

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
DECEMBER 31, 2008**

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Frank T. Caprio, Chair

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

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

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, January 28 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 1/13/09 *
3. General Consultant Review – Pension Consulting Alliance
 - Passive Implementation Recommendations *
 - Request For Proposals
4. Legal Counsel Report
5. Chief Investment Officer Report
6. Treasurer's Report
7. New Business

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

POSTED ON FRIDAY, JANUARY 23, 2009

APPROVAL OF MINUTES

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

Mid-Month Meeting January 13, 2009

A State Investment Commission (SIC) meeting was held in Room 135, State House, Providence, Rhode Island on Tuesday, January 13, 2009. The Treasurer called the meeting to order at 9:04 a.m.

Membership Roll Call. Present were: Mr. Michael Costello, Mr. Robert Gaudreau, Dr. Robert McKenna, Ms. Marcia Reback, Mr. Andrew Reilly, Mr. John Treat, Mr. Robert Giudici, and General Treasurer Frank T. Caprio. Also present were: Mr. Kenneth E. Goodreau, Chief Investment Officer; Ms. Sarah Dowling, of Adler Pollock & Sheehan; Mr. David Ursillo, of Rodio & Ursillo, Legal Counsel to the Commission; Mr. Allan Emkin and Mr. John Burns of Pension Consulting Alliance, General Policy Consultants to the Commission; Ms. Michelle Davidson of the Pacific Corporate Group, Alternative Investment Consultant to the Commission; Ms. Laura Callahan and Mr. Craig DeGiacomo, of State Street Corporation; and other members of the Treasurer's staff. Ms. Rosemary Booth Gallogly arrived at 9:15AM.

State Investment Commission Minutes. The Treasurer entertained a motion for approval of the minutes for the meeting of December 17, 2008. Ms. Reback moved, Dr. McKenna seconded, and the subsequent motion was passed. The following members voted in favor: Mr. Costello, Dr. McKenna, Mr. Gaudreau, Mr. Giudici, Ms. Reback, Mr. Reilly, Mr. Treat, and General Treasurer Caprio.

VOTED: To approve the Minutes of the December 17, 2008 Monthly meeting.

Treasurer Caprio introduced Investment Cash Manager, Mr. Vincent Izzo, who gave an update on short term investment guidelines.

Short Term Investment Cash Management Update. Mr. Izzo advised the group that we are now able to meet our policy guidelines thanks to the Commission's two recent approvals regarding Collateralized Deposits and CD instruments and the addition of three new vendors. CDARS transactions through Sovereign Bank will be starting shortly and we are looking for an additional yield of 100 bps. A brief discussion ensued regarding CDARS and its maximum contribution amount and term requirements; it was clarified that the maximum contribution amount is \$50 million and the term required is a minimum of 4 weeks and a maximum of 3 years.

Treasurer Caprio then introduced Mr. Allan Emkin and Mr. John Burns of PCA. The Treasurer noted that an information packet on Efficient Market Equities had been distributed to board members in anticipation of this presentation.

Asset Allocation – Passive Implementation Recommendations. Mr. Emkin and Mr. Burns presented the board with a recommendation to move from our current asset allocation strategy of active management to a more passive approach that concentrates heavily Equity Markets. It was explained that our current strategy is based on the philosophy that the active managers, which were selected by the SIC, are skilled in stock selection and as such, their skill can add value.

PCA's proposed approach is based on the following philosophy: (1) the principle that Equity Markets are relatively efficient; (2) active management is a negative sum game after

commissions and fees; (3) stock selection is difficult over long periods of time; (4) while some managers will exhibit stock selection skills after the fact, it is difficult to select those managers that will deliver future stock selection skills; (5) indexing will provide market return at minimal costs; (6) future allocation to active managers will be made to gain new exposure to non-correlated assets.

Mr. Burns reviewed our current US Equity and Non-US Equity Portfolio structures and juxtaposed both against the proposed 80-100% indexing configuration. Currently, the US Equity structure is 58% actively managed with four managers and fees of 24.5 bps, while the Non-US Equity structure is 100% actively managed with three managers and fees of 43.5 bps. However, the move to indexing 100% of the portfolio would allow us to reach the benchmark return without the negative effect when factoring in fees. A rough estimate of fees for indexing both the US Equity and Non-US Equity funds would be approximately 1.2 bps for US Equity funds and 3.5 bps for Non-US Equity funds. As a result of indexing these funds, an annual cost savings of approximately \$11.725 million would be realized.

Treasurer Caprio observed that, currently, the US Equity Chart indicates an average active management fee of 24.5 bps; the Treasurer further noted that a strong correlation exists between said the fee and the underperformance of the fund. The amount by which the fund has underperformed the benchmark is approximately the amount of active management fees paid by the fund.

Mr. Emkin added that consultants have been advising active managers against idiosyncratic risk in investment portfolios, therefore making the portfolios look more like the underlying benchmarks; these benchmarks, when aggregated, reflect those of both the Russell 3000 and Dow Wilshire 5000. Hence, by controlling risks, we have essentially created an index fund with active management fees.

There was a discussion regarding the returns generated by active management. It was noted that, when compared to the index, the fund earnings were negative and we had paid for the generation of alpha without an incremental return. However, if we had invested solely in indexes, we would have added value. It was suggested that the commission should not disregard the individual active managers who had over performed. Mr. Emkin advised the board that individual performance data is available, but cautioned that past performance does not necessarily indicate future success.

Mr. Emkin presented further information regarding other Pension Funds who have moved from an active to passive management approach. He explained that passive management has been used for many years and that, generally, the larger the fund, the greater the allocation being indexed

Mr. Emkin then moved on to discuss passive management risk. The Index portfolio would be a configuration of securities, with market risk being the only business risk. These portfolios would be relatively easy to manage, as decisions would be made through the use of technology and would be implemented by traders, so as to minimize cost.

Ms. Gallogly asked Mr. Emkin to address both the timing and the liquidation process for moving to an Index Fund. Mr. Emkin explained that in liquidating the portfolio, we would be moving to a more diverse stock portfolio from a more concentrated one, although the value would be comparatively similar; the amount to be “crossed,” or transferred, would be suggested by the selected investment manager. The manager would work to minimize the cost of the restructuring

process, which would include moving securities in existing portfolios, through such endeavors as discussing options with investment managers and securing trades at low fees.

When asked about the possibility of keeping current active managers, Mr. Emkin advised the board that these managers reflect the current market and do not add the diversification that would be needed within the potential 20% active allocation. He suggested that we instead seek management strategies that are not sensitive to the same economic factors as the broad equity markets, nor resemble the broad US Equities and/or International Equities indices.

Mr. Goodreau added that this shift would not be solely about cost savings and creating efficiencies, but gives the board an opportunity to focus on the value that can be added to the 20% allocation. Essentially, we would try to create efficiencies where possible, while focusing on the 20% active allocation. Mr. Goodreau noted that our active managers should not only concentrate on performance, but should also create more entrepreneurial and innovative strategies that are consistent with a total return focus.

Mr. Costello asked if an index fund strategy would represent real equity purchases, to which Mr. Emkin replied, yes, we would be holding all of the actual equity securities.

Mr. Reilly asked what the selection process for passive managers would be, considering the variances in performance. Mr. Emkin explained that although the performance variances are within 1-3 bps, a Request for Proposals (RFP) would be issued to ensure competitive bidding and transparency.

Mr. Treat asked why there was a change in the proposed benchmark from the Wilshire 5000 to the Russell 3000. This change was suggested, it was clarified, to guarantee the ease of implementation. Whereas the Wilshire 5000 has more stocks, some of which are very small, the Russell 3000 covers 98% by market cap weight of the Wilshire 5000, resulting in the same correlation. Additionally, it was noted that the Russell 3000 provides broad exposure, which includes large, mid, small, value, and growth providing the desired diversification.

Treasurer Caprio then moved on to the proposed resolution, which would change the means of achieving our equity asset allocation by allotting 80-100% of our allocation through a passive strategy and 0-20% through an active strategy. If adopted, the present policy would change immediately and the search for passive managers through the RFP process would commence. The new strategy would also allow us to employ an active manager with an initially small investment and then quickly respond to their performance.

The Treasurer entertained a motion, made by Dr McKenna, to adopt the resolution as presented in the provided materials. Ms. Reback and Mr. Giudici seconded; there being no further questions, the motion was passed. The following members voted in favor: Ms. Gallogly, Mr. Costello, Mr. Reilly, Mr. Giudici, Mr. Gaudreau, Ms. Reback, Mr. Treat, Dr. McKenna, and Treasurer Caprio.

VOTED: To adopt the Resolution as presented in the information package to the Board.

Treasurer Caprio then introduced Mr. Craig DeGiacomo, Relationship Advisor with State Street, and the current provider of our S&P Index funds. Mr. DeGiacomo was present to answer any questions regarding indexing and the differences that may appear between such and the benchmark.

Mr. DeGiacomo began by expressing his agreement with Mr. Emkin and Mr. Burns regarding the current marketplace and the trend toward indexing. He noted that the need for cost efficiency, ease of implementation and increase in liquidity are major factors for public funds moving from active to passive management.

Mr. DeGiacomo explained that State Street has a variety of Index Funds available, including lending and non-lending, commingled or separate accounts.

He continued with a brief explanation of the risks of index funds, custodial risk, and the impact of concentrating all our investments with one fund. He noted that more in-depth information on these issues would be presented in State Street's RFP.

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

Chief Investment Officer Report. Mr. Goodreau had nothing further to discuss.

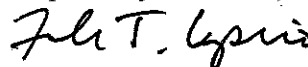
New Business. There was no new business.

The Treasurer entertained a motion to adjourn. Ms. Reback moved, Dr. McKenna seconded and the subsequent motion was passed. The following members voted in favor: Ms. Reback, Dr. McKenna, Ms. Gallogly, Mr. Costello, Mr. Gaudreau, Mr. Giudici, Mr. Reilly, Mr. Treat, and General Treasurer Caprio.

VOTED: To adjourn the meeting.

There being no further business, the meeting was adjourned at 11:10 a.m.

Respectfully submitted,



Frank T. Caprio
General Treasurer

STAFF SUMMARY

**RHODE ISLAND STATE INVESTMENT COMMISSION
STAFF SUMMARY ANALYSIS
PORTFOLIO HIGHLIGHTS
December 31, 2008**

PORTFOLIO PERFORMANCE

December

The ERSRI portfolio posted a 3.19% for the month of December, against the policy index of 2.90%. Domestic Equities were 2.69% international equities were 6.37%, and the fixed income asset class returned 3.70%. Additionally, the retirement fund earned \$893,726 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 3.90% against its 3.21% index.

Calendar Year to Date

For the twelve months ended December 31, 2008, the portfolio is down -26.15% against the policy index of -27.63%. Domestic equities were down -36.78%, international equities were down -39.55%, while fixed income generated a return of 3.70%.

Fiscal Year to Date

For the Fiscal Year ended June 30, 2009, the fund has lost -20.82%, against the policy index of -22.38%.

Index Performance Summary - Decembr 31, 2008		
Market Indices	Dec-08	Calendar YTD
<u>Domestic Equity</u>		
S & P 500	1.06%	-37.00%
DJ Wilshire 5000	1.73%	-37.23%
Russell 2000	5.80%	-33.79%
Russell 1000	1.60%	-37.60%
Policy Index	3.21%	-28.80%
<u>International Equity</u>		
MSCI ACWI	5.72%	-45.24%
<u>Fixed Income</u>		
Lehman AGG	3.73%	5.24%
<u>Real Estate</u>		
NCREIF	-0.09%	6.28%

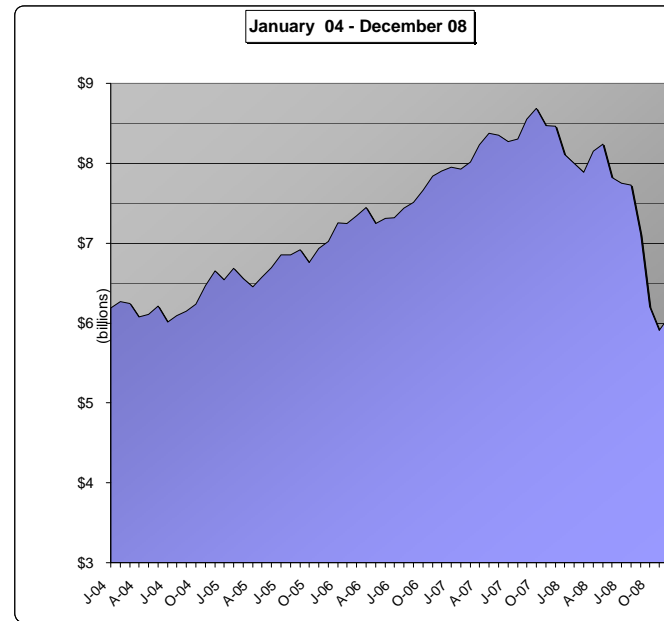
ERSRI Performance By Asset Class	Dec-08	Calendar YTD
Domestic Equity	2.69%	-36.78%
Fixed Income	3.70%	-2.11%
International Equity	6.37%	-39.55%
Total Fund Composite*	3.90%	-28.67%
Manager Summary	Dec-08	CYTD
<u>DOMESTIC EQUITY</u>		
Shott	0.04%	-13.20%
PIMCO	3.59%	-41.06%
SSgA S&P 500	1.12%	-36.91%
SSgA Core	2.26%	-37.99%
Wasatch	11.64%	0.00%
Northpointe	6.59%	-34.25%
Wellington	7.83%	-38.21%
Wellington Technical Eq	-3.38%	-19.17%
Total Domestic Equity	2.69%	-36.78%
<u>FIXED INCOME</u>		
Brown Bros TIPS	5.72%	-0.29%
Brown Bros Core	2.95%	2.04%
Fidelity	1.94%	4.70%
Taplin Canida & Habacht	4.72%	-13.09%
Fixed Income Cash Acct	0.16%	2.63%
Mackay Shield	2.26%	-22.80%
Total Fixed Income	3.70%	-2.11%
<u>INTERNATIONAL EQUITY</u>		
Mondrian	5.60%	-38.26%
Goldman Sachs	6.52%	-43.94%
Boston Co	7.02%	-36.49%
Total International Equity	6.37%	-39.55%

*Total Fund Composite includes all classes ex PE & RE

**Market Valuation Report
December, 2008**

Market Values

The total portfolio value increased in December by \$170 million to \$6.078 billion. This compares with an decrease in value of \$1.4 billion for the same period in 2007. The Domestic Equity Market values increased by \$69 million, including transfers in of \$231.4 thousand; Fixed Income increased by \$59.7 million, including transfers in of \$115 thousand; while International Values increased by \$61.6 million, including transfers in of \$109 thousand. The Cash Accounts decreased by \$23.8 million including transfers out of \$17.1 million, and Alternative Investments increased by \$3.4 million, including transfers in of \$6.9 million.



Cash Flow

December pension payroll of \$65.5 million was more than the \$52.3 million in contributions and wire transfers received by \$13.2 million.

To meet pension and other obligations, \$11 million was transferred from long-term investments.

