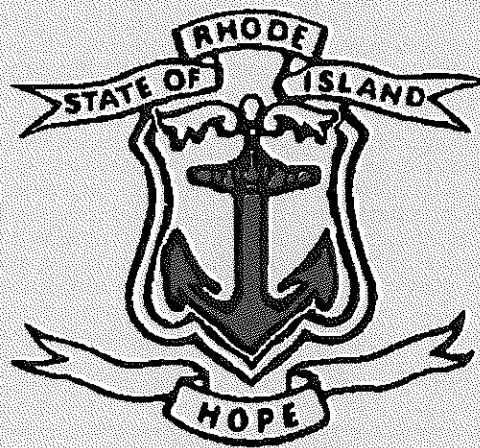


# State of Rhode Island and Providence Plantations



Office of the General Treasurer

Paul J. Tavares  
General Treasurer

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
DECEMBER 31, 2001**

**STEPHEN F. IAFRATE**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

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

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

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



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

Paul J. Tavares  
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION  
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, January 23, 2002 at 9:00 a.m. in Room 135 of the State House.

**AGENDA**

1. Membership Roll Call
2. Approval of Minutes
  - State Investment Commission Meeting held on 11/18/01 \*
3. Investment Manager Interviews – Small Cap US Equity Manager \*
  - NorthPointe Capital 3
  - Wellington Management Co. 4
  - Wasatch Advisors, Inc. 2.5
  - Columbia Management Co. - 4
  - Times Square Capital Management - 2
4. General Consultant's Report – Wilshire Associates Incorporated
  - Capital Market Update
5. Legal Counsel Report
6. Deputy Treasurer for Finance Report
7. Treasurer's Report
8. New Business

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



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

**Minutes of the Regular Meeting November 28, 2001**

A State Investment Commission meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, November 28, 2001. There being a quorum present, the Treasurer called the meeting to order at 9:05 a.m.

Membership Roll Call. Present were: Mr. J. Michael Costello, Ms. Rosemary Booth Gallogly, Designee of the Director of Administration, Dr. Robert J. McKenna, Ms. Marcia Reback, Mr. James E. Thorsen, Mr. William J. Whitty and General Treasurer Paul J. Tavares. Senator Daniel DaPonte joined the meeting at 9:15 a.m. Also present were: Ms. Joan M. Caine, Deputy Treasurer for Finance, Andrew M. Hodgkin, Esq., Legal Counsel to the Commission, and Mr. William G. Bensur, Jr., of Wilshire Associates Incorporated, Consultant to the Commission and other members of the Treasurer's Staff.

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

**VOTED: To approve the Minutes of the October 24, 2001 Regular Meeting.**

Pacific Investment Management Company ("PIMCO"). Ms. Caine noted that the current value of the PIMCO portfolio is approximately \$380 million, representing approximately 7% of the total fund. Mr. Bensur noted that PIMCO was retained in 2000 to provide a strategic allocation to the return opportunities available in the domestic equity market. PIMCO's assignment is to construct and actively manage an enhanced index portfolio as a core-oriented component of the RIIERS domestic equity allocation. Market value as of 9/30/01 was \$371.9 million, which represents 16.4% of the equity composite and approximately 6.7% of the total fund.

Mr. John Norris, Vice President and Mr. William Benz, Managing Director represented the firm. Mr. Benz noted that PIMCO has \$234.9 billion of assets under management with approximately \$219.6 billion in fixed income and \$15.3 billion in equity. He stated that StocksPLUS is an equity portfolio strategy designed to consistently and reliably outperform the S&P 500 index, emphasizing the following: moderate, consistent excess returns; index-like return volatility; low tracking error; and low probability of severe underperformance. He explained that PIMCO buys stock index futures to eliminate the risk of underperforming due to adverse stock selection.

Mr. Norris noted that realized and anticipated Fed easing led to significant short-term interest rate declines and that the higher relative duration helped capture additional value as rates fell. He explained that PIMCO maintains duration close to a half-year to capture additional yield and other benefits provided by longer-dated securities while limiting overall interest rate sensitivity. PIMCO emphasizes mortgages as they offer attractive yields and a strong credit profile; and holds short maturity corporates while considering opportunistically increasing exposure to take advantage of relatively high yield premiums. PIMCO intends to own real return bonds as they will gain from higher inflation once the economy rebounds.

Mr. Benz stated that PIMCO's StocksPLUS portfolio has a yield cushion of approximately 140 basis points. Since inception, the S&P 500 index has returned -20.4% while PIMCO returned -19.5%.

State Street Global Advisors ("SSgA"). Mr. Bensur noted that SSgA was retained in 1998 to provide a strategic core-oriented allocation to the overall US equity market. Market value as of 9/30/01 was \$289.8 million which represents approximately 12.8% of the equity composite and approximately 5.2% of the total fund.

Mr. Tobias Seggerman, Principal, Mr. David Hanna, Principal and Ms. Donna Watkins, Principal represented the firm. Mr. Seggerman noted that SSgA has \$5.8 trillion of assets under management. Mr. Hanna described the investment process and defined the universe as the Russell 1000 Index plus S&P 500 constituents. SSgA evaluates securities by earnings-to-price, cash flow-to-price, and estimate revision. They overlay price opportunity and extreme performer identification. They select the highest ranked stocks within each industry, manage individual security and industry exposures and deliver portfolio characteristics similar to the benchmark. SSgA has a continuous assessment of the process and results.

In the last twelve months ending 10/31/01, the Russell 1000 index returned -26.05% and SSgA's Core portfolio returned -22.45%. Mr. Seggerman also gave a brief update on the other two portfolios SSgA manages on behalf of RIEERS. The Russell 1000 Value Index returned -11.86% in the last year, while the SSgA Russell 1000 Value CTF returned -11.81%. The Wilshire 5000 Index returned -25.54%, while SSgA's Wilshire 5000 Index fund returned -25.85%.

VALIC – Deferred Compensation Plan (457 Plan). Ms. Caine reminded Commission members that American International Group ("AIG") merged in mid-November with American General Corporation ("AGC"). She noted that AIG is presently merging the North America funds into the SunAmerica funds and requested that the Commission consider approval of the replacement of NAF Funds with SunAmerica Funds.

Mr. Ron Sanchies, Regional Vice President, Ms. Donna Zucchi, Regional Vice President and Mr. John Packs of SunAmerica represented the Plan. Mr. Packs stated that the following are the affected funds and the corresponding SunAmerica funds:

North American Fund	SunAmerica Fund
NAF Large Cap Growth I	SunAmerica Blue Chip Growth I
NAF Growth & Inc. I	SunAmerica Growth & Inc. I
NAF Balanced I	SunAmerica Balanced Assets I
NAF Core Bond I	SunAmerica Core Bond I *
NAF Aggressive Growth Lifestyle I	SunAmerica Aggressive Growth LifeStage I *
NAF Moderate Growth Lifestyle I	SunAmerica Moderate Growth LifeStage I *
NAF Conservative Growth Lifestyle I	SunAmerica Conservative Growth LifeStage I *

\* indicates a newly created portfolio (basically a name change)

The Treasurer expressed appreciation for the work done by Mr. Robert Struck for his work as the local VALIC representative and for working closely with Treasury staff on this transition.

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

**VOTED: To approve replacement of the seven North American Funds with the recommended seven corresponding SunAmerica Funds in VALIC's 457 Plan.**

The Treasurer distributed copies of an article from the Wall Street Journal on 529 College Savings Plans noting that Rhode Island, with over \$1.1 billion, has more assets under management than any other state in the country.

Alliance Capital Management – CollegeBoundfund (529 Plan). Mr. Richard Davies, Executive Vice President and Mr. Thomas McConnell represented the firm. Mr. Davies noted that there is a shift in the 529 market, noting that the IRS now allows for one rebalancing per year. The IRS has also approved using individual mutual funds as acceptable investment options. Alliance proposes offering individual funds as portfolios. The rationale allows for individual asset allocation and maintains the CollegeBoundfund's leadership position in product flexibility.

He noted that Alliance will offer all equity funds presently available in the CollegeBoundfund. The AllianceBernstein Value, a large cap value product, would be the only new fund added to the current CollegeBoundfund mix. Quality Bond, a sector rotation fixed income product, and the Conservative Fixed Income product under development would make up the two fixed income offerings.

