND	\$13,750,000.00	\$0.00	\$13,750,000.00
4956 STATE FLEET REVOLV LN FND	\$4,914,192.70	\$0.00	\$4,914,192.70
4957 RET STATE EMPL HLTH FUND	\$3,799,271.76	\$0.00	\$3,799,271.76
4958 BOG RETIRE HEALTH FUND	\$556,174.10	\$0.00	\$556,174.10
4959 RIPTA HEALTH FUND	\$53,794.97	\$0.00	\$53,794.97
4961 TEACHER RETIREE HLTH FUND	\$641,303.19	\$0.00	\$641,303.19
5400 HIGHWAY FUND	\$21,790,650.10	\$0.00	\$21,790,650.10
5500 UNIVERSITY COLLEGE	\$2,452,728.26	\$0.00	\$2,452,728.26
6200 ASSESSED FRINGE BEN ADM	\$1,671,340.43	\$0.00	\$1,671,340.43
8000 T.D.I. RESERVE (DET)	\$78,338,371.41	\$0.00	\$78,338,371.41
8300 PERMANENT SCHOOL FUND	\$1,210,627.18	\$0.00	\$1,210,627.18
8400 EMPLOYEES RETIREMENT	\$8,669,250.03	\$0.00	\$8,669,250.03
8500 MUNICIPAL EMPLOYEES RET.	\$277,063.37	\$0.00	\$277,063.37
8700 R.I. CLEAN WATER ACT	\$930,082.36	\$0.00	\$930,082.36
9000 BOND CAPITAL FUND	\$5,654,337.66	\$0.00	\$5,654,337.66
9700 STATE LOTTERY FUND	\$34,513,604.07	\$284.17	\$34,513,888.24
9800 INDUS. BLDG. & MTG. INS.	\$1,905,138.24	\$0.00	\$1,905,138.24
<b>Subtotal</b>	<b>\$185,345,360.15</b>	<b>\$ 1,727.72</b>	<b>\$185,347,087.87</b>
8703 CLEAN WATER CCDL 1998B	\$45,761.84	\$0.00	\$45,761.84
8706 CLEAN WATER CCDL 1994 (A)	\$6,054.81	\$0.00	\$6,054.81
8707 CAP DEV. OF 1997 SERIES A	\$19,342.99	\$0.00	\$19,342.99
8710 CLEAN WATER CCDL 2002 B	\$51,527.38	\$0.00	\$51,527.38
8711 CLEAN WATER 2004 SERIES A	\$655,279.87	\$0.00	\$655,279.87
8712 CLN WATER CCDL 2005 SER E	\$236,106.98	\$0.00	\$236,106.98
8733 CAP DEV. OF 1997 SERIES A	\$7,046.14	\$0.00	\$7,046.14
8737 RI POLLUT. CONT 94 SER. A	\$6,330.70	\$0.00	\$6,330.70
8739 CCDL99A 1999A	\$309,637.29	\$0.00	\$309,637.29
8746 POL. CTRL CCDL 2006 SER C	\$232,818.85	\$0.00	\$232,818.85
8747 CLEAN WATER 2007 SERIES A	\$500,553.46	\$0.00	\$500,553.46
9114 G.O. NOTE 1991 SER. B	\$3,796.42	\$0.00	\$3,796.42
9117 BOND CCDL 1994 SERIES A	\$174,395.11	\$0.00	\$174,395.11
9120 BOND CCBL96A	\$615,780.74	\$0.00	\$615,780.74
9121 CAP DEV OF 1997 SERIES A	\$345.52	\$0.00	\$345.52
9123 CCDL 1998B	\$1,751,854.28	\$0.00	\$1,751,854.28
9125 MMG099 1999	\$2,849.57	\$0.00	\$2,849.57
9126 BOND CAPITOL CCDL2000A	\$952,495.42	\$0.00	\$952,495.42
9127 MULTI-MODAL GEN OBL 2000	\$2,821.22	\$0.00	\$2,821.22
9131 CCDL 2004 SERIES A	\$8,055,758.66	\$0.00	\$8,055,758.66
9132 BOND CCDL 2005 SERIES C	\$16,053,747.29	\$0.00	\$16,053,747.29
9133 BOND CCDL 2005 SERIES E	\$2,428,664.13	\$0.00	\$2,428,664.13
9134 BOND CCDL 2006 SERIES B	\$22,674.04	\$0.00	\$22,674.04
9135 BOND CCDL 2006 SERIES C	\$7,138,109.51	\$0.00	\$7,138,109.51
9136 GO BND-NTAX 2007 SERIES A	\$16,326,297.67	\$0.00	\$16,326,297.67
9137 GO BND-TAX 2007 SERIES B	\$4,030,042.45	\$0.00	\$4,030,042.45
<b>Subtotal</b>	<b>\$59,630,092.34</b>	<b>\$ -</b>	<b>\$59,630,092.34</b>
4911 TANS PROCEEDS	\$237,508,318.58	\$1,502.33	\$237,509,820.91
<b>Grand Total</b>	<b>\$482,483,771.07</b>	<b>\$ 3,230.05</b>	<b>\$482,487,001.12</b>

\* Many funds include investment in Money Market and Collateralized Deposit investment vehicles. These investments do not have a fixed yield or duration and as such, interest earnings on these investments will not be reflected above. These investments pay a dividend, or interest on the 1st day of the month.

Short Term Investments  
Maturity Schedule  
November 30, 2008



Maturities in \$Millions

Note: Includes \$178.6 Million of Money Market and PIP investments with no specific maturity

# SPECIAL FUNDS

**ABRAHAM TOURO FUND  
INVESTMENT SUMMARY  
November 30, 2008**

<b><u>FUND NAME</u></b>	<b>September Gain/Loss</b>	<b>TOTAL MARKET VALUE</b>
Abraham Touro Fund ( Fidelity Balanced Fund)	<b>\$ (81,092)</b>	<b>\$ 1,562,539</b>
<b><u>TOTALS</u></b>	<b>\$ (81,092)</b>	<b>\$ 1,562,539</b>