Alternative Investments

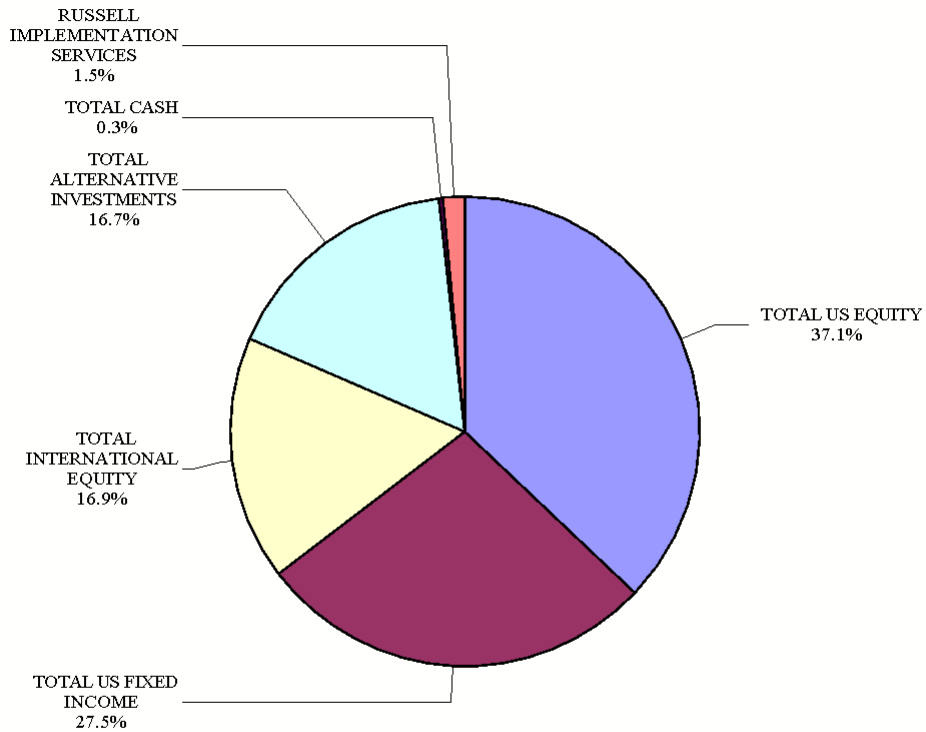
At this time the alternative investment asset class has unfunded commitments of approximately \$394 million on commitments of \$1,521 million.

CAPITAL CALLS Net of Distributions

December 2008	FYTD	UNFUNDED BALANCE
\$5,978,043	\$31,407,779	\$393,726,588
December 2007	FYTD	UNFUNDED BALANCE
\$14,291,577	\$26,859,412	\$410,299,267

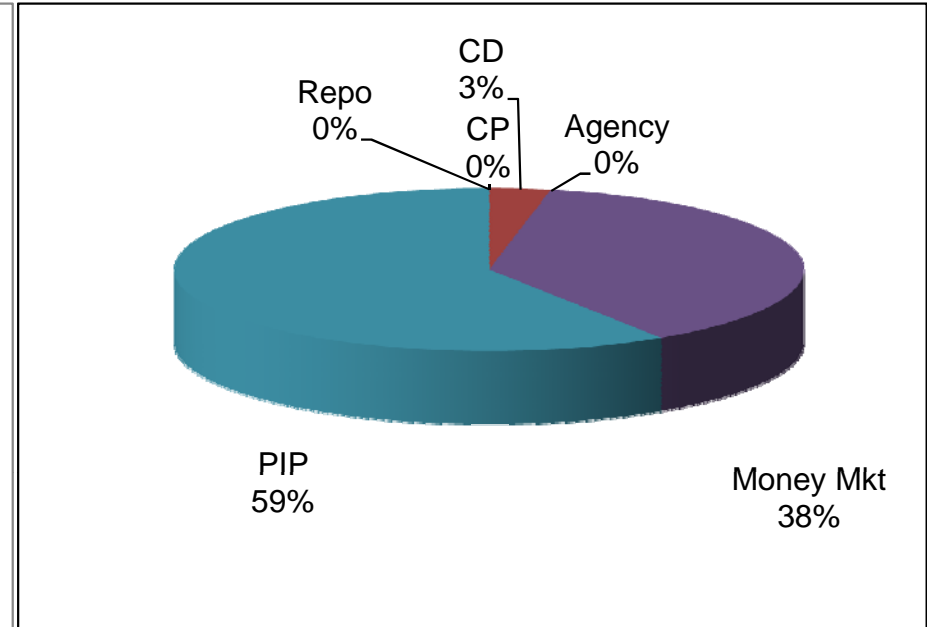
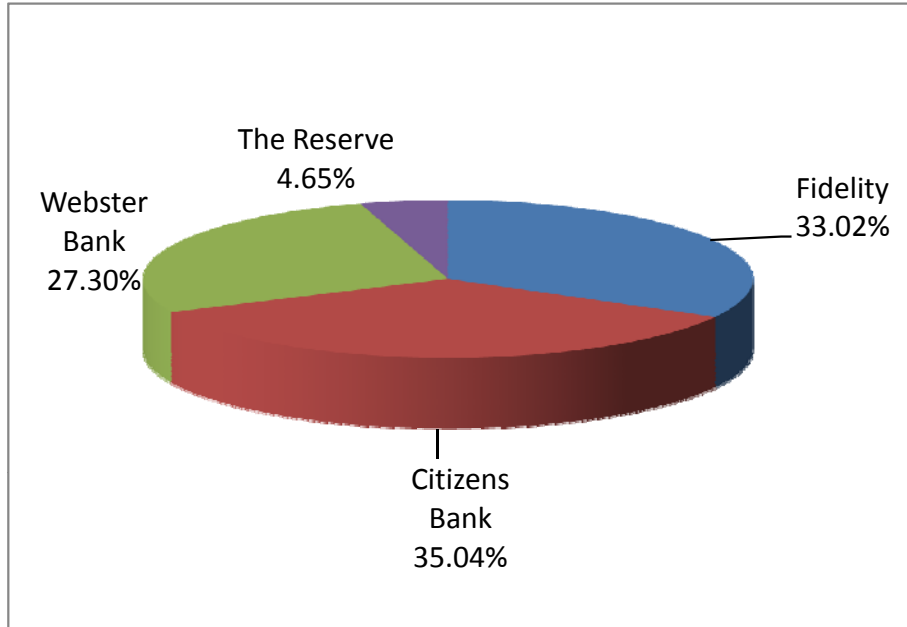


CURRENT ASSET CLASS ALLOCATION (IN MILLIONS)



MANAGER	CURRENT PERIOD
TOTAL US EQUITY	2,256.1
TOTAL US FIXED INCOME	1,669.0
TOTAL INTERNATIONAL EQUITY	1,027.1
TOTAL ALTERNATIVE INVESTMENTS	1,016.8
TOTAL CASH	16.2
RUSSELL IMPLEMENTATION SERVICES	92.9
TOTAL	6,078.1

**RHODE ISLAND STATE INVESTMENT COMMISSION
SHORT TERM CASH INVESTMENTS AT:
December 31, 2008**



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
January, 2009**

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%	Aa3		P-1	A-1+	Aa3	A+	Negative
Citigroup Inc.	2	0%	Aa3		P-1	A-1+	Aa3	A+	Stable
RBS Citizens	3,4	49%	Aa3		P-1	A-1	Aa3	A	Stable
First Tennessee Capital Markets	5	0%	A3		P-2	A-2	A3	BBB+	Stable
Fidelity	6	15%				N/R		N/R	N/R
Merrill Lynch	2,5,6	0%	A1		P-1	A-1	A1	A+	Negative
The Reserve	6	19%				N/R		N/R	N/R
GE Capital	2	0%	Aaa		P-1	A-1+	Aaa	AAA	Negative
Morgan Stanley	1,2,5	0%	A2		P-1	A-1	A2	A	Negative
UBS Brinson Advisors	6	0%	Aa2		P-1	A-1	Aa2	A+	Stable
State Street Bank & Tru	1,3	0%	Aa2		P-1	A-1+	Aa2	AA-	Negative
Webster Bank	3,4	18%	A3		P-1	A-2	A3	BBB+	Negative

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

January 28, 2009

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 December 31, 2008.

Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation

December 31, 2008

Asset Class		
Cash/Short Term Investments		334,651,793
Equities - Domestic		2,124,558,827
Equities - International		986,832,396
Fixed Income - Government	\$1,182,754,761	
Fixed Income - Corporate	\$432,565,174	
Fixed Income - In State	\$0	
Total Fixed Income		1,615,319,935
Alternative Investments		637,965,040
Real Estate		378,691,242
Total Fund Investments		6,078,019,232
Plan Allocation		
State Employees & Teachers	84.45%	5,133,087,865
Municipal Employees	14.40%	875,482,959
State Police	0.70%	42,726,445
Judicial	0.44%	26,721,963
Total Fund Investments	100.00%	6,078,019,232

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 December 31, 2008

	MKT VAL	% of FUND	1 Month	3 Months	YTD	FYTD	1 Year	2 Years	3 Years	5 Years	ITD	Incept Date	
DOMESTIC EQUITY													
Index													
	SSGA S&P 500 INDEX FUND S&P 500	1,079,255,320	17.8	1.1	-21.9	-36.9	-28.4	-36.9	-18.4		-15.9	11/01/2006	
				1.1	-21.9	-37.0	-28.5	-37.0	-18.5		-15.9		
Enhanced													
	PIMCO S&P 500	315,271,014	5.2	3.6	-23.5	-41.1	-32.8	-41.1	-20.9	-10.2	-3.5	-3.6	12/01/2000
				1.1	-21.9	-37.0	-28.5	-37.0	-18.5	-8.4	-2.2	-2.8	
Active Core													
	SSGA - CORE RUSSELL 1000	235,553,833	3.9	2.3	-22.3	-38.0	-31.2	-38.0	-18.3	-7.6	-1.1	1.9	10/01/1998
				1.6	-22.5	-37.6	-29.7	-37.6	-18.8	-8.7	-2.0	0.9	
Active Small Cap													
	WELLINGTON TECHNICAL EQUITY S&P 500	127,016,849	2.1	-1.9	-10.7	-20.7	-23.3	-20.7				-8.4	08/01/2007
				1.1	-21.9	-37.0	-28.5	-37.0				-26.9	
	NORTHPOINTE CAPITAL RUSSELL 2000	247,982,430	4.1	6.6	-24.1	-34.3	-27.4	-34.3	-21.3	-9.7	-1.2	2.3	03/01/2002
				5.8	-26.1	-33.8	-26.9	-33.8	-19.3	-8.3	-0.9	2.2	
	WELLINGTON MANAGEMENT CO. LLC RUSSELL 2000	249,918,298	4.1	7.8	-26.4	-38.2	-31.5	-38.2	-21.9	-11.0	-2.8	0.5	03/01/2002
				5.8	-26.1	-33.8	-26.9	-33.8	-19.3	-8.3	-0.9	2.2	
Other													
	SHOTT CAPITAL	1,053,658	0.0							-16.3			04/01/1999
TOTAL US EQUITY													
DOW WILSHIRE 5000 FREE FLOAT													
		2,256,051,403	37.1	2.7	-22.4	-36.8	-29.3	-36.8	-18.9	-8.8	-1.9	7.8	03/01/1989
				1.7	-22.9	-37.2	-29.5	-37.2	-18.6	-8.4	-1.7	8.1	
INTERNATIONAL EQUITY													
Active													
	GOLDMAN SACHS MSCI AC WORLD ex US (GROSS)	315,070,701	5.2	6.5	-21.4	-43.9	-38.1	-43.9	-20.7	-7.3	3.5	08/01/2004	
				5.7	-22.3	-45.2	-39.3	-45.2	-19.9	-6.6	3.2		
	THE BOSTON COMPANY MSCI AC WORLD ex US (GROSS)	357,045,910	5.9	7.0	-14.3	-36.5	-28.6	-36.5	-17.6	-5.7	-0.2	12/01/2004	
				5.7	-22.3	-45.2	-39.3	-45.2	-19.9	-6.6	-0.1		
	MONDRIAN MSCI AC WORLD ex US (GROSS)	354,979,351	5.8	5.6	-15.6	-38.3	-29.9	-38.3	-16.2	-2.8	5.5	05/01/2004	
				5.7	-22.3	-45.2	-39.3	-45.2	-19.9	-6.6	2.9		
	TRANSITION ACCOUNT INT EQUITY	17,576	0.0									06/01/2003	
	PUTNAM INVESTMENTS	5,355	0.0									05/01/2001	
	BANK OF IRELAND	3,515	0.0									05/01/2001	
TOTAL INTERNATIONAL EQUITY													
MSCI AC WORLD ex US (GROSS)													
		1,027,122,408	16.9	6.4	-17.0	-39.6	-32.3	-39.6	-18.3	-5.3	3.5	3.4	03/01/1989
				5.7	-22.3	-45.2	-39.3	-45.2	-19.9	-6.6	3.0	3.9	
U.S. FIXED INCOME													
Core													
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	313,131,189	5.2	3.0	3.6	2.0	1.9	2.0	3.4	3.6	3.8	6.5	03/01/1990
				3.5	5.7	7.0	5.5	7.0	7.1	6.2	5.1	7.3	
Mortgage													
	PYRAMIS GLOBAL ADVISORS BC MBS	479,417,212	7.9	1.9	2.6	4.7	3.9	4.7	4.6	4.8	4.6	7.5	10/01/1989
				1.7	4.3	8.3	6.3	8.3	7.6	6.8	5.5	7.3	
Corporates													
	TAPLIN, CANIDA & HABACHT BC CREDIT	267,493,338	4.4	4.7	-0.6	-13.1	-11.3	-13.1	-4.7	-1.6	0.7	5.2	04/01/1996
				6.3	4.0	-3.1	-2.6	-3.1	0.9	2.0	2.7	5.8	
High Yield													
	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	104,769,663	1.7	2.3	-17.8	-22.8	-22.4	-22.8	-11.4	-4.0	0.9	7.0	10/01/2002
				5.6	-18.8	-26.2	-25.3	-26.2	-13.0	-5.3	-0.6	4.5	
TIPS													
	BROWN BROTHERS HARRIMAN - TIPS BC U.S. TIPS	501,137,483	8.3	5.7	-1.8	-0.3	-4.9	-0.3	5.3	3.5	4.6	06/01/2004	
				5.0	-3.5	-2.4	-6.9	-2.4	4.4	3.1	4.0		
Other													
	FIXED INCOME CASH ACCOUNT	3,049,723	0.1	0.1	0.5	2.8	1.1	2.8			3.8	04/01/2007	
TOTAL US FIXED INCOME													
BC AGGREGATE													
		1,668,998,609	27.5	3.7	-0.6	-2.1	-3.5	-2.1	2.0	2.7	3.6	6.0	12/01/1992
				3.7	4.6	5.2	4.1	5.2	6.1	5.5	4.7	6.5	
ALTERNATIVE INVESTMENTS													
	REAL ESTATE NPI QTR LAG + 100 BP	378,692,495	6.2	-1.6	-2.4	0.0	-1.8	0.0	12.1	9.2	7.8	01/01/2005	
				-0.1	0.1	6.3	0.9	6.3	12.1	14.3	15.7		
	PRIVATE EQUITY S&P 500 PLUS 300 BP	638,087,839	10.5	0.7	-6.1	-14.3	-7.5	-14.3	4.2	7.8	15.2	9.3	01/01/1989
				1.3	-19.7	-33.0	-25.5	-33.0	-14.7	-4.7	1.3	11.9	
TOTAL ALTERNATIVE INVESTMENTS													
TOTAL ALTERNATIVES BENCHMARK													
		1,016,780,334	16.7	-0.2	-4.7	-9.3	-5.4	-9.3	7.0	8.3	15.0	10.2	04/01/1996
				0.7	-12.1	-19.1	-15.7	-19.1	-4.8	2.4	6.5		
RE-BALANCING													
	RUSSELL IMPLEMENTATION SERVICES	92,912,419	1.5	11.6	-50.7						-67.6	09/01/2008	
CASH													
	CASH ACCOUNT (INSIDE)	8,962,218	0.2									07/01/2000	
	CASH ACCOUNT (OUTSIDE)	7,191,102	0.1									07/01/2000	
TOTAL PLAN													
TOTAL PLAN BENCHMARK													
		6,078,018,493	100.0	3.2	-13.7	-26.2	-20.8	-26.2	-10.6	-2.8	2.6	8.9	01/01/1984
				2.9	-14.9	-27.6	-22.4	-27.6	-11.1	-3.0	2.0		