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

**VOTED: To approve the addition of the nine Alliance and AllianceBernstein funds recommended for inclusion as individual portfolios within the 529 Plan.**

Fleet Investment Advisors – Investment Policy Statement. Ms. Caine gave a brief overview of the recommended changes to Fleet's Investment Policy Statement. She indicated that the request had come from Fleet. There are two proposed changes: replace the Lehman Aggregate with the Lehman Gov./Credit Index for the benchmark and to lower the return objective from 75 basis points above the benchmark to 25 basis points (net) over the benchmark, which is a more realistic hurdle rate given current market conditions.

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

**VOTED: To approve the Investment Policy Statement revisions recommended for Fleet Investment Advisors whereby Fleet's benchmark will be changed from the Lehman Aggregate to the Lehman Brothers Government/Credit Bond Index.**

Fidelity Management Trust Company – Investment Policy Statement. Ms. Caine explained the changes recommended to the Fidelity Investment Policy Statement. She noted that Fidelity preferred the Lehman Brothers' MBS Fixed Rate Index to the current Salomon Brothers Mortgage Index as it provides more detailed information, on which Fidelity can run better

analytics. A change was also proposed for Fidelity's return objective from 50 basis points to 20 basis points (net) over the benchmark.

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

**VOTED: To approve the Investment Policy Statement revisions recommended for Fidelity Management Trust Company whereby Fidelity's benchmark will be changed from the Salomon Brothers' Mortgage Index to the Lehman Brothers' MBS Fixed Rate Index.**

Legal Counsel Contract Renewal. Treasurer Tavares explained that the contract for Legal Counsel with Brown, Rudnick, Freed & Gesmer was up for renewal and that he recommended renewal of the contract for one year.

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

**VOTED: To renew the Legal Counsel contract with Brown, Rudnick, Freed & Gesmer, Ltd. for one year.**

Consultant Report – Wilshire Associates Incorporated. Mr. Bensusan distributed his Capital Market Update noting that fed funds discount rate has been reduced ten times this year from 6.5% to 2.0%. In the US Equity Market, year-to-date (through 11/26/01) returns are as follows: S&P 500: -11.4%, Nasdaq Composite: -21.4%, and the Russell 2000: -4.6%. However, since September 21<sup>st</sup> the S&P 500 is up nearly 20%, the Nasdaq Composite is up 36.4% and the Russell 2000 is up 21.7%. He noted that small stocks have outperformed larger stocks.

In the non-US equity market, year-to-date returns are as follows: MSCI EAFE Index: -22.7%; MSCI ACWI Fr x US Index: -21.4% and MSCI Emerg. Mkts. Fr. Index: -9.2%. Since September 21<sup>st</sup> the MSCI EAFE Index is up 15.9%; the MSCI ACWI Fr x US Index is up 16.5% and the MSCI Emerg Mkts Fr Index is up 23.4%.

In the US fixed income market, the Lehman Aggregate Index has returned 8.0% versus 11.6% through 11/26/01.

Legal Counsel Report. Mr. Hodgkin thanked the Treasurer for the vote renewing his contract. He also stated that a Legal Notice will be appearing in the Providence Journal which references the State Investment Commission. It has to do with the new Rules and Regulations promulgated by the SIC and the ad is mandated by the Secretary of State's office.

Deputy Treasurer for Finance Report. Ms. Caine distributed to Commission members a schedule of meetings for 2002. She then gave a brief update on the Small Cap US Equity Manager search. Over 70 responses were received from the RFP. The field has been narrowed to five to seven investment managers within each of the following three styles: core mandate, small value and small growth. Interviews will be conducted either in December or early January.

She also noted that portfolio performance on a calendar year-to-date is -13.5%. On a fiscal year-to-date, the fund has returned -7%.



General Treasurer's Report. Treasurer Tavares acknowledged and congratulated Jim Thorsen who has been promoted at State Street Global Advisors to Team Leader of the Public Funds Client Service Group.

Mr. Bensusan reminded Commission members that Wilshire and Treasury staff are continuing to closely monitor Provident Investment Counsel. He noted that Provident is 2.5% ahead of the benchmark for October, 2001.

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

**VOTED: To adjourn the meeting.**

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

Respectfully submitted,

Paul J. Tavares  
General Treasurer



**RHODE ISLAND STATE INVESTMENT COMMISSION  
STAFF SUMMARY ANALYSIS  
PORTFOLIO HIGHLIGHTS  
December 31, 2001**

**PORTFOLIO PERFORMANCE**

**December**

The ERSRI portfolio posted a modest gain of 0.84% for the month of December against the Policy Index of 1.03%. Domestic and international equities were up 1.36% and 2.26% respectively, while the fixed income asset class lost -0.74%. Additionally, the retirement fund earned \$230,713 from the securities lending program during the month of December.

**Calendar Year-to-Date**

On a calendar year basis, the portfolio is down -9.65%, against the Policy Index of -7.34%. Domestic and international equities have fallen by -13.71% and -21.43% respectively, while fixed income registered a gain of 6.35%.

**Fiscal Year-to-Date**

For the six months ended December 31st, 2001, the fund has lost -2.99%, against the fiscal year policy index of -2.90%.

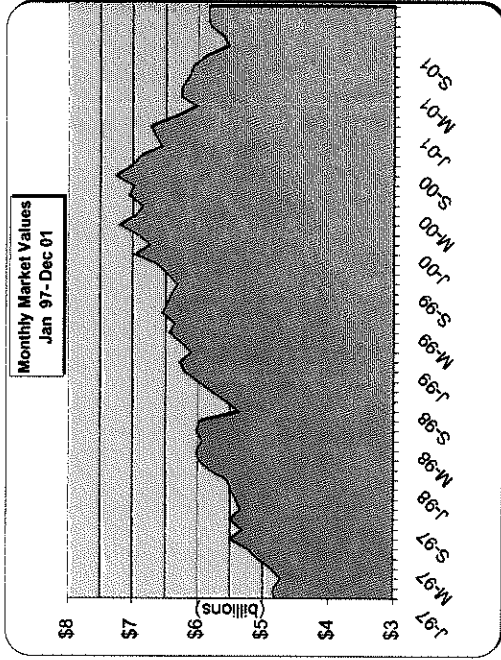
Index Performance Summary - Dec 2001		
Market Indices	Dec-01	Calendar YTD
<b>Domestic Equity</b>		
S & P 500	0.88%	-11.88%
Wilshire 5000	1.80%	-10.96%
Russell 2000	6.17%	2.49%
Russell 2500	5.61%	1.22%
Russell 1000	1.07%	-12.46%
Policy Index	1.03%	-2.90%
<b>International Equity</b>		
MSCI ACWI	1.29%	-19.50%
<b>Fixed Income</b>		
Lehman AGG	-0.64%	8.43%
<b>Real Estate</b>		
Wilshire RE Sec Ind	2.90%	10.45%

ERSRI Performance By Asset Class	Dec-01	CALENDAR YTD
Domestic Equity	1.36%	-13.71%
Fixed Income	-0.74%	6.35%
International Equity	2.26%	-21.43%
<b>Total Fund Composite*</b>	<b>0.84%</b>	<b>-9.65%</b>
Manager Summary		
	Dec-01	CYTD
<b>DOMESTIC EQUITY</b>		
Shott Capital Management IRR	3.21%	4.63%
SSgA Russell Value	2.34%	-5.57%
SSgA Wilshire 5000	1.81%	-11.29%
SSgA Core	1.52%	-8.82%
JP Morgan	1.08%	-11.86%
PIMCO	0.65%	-11.22%
Provident Investment Counsel	-0.25%	-36.10%
<b>Total Domestic Equity</b>	<b>1.36%</b>	<b>-13.71%</b>
<b>FIXED INCOME</b>		
In State Fixed Income	0.57%	6.93%
Taplin, Canida & Habacht	0.18%	10.96%
Fidelity Management	-0.37%	8.65%
Brown Brothers	-0.59%	8.34%
Fleet Investment Advisors	-0.81%	6.69%
Loomis Sayles	-1.62%	-2.57%
<b>Total Fixed Income</b>	<b>-0.74%</b>	<b>6.35%</b>
<b>INTERNATIONAL EQUITY</b>		
Putnam Investments	2.35%	N/A
Bank of Ireland	1.96%	N/A
<b>Total International Equity</b>	<b>2.26%</b>	<b>21.43%</b>