* 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 December 31, 2008

	MKT VAL	% of FUND	6 YEARS	7 YEARS	8 YEARS	9 YEARS	10 YEARS	ITD	Incept Date
DOMESTIC EQUITY									
Index									
	SSGA S&P 500 INDEX FUND S&P 500	1,079,255,320	17.8						
				2.4	-1.5	-2.9	-3.6	-1.4	-15.9
									-15.9
Enhanced	PIMCO S&P 500	315,271,014	5.2	1.3	-2.4	-3.5			-3.6
				2.4	-1.5	-2.9	-3.6	-1.4	-2.8
Active Core	SSGA - CORE RUSSELL 1000	235,553,833	3.9	3.1	0.0	-1.1	-1.8	0.0	1.9
				2.7	-1.2	-2.7	-3.3	-1.1	0.9
	WELLINGTON TECHNICAL EQUITY S&P 500	127,016,849	2.1						-8.4
				2.4	-1.5	-2.9	-3.6	-1.4	-26.9
Active Small Cap	NORTHPOINTE CAPITAL RUSSELL 2000	247,982,430	4.1	5.4					2.3
				5.8	1.6	1.7	1.2	3.0	2.2
	WELLINGTON MANAGEMENT CO. LLC RUSSELL 2000	249,918,298	4.1	5.9					0.5
				5.8	1.6	1.7	1.2	3.0	2.2
Other	SHOTT CAPITAL	1,053,658	0.0						
									04/01/1999
TOTAL US EQUITY		2,256,051,403	37.1	3.7	-0.3	-2.1	-3.2	-1.2	7.8
DOW WILSHIRE 5000 FREE FLOAT				3.2	-0.6	-2.0	-3.0	-0.6	8.1
INTERNATIONAL EQUITY									
Active									
	GOLDMAN SACHS MSCI AC WORLD ex US (GROSS)	315,070,701	5.2						3.5
				8.6	4.9	1.5	-0.5	2.3	3.2
	THE BOSTON COMPANY MSCI AC WORLD ex US (GROSS)	357,045,910	5.9						-0.2
				8.6	4.9	1.5	-0.5	2.3	-0.1
	MONDRIAN MSCI AC WORLD ex US (GROSS)	354,979,351	5.8						5.5
				8.6	4.9	1.5	-0.5	2.3	2.9
	TRANSITION ACCOUNT INT EQUITY	17,576	0.0						
	PUTNAM INVESTMENTS	5,355	0.0						06/01/2003
	BANK OF IRELAND	3,515	0.0						05/01/2001
TOTAL INTERNATIONAL EQUITY		1,027,122,408	16.9	7.9	4.1	0.5	-1.0	2.1	3.4
MSCI AC WORLD ex US (GROSS)				8.6	4.9	1.5	-0.5	2.3	3.9
U.S. FIXED INCOME									
Core									
	BROWN BROTHERS HARRIMAN - CORE CITIGROUP BIG	313,131,189	5.2	4.2	5.0	5.4	6.2	5.4	6.5
				5.0	5.7	6.0	6.6	5.9	7.3
Mortgage	PYRAMIS GLOBAL ADVISORS BC MBS	479,417,212	7.9	4.6	5.2	5.7	6.3	5.9	7.5
				5.1	5.6	6.0	6.5	6.0	7.3
Corporates	TAPLIN, CANIDA & HABACHT BC CREDIT	267,493,338	4.4	2.8	3.3	4.2	4.7	4.2	5.2
				3.5	4.5	5.2	5.6	4.9	5.8
High Yield	MACKAY SHIELDS, LLC CSFB GLOBAL HIGH YIELD	104,769,663	1.7	6.1					7.0
				3.7	3.6	3.9	2.8	2.9	4.5
TIPS	BROWN BROTHERS HARRIMAN - TIPS BC U.S. TIPS	501,137,483	8.3						4.6
				4.8	6.4	6.6	7.3	6.8	4.0
Other	FIXED INCOME CASH ACCOUNT	3,049,723	0.1						
									3.8
									04/01/2007
TOTAL US FIXED INCOME		1,668,998,609	27.5	4.5	4.9	5.1	5.6	5.1	6.0
BC AGGREGATE				4.6	5.4	5.7	6.4	5.6	6.5
ALTERNATIVE INVESTMENTS									
	REAL ESTATE NCREIF PROPERTY INDEX QTR LAG	378,692,495	6.2						7.8
				13.1	12.1	11.8	11.8	11.8	15.7
	PRIVATE EQUITY S&P 500 PLUS 300 BP	638,087,839	10.5	14.1	11.7	5.2	8.8	9.3	9.3
				5.8	2.0	0.6	-0.1	2.1	11.9
TOTAL ALTERNATIVE INVESTMENTS		1,016,780,334	16.7	13.9	11.5	5.8	8.1	8.2	10.2
TOTAL ALTERNATIVES BENCHMARK				8.9	6.2	5.3			
RE-BALANCING									
	RUSSELL IMPLEMENTATION SERVICES	92,912,419	1.5						
									-67.6
									09/01/2008
CASH									
	CASH ACCOUNT (INSIDE)	8,962,218	0.2						
	CASH ACCOUNT (OUTSIDE)	7,191,102	0.1						
									07/01/2000
									07/01/2000
TOTAL PLAN		6,078,018,493	100.0	6.3	3.6	1.8	1.3	2.5	8.9
TOTAL PLAN BENCHMARK				5.8	3.1	1.7	0.9	2.5	01/01/1984

* 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 December 31, 2008



STATE STREET

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% BC 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% BC AGG / 22.5% MSCI AC WORLD FREE ex USA

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

ERSRI Monthly Market Value Report With Time Weighted Returns

December 31, 2008

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								11/30/2008	In/(out)	12/31/2008	Increase/decrease
Domestic Equity											
Shott Capital Management IRR	-13.20%	-37.00%	23.80%	S & P 500	0.04%	1.06%	-1.02%	1,053,208	-	1,053,658	450
SSgA S&P 500	-36.91%	-37.00%	0.09%	S & P 500	1.12%	1.06%	0.06%	1,067,236,731	112,977	1,079,255,320	11,905,613
SSgA Core	-37.99%	-37.60%	-0.39%	Russell 1000	2.26%	1.60%	0.66%	230,313,234	24,479	235,553,833	5,216,120
PIMCO	-41.06%	-37.00%	-4.06%	S & P 500	3.59%	1.06%	2.53%	304,303,147	36,764	315,271,014	10,931,103
NorthPointe Capital	-34.25%	-33.79%	-0.46%	Russell 2000	6.59%	5.80%	0.79%	232,615,608	27,209	247,982,430	15,339,613
Wellington Mgmt	-38.21%	-33.79%	-4.42%	Russell 2000	7.83%	5.80%	2.03%	231,734,015	29,939	249,918,298	18,154,344
Russell Overlay	0.00%	-	-	-	11.64%	0.00%	11.64%	83,223,521	-	92,912,419	9,688,898
Wellington Tech Eq	-19.17%	-37.66%	18.49%	Russell 3000	-3.38%	-7.18%	3.80%	129,527,520	-	127,016,849	(2,510,671)
Transition Account	N/A	N/A	N/A	-	N/A	N/A	N/A	-	-	-	-
Total Domestic Equity	-36.78%				2.69%			2,280,006,984	231,368	2,348,963,823	68,725,471
International Equity											
Boston Company	-36.49%	-45.24%	8.75%	MSCI ACWI	7.02%	5.72%	1.30%	333,579,367	36,309	357,049,425	23,433,749
Goldman Sachs	-43.94%	-45.24%	1.30%	MSCI ACWI	6.52%	5.72%	0.80%	295,749,241	36,309	315,070,701	19,285,151
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	23,771	-	22,931	(840)
Mondrian	-38.26%	-45.24%	6.98%	MSCI ACWI	5.60%	5.72%	-0.12%	336,128,388	36,309	354,979,351	18,814,654
Total International Equity	-39.55%				6.37%			965,480,767	108,927	1,027,122,408	61,532,714
Fixed Income											
Fidelity Management & Research	4.70%	8.34%	-3.64%	Lehman Mortgage Backed	1.94%	1.67%	0.27%	470,269,534	19,565	479,417,212	9,128,113
Brown Brothers, Harriman	2.04%	7.02%	-4.98%	Salomon Brd Inv Grade	2.95%	3.46%	-0.51%	304,142,068	19,611	313,131,189	8,969,510
Taplin, Canida & Habacht	-13.09%	-3.08%	-10.01%	Lehman Credit Index	4.72%	6.27%	-1.55%	255,416,851	8,918	267,493,338	12,067,569
Mackay Shields	-22.80%	-26.17%	3.37%	CS First BosHiYield	2.26%	5.61%	-3.35%	102,423,600	34,580	104,769,663	2,311,483
Brown Bros TIPS	-0.29%	-2.35%	2.06%	Lehman US TIPS Index	5.72%	4.96%	0.76%	474,008,458	32,032	501,137,483	27,096,993
Fixed Income Cash Acct	2.63%	-	-	-	0.16%	-	-	3,045,596	-	3,049,723	4,127
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-
Total Fixed Income	-2.11%				3.70%			1,609,306,107	114,706	1,668,998,609	59,577,796
Alternative Investments											
Private Equity	-14.29%	-32.97%	18.68%	N/A	0.65%	1.28%	-0.63%	629,006,392	5,978,043	638,087,839	3,103,404
Real Estate	-0.03%	6.28%	-6.31%	NCREIF + 100	-1.63%	-0.09%	-1.54%	384,337,759	889,919	378,692,495	(6,535,183)
Total Alternatives	-9.33%				-0.21%			1,013,344,151	6,867,962	1,016,780,334	(3,431,779)
Cash Accounts											
Cash in Trust	2.81%	N/A	N/A	-	0.13%	N/A	N/A	25,210,703	(17,160,661)	8,962,218	912,176
Cash Outside Trust	0.89%	N/A	N/A	-	0.03%	N/A	N/A	14,705,948	16,269	7,191,102	(7,531,115)
Total Cash	11.45%				2.55%			39,916,651	(17,144,392)	16,153,320	(6,618,940)
Total Plan Ex PE & RE	-28.67%	-28.80%	0.13%		3.90%	3.21%	0.69%	5,908,054,660	(9,821,430)	6,078,018,493	179,785,263
Total Plan	-26.15%	-27.63%	1.48%		3.19%	2.90%	0.29%				

*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 December 31, 2008



STATE STREET

PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
U.S. EQUITY									
SSGA S&P 500 INDEX FUND	S&P 500	1.12	1.06	0.06	-36.91	-37.00	0.09	1,079,255	113
SSGA - CORE	RUSSELL 1000	2.26	1.60	0.66	-37.99	-37.60	-0.39	235,554	24
PIMCO	S&P 500	3.59	1.06	2.53	-41.06	-37.00	-4.06	315,271	37
NORTHPOINTE CAPITAL	RUSSELL 2000	6.59	5.80	0.79	-34.25	-33.79	-0.46	247,982	27
WELLINGTON MANAGEMENT CO. LLC	RUSSELL 2000	7.83	5.80	2.03	-38.21	-33.79	-4.42	249,918	36
SHOTT CAPITAL	S&P 500	0.04	1.06	-1.02	-13.20	-37.00	23.80	1,054	0
WELLINGTON TECHNICAL EQUITY	S&P 500	-1.94	1.06	-3.00	-20.73	-37.00	16.27	127,017	0
TOTAL US EQUITY	DOW WILSHIRE 5000 FREE FLOAT	2.69	1.73	0.96	-36.78	-37.23	0.45	2,256,051	237
INTERNATIONAL EQUITY									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)	7.02	5.72	1.30	-36.49	-45.24	8.75	357,046	36
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)	6.52	5.72	0.80	-43.94	-45.24	1.30	315,071	36
MONDRIAN	MSCI AC WORLD ex US (GROSS)	5.60	5.72	-0.12	-38.26	-45.24	6.98	354,979	36
TRANSITION ACCOUNT INT EQUITY								18	0
TOTAL INTERNATIONAL EQUITY	MSCI AC WORLD ex US (GROSS)	6.37	5.72	0.65	-39.55	-45.24	5.69	1,027,122	109
U.S. FIXED INCOME									
PYRAMIS GLOBAL ADVISORS	BC MBS	1.94	1.67	0.27	4.70	8.34	-3.64	479,417	20
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	2.95	3.46	-0.51	2.04	7.02	-4.98	313,131	20
TAPLIN, CANIDA & HABACHT	BC CREDIT	4.72	6.27	-1.55	-13.09	-3.08	-10.01	267,493	9
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	2.26	5.61	-3.35	-22.80	-26.17	3.37	104,770	35
BROWN BROTHERS HARRIMAN - TIPS	BC U.S. TIPS	5.72	4.96	0.76	-0.29	-2.35	2.06	501,137	32
FIXED INCOME CASH ACCOUNT		0.14			2.77			3,050	0
TOTAL US FIXED INCOME	BC AGGREGATE	3.70	3.73	-0.03	-2.11	5.24	-7.35	1,668,999	115

State of Rhode Island

RATES OF RETURN - Total

Periods Ending December 31, 2008



STATE STREET

PERFORMANCE SUMMARY REPORT

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
ALTERNATIVE INVESTMENTS									
PRIVATE EQUITY	S&P 500 PLUS 300 BP	0.65	1.28	-0.63	-14.29	-32.97	18.68	638,088	4,956
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	-1.63	-0.09	-1.54	-0.03	6.28	-6.31	378,692	624
TOTAL ALTERNATIVE INVESTMENTS	TOTAL ALTERNATIVES BENCHMARK	-0.21	0.70	-0.91	-9.33	-19.14	9.81	1,016,780	5,580
CASH EQUIVALENTS									
CASH ACCOUNT (INSIDE)		0.13			2.81			8,962	-17,155
CASH ACCOUNT (OUTSIDE)		0.03			0.89			7,191	-7,520
TOTAL CASH		2.55			11.45			16,153	-24,675
OTHER									
RUSSELL IMPLEMENTATION SERVICES		11.64						92,912	0
TOTAL PLAN									
TOTAL PLAN	TOTAL PLAN BENCHMARK	3.19	2.90	0.29	-26.15	-27.63	1.48	6,078,018	-18,634
TOTAL PLAN ex PE RE	TOTAL PLAN BENCHMARK ex PE RE	3.90	3.21	0.69	-28.67	-28.80	0.13	5,061,238	-24,214