\*Total Fund Composite includes all classes

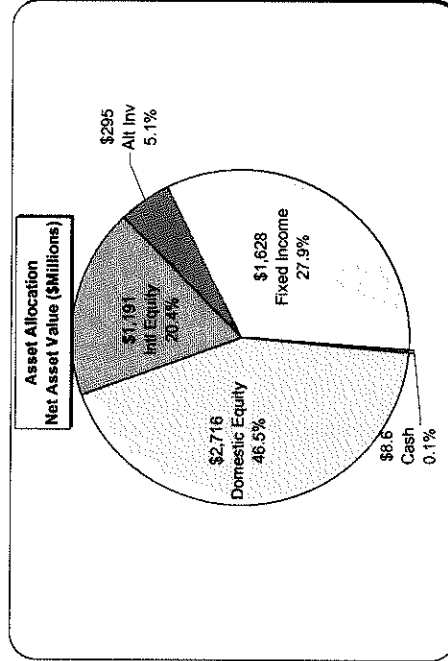
### Market Values

The total portfolio value increased in December by \$45 million, excluding transfers, to \$5.838 billion. This compares with an increase in value of \$118 million for the same period in 2000. The domestic equity market values appreciated by \$34 million during the month of December; fixed income decreased by \$13 million, excluding transfers, while international equity values were up by \$24 million. Alternative investments decreased by \$77,000, while the cash accounts were up by \$441,615.



### Asset Allocation

The domestic equities portfolio is over-allocated by 1.5%. The fixed income portfolio is over-allocated by 0.4%. The international equity portfolio is over-allocated by 0.4%, while the alternative investment assets remain under-allocated by 2.4%. The domestic and international equity classes, along with the fixed income asset class, were rebalanced during the month of December, 2001.



*Employees' Retirement Systems of Rhode Island  
Summary of Transfers by Asset Class  
December 31, 2001*

<b>Asset Class</b>	<b>Cash In</b>	<b>Cash Out</b>
Domestic Equities	246,444,896	66,310,467
Int'l Equities	465,069,440	355,000,000
Fixed Income	95,040	304,141,246
Real Estate	0	0
Venture Capital	4,210,319	2,855,013
Cash outside Trust	14,142,356	14,000,000
Cash in Trust	4,082,254	4,210,319
<b>TOTAL</b>	<b>734,044,305</b>	<b>746,517,045</b>

**Manager Funding**

A summary of cash transfers by asset class which took place during December is presented at right. Such transfers are required to provide sufficient cash for alternative investment funding as well as to meet current retirement payroll obligations (\$14mm).

**Cash Flow**

December's pension payroll of \$36.7 million exceeded the \$23.8 million in contributions received by \$12.9 million. The transfer of \$14 million from long term investments to short term was sufficient to cover that shortfall, as well as other investment management expenses.

**Alternative Investments**

At this time the alternative investment asset class has unfunded commitments of approximately \$269 million, on commitments of \$548 million.

**CAPITAL CALLS  
Net of Contributions**

<b>DECEMBER 2001</b>	<b>FYTD</b>	<b>UNFUNDED BALANCE</b>
\$1,145,914	\$10,266,750	\$269,276,977

<b>DECEMBER 2000</b>	<b>FYTD</b>	<b>UNFUNDED BALANCE</b>
\$3,801,411	\$22,752,326	\$163,007,479

**Expenses**

Expenses paid during December totalled \$868,389, was comprised of private equity, investment management and other professional management fees.

**Short Term Cash**

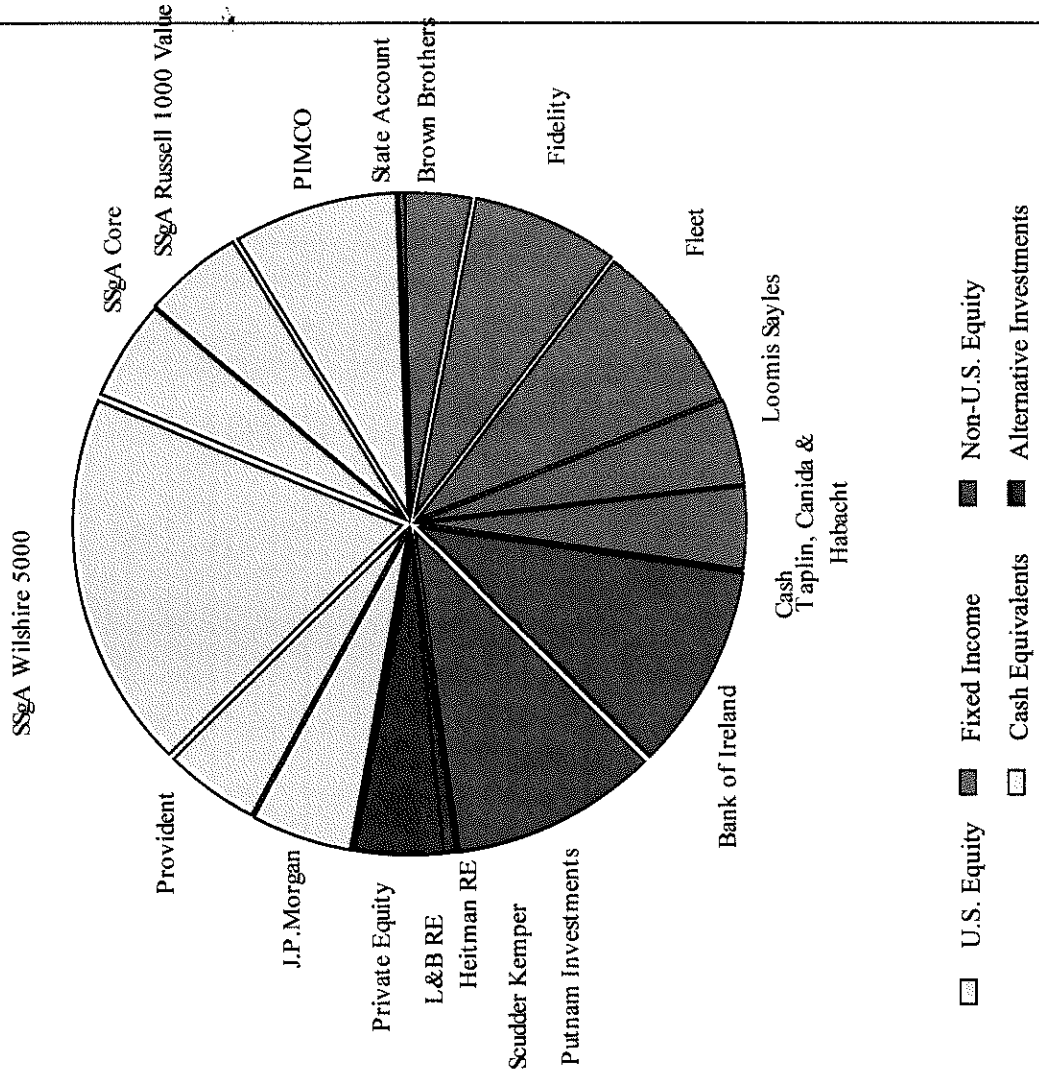
The short term cash portfolio had a 3.9 day weighted average maturity vs 5.1 days in November, and 21.6 days in December of 2000. Investments at December 31st totaled \$176.4 million. Interest earned during the month was \$198,760 of which \$12,081 was credited to the retirement accounts. The average investment rate of 1.76% was 10 basis points over the average 30 day treasury rate.