State of Rhode Island

TOTAL PLAN

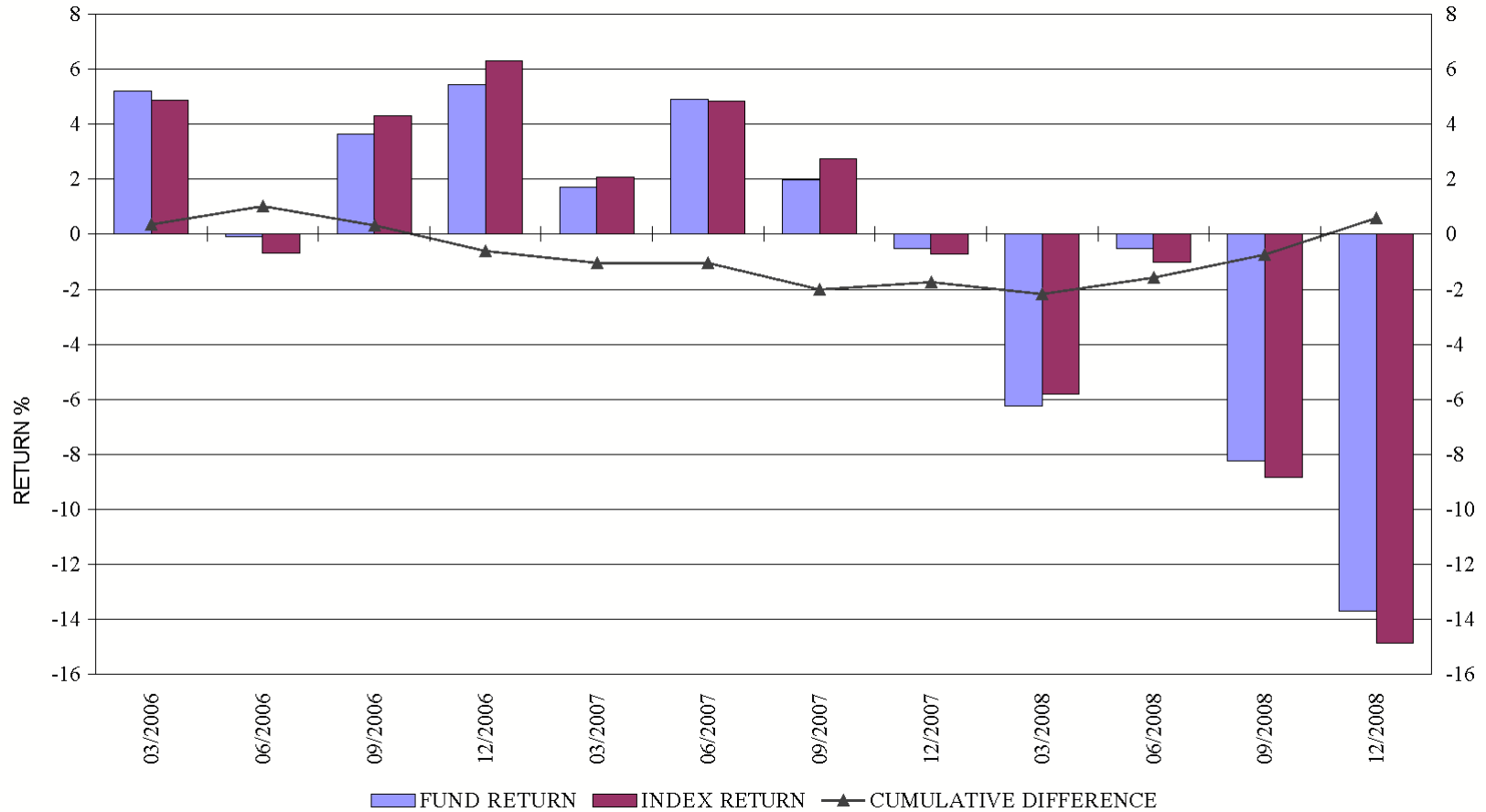
Index: TOTAL PLAN BENCHMARK

PERIODS: December 31, 2005 - December 31, 2008



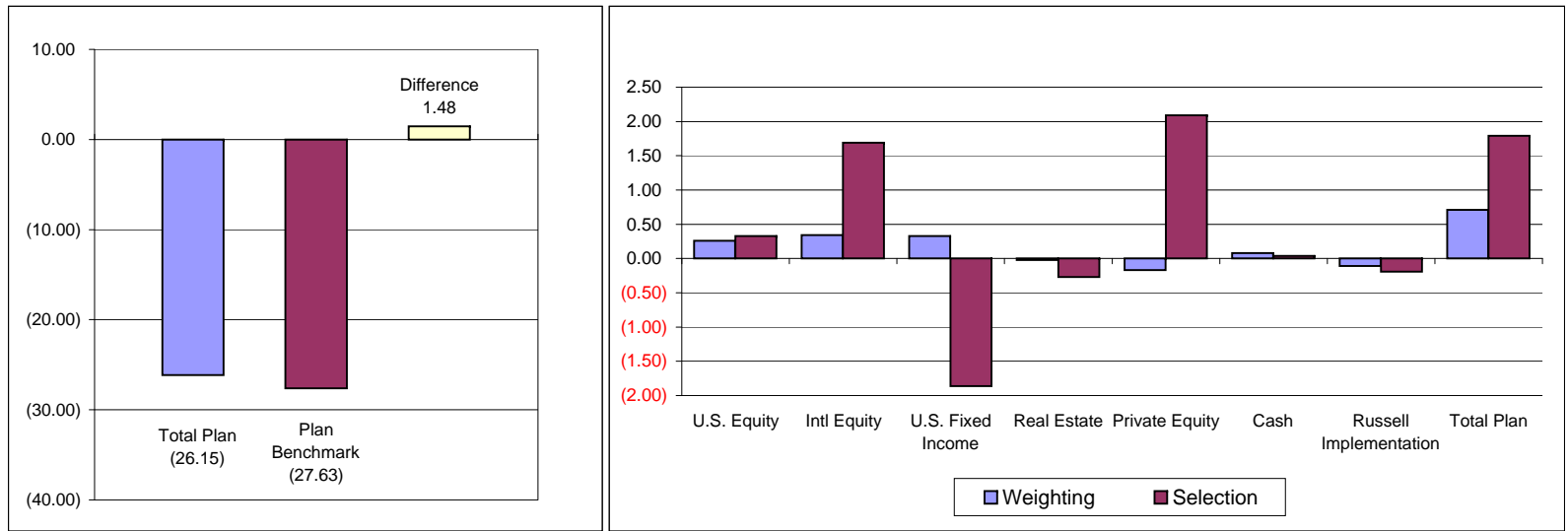
STATE STREET

CUMULATIVE PERFORMANCE REPORT



STATE OF RHODE ISLAND
TOTAL PLAN POOL ATTRIBUTION
 1 Year Ending December 31st, 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	42.10	42.50	(0.40)	(36.78)	(37.23)	0.45	0.26	0.33	
Intl Equity	20.00	20.00	0.00	(39.55)	(45.53)	5.98	0.34	1.69	
U.S. Fixed Income	25.40	25.00	0.40	(2.11)	5.24	(7.35)	0.33	(1.86)	
Real Estate	4.30	5.00	(0.70)	(0.03)	5.27	(5.30)	(0.02)	(0.27)	
Private Equity	7.70	7.50	0.20	(14.29)	(32.97)	18.68	(0.17)	2.09	
Cash	0.50	0.00	0.50	11.45	2.06	9.39	0.08	0.04	
Russell Implementation	0.00	0.00	0.00	(67.57)	(30.03)	(37.54)	(0.11)	(0.19)	
Total Plan	100.00	100.00		(26.15)	(27.63)	1.48	0.71	1.79	(0.45)

State of Rhode Island

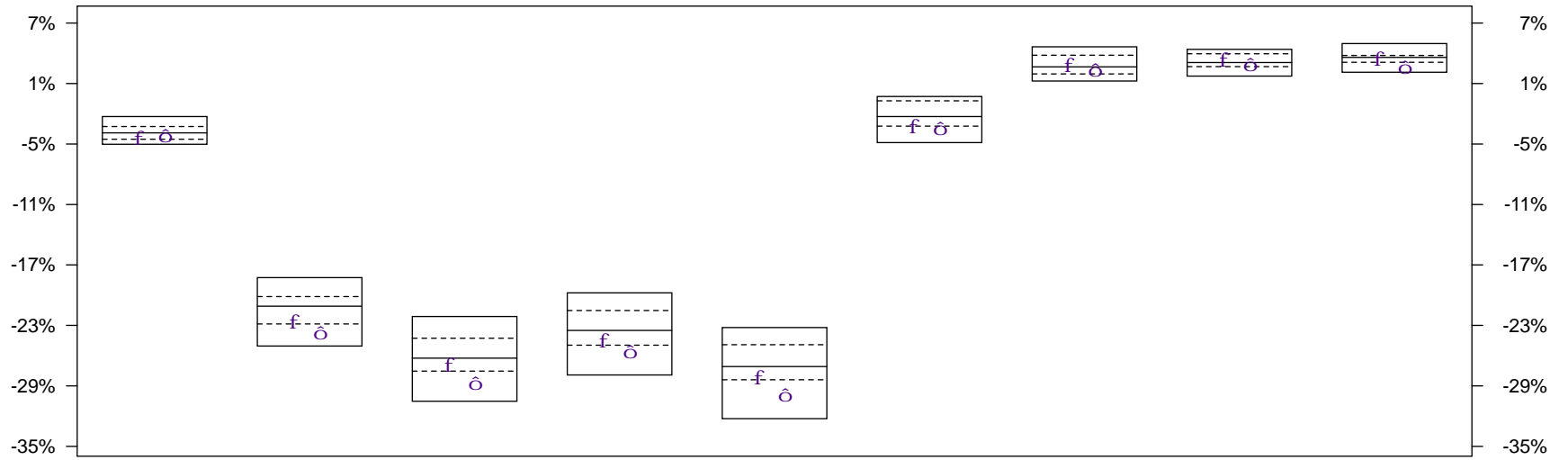
PUBLIC FUNDS (DB) > \$ 1 BILLION (SSC)

PERIOD ENDING November 30, 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	-2.27		-18.26		-22.12		-19.77		-23.22		-0.29		4.65		4.40		4.96	
25th Percentile	-3.27		-20.14		-24.27		-21.52		-24.92		-0.71		3.81		3.95		3.79	
50th Percentile	-3.90		-21.09		-26.25		-23.50		-27.09		-2.28		2.65		3.09		3.60	
75th Percentile	-4.53		-22.86		-27.54		-24.96		-28.40		-3.23		1.95		2.68		3.11	
95th Percentile	-5.03		-25.05		-30.53		-27.92		-32.26		-4.86		1.25		1.74		2.12	
No. of Obs	22		22		22		22		22		21		21		21		21	
f TOTAL PLAN	-4.48	70	-22.74	74	-26.98	70	-24.57	70	-28.29	74	-3.36	78	2.76	41	3.25	41	3.33	64
o TOTAL PLAN BENCHMARK	-4.23	68	-23.77	82	-28.81	84	-25.70	80	-29.91	83	-3.49	79	2.31	61	2.85	71	2.60	92

State of Rhode Island

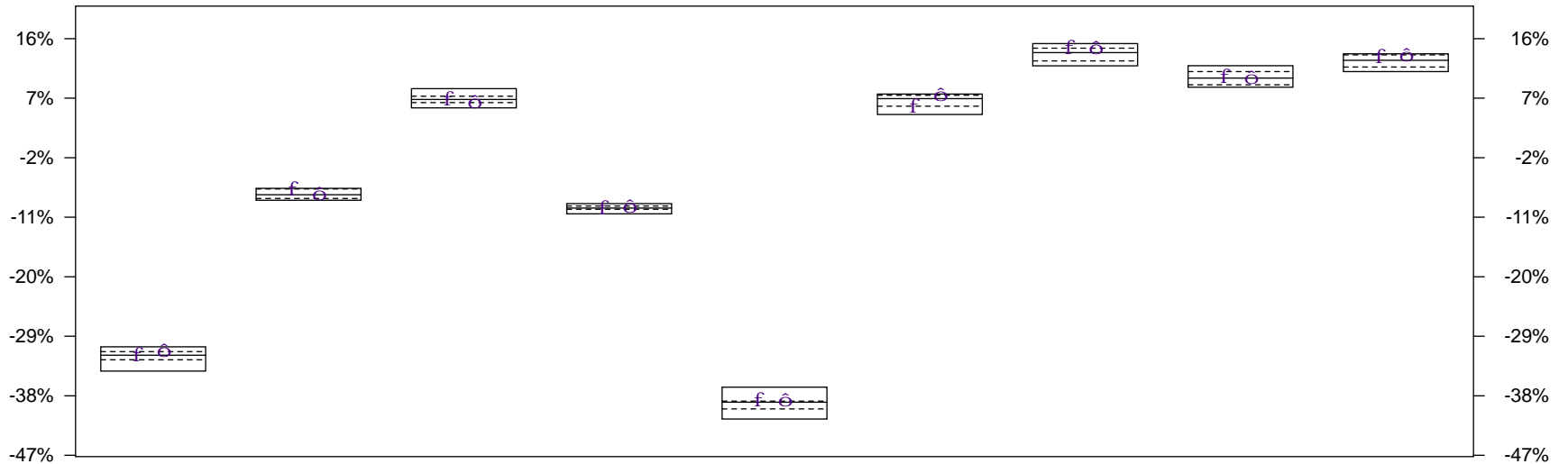
US EQUITY POOLS PUBLIC GT 1BILL (SSC)

PERIOD ENDING November 30, 2008



STATE STREET

TOTAL RETURN



	1 Qtr		Qtr End Aug-08		Qtr End May-08		Qtr End Feb-08		1 Yr		Yr End Nov-07		Yr End Nov-06		Yr End Nov-05		Yr End Nov-04	
	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank	Value	Rank
5th Percentile	-30.60		-6.64		8.44		-8.95		-36.69		7.62		15.24		11.91		13.71	
25th Percentile	-31.33		-6.73		7.29		-9.31		-38.80		7.43		14.55		11.01		13.54	
50th Percentile	-31.86		-7.60		6.81		-9.61		-38.96		6.93		13.89		10.04		12.72	
75th Percentile	-32.56		-8.17		6.33		-9.79		-39.98		5.78		12.64		9.02		11.71	
95th Percentile	-34.27		-8.43		5.53		-10.48		-41.52		4.53		11.89		8.65		11.01	
No. of Obs	11		11		11		11		11		11		11		10		10	
f TOTAL US EQUITY	-31.87	51	-6.84	34	6.81	51	-9.62	51	-38.73	17	5.68	76	14.53	26	10.21	46	13.26	37
o DOW WILSHIRE 5000 FREE FLO	-31.22	22	-7.50	42	6.43	70	-9.45	31	-38.68	17	7.51	21	14.59	22	10.07	50	13.43	32

State of Rhode Island

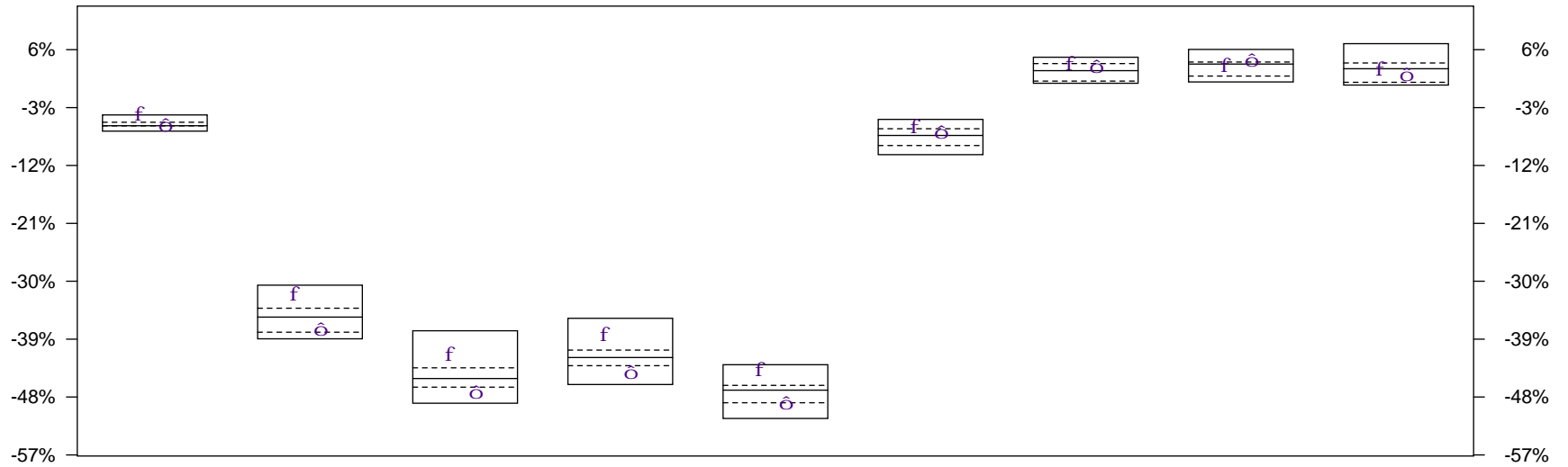
INTL EQTY POOL - PUBLIC (SSC)

PERIOD ENDING November 30, 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	-4.14		-30.61		-37.70		-35.76		-42.97		-4.82		4.83		6.04		6.95	
25th Percentile	-5.28		-34.19		-43.46		-40.69		-46.19		-6.28		3.85		4.09		3.93	
50th Percentile	-5.81		-35.56		-45.12		-41.85		-46.93		-7.33		2.75		3.77		3.04	
75th Percentile	-5.83		-37.92		-46.47		-43.13		-48.88		-8.89		1.12		1.91		0.94	
95th Percentile	-6.65		-38.95		-48.97		-46.06		-51.34		-10.31		0.78		0.99		0.51	
No. of Obs	11		11		11		11		11		11		9		9		8	
f TOTAL INTERNATIONAL	-4.03	5	-32.11	11	-41.45	13	-38.38	12	-43.84	9	-6.00	23	3.72	33	3.51	63	2.94	51
o MSCI AC WORLD ex US (GROSS)	-5.74	34	-37.51	73	-47.25	80	-44.27	80	-48.95	77	-6.84	39	3.37	37	4.27	20	2.05	67

State of Rhode Island

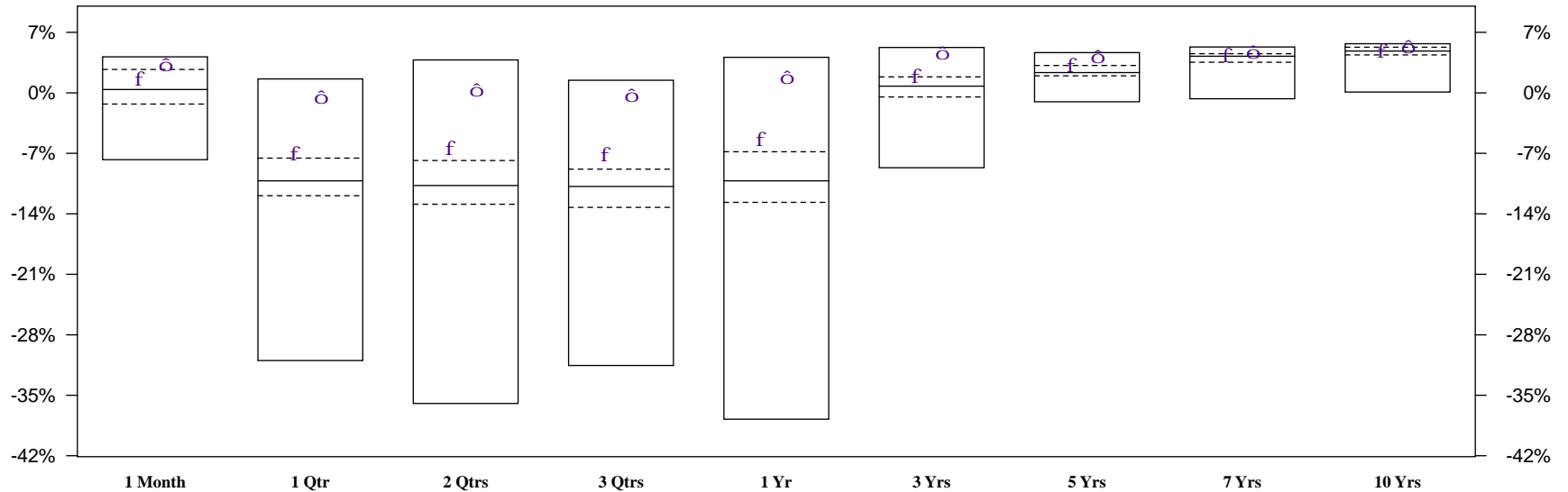
US FIXED INC POOL PUBLIC GT 1 BILL (SSC)

PERIOD ENDING November 30, 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	4.17		1.61		3.81		1.45		4.11		5.25		4.66		5.31		5.69	
25th Percentile	2.71		-7.55		-7.83		-8.83		-6.82		1.85		3.17		4.53		5.28	
50th Percentile	0.39		-10.18		-10.72		-10.84		-10.18		0.78		2.35		4.24		4.83	
75th Percentile	-1.30		-11.90		-12.89		-13.26		-12.67		-0.48		1.97		3.54		4.39	
95th Percentile	-7.73		-30.98		-35.94		-31.55		-37.76		-8.67		-1.03		-0.69		0.09	
No. of Obs	10		10		10		10		10		9		9		9		9	
f TOTAL US FIXED INCOM	1.52	37	-7.15	19	-6.48	19	-7.25	19	-5.45	19	1.87	21	3.08	31	4.22	51	4.82	51
o BC AGGREGATE	3.25	22	-0.54	9	0.24	10	-0.36	8	1.74	9	4.56	9	4.10	12	4.71	19	5.28	26

State of Rhode Island

TOTAL PLAN

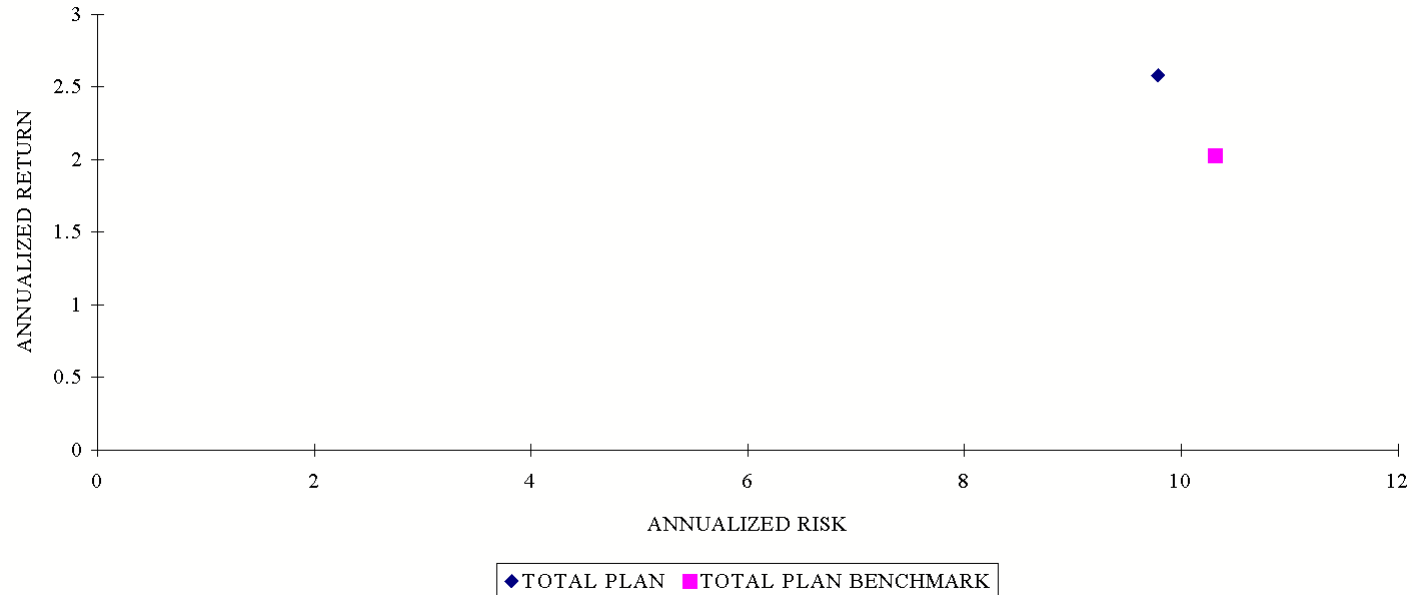
Benchmark: TOTAL PLAN BENCHMARK

December 31, 2003 - December 31, 2008



STATE STREET

RISK VS. RETURN



RISK INFORMATION

Portfolio Return	2.58
Benchmark Return	2.03
Return Differences	0.55
Portfolio Standard Deviation	9.79
Benchmark Standard Deviation	10.31
Tracking Error	1.21

RISK STATISTICS

Historic Beta	0.94
R-squared	0.99
Jensen's Alpha	0.48
Sharpe Ratio	-0.07
Treynor Ratio	-0.71
Information Ratio	0.46

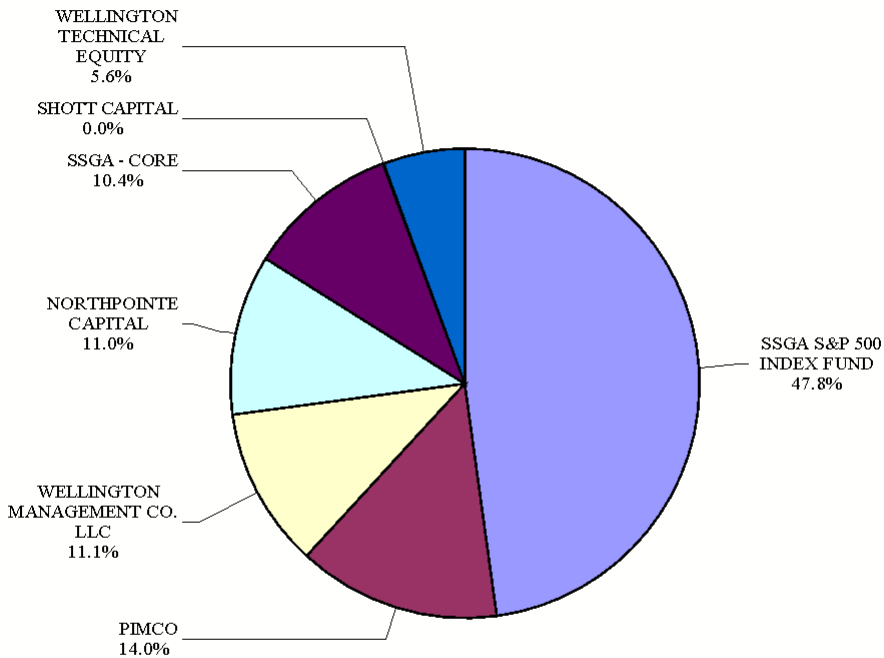
State of Rhode Island

MANAGER ALLOCATION ANALYSIS
 PERIOD ENDING 12/31/2008



STATE STREET

CURRENT MANAGER ALLOCATION



<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
SSGA S&P 500 INDEX FUND	1,079.3	1,709.0
PIMCO	315.3	534.3
WELLINGTON MANAGEMENT CO. LLC	249.9	404.0
NORTHPOINTE CAPITAL	248.0	376.7
SSGA - CORE	235.6	379.4
SHOTT CAPITAL	1.1	1.3
WELLINGTON TECHNICAL EQUITY	127.0	160.2
TOTAL	2,256.2	3,564.9

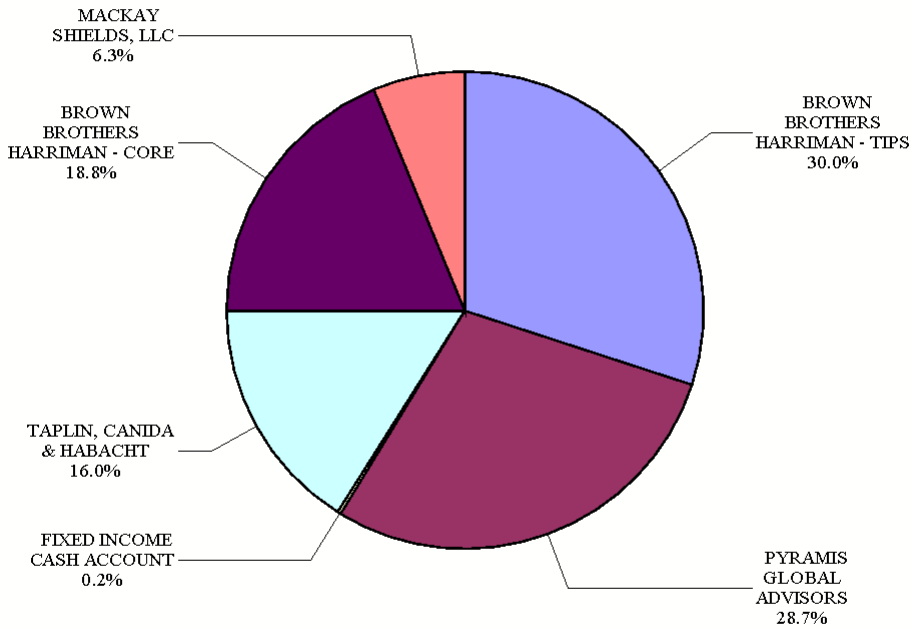
State of Rhode Island

MANAGER ALLOCATION ANALYSIS
 PERIOD ENDING 12/31/2008



STATE STREET

CURRENT MANAGER ALLOCATION



<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
BROWN BROTHERS HARRIMAN - TIPS	501.1	576.2
PYRAMIS GLOBAL ADVISORS	479.4	502.1
FIXED INCOME CASH ACCOUNT	3.0	325.4
TAPLIN, CANIDA & HABACHT	267.5	306.8
BROWN BROTHERS HARRIMAN - CORE	313.1	306.6
MACKAY SHIELDS, LLC	104.8	135.2
TRANSITION ACCOUNT FIXED INCOME		0.6
TOTAL	1,668.9	2,152.9

State of Rhode Island

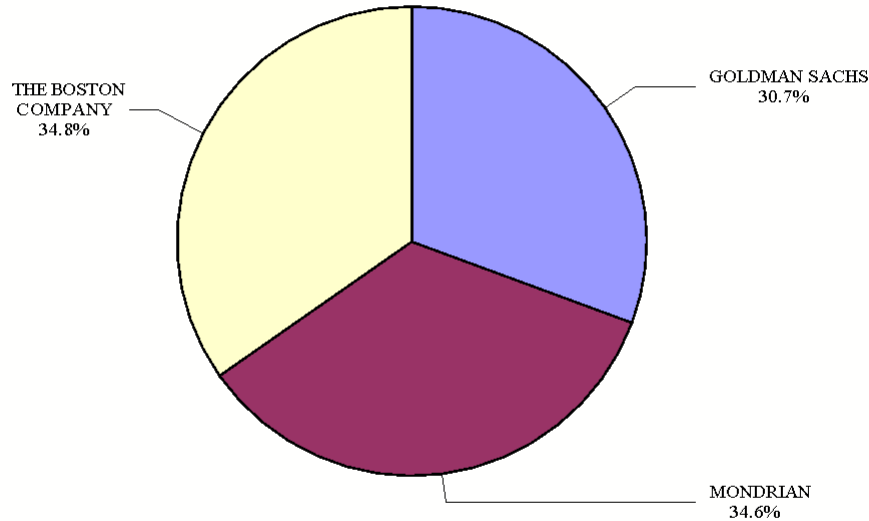
MANAGER ALLOCATION ANALYSIS
 PERIOD ENDING 12/31/2008



STATE STREET

CURRENT MANAGER ALLOCATION

<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
GOLDMAN SACHS	315.1	561.5
MONDRIAN	355.0	574.2
THE BOSTON COMPANY	357.0	561.6
TRANSITION ACCOUNT INT EQUITY	0.0	0.1
TOTAL	1,027.1	1,697.4