# Individual Manager Allocation

December 31, 2001

\$ 5,839 MM

Portfolio	\$MM	Allocation
J.P. Morgan	\$ 286	4.9
PIMCO	461	7.9
Provident Investment	286	4.9
Shott Capital	1	0.0
SSgA Core	289	5.0
SSgA Russell 1000 Value	295	5.1
SSgA Wilshire 5000	1,098	18.8
<b>U.S. Equity</b>	<u>2,716</u>	<u>46.5</u>
Brown Bros. Harriman	\$ 195	3.3
Fidelity Mgmt. Trust	410	7.0
Fleet Investment	515	8.8
Loomis Sayles	244	4.2
State Account	26	0.5
Taplin, Canida & Habacht	237	4.1
<b>Fixed Income</b>	<u>1,628</u>	<u>27.9</u>
Bank of Ireland	\$ 596	10.2
Putnam Investments	595	10.2
Schroder Capital Mgmt.	1	0.0
Scudder Kemper Investments	0	0.0
<b>International Equity</b>	<u>1,192</u>	<u>20.4</u>
Heitman Real Estate	\$ 3	0.1
L&B Real Estate	30	0.5
Private Equity	261	4.5
Contingency Reserve	1	0.0
<b>Alternative Invest.</b>	<u>295</u>	<u>5.1</u>
Cash Account (inside)	\$ 4	0.1
Cash Account (outside)	5	0.1
<b>Cash Equivalents</b>	<u>9</u>	<u>0.2</u>
<b>Total</b>	<b>\$5,839</b>	<b>100.0</b>



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

## Market Environment

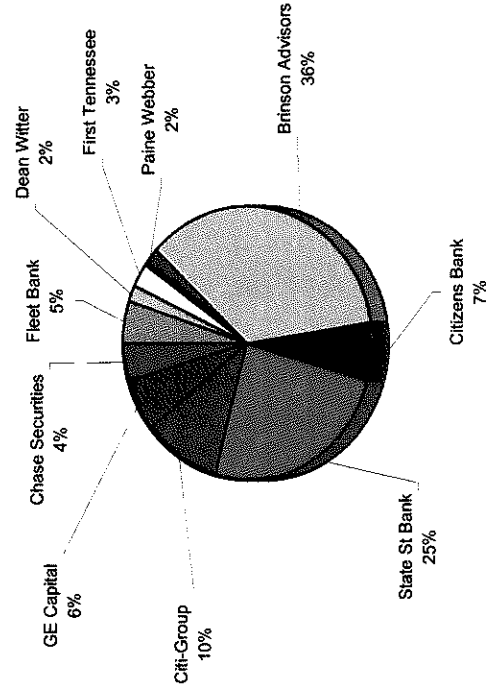
### Quarter Ended December 31, 2001

	<u>QTR.</u>	<u>YTD</u>	<u>1 YR.</u>	<u>2 YRS.</u>	<u>3 YRS.</u>	<u>4 YRS.</u>	<u>5 YRS.</u>
<b>U.S. EQUITY</b>							
RUSSELL 1000	11.11	-12.45	-12.45	-10.15	-0.80	5.52	10.50
RUSSELL 1000 GROWTH	15.14	-20.42	-20.42	-21.43	-6.32	3.33	8.27
RUSSELL 1000 VALUE	7.37	-5.59	-5.59	0.51	2.74	5.82	11.13
S&P 500	10.69	-11.88	-11.88	-10.50	-1.03	5.66	10.70
WILSHIRE 5000	12.37	-10.96	-10.96	-10.92	-0.65	4.89	9.70
<b>INTERNATIONAL EQUITY</b>							
MSCI AC WORLD FREE ex USA	8.89	-19.50	-19.50	-17.32	-3.64	0.60	0.89
MSCI EAFE	6.97	-21.44	-21.44	-17.89	-5.05	0.67	0.89
<b>U.S. FIXED INCOME</b>							
70% ML HY/30% FB CONV HY	5.89	4.88	4.88	-0.26	0.73	1.11	3.39
LB AGGREGATE	0.04	8.42	8.42	10.02	6.27	6.87	7.43
SSBI BROAD INV GRADE	0.02	8.52	8.52	10.05	6.29	6.89	7.43
SSBI LARGE PENSION FUND	-0.31	8.17	8.17	10.88	5.69		
SSBI LPF COLLATERALIZED	0.06	8.19	8.19	9.73			
<b>TOTAL PLAN</b>							
TOTAL PLAN BENCHMARK	8.24	-7.39	-7.39	-6.59	1.01	5.02	7.69

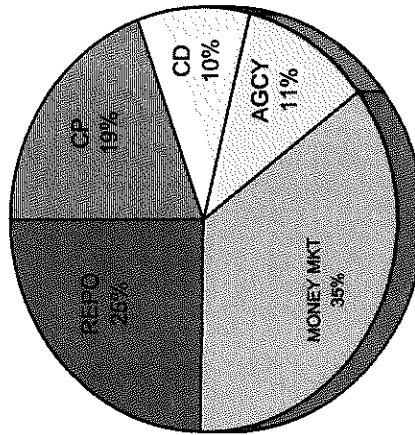
**RHODE ISLAND STATE INVESTMENT COMMISSION**

**SHORT TERM CASH INVESTMENTS AT DECEMBER 31, 2001**

**Portfolio by Issuer**



**Portfolio By Instrument**



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



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

**Issuer Credit Ratings  
December, 2001**

Issuer	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
	Moody's		Moody's	S&P	Moody's	S&P	
FleetBoston	A1		P-1	A-1	A1	A	Positive
Chase Securities	Aa2		P-1	A-1+	Aa2	AA-	Stable
Citigroup Inc.	Aa1		P-1	A-1+	Aa1	AA-	Stable
Citizens Bank RI	Aa2		P-1	A-1+	Aa2	AA-	Stable
First Tennessee Capital Markets	A1		P-1	N/A	A1	A-	Negative
Ford Motor Credit	A2		P-1	A-2*	A2	BBB+	Stable
GE Capital	Aaa		P-1	A-1+	Aaa	AAA	Stable
Morgan Stanley Dean Witter	Aa3		P-1	A-1+	Aa3	AA-	Negative
Paine Webber	Aa1		P-1	A-1+	Aa1	AA+	Stable
Brinson Advisors	Aaa						
State Street Bank & Trust Company	Aa2		P-1	A-1+	Aa2	AA	Stable
SunTrust Equitable Securities	Aa3		P-1	A-1	Aa3	A+	Stable
Zions Bank	A2		P-1	A-2	A3	BBB+	Stable

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

**Ratings Definitions**

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

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

**Moody's Issuer Rating Symbols:**

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

**Modifiers:**

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

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

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

**Modifiers:**

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

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

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

**Modifiers:**

+ or - show relative standing within the category.

**S&P Outlook Definitions:**

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

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

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

**Modifiers:**

+ or - show relative standing within the category.





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

Paul J. Tavares  
General Treasurer

January 23, 2002

State Investment Commission  
Rhode Island State House  
Providence, RI 02903

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on December 31, 2001.

**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
December 31, 2001**

Asset Class		
Cash/Short Term Investments		\$ 147,940,686
Equities – Domestic		\$ 2,706,458,518
Equities – International		\$ 1,144,530,151
Fixed Income – Government	\$ 795,226,092	
Fixed Income – Corporate	\$ 722,694,604	
Fixed Income – In State	\$ 26,442,577	
Total Fixed Income		\$ 1,544,363,273
Alternative Investments		\$ 294,399,183
Other – Escrow		\$ 500,000
Total Fund Investments		\$ 5,838,191,812
Plan Allocation		
State Employees & Teachers	86.78%	\$ 5,066,501,901
Municipal Employees	12.84%	\$ 749,909,462
State Police	0.23%	\$ 13,261,885
Judicial	0.15%	\$ 8,518,564
Total Fund Investments	100.00%	\$ 5,838,191,812

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

Respectfully submitted,

Paul J. Tavares  
General Treasurer

Monthly SIC Letter for Book.doc

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**ERSRI Monthly Market Value Report With Time Weighted Returns  
December 31, 2001**

	Performance		Calendar YTD Benchmark	Alpha	Benchmark Description	Performance			Valuation Change			
	Net of Xfers	Current Month				Benchmark	Alpha	Market Value 11/30/01	Transfers In/Out	Market Value 12/31/01	Increase/Decrease	
<b>Domestic Equity</b>												
Scott Capital Management IRR	4.63%	N/A	N/A	N/A	S & P 500	3.21%	N/A	N/A	521,056	(21,090)	516,969	16,994
JP Morgan Investment Management	-11.86%	-12.46%	0.60%	0.01%	Russell 1000	1.08%	1.07%	0.01%	318,491,003	(34,982,720)	286,104,067	2,995,784
Provident Investment Council	-36.10%	-20.42%	-15.68%	-0.06%	Russell 1000 Growth	-0.25%	-0.19%	-0.06%	231,585,583	55,017,280	286,445,091	(157,772)
SSGA Core	-8.82%	-12.46%	3.64%	0.45%	Russell 1000	1.52%	1.07%	0.45%	314,829,684	(29,982,720)	289,422,406	4,575,442
SSGA Russell Value	-5.57%	-5.59%	0.02%	-0.02%	Russell 1000 Val.	2.34%	2.36%	-0.02%	218,838,878	70,017,280	294,796,517	5,940,359
SSGA Wilshire 5000	-11.29%	-10.96%	-0.33%	0.01%	Wilshire 5000	1.81%	1.80%	0.01%	1,009,698,831	70,060,480	1,097,609,468	17,850,157
PIMCO	-11.22%	-11.88%	0.66%	-0.23%	S & P 500	0.65%	0.88%	-0.23%	407,300,495	50,025,920	460,673,027	3,346,612
<b>Total Domestic Equity</b>	-13.71%					1.36%			2,501,265,530	180,134,430	2,715,567,535	34,167,576
<b>International Equity</b>												
Bank of Ireland	N/A	-19.50%	N/A	0.67%	M/S All Country EX US	1.96%	1.29%	0.67%	523,628,964	60,034,980	595,802,931	12,139,087
Pudman Investments	N/A	-19.50%	N/A	1.06%	M/S All Country EX US	2.35%	1.29%	1.06%	531,600,314	50,034,560	594,676,293	13,041,419
Translam Account	N/A	0.00%	N/A	0.00%	M/S All Country EX US	N/A	0.00%	0.00%	1,156,765	-	738,326	(418,439)
<b>Total International Equity</b>	-21.43%					2.26%			1,056,386,043	110,069,440	1,191,217,550	24,762,067
<b>Fixed Income</b>												
Fleet Investment Advisors	6.69%	8.43%	-1.74%	-0.17%	Lehman Govtl/Credit Bond Index	-0.81%	-0.64%	-0.17%	592,590,974	(71,968,640)	515,328,294	(5,294,040)
Fidelity Management & Research	8.65%	8.19%	0.46%	-0.01%	Lehman MBS Fixed Rate	-0.37%	-0.36%	-0.01%	456,113,146	(44,976,000)	409,550,383	(1,586,763)
Brown Brothers, Harriman	8.34%	8.51%	-0.17%	0.00%	Salomon Brd Inv Grade	-0.59%	-0.59%	0.00%	247,062,299	(49,988,480)	195,121,588	(1,952,231)
In-State Fixed Income	6.93%	N/A	N/A	N/A	N/A	0.57%	N/A	N/A	26,434,405	(141,246)	26,442,577	149,418
Taplin, Canida & Habacht	10.96%	10.40%	0.56%	0.87%	Lehman Corporate	0.18%	-0.69%	0.87%	344,320,137	(106,985,920)	237,219,432	(114,785)
Loomis, Sayles & Co.	-2.57%	2.47%	-5.04%	-1.65%	Merrill/First BoshY/Conv	-1.62%	0.03%	-1.65%	278,751,274	(29,985,920)	244,232,371	(4,532,983)
<b>Total Fixed Income</b>	6.35%					-0.74%			1,945,272,235	(304,046,206)	1,627,894,645	(13,331,384)
<b>Alternative Investments</b>												
Pacific Corporate Group	-30.97%	N/A	N/A	N/A		0.05%	N/A	N/A	259,658,002	1,355,306	260,935,910	(77,398)
JMB/Heliman Advisory Group	-0.61%	10.45%	-11.06%	-2.90%	Wilshire Real Estate Securities Index	0.00%	2.90%	-2.90%	3,178,973	-	3,178,973	(0)
L & B Real Estate Counsel	10.93%	10.45%	0.48%	1.14%	Wilshire Real Estate Securities Index	4.04%	2.90%	1.14%	30,284,300	-	30,284,300	0
Bank Acquisition Contingency	0.00%	N/A	N/A	N/A		N/A	N/A	N/A	500,000	-	500,000	0
<b>Total Alternatives</b>	-26.50%					0.45%			293,621,275	1,355,306	294,899,183	(77,998)
<b>Cash Accounts</b>												
Cash in Trust	52.81%	N/A	N/A	N/A		12.15%	N/A	N/A	6,706,520	14,291	7,049,389	328,578
Internal Cash	4.25%	N/A	N/A	N/A		0.19%	N/A	N/A	1,450,473	-	1,563,510	113,037
<b>Total Cash</b>	N/A					N/A			8,156,993	14,291	8,612,899	441,615
<b>Fund Grand Total</b>	-9.65%	-7.34%	-2.31%	-0.19%		0.84%	1.03%	-0.19%	5,804,702,076	(12,472,739)	5,838,191,812	45,962,475

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

**STATE OF RHODE ISLAND  
SUMMARY OF MANAGER PERFORMANCE  
RATES OF RETURN**

**Periods Ending December 31, 2001**

	MKT VAL	% OF FUND	1 Month	3 Months	6 Months	YTD	PYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<b>U.S. EQUITY</b>												
J.P. MORGAN	286,104	4.90	1.08	11.32	-6.74	-11.86	-6.74	-11.86	-10.12	-1.53		
PIMCO	460,673	7.89	0.65	10.23	-5.50	-11.22	-5.50	-11.22				
PROVIDENT INVESTMENT	286,445	4.91	-0.25	21.09	-12.50	-36.10	-12.50	-36.10	-30.56	-14.25	-2.72	2.95
SHOTT CAPITAL	517	0.01	2.08	8.28	-28.74	-36.82	-28.74	-36.82	-32.30			
SSGA - CORE	289,422	4.96	1.52	10.27	-4.84	-8.82	-4.84	-8.82	-8.14	-0.24		
SSGA RUSSELL 1000 VALUE	294,797	5.05	2.34	7.42	-4.35	-5.57	-4.35	-5.57				
SSGA WILSHIRE 5000	1,097,602	18.80	1.81	12.43	-5.49	-11.29	-5.49	-11.29				
TOTAL US EQUITY	2,715,560	46.51	1.36	11.93	-6.17	-13.71	-6.17	-13.71	-12.75	-3.43	1.84	6.89
<b>RUSSELL 1000</b>												
RUSSELL 1000 GROWTH			1.07	11.11	-5.81	-12.45	-5.81	-12.45	-10.15	-0.80	5.52	10.50
RUSSELL 1000 VALUE			-0.19	15.14	-7.21	-20.42	-7.21	-20.42	-21.43	-6.32	3.33	8.27
S&P 500			2.36	7.37	-4.39	-5.59	-4.39	-5.59	0.51	2.74	5.82	11.13
WILSHIRE 5000			0.88	10.69	-5.56	-11.88	-5.56	-11.88	-10.50	-1.03	5.66	10.70
			1.80	12.37	-5.49	-10.96	-5.49	-10.96	-10.92	-0.65	4.89	9.70
<b>INTERNATIONAL EQUITY</b>												
BANK OF IRELAND	595,803	10.20	1.96	7.37	-7.42		-7.42					
PUTNAM INVESTMENTS	594,676	10.19	2.35	8.91	-6.75		-6.75					
SSGA TRANSITION ACCOUNT	17	0.00										
BARING ASSET MANAGEMENT	74	0.00										
SCHRODER CAPITAL MANAGEMENT	647	0.01										
SCUDDER KEMPER INVESTMENTS	405	0.01										
TOTAL INTERNATIONAL EQUITY	1,191,622	20.41	2.26	9.24	-6.60	-21.43	-6.60	-21.43	-16.84	-2.42	0.34	0.46
MSCI AC WORLD FREE ex US (GROSS)			1.29	8.89	-7.19	-19.50	-7.19	-19.50	-17.32	-3.64	0.60	0.89
MSCI EAFE (NET)			0.59	6.97	-8.00	-21.44	-8.00	-21.44	-17.89	-5.05	0.67	0.89
<b>U.S. FIXED INCOME</b>												
BROWN BROTHERS HARRIMEN	195,122	3.34	-0.59	-0.00	4.11	8.34	4.11	8.34	10.32	6.29	6.91	6.79
FIDELITY MANAGEMENT TRUST	409,550	7.01	-0.37	0.36	4.65	8.65	4.65	8.65	10.15	7.43	7.22	7.65
FLEET INVESTMENT	515,328	8.83	-0.81	-0.55	4.51	6.69	4.51	6.69	10.17	5.42	6.75	7.56
LOOMIS SAYLES	244,232	4.18	-1.62	2.96	-2.44	-2.57	-2.44	-2.57	-1.49	2.33	0.95	3.60
STATE ACCOUNT	26,443	0.45	0.57	1.72	3.37	6.93	3.37	6.93				
TAPLIN, CANIDA & HABACHT	237,219	4.06	0.18	2.84	4.67	10.96	4.67	10.96	10.00	6.35	6.78	7.67
TOTAL US FIXED INCOME	1,627,895	27.88	-0.74	0.71	3.30	6.35	3.30	6.35	8.34	5.57	6.14	7.04
70% MERRILL LYNCH HY/30% FB CONV HY			-0.53	5.89	1.18	4.88	1.18	4.88	-0.26	0.73	1.11	3.39
LB AGGREGATE			-0.64	0.04	4.65	8.42	4.65	8.42	10.02	6.27	6.87	7.43