ASSET ALLOCATION

**ASSET ALLOCATION REPORT
DECEMBER 31st, 2008**

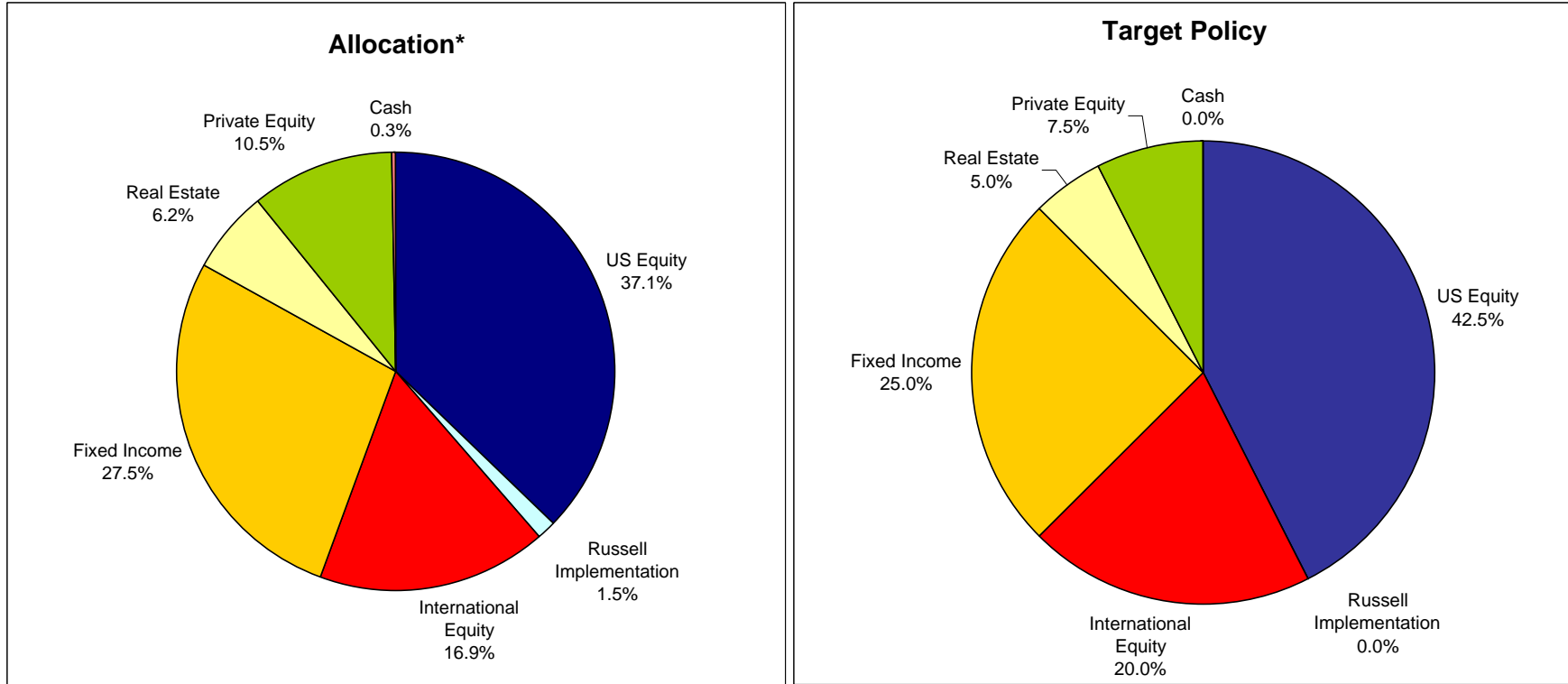
	Style Mandate	Actual (Millions \$)		Target (Millions \$)		Difference (Millions \$)
Domestic Equity						
SSgA S&P 500 Index Fund	Passive	1,079.26	17.76%	1,242.95	20.45%	(163.70)
SSgA Core	Active core	235.55	3.88%	273.51	4.50%	(37.96)
PIMCO	Enhanced Equity	315.27	5.19%	392.03	6.45%	(76.76)
NorthPointe Capital	Small Cap Value	247.98	4.08%	303.90	5.00%	(55.92)
Wellington Mgmt	Small Cap Core	249.92	4.11%	334.29	5.50%	(84.37)
Wellington Technical Equity	Tactical Equity	127.02	2.09%	36.47	0.60%	90.55
Shott Capital	Alternative Distribution	1.05	0.02%	0.00	0.00%	1.05
TOTAL DOMESTIC EQUITY		2,256.05	37.12%	2,583.16	42.50%	(327.11)
International Equity						
Boston Company	MSCI ACWI	357.05	5.87%	405.40	6.67%	(48.36)
Goldman Sachs	MSCI ACWI	315.07	5.18%	405.40	6.67%	(90.33)
Mondrian	MSCI ACWI	354.98	5.84%	404.80	6.66%	(49.82)
Transition Account		0.02	0.00%	0.00	0.00%	0.02
TOTAL INT'L EQUITY		1,027.12	16.90%	1,215.60	20.00%	(188.48)
Domestic Fixed Income						
Fidelity Management & Research	Mortgages	479.42	7.89%	379.88	6.25%	99.54
Brown Brothers, Harriman	Opportunistic Core	313.13	5.15%	227.93	3.75%	85.21
Taplin, Canida & Habacht	Corporates	267.49	4.40%	227.93	3.75%	39.57
Mackay Shields	High yield	104.77	1.72%	113.96	1.88%	(9.19)
Shenkman Capital Mgmt	High yield	0.00	0.00%	113.96	1.88%	(113.96)
Brown Brothers, Harriman TIPS	TIPS	501.14	8.25%	455.85	7.50%	45.29
Fixed Income Cash Account		3.05	0.05%	0.00	0.00%	3.05
TOTAL FIXED-INCOME		1,669.00	27.46%	1,519.50	25.00%	149.49
Alternative Investments						
Real Estate	Real Estate	378.69	6.23%	303.9	5.00%	74.8
Pacific Corp Group	Private Equity	638.09	10.50%	455.85	7.50%	182.2
TOTAL ALTERNATIVE INVESTMENTS		1,016.78	16.73%	759.75	12.50%	257.03
Cash						
CASH EQUIVALENTS	STIF, Yield+	16.15	0.27%	0.00	0.00%	16.15
Other						
OTHER - Russell Implementation Services		92.91	1.53%	0.00	0.00%	92.91
TOTAL ASSETS		6,078.02	100.00%	6,078.02	100.00%	0.00

ALLOCATION BY MANAGEMENT STYLE

Domestic Equity						
Core		362.57	5.97%	309.98	4.50%	52.59
Index		1,079.26	17.76%	1,242.95	17.75%	(163.70)
Enhanced Equity		315.27	5.19%	392.03	6.75%	(76.76)
Active Small Cap		497.90	8.21%	638.19	13.50%	(140.29)
TOTAL DOMESTIC EQUITY		2,256.05	37.12%	2,583.16	42.50%	(327.11)
International Equity						
Active		1,027.12	16.90%	1,215.60	20.00%	(188.48)
TOTAL INT'L EQUITY		1,027.12	16.90%	1,215.60	20.00%	(188.48)
Domestic Fixed Income						
Mortgage		479.42	7.89%	379.88	6.25%	99.54
Core		313.13	5.15%	227.93	3.75%	85.21
Corporates		267.49	4.40%	227.93	3.75%	39.57
High Yield		104.77	1.72%	227.93	3.75%	(123.16)
TIPS		501.14	8.25%	455.85	7.50%	45.29
Other		3.05	0.05%	-	0.00%	3.05
TOTAL FIXED-INCOME		1,669.00	27.46%	1,519.50	25.00%	149.49
Alternative Investments						
Real Estate		378.69	6.23%	303.90	5.00%	74.79
Other Alternative Investments		638.09	10.50%	455.85	7.50%	182.24
TOTAL ALTERNATIVE INVESTMENTS		1,016.78	16.73%	759.75	12.50%	257.03
Cash						
CASH EQUIVALENTS	STIF, Yield+	16.15	0.27%	0.00	0.00%	16.15
Other						
OTHER - Russell Implementation Services		92.91	1.53%	0.00	0.00%	92.91
TOTAL ASSETS		6,078.02	100.00%	6,078.02	100.00%	0.00

State of Rhode Island

Asset Allocation
December 31st, 2008



Allocation vs. Target Policy

	Weights		
	Allocation*	Policy	Difference
US Equity	37.1	42.5	-5.4
Russell Implementation	1.5	0.0	1.5
International Equity	16.9	20.0	-3.1
Fixed Income	27.5	25.0	2.5
Real Estate	6.2	5.0	1.2
Private Equity	10.5	7.5	3.0
Cash	0.3	0.0	0.3
Total Fund	100.0	100.0	0.0

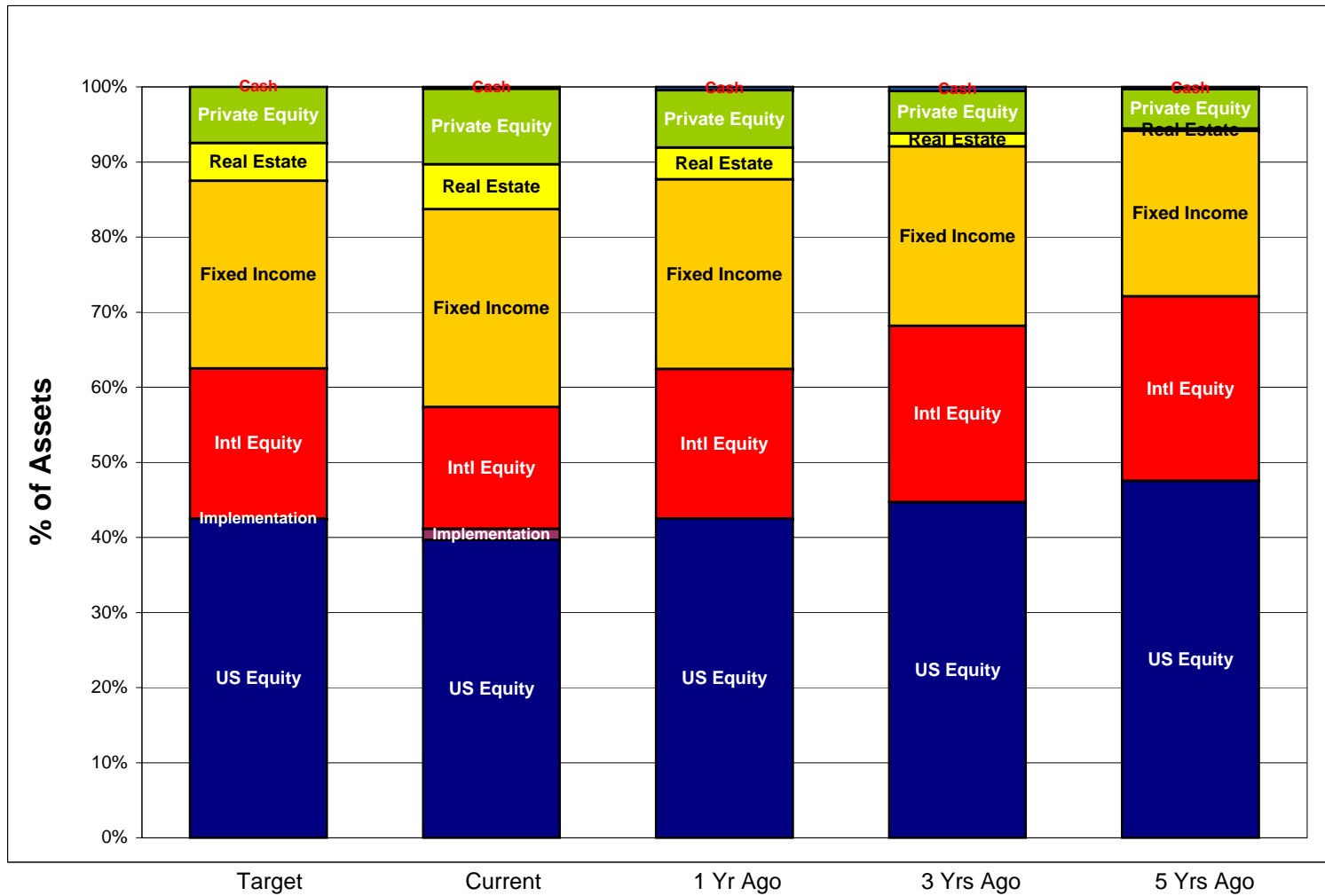


* End of Period Weights

State of Rhode Island

Historical Asset Allocation

December 31st, 2008



Asset Class	Target	Current	1 Yr Ago	3 Yrs Ago	5 Yrs Ago
US Equity	42.5%	37.1%	42.1%	44.7%	47.6%
Implementation	0.0%	1.5%	0.0%	0.0%	0.0%
Intl Equity	20.0%	16.9%	20.0%	23.5%	24.5%
Fixed Income	25.0%	27.5%	25.4%	23.9%	22.0%
Real Estate	5.0%	6.2%	4.3%	1.8%	0.3%
Private Equity	7.5%	10.5%	7.7%	5.6%	5.2%
Cash	0.0%	0.3%	0.5%	0.6%	0.3%

RHODE ISLAND STATE INVESTMENT COMMISSION

Domestic Equity Holdings By Top 10 Market Values Separately Managed

Wednesday, December 31, 2008

<i>Equities</i>					
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS	
1	EXXON MOBIL CORP	180,270	\$ 14,390,954.10	SSgA	
2	PROCTER AND GAMBLE CO	130,100	\$ 8,042,782.00	SSgA	
3	TELEDYNE TECHNOLOGIES INC	177,100	\$ 7,889,805.00	SSgA	
4	TIVO INC	986,100	\$ 7,060,476.00	SSgA	
5	KNIGHT CAP GROUP INC	433,500	\$ 7,001,025.00	SSgA	
6	WAL MART STORES INC	118,500	\$ 6,643,110.00	SSgA	
7	INTERNATIONAL BUSINESS MACHS	78,500	\$ 6,606,560.00	Wellington Mgt.	
8	JPMORGAN CHASE + CO	205,700	\$ 6,485,721.00	SSgA	
9	HEWLETT PACKARD CO	168,500	\$ 6,114,865.00	Wellington Mgt.	
10	DREAMWORKS ANIMATION SKG	240,700	\$ 6,080,082.00	SSgA	
		3.61%	\$ 76,315,380.10		
Total Composite Equities		\$ 2,115,995,986.23			

International Equity Holdings By Top 10 Market Values

<i>International Equities</i>					
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS	
1	NOVARTIS AG	511,457	\$ 25,324,173.35	Mondrian, Boston, GS	
2	TOTAL SA	452,385	\$ 24,468,063.41	Mondrian, Boston, GS	
3	GLAXOSMITHKLINE	980,793	\$ 18,113,191.34	Mondrian, Boston	
4	BP PLC	2,290,587	\$ 17,322,718.35	Mondrian	
5	UNILEVER PLC	736,963	\$ 16,730,592.55	Mondrian, Boston	
6	ROYAL DUTCH SHELL	626,809	\$ 16,336,787.72	Mondrian, Boston, GS	
7	TAKEDA PHARMACEUTICAL CO LTD	318,000	\$ 16,277,109.77	Mondrian, Boston, GS	
8	RWE AG (NEU)	176,783	\$ 15,653,451.15	Mondrian, Boston, GS	
9	TELEFONICA SA	684,607	\$ 15,083,452.93	Mondrian, GS	
10	FRANCE TELECOM	518,408	\$ 14,383,427.94	Boston, GS	
		18.28%	\$ 179,692,968.51		
Total Composite International Equities		\$ 982,829,253.99			