**STATE OF RHODE ISLAND  
SUMMARY OF MANAGER PERFORMANCE  
RATES OF RETURN**

**Periods Ending December 31, 2001**

	MKT VAL	% OF FUND	1 Month	3 Months	6 Months	YTD	PYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<b>U.S. FIXED INCOME</b>												
SSBI BROAD INV GRADE			-0.59	0.02	4.73	8.52	4.73	8.52	10.05	6.29	6.89	7.43
SSBI LARGE PENSION FUND			-0.97	-0.31	5.01	8.17	5.01	8.17	10.88	5.69		
SSBI LPF COLLATERALIZED			-0.37	0.06	4.37	8.19	4.37	8.19	9.73			
<b>ALTERNATIVE INVESTMENTS</b>												
HEITMAN REAL ESTATE	3,179	0.05	0.00	2.34	5.07	-0.61	5.07	-0.61	6.93	10.04	11.27	9.50
L&B REAL ESTATE	30,284	0.52	4.04	5.75	6.74	10.93	6.74	10.93	9.08	8.54	9.42	12.30
PRIVATE EQUITY INVESTMENT	260,936	4.47	0.05	-4.78	-4.64	-30.97	-4.64	-30.97	-0.92	3.72	5.69	5.48
CONTINGENCY RESERVE FUND	500	0.01	0.00	0.00								
TOTAL ALTERNATIVE INVESTMENTS	294,899	5.05	0.45	-3.68	-3.56	-26.50	-3.56	-26.50				
<b>CASH EQUIVALENTS</b>												
CASH ACCOUNT (INSIDE)	3,540	0.06	12.15	28.52	41.13	52.81	41.13	52.81				
CASH ACCOUNT (OUTSIDE)	5,072	0.09	0.19	0.67	1.56	4.25	1.56	4.25				
<b>TOTAL PLAN</b>	5,838,588	100.00	0.84	6.70	-2.99	-9.65	-2.99	-9.65	-6.36	0.08	3.29	6.04
<b>TOTAL PLAN BENCHMARK</b>			1.03	8.24	-2.91	-7.39	-2.91	-7.39	-6.59	1.01	5.02	7.69



Asset Allocation Report Market Values at Dec 31, 2001 (\$Millions)		Style Mandate	Actual		Target	Difference	Cash	% of Total
<b>Domestic Equity</b>								
✓ Shott Capital Mgmt	alternative distribution	0.52	0.0%	0.00	0.0%	0.52	0.00	0.0%
✓ JP Morgan Investment Management	active core	286.10	4.9%	291.91	5.0%	-5.81	0.52	0.2%
✓ Provident Investment Council	Active lrg cap grwth	286.45	4.9%	291.91	5.0%	-5.46	5.53	1.9%
✓ SSgA Core	active core	289.42	5.0%	291.91	5.0%	-2.49	3.07	1.1%
✓ SSgA Russell	lrg cap value Index	294.80	5.0%	291.91	5.0%	2.89	0.00	0.0%
✓ SSgA Wilshire 5000	Equity Index	1,097.61	18.8%	1,021.68	17.5%	75.93	(0.01)	0.0%
✓ PIMCO	enhanced equity	460.67	7.9%	437.86	7.5%	22.81	0.00	0.0%
<b>TOTAL DOMESTIC EQUITY</b>		<b>\$2,715.57</b>	<b>46.5%</b>	<b>\$2,627.19</b>	<b>45.0%</b>	<b>\$88.38</b>	<b>\$9.11</b>	<b>0.3%</b>
<b>International Equity</b>								
✓ Bank of Ireland	M/S all country ex US	595.80	10.2%	583.82	10.0%	11.98	30.44	5.1%
✓ Putnam Investments Transition Account	M/S all country ex US	594.68	10.2%	583.82	10.0%	10.86	16.25	2.7%
	M/S all country ex US	0.74	0.0%	0.00	0.0%	0.74	0.00	0.0%
<b>TOTAL INT'L EQUITY</b>		<b>\$1,191.22</b>	<b>20.4%</b>	<b>\$1,167.64</b>	<b>20.0%</b>	<b>\$23.58</b>	<b>\$46.69</b>	<b>3.9%</b>
<b>Domestic Fixed Income</b>								
✓ Fleet Investment Advisors	active core	515.33	8.8%	529.82	9.1%	-14.49	16.19	3.1%
✓ Fidelity Management & Research	mortgages	409.55	7.0%	401.38	6.9%	8.17	28.82	7.0%
✓ Brown Brothers, Harriman	opportunistic core	195.12	3.3%	192.66	3.3%	2.46	7.43	3.8%
In-State Fixed Income	short/int govt	26.44	0.5%	0.00	0.0%	26.44	0.00	0.0%
✓ Taplin, Canida & Habacht	corporates	237.22	4.1%	240.83	4.1%	-3.61	27.56	11.6%
✓ Loomis, Sayles & Co.	convt/hi yield	244.23	4.2%	240.83	4.1%	3.41	3.53	1.4%
<b>TOTAL FIXED-INCOME</b>		<b>\$1,627.89</b>	<b>27.9%</b>	<b>\$1,605.50</b>	<b>27.5%</b>	<b>\$22.39</b>	<b>\$83.53</b>	<b>5.1%</b>
<b>Alternative Investments</b>								
✓ JMB/ Heitman Advisory Corp	real estate	3.18	0.1%					
✓ L&B Real Estate Counsel	real estate	30.28	0.5%					
✓ Shott Capital Mgmt	alternative distribution	0.00	0.0%					
✓ Pacific Corp Group	Private Equity	260.94	4.5%					
Bank Disposition	contingency	0.50	0.0%					
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>\$294.90</b>	<b>5.1%</b>	<b>\$437.86</b>	<b>7.5%</b>	<b>-\$142.97</b>	<b>\$0.00</b>	<b>0.0%</b>
<b>CASH EQUIVALENTS</b>		<b>8.61</b>	<b>0.1%</b>	<b>0.00</b>	<b>0.0%</b>	<b>8.61</b>	<b>8.61</b>	<b>100.0%</b>
<b>TOTAL ASSETS</b>		<b>\$5,838.19</b>	<b>100.0%</b>	<b>\$5,838.19</b>	<b>100.0%</b>	<b>\$0.00</b>	<b>\$147.94</b>	<b>2.5%</b>
<b>Allocation By Management Style</b>								
<b>Domestic Equity</b>								
Core		575.53	9.9%	583.82	10.0%	(8.29)	3.59	0.6%
Large Cap Growth		286.45	4.9%	291.91	5.0%	(5.46)	5.53	1.9%
Large Cap Value		294.80	5.0%	291.91	5.0%	2.89	-	0.0%
Enhanced Equity		1,558.28	26.7%	1,459.55	25.0%	98.73	(0.01)	0.0%
Alt Distribution		0.52	0.0%	-	0.0%	0.52	-	0.0%
<b>TOTAL DOMESTIC EQUITY</b>		<b>\$2,715.57</b>	<b>46.5%</b>	<b>\$2,627.19</b>	<b>45.0%</b>	<b>\$88.38</b>	<b>\$9.11</b>	<b>0.3%</b>
<b>International Equity</b>								
Passive		595.80	10.2%	583.82	10.0%	11.98	30.44	5.1%
Active		595.41	10.2%	583.82	10.0%	11.60	16.25	2.7%
Emerging Markets			0.0%	-	0.0%	-	-	0.0%
<b>TOTAL INT'L EQUITY</b>		<b>\$1,191.22</b>	<b>20.4%</b>	<b>\$1,167.64</b>	<b>20.0%</b>	<b>\$23.58</b>	<b>\$46.69</b>	<b>3.9%</b>
<b>Domestic Fixed Income</b>								
Mortgage		409.55	15.8%	401.38	6.875%	8.17	28.82	7.0%
Core		736.89	3.8%	722.48	12.375%	14.42	23.63	3.2%
Corporates		237.22	4.1%	240.83	4.125%	(3.61)	27.56	11.6%
Convertible/High Yield		244.23	4.2%	240.83	4.125%	3.41	3.53	1.4%
<b>TOTAL FIXED-INCOME</b>		<b>\$1,627.89</b>	<b>27.9%</b>	<b>\$1,605.50</b>	<b>27.5%</b>	<b>\$22.39</b>	<b>\$83.53</b>	<b>5.1%</b>
<b>Alternative Investments</b>								
Real Estate		33.46	0.6%					
Other Alternative Investments		261.44	4.5%					
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>\$294.90</b>	<b>5.1%</b>	<b>\$437.86</b>	<b>7.5%</b>	<b>(\$142.97)</b>		
<b>CASH EQUIVALENTS</b>		<b>8.61</b>	<b>0.1%</b>	<b>0.00</b>	<b>0.0%</b>	<b>8.61</b>	<b>8.61</b>	<b>100.0%</b>
<b>TOTAL ASSETS</b>		<b>\$5,838.19</b>	<b>100.0%</b>	<b>\$5,838.19</b>	<b>100.0%</b>	<b>\$0.00</b>	<b>\$147.94</b>	<b>2.5%</b>