Top 10 Market Values SIC

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
EQUITIES													
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			552,688			552,688			600,645			679,274	2,385,296
Wellington Tech Eq			348,739			217,630			333,783			126,713	1,026,864
NorthPointe			477,596			558,190			503,070			589,850	2,128,705
			1,675,715			1,793,206			1,745,641			1,878,334	7,092,896
FIXED INCOME													
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			143,587			148,274			145,994			147,848	585,703
Brown Bros.TIPS			149,341			145,234			148,967			136,883	580,426
			780,337			794,878			798,728			733,008	3,106,952
INT'L EQUITIES													
The Boston Co			468,563			561,584			526,042			551,739	2,107,929
Mondrian			254,861			321,646			304,892			316,283	1,197,682
Goldman Sachs Asset Mgmt			384,863			489,525			432,913			499,383	1,806,684
SSgA MSCI ACWI			140,497			0			0			0	140,497
	0		1,248,784	0		1,372,755			1,263,847			1,367,405	5,252,792
REAL ESTATE													
L & B Real Estate	0	154,023	98,031	39,601	0	265,770	0	193,318	116,143	180,637	213,729	114,312	1,375,564
ALTERNATIVE INVESTMENTS													
Other Alt Inv Mgmt Fees	1,632,815	444,364	633,700	243,709	80,031	1,076,671	1,488,953	4,710	782,270	422,507	425,855	768,471	8,004,057
SUB TOTAL-INV MGMT FEES	1,632,815	598,387	4,436,567	283,310	80,031	5,303,281	1,488,953	198,028	4,706,630	603,144	639,583	4,861,530	24,832,260
PROFESSIONAL FEES													
Legal	2,746	2,681	8,444	6,220	6,701	15,535	13,726	6,000	6,150	3,075	9,677	17,791	98,746
St St Bank Custodial	18,888	15,412	16,951	19,255	15,080	12,586	12,981	11,543	12,333	12,887	1,563	12,861	162,339
Pacific Corp Group		93,750	0	93,750	93,750	0	0	93,750	0	0	93,750	0	468,750
PCA/Wilshsire/Russell	20,161	14,583	40,739	20,833	14,583	20,833	20,833	20,833	20,833	20,833	20,833	20,833	256,732
Townsend	0	0	35,625	0	0	35,625	0	0	35,625	0	15,000	35,625	157,500
	41,796	126,426	101,759	140,058	130,113	84,579	47,539	132,126	74,941	36,795	140,823	87,110	1,144,067
OPERATING EXPENSE													
Retirement Transfers	312,688	431,063	457,333	804,721	483,883	413,584	402,617	503,343	434,231	446,640	607,644	950,000	6,247,747
Other Expense	0	3,097	11,650	0	10,250	6,250	21,497	22,425	6,250	0	8,333	8,333	98,085
	312,688	434,159	468,983	804,721	494,133	419,834	424,114	525,768	440,481	446,640	615,978	958,333	6,345,832
TOTAL:	1,987,299	1,158,972	5,007,309	1,228,089	704,278	5,807,694	1,960,607	855,922	5,222,053	1,086,579	1,396,384	5,906,973	32,322,159

Note: Numbers in bold are actual.

State of Rhode Island Alternative Investments Unfunded Commitment
December 2008

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Remaining Commitment</u>
ABS Capital Partners II	\$ 5,000,000.00	\$ -
Alta BioPharma Partners	\$ 10,000,000.00	\$ -
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 3,000,000.00
Alta California Partners II	\$ 10,000,000.00	\$ -
Alta California Partners III	\$ 15,000,000.00	\$ -
Alta Partners VIII	\$ 15,000,000.00	\$ 9,000,000.00
Apollo Investment Fund IV	\$ 15,000,000.00	\$ 3,689.97
Apollo Investment Fund VI	\$ 20,000,000.00	\$ 3,099,006.73
Apollo VII	\$ 25,000,000.00	\$ 19,598,276.00
Aurora Equity Partners II**	\$ 15,000,000.00	\$ 38,917.00
Aurora Equity Partners III**	\$ 15,000,000.00	\$ 4,691,639.00
Avenue Special Situations Fund III	\$ 15,000,000.00	\$ -
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ 4,072,723.00
Avenue V	\$ 20,000,000.00	\$ 6,460,335.00
Bain X	\$ 25,000,000.00	\$ 18,187,500.00
Birch Hill Equity Partners III*	\$ 14,705,882.35	\$ 3,110,775.27
Blackstone Capital Partners III **	\$ 20,000,000.00	\$ 924,045.00
Blackstone Capital Partners IV **	\$ 25,000,000.00	\$ 4,745,689.00
Blackstone Capital Partners V**	\$ 20,000,000.00	\$ 4,284,953.00
Boston Ventures Ltd V	\$ 5,000,000.00	\$ -
Castile III	\$ 5,000,000.00	\$ 2,750,000.00
Catterton Partners V	\$ 15,000,000.00	\$ 865,653.00
Catterton Partners VI	\$ 15,000,000.00	\$ 6,404,452.00
Centerbridge	\$ 15,000,000.00	\$ 5,088,539.00
Charterhouse Capital Partners VII*	\$ 20,878,500.00	\$ 3,001,097.86
Charterhouse Capital Partners VIII*	\$ 20,878,500.00	\$ 5,262,300.11
Coller International Capital IV**	\$ 15,000,000.00	\$ 2,400,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 8,737,500.00
Constellation 3	\$ 15,000,000.00	\$ 11,070,000.00
Crossroads Providence (Prov. Liquidating Trust)	\$ 45,000,000.00	\$ -
CVC European Equity Partners II*	\$ 15,000,000.00	\$ 1,285,894.18
CVC European Equity Partners III*	\$ 20,000,000.00	\$ 1,571,796.94
CVC European Equity Partners IV*	\$ 22,966,350.00	\$ 2,924,595.45
CVC V	\$ 27,838,000.00	\$ 24,637,195.47
Doughty Hanson Fund II **	\$ 5,300,000.00	\$ -
Doughty Hanson Fund III **	\$ 15,000,000.00	\$ -
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 541,942.00
Fenway Partners Capital Fund III	\$ 15,000,000.00	\$ 5,367,908.00
First Reserve Fund VIII	\$ 15,000,000.00	\$ -
First Reserve Fund IX		\$ -
First Reserve Fund X	\$ 20,000,000.00	\$ 1.63
First Reserve Fund XI	\$ 20,000,000.00	\$ 6,026,870.44
Focus Ventures III	\$ 15,000,000.00	\$ 6,975,000.00
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 9,750,000.00
Green Equity Investors IV	\$ 15,000,000.00	\$ 388,387.63
Green Equity Investors V	\$ 20,000,000.00	\$ 14,513,680.04

State of Rhode Island Alternative Investments Unfunded Commitment

<u>Partnership Investment</u>	December 2008		<u>ERSRI Remaining</u>
	<u>Total Commitment</u>		<u>Commitment</u>
Harvest Partners III	\$	15,000,000.00	\$ 368,726.61
Harvest Partners IV	\$	15,000,000.00	\$ -
Heritage Fund II	\$	5,000,000.00	\$ -
Kayne Anderson Energy Fund III	\$	15,000,000.00	\$ 6,446,800.10
Kayne Anderson Energy Fund IV	\$	15,000,000.00	\$ 11,100,000.53
Leapfrog Ventures II	\$	10,000,000.00	\$ 4,025,000.00
Leeds Weld Equity Partners IV	\$	10,000,000.00	\$ 107,371.39
Lehman Bros IV	\$	15,000,000.00	\$ 11,096,846.71
Lighthouse Capital Partners V	\$	11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$	15,000,000.00	\$ 3,374,999.99
LNK Partners	\$	12,500,000.00	\$ 6,924,026.10
Matlin Patterson Glob. Opp. Fund (CSFB)	\$	15,000,000.00	\$ -
MHR Institutional Partners III	\$	20,000,000.00	\$ 7,789,323.00
Nautic Partners V	\$	20,000,000.00	\$ 1,405,849.50
Nautic Partners VI	\$	20,000,000.00	\$ 13,934,185.99
Nordic Capital Fund III*	\$	10,156,150.82	\$ 171,073.63
Nordic Capital Fund V*	\$	20,343,384.05	\$ 97,594.82
Nordic Capital Fund VI*	\$	20,878,500.00	\$ 414,403.50
Nordic VII	\$	20,878,500.00	\$ 16,846,275.20
OCM Opportunities Fund	\$	8,000,000.00	\$ -
OCM Opportunities Fund II	\$	12,000,000.00	\$ -
OCM Principal Opportunities Fund	\$	5,000,000.00	\$ -
Paladin	\$	10,000,000.00	\$ 7,596,657.00
Parthenon Investors	\$	15,000,000.00	\$ -
Parthenon Investors II	\$	20,000,000.00	\$ 1,244,270.00
Perseus VII	\$	15,000,000.00	\$ 8,896,573.00
Point 406	\$	10,000,000.00	\$ 5,720,000.00
Point Judith II	\$	5,000,000.00	\$ 2,942,210.77
Providence Equity Partners* *	\$	10,000,000.00	\$ -
Providence Equity Partners III	\$	15,000,000.00	\$ 1,914,365.51
Providence Equity Partners IV	\$	25,000,000.00	\$ 386,571.00
Providence Equity Partners V	\$	25,000,000.00	\$ 2,279,000.00
Providence Equity Partners VI	\$	25,000,000.00	\$ 12,574,481.00
SKM Equity Fund II**	\$	10,000,000.00	\$ 1,729,834.00
Thomas H. Lee Equity Fund IV (THL)**	\$	9,000,000.00	\$ -
Thomas McNerney & Partners	\$	15,000,000.00	\$ 2,587,500.00
Thomas McNerney & Partners 2	\$	15,000,000.00	\$ 10,200,000.00
TPG Partners II	\$	10,000,000.00	\$ 308,515.00
TPG Partners IV	\$	15,000,000.00	\$ 1,323,883.00
TPG Partners V	\$	20,000,000.00	\$ 3,798,564.00
TPG VI	\$	20,000,000.00	\$ 18,984,922.00
VS&A Communication Partners III	\$	15,000,000.00	\$ 159,299.00
W Capital Partners	\$	15,000,000.00	\$ 1,818,000.00
W Capital Partners II	\$	15,000,000.00	\$ 9,337,500.00
WLR	\$	8,000,000.00	\$ 4,876,677.00
Washington & Congress Capital Partners**	\$	15,000,000.00	\$ 305,637.24
Wellspring Capital Partners II	\$	15,000,000.00	\$ -
Wellspring Capital Partners III	\$	20,000,000.00	\$ 713,008.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$ 7,683,781.00

State of Rhode Island Alternative Investments Unfunded Commitment

December 2008

<u>Partnership Investment</u>	<u>Total Commitment</u>	<u>ERSRI Remaining Commitment</u>
Welsh, Carson, Anderson & Stowe VII	\$ 15,000,000.00	\$ -
Willis Stein & Partners	\$ 5,000,000.00	\$ -
Total Alternative Investments	\$ 1,520,573,767.22	\$ 393,726,588.31

* transctions occur in foreign currency

** fees NOT affecting unfunded commitment

-

State of Rhode Island Alternative Investments Unfunded Commitment
December 2008

<u>Real Estate Partnership Investment</u>	<u>Total Commitment</u>	<u>Remaining Commitment</u>
Fillmore East Fund I	\$ 10,000,000.00	\$ 322,938.70
Fremont Strategic Property Partners II	\$ 15,000,000.00	\$ 1,207,313.00
GMAC Commerical Realty Partners II	\$ 15,000,000.00	\$ 3,344,821.00
Heitman Advisory Corporation		\$ -
JPMorgan Fleming Asset Mgmt. Strat. Prop. Fund	\$ 50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$ 15,000,000.00	\$ 397,937.57
L&B Real Estate Counsel		\$ -
Magna Hotel	\$ 4,000,000.00	\$ 3,329,506.00
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Prudential Real Estate Investors (PRISA) II	\$ 15,000,000.00	\$ 4,748,362.55
RREEF America REIT II Fund	\$ 35,000,000.00	\$ -
Starwood Hospitality Fund I	\$ 10,000,000.00	\$ 3,000,000.00
TA Realty Fund VIII	\$ 15,000,000.00	\$ 750,000.00
Tri Continental Fund VII	\$ 15,000,000.00	\$ 274,988.00
Walton Street Real Estate Fund V	\$ 20,000,000.00	\$ 0.18
Westbrook Real Estate Fund VI	\$ 15,000,000.00	\$ -
Westbrook Real Estate Fund VII	\$ 15,000,000.00	\$ 11,307,079.00

CASH FLOW

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2009

	FY 2008-09 Actual July 2008	Actual August	Actual September	Actual October	Actual November	Actual 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	60,497,759	58,000,000	58,000,000	58,000,000	58,000,000	58,000,000	58,000,000	702,744,360
ADMINISTRATIVE EXPENSES	339,779	339,513	503,815	797,732	529,312	425,994	55,682	556,812	434,195	407,974	641,541	462,197	5,494,548
INVESTMENT EXPENSES	1,383,055	506,539	619,415	239,522	67,616	1,133,736	1,263,900	167,996	761,883	511,398	542,176	748,052	7,945,289
TOTAL OUTFLOW	59,005,091	59,673,041	59,949,846	61,552,315	59,392,609	62,057,488	59,319,583	58,724,808	59,196,079	58,919,373	59,183,717	59,210,249	716,184,197
CONTRIBUTIONS	51,338,466	30,225,420	30,166,263	35,094,098	56,872,505	47,797,867	43,124,000	43,490,135	37,241,439	50,541,113	49,746,039	46,722,223	522,359,568
OTHER INCOME*	3,158,335	2,555,511	8,931,581	1,387,882	2,384,334	810,209	2,194,110	3,078,130	2,015,428	5,353,647	2,436,587	4,336,772	38,642,527
TOTAL INCOME	54,496,801	32,780,931	39,097,844	36,481,980	59,256,839	48,608,076	45,318,110	46,568,265	39,256,867	55,894,760	52,182,626	51,058,995	561,002,095
DIFFERENCE	(4,508,290)	(26,892,110)	(20,852,001)	(25,070,335)	(135,770)	(13,449,413)	(14,001,472)	(12,156,543)	(19,939,212)	(3,024,613)	(7,001,091)	(8,151,254)	(155,182,103)

Municipal Employees Retirement System

	Actual July 2008	Actual August	Actual September	Actual October	Actual November	Actual 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 #	4,911,402	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	58,665,175
ADMINISTRATIVE EXPENSES	57,009	57,172	84,839	135,302	90,085	72,656	9,247	92,692	72,424	68,100	107,195	77,374	924,096
INVESTMENT EXPENSES	232,052	85,298	104,305	40,625	11,508	193,366	209,891	27,966	127,083	85,364	90,592	125,228	1,333,278
TOTAL OUTFLOW	5,059,955	5,017,543	5,080,594	5,073,331	5,020,546	5,177,424	5,119,138	5,020,658	5,099,508	5,053,464	5,097,787	5,102,602	60,922,550
CONTRIBUTIONS	4,031,169	3,812,600	3,564,788	4,920,264	5,245,873	4,470,884	6,233,000	3,904,841	4,070,728	6,870,013	4,927,100	5,422,967	57,474,227
OTHER INCOME*	529,911	430,331	1,504,020	235,397	405,794	138,187	364,368	512,415	336,177	893,644	407,129	725,998	6,483,371
TOTAL INCOME	4,561,080	4,242,931	5,068,808	5,155,661	5,651,667	4,609,071	6,597,368	4,417,256	4,406,905	7,763,657	5,334,229	6,148,965	63,957,598
DIFFERENCE	(498,874)	(774,611)	(11,786)	82,330	631,121	(568,354)	1,478,230	(603,402)	(692,603)	2,710,193	236,442	1,046,363	3,035,048