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

DECEMBER 31, 2001

<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	MICROSOFT CORP	521,900	\$34,575,875	SSgA,Provident,J.P.Morgan
2	PFIZER INC	821,600	32,740,760	SSgA,Provident,J.P.Morgan
3	GENERAL ELC. CO	750,100	30,064,008	SSgA,Provident,J.P.Morgan
4	INTEL CORP	925,400	29,103,830	SSgA,Provident,J.P.Morgan
5	CISCO SYS INC	1,097,600	19,877,536	SSgA,J.P.Morgan
6	AOL TIME WARNER INC	548,700	17,613,270	SSgA,Provident,J.P.Morgan
7	CITIGROUP INC	319,033	16,104,786	SSgA,J.P.Morgan
8	AMERICAN INTL GROUP	197,625	15,691,425	SSgA,Provident,J.P.Morgan
9	EXXON MOBIL CORP	396,970	15,600,921	SSgA,J.P.Morgan
10	HOME DEPOT INC	299,101	15,257,142	Provident,J.P.Morgan
		<b>8.35%</b>	<b>\$226,629,553</b>	
<b>Total Composite Equities</b>		<b>\$2,715,067,944</b>		

International Equity Holdings By Top 10 Market Values

DECEMBER 31, 2001

<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	TOTAL FINA ELF	279,161	\$39,868,496	Bank of Ireland,Putnam
2	ING GROEP NV CVA	1,489,324	37,978,075	Bank of Ireland,Putnam
3	VODAFONE GROUP	14,443,408	37,785,151	Bank of Ireland,Putnam
4	GLAXOSMITHLINE	1,265,131	31,725,126	Bank of Ireland,Putnam
5	SHELL TRNSPT+TRDG	4,457,893	30,623,457	Bank of Ireland,Putnam
6	NESTLE SA	137,407	29,297,162	Bank of Ireland,Putnam
7	ASTREZENECA ORD	547,869	24,702,489	Bank of Ireland,Putnam
8	SAMSUNG ELECTRS LTD	187,300	21,726,800	Putnam
9	NTT DOCOMO	1,797	21,115,370	Bank of Ireland,Putnam
10	BARCLAYS ORD	595,200	19,707,290	Bank of Ireland,Putnam
		<b>24.72%</b>	<b>\$294,529,416</b>	
<b>Total Composite International Equities</b>		<b>\$1,191,604,831</b>		

Alternative Investments Funding

2001

Manager	Inception Date	Partnership Commitment	Prior Funding Thru 11/30/01	Current Month Funding	Cumulative Total at 12/31/01	Unfunded Balance	Market Values at 12/31/01
✓ ABS Capital Partners	May 1996	5,000,000	2,813,914	0	2,813,914	2,186,086	1,559,678
✓ Apollo RE Investment Fund IV L.P.	Apr 1998	15,000,000	13,112,766	0	13,112,766	1,887,234	15,191,985
✓ Alta BioPharma Partners, L.P.	Mar 1998	10,000,000	7,492,435	0	7,492,435	2,507,565	5,202,219
✓ Alta California Partners II L.P.	Oct 1998	10,000,000	7,553,607	500,000	8,053,607	1,946,393	6,158,608
✓ Alta California Partners III L.P.	Jan 2001	15,000,000	3,750,000	0	3,750,000	11,250,000	2,673,506
✓ Aurora Equity Partners II	Mar 1998	15,000,000	9,738,637	451,348	10,189,985	4,810,015	11,192,114
✓ Blackstone Capital Ptnrs III	May 1997	20,000,000	13,090,085	176,890	13,266,975	6,733,025	14,747,455
✓ Blackstone Capital Ptnrs IV	Sept 2001	25,000,000	0	0	0	25,000,000	0
✓ Boston Ventures Ltd	Sept 1996	5,000,000	4,176,783	0	4,176,783	823,217	2,768,006
Crossroads/Providence LP	Dec 1988	37,319,303	36,749,503	(187,427)	36,562,076	0	8,338,750
CSFB Global Opportunities Ptnrs, L.P.	Sept 2001	15,000,000	0	0	0	15,000,000	0
CVC Capital Partners	Mar 1998	15,000,000	10,012,143	77,484	10,089,627	4,910,373	10,739,934
CVC Capital Partners III	Mar 2001	20,000,000	707,058	0	707,058	19,292,942	707,057
✓ Doughty Hanson II	Mar 1996	5,000,000	1,830,606	0	1,830,606	3,169,394	754,070
✓ Doughty Hanson III	Nov 1997	15,000,000	9,279,861	0	9,279,861	5,720,139	8,169,595
Fenway	Aug 1998	15,000,000	7,437,382	0	7,437,382	7,562,618	6,266,435
✓ First Reserve Fund VIII L.P.	Apr 1998	15,000,000	13,106,216	1,046,836	14,153,052	846,948	13,741,842
✓ First Reserve Fund IX L.P.	Jan 2001	20,000,000	3,091,069	0	3,091,069	16,908,931	3,091,069
Harvest Partners III	Dec 1997	15,000,000	12,241,200	0	12,241,200	2,758,800	21,334,483
Harvest Partners IV	Aug 2001	15,000,000	0	0	0	15,000,000	0
Heritage Fund	May 1997	5,000,000	3,960,448	0	3,960,448	1,039,552	4,119,163
Narragansett Capital Partners	Jan 1987	1,671,121	762,385	(762,385)	0	0	0
Navis Partners V	Feb 2001	20,000,000	690,208	0	690,208	19,309,792	793,116
Nordic Capital III	Feb 1998	10,000,000	7,757,274	0	7,757,274	2,242,726	7,158,367
OCM Opportunities Fund	Jan 1996	8,000,000	1,430,038	0	1,430,038	6,569,962	4,355,416
OCM Principal Opportunities	Nov 1996	5,000,000	4,633,633	0	4,633,633	366,367	5,433,266
OCM Opportunities II	Oct 1997	12,000,000	8,283,698	(616,791)	7,666,907	4,333,093	10,127,100
Parthenon Investors, L.P.	Feb 1999	15,000,000	10,729,733	477,874	11,207,607	3,792,393	14,060,257
Parthenon Investors II, L.P.	Dec 2000	20,000,000	1,490,113	366,492	1,856,605	18,143,395	1,834,186
Providence Equity Partners	Dec 1996	10,000,000	4,038,220	0	4,038,220	5,961,780	5,156,702
Providence Equity Partners III L.P.	Dec 1998	15,000,000	8,057,870	(55,328)	8,002,542	6,997,458	6,066,049
Providence Equity Partners IV L.P.	Sep 2000	25,000,000	2,328,826	0	2,328,826	22,671,174	2,373,480
SKM Equity Fund II	Dec 1996	10,000,000	7,784,244	0	7,784,244	2,215,756	7,356,725
THL Equity Fund IV	Dec 1997	9,000,000	7,168,370	(51,325)	7,117,045	1,882,955	9,243,210
TPG Partners	Apr 1997	10,000,000	8,358,955	56,743	8,415,698	1,584,302	6,710,741
✓ Triumph Partners III	Feb 1998	15,000,000	9,528,821	0	9,528,821	5,471,179	10,009,838
✓ VS & A Communications Ptnrs III L.P.	Nov 1998	15,000,000	6,989,943	0	6,989,943	8,010,057	5,938,475
Wellspring Capital Partners	Sep 1998	15,000,000	8,537,238	0	8,537,238	6,462,762	8,607,269
✓ Welsh, Carson, Anderson & Stowe	Oct 1995	15,000,000	12,812,584	(334,497)	12,478,087	2,521,913	16,068,345
✓ Willis Stein	Jun 1996	5,000,000	3,613,319	0	3,613,319	1,386,681	2,887,396
✓ Real Estate Investments	Various	80,544,204	39,281,597	0	39,281,597	0	33,463,273
✓ Contingency Fund		500,000	500,000	0	500,000	0	500,000
<b>TOTALS:</b>		<b>\$629,034,628</b>	<b>\$314,920,782</b>	<b>\$1,145,914</b>	<b>\$316,066,695</b>	<b>\$269,276,977</b>	<b>\$294,899,180</b>