CASH FLOW ANALYSIS - INCOME & EXPENSES

**Judges/State Police
Retirement System**

	Actual July 2008	Actual August	Actual September	Actual October	Actual November	Actual 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	73,502	75,000	75,000	75,000	75,000	75,000	75,000	898,261
ADMINISTRATIVE EXPENSES	4,350	4,390	6,515	10,537	7,099	5,764	668	6,846	5,383	5,092	8,064	5,872	70,580
INVESTMENT EXPENSES	17,708	6,550	8,010	3,164	907	15,339	15,162	2,066	9,446	6,383	6,815	9,503	101,053
TOTAL OUTFLOW	95,561	84,443	88,027	94,450	81,508	94,604	90,830	83,912	89,830	86,474	89,879	90,375	1,069,894
CONTRIBUTIONS	455,000	410,000	468,000	710,000	455,000	410,000	490,000	490,000	505,000	535,000	730,000	470,000	6,128,000
OTHER INCOME*	40,438	33,047	115,499	18,332	31,977	10,962	26,321	37,848	24,988	66,817	30,628	55,094	491,950
TOTAL INCOME	495,438	443,047	583,499	728,332	486,977	420,962	516,321	527,848	529,988	601,817	760,628	525,094	6,619,950
DIFFERENCE	399,877	358,604	495,471	633,881	405,469	326,357	425,491	443,936	440,159	515,343	670,749	434,719	5,550,056

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

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

December, 2008

Investment Manager	Fund	Income	Average Collateral Balance
<u>Domestic Equity</u>			
Wellington Technical Equity	ZU04	\$ 3,111.95	\$ 2,952,441.56
Wellington Mgmt. Co., LLP	ZU38	\$ 108,949.58	\$ 91,886,492.82
Northpointe Capital	ZU47	\$ 149,560.14	\$ 87,321,334.27
Mackay Shields	ZU59	\$ 27,578.11	\$ 25,239,197.39
SSgA Core	ZU99	\$ 37,097.69	\$ 37,293,086.68
Total Domestic Equity		\$326,297.47	\$244,692,552.72
<u>International Equity</u>			
Goldman Sachs	ZU25	\$ 26,807.36	\$ 25,804,508.14
Delaware Investment Advisors	ZU67	\$ 13,221.72	\$ 13,937,564.55
The Boston Company	ZU77	\$ 47,553.70	\$ 46,742,070.92
Total International Equity		\$87,582.78	\$86,484,143.61
<u>Fixed Income</u>			
Brown Brothers, Harriman	ZU44	\$ 25,752.00	\$ 24,381,753.26
Fidelity Management Trust Company	ZU46		
Brown Brothers, Harriman	ZU69	\$ 446,656.83	\$ 439,701,002.39
Taplin, Canida & Habacht	ZU84	\$ 7,437.75	\$ 7,724,949.60
Total Fixed Income		\$479,846.58	\$471,807,705.25
Total Securities Lending Income		\$893,726.83	\$802,984,401.58

Cumulative Securities Lending Income

Calendar Year 2006	\$3,278,468.18
Calendar Year 2007	\$3,977,087.74
Calendar Year 2008	\$9,449,893.21

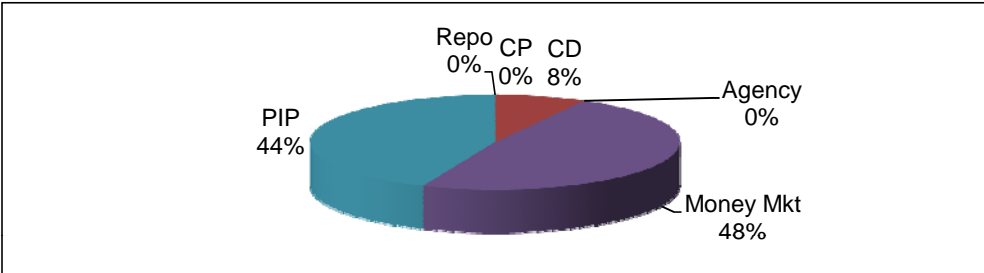
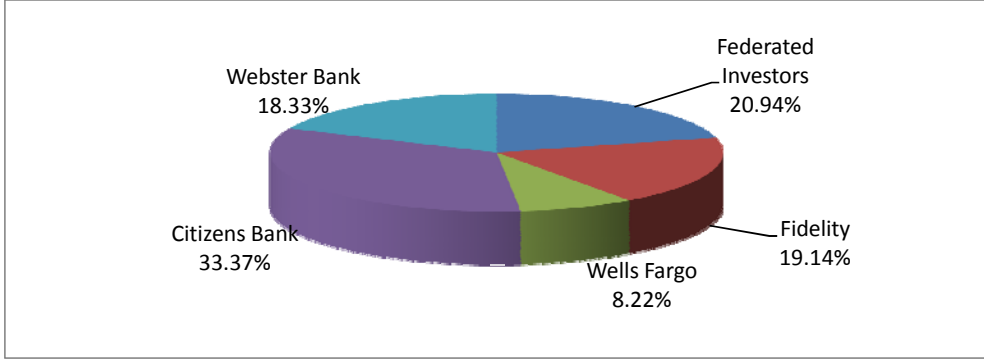


SHORT TERM INVESTMENTS

RI SIC GUIDELINE COMPLIANCE REPORT

INVESTMENTS AS OF:

1/23/2009 14:20



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

Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	50%/20%	100%/20%	
Merrill Lynch	0	0	0	0	0	0	0
Sovereign Bank	0	0	0	0	0	0	0
JP Morgan Chase	0	0	0	0	0	0	0
Federated Investors	0	0	0	62,151,348	0	0	62,151,348
Fidelity	0	0	0	56,807,619	0	0	56,807,619
First Tennessee	0	0	0	0	0	0	0
Wells Fargo	0	0	0	24,400,000	0	0	24,400,000
Citizens Bank	0	23,831,726	0	0	75,207,463	0	99,039,189
GE Capital	0	0	0	0	0	0	0
Webster Bank	0	0	0	0	54,392,002	0	54,392,002
Columbia Funds	0	0	0	0	0	0	0
US Bank	0	0	0	0	0	0	0
The Reserve	0	0	0	0	0	0	0
TOTALS	0	23,831,726	0	143,358,967	129,599,465	0	296,790,158
(%) PORTFOLIO	0.00%	8.03%	0.00%	48.30%	43.67%	0.00%	100.00%

Note: PIP + CD must be under 75%. Actual PIP + CD: 51.70%

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

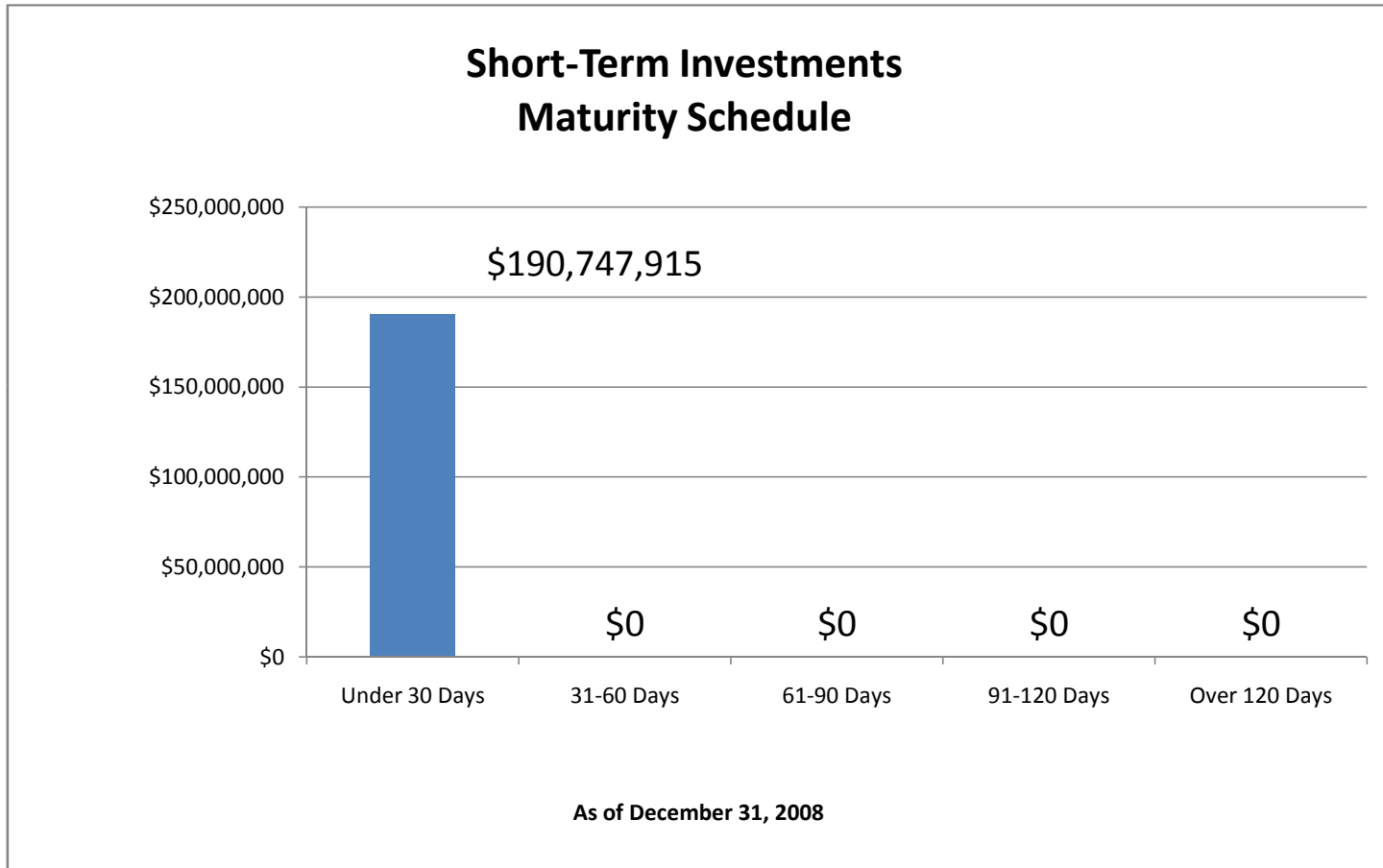
**State of Rhode Island and Providence Plantations
Office of the General Treasurer**

**Short Term Investment Portfolio by Fund
As of December 31, 2008**

	Principal	Interest	TV @ Maturity
4901 GENERAL FUND	\$350,389.10	\$0.00	\$350,389.10
4916 H.A.V.A	\$133,328.44	\$0.00	\$133,328.44
4918 RICAP GL FUND 21	\$7,824.75	\$0.00	\$7,824.75
4920 GENERAL FUND (HIST PRES)	\$531,726.18	\$827.13	\$532,553.31
4955 HEALTH INSURANCE FUND	\$15,323,201.60	\$0.00	\$15,323,201.60
4956 STATE FLEET REVOLV LN FND	\$4,922,562.26	\$0.00	\$4,922,562.26
4957 RET STATE EMPL HLTH FUND	\$3,806,401.52	\$0.00	\$3,806,401.52
4958 BOG RETIRE HEALTH FUND	\$255,833.89	\$0.00	\$255,833.89
4959 RIPTA HEALTH FUND	\$54,421.05	\$0.00	\$54,421.05
5400 HIGHWAY FUND	\$24,263,327.97	\$0.00	\$24,263,327.97
6200 ASSESSED FRINGE BEN ADM	\$2,874,616.86	\$0.00	\$2,874,616.86
6920 AUTO EQUIPMENT SERVICE	\$328.60	\$0.00	\$328.60
8000 T.D.I. RESERVE (DET)	\$89,541,228.30	\$0.00	\$89,541,228.30
8300 PERMANENT SCHOOL FUND	\$1,212,576.65	\$0.00	\$1,212,576.65
8400 EMPLOYEES RETIREMENT	\$3,183,735.93	\$0.00	\$3,183,735.93
8500 MUNICIPAL EMPLOYEES RET.	\$28,561.59	\$0.00	\$28,561.59
8700 R.I. CLEAN WATER ACT	\$931,580.07	\$0.00	\$931,580.07
9000 BOND CAPITAL FUND	\$3,263,142.24	\$0.00	\$3,263,142.24
9700 STATE LOTTERY FUND	\$37,452,881.33	\$1,213.89	\$37,454,095.22
9800 INDUS. BLDG. & MTG. INS.	\$2,608,206.08	\$0.00	\$2,608,206.08
Subtotal	\$ 190,745,874.41	\$ 2,041.02	\$190,747,915.43
8703 CLEAN WATER CCDL 1998B	\$45,820.99	\$0.00	\$45,820.99
8706 CLEAN WATER CCDL 1994 (A)	\$6,062.64	\$0.00	\$6,062.64
8707 CAP DEV. OF 1997 SERIES A	\$19,367.99	\$0.00	\$19,367.99
8710 CLEAN WATER CCDL 2002 B	\$51,595.32	\$0.00	\$51,595.32
8711 CLEAN WATER 2004 SERIES A	\$656,126.81	\$0.00	\$656,126.81
8712 CLN WATER CCDL 2005 SER E	\$236,518.41	\$0.00	\$236,518.41
8733 CAP DEV. OF 1997 SERIES A	\$7,055.25	\$0.00	\$7,055.25
8737 RI POLLUT. CONT 94 SER. A	\$6,338.88	\$0.00	\$6,338.88
8739 CCDL99A 1999A	\$310,037.49	\$0.00	\$310,037.49
8746 POL. CTRL CCDL 2006 SER C	\$233,119.77	\$0.00	\$233,119.77
8747 CLEAN WATER 2007 SERIES A	\$501,200.42	\$0.00	\$501,200.42
8748 RI POLLUTION CNTRL 2008 B	\$700,000.00	\$0.00	\$700,000.00
9114 G.O. NOTE 1991 SER. B	\$3,801.33	\$0.00	\$3,801.33
9117 BOND CCDL 1994 SERIES A	\$174,620.51	\$0.00	\$174,620.51
9120 BOND CCBL96A	\$616,576.63	\$0.00	\$616,576.63
9121 CAP DEV OF 1997 SERIES A	\$345.97	\$0.00	\$345.97
9123 CCDL 1998B	\$1,754,118.54	\$0.00	\$1,754,118.54
9125 MMG099 1999	\$2,853.25	\$0.00	\$2,853.25
9126 BOND CAPITOL CCDL2000A	\$953,726.51	\$0.00	\$953,726.51
9127 MULTI-MODAL GEN OBL 2000	\$2,824.87	\$0.00	\$2,824.87
9131 CCDL 2004 SERIES A	\$8,059,709.97	\$0.00	\$8,059,709.97
9132 BOND CCDL 2005 SERIES C	\$16,058,990.95	\$0.00	\$16,058,990.95
9133 BOND CCDL 2005 SERIES E	\$2,431,803.16	\$0.00	\$2,431,803.16
9134 BOND CCDL 2006 SERIES B	\$22,703.35	\$0.00	\$22,703.35
9135 BOND CCDL 2006 SERIES C	\$7,143,925.42	\$0.00	\$7,143,925.42
9136 GO BND-NTAX 2007 SERIES A	\$16,340,762.88	\$0.00	\$16,340,762.88
9137 GO BND-TAX 2007 SERIES B	\$4,035,251.25	\$0.00	\$4,035,251.25
9138 NON-TAX GO BND 2008 SER B	\$76,175,000.00	\$0.00	\$76,175,000.00
9139 TAXABLE GO BND 2008 SER C	\$8,500,000.00	\$0.00	\$8,500,000.00
Bond Proceeds Total	\$145,050,258.56	\$0.00	\$145,050,258.56
4911 TANS PROCEEDS	\$196,179,465.92	\$0.00	\$196,179,465.92
Grand Total	\$531,975,598.89	\$2,041.02	\$531,977,639.91

* 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
December 31, 2008



Maturities in \$Millions

Note: Includes \$184.5 Million of Money Market and PIP investments with no specific maturity

SPECIAL FUNDS

**ABRAHAM TOURO FUND
INVESTMENT SUMMARY
December 31, 2008**

<u>Fund Name</u>		Gain/Loss		Total Market Value
Abraham Touro Fund (Fidelity Balanced Fund)	\$	35,741	\$	1,598,280
<u>Totals</u>	\$	35,741	\$	1,598,280