**Retirement Systems  
Investment Earnings  
Fiscal Year 2002 to Date Summary**

**ERSRI  
&  
MERSRI** at December 31, 2001

	<u>LONG TERM</u>	<u>SHORT TERM</u>	<u>TOTAL</u>
INTEREST SOLD	\$9,521,922		\$9,521,922
SECURITIES LENDING	1,157,872		1,157,872
DIVIDENDS	14,315,725		14,315,725
INTEREST	64,592,175	119,022	64,711,197
MISCELLANEOUS	1,959,202		1,959,202
CAPITAL GAINS/LOSSES	(170,756,681)		(170,756,681)
	-----	-----	-----
<b>GRAND TOTAL:</b>	<b>(\$79,209,783)</b>	<b>\$119,022</b>	<b>(\$79,090,762)</b>

FISCAL YEAR 2002

ERSRI & MERSRI

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

CASH BASIS

	Actual Jul 01	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Projected Jan 02	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	PROJECTED TOTAL
<b>EQUITIES</b>													
<i>Provident Investment</i>		222,496	198,738		198,738	214,049			250,000			250,000	921,234
<i>JP Morgan</i>	224,746				211,144				225,000			225,000	888,795
<i>SSgA Core</i>		217,218			23,531				225,000			225,000	878,362
<i>SSgA Russell</i>	1,040	24,292			12,857				30,000			30,000	107,822
<i>Slott Capital</i>					49,801				12,500			12,500	38,898
<i>SSgA Wiltshire 5000</i>		52,415							55,000			55,000	212,216
<b>FIXED INCOME</b>													
<i>Fleet Investment Advisors</i>		262,500	262,500		262,500				262,500			262,500	1,050,000
<i>Brown Bros.</i>		121,029	124,928		150,136				130,000			130,000	505,957
<i>Fidelity</i>		134,643							150,000			150,000	584,779
<i>Tapin</i>	213,470			215,167			200,000		200,000			200,000	1,028,637
<i>Loomis Sayles</i>		370,831			353,672				375,000			375,000	1,474,503
<b>INT'L EQUITIES</b>													
<i>Bank of Ireland</i>		116,722	116,722		330,270				325,000			325,000	1,096,992
<i>Putnam Investments</i>		106,890	106,890		257,505				200,000			200,000	845,788
<i>Scudder</i>		287,555	177,584										545,060
<i>Schroder</i>													177,584
<b>REAL ESTATE</b>													
<i>Helman Advisory</i>													0
<i>L &amp; B Real Estate</i>													0
<b>ALTERNATIVE INVESTMENTS</b>													
<i>Other/Alt Inv Mgmt Fees</i>	1,142,986	135,514	213,599	76,535	313,617	289,937	1,100,000	200,000	200,000			200,000	3,872,188
<b>SUB TOTAL - INV MGMT FEES</b>	<b>1,582,243</b>	<b>1,828,492</b>	<b>614,795</b>	<b>291,702</b>	<b>2,288,698</b>	<b>842,884</b>	<b>1,300,000</b>	<b>200,000</b>	<b>2,640,000</b>	<b>0</b>	<b>0</b>	<b>2,640,000</b>	<b>14,228,814</b>
<b>PROFESSIONAL FEES</b>													
<i>Consulting</i>													0
<i>Legal</i>													0
<i>State Street Bank Custodial</i>	71,539	68,750	19,444		22,701	8,839	68,750	36,000	36,000			36,000	194,523
<i>Pacific Corp Group</i>		16,667	16,667	16,667	16,667	16,667	16,667	16,667	68,750			68,750	343,750
<i>Wiltshire Assoc</i>	33,333	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667			16,667	200,003
<b>OPERATING EXPENSE</b>													
<i>Retirement Transfers</i>							3,000,000	3,000,000	3,000,000			3,000,000	9,000,000
<i>Other Expense</i>							3,000	3,000				3,000	6,000
<b>TOTAL:</b>	<b>1,687,115</b>	<b>1,913,909</b>	<b>650,906</b>	<b>308,369</b>	<b>2,396,817</b>	<b>868,389</b>	<b>4,371,750</b>	<b>216,667</b>	<b>5,761,417</b>	<b>16,667</b>	<b>16,667</b>	<b>5,764,417</b>	<b>23,973,090</b>

**CASH FLOW ANALYSIS - INCOME & EXPENSES**

Employees Retirement System

**FISCAL YEAR 2002**

FY 2001-02 Actual July 2001	Actual August	Actual September	Actual October	Actual November	Actual December	Projected January 2002	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
32,602,286	34,061,583	33,973,120	33,827,990	33,994,406	33,793,534	34,800,000	34,800,000	35,000,000	35,000,000	34,800,000	34,800,000	411,452,919
0	0	31,372	14,473	93,867	22,135	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	6,161,847
993,475	117,782	534,120	253,307	1,987,023	731,472	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	11,817,179
33,595,761	34,179,365	34,538,612	34,095,770	36,075,296	34,547,141	37,000,000	37,000,000	37,200,000	37,200,000	37,000,000	37,000,000	429,431,945
24,368,335	20,599,000	9,707,898	12,643,827	22,402,933	20,168,992	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	21,000,000	235,890,985
590,788	1,877,333	391,245	265,009	744,863	1,140,924	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	20,010,162
24,959,123	22,476,333	10,099,143	12,908,836	23,147,796	21,309,916	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	23,500,000	255,901,147
(8,636,638)	(11,703,032)	(24,439,469)	(21,186,934)	(12,927,500)	(13,237,225)	(13,500,000)	(13,500,000)	(13,700,000)	(13,700,000)	(13,500,000)	(13,500,000)	(173,530,798)

Municipal Employees Retirement System

Actual July 2001	Actual August	Actual September	Actual October	Actual November	Actual December	Projected January 2002	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
2,802,346	2,804,000	2,823,023	2,866,037	2,840,481	2,899,316	3,000,000	3,000,000	2,950,000	3,100,000	3,000,000	2,950,000	35,035,203
0	0	4,611	2,133	13,855	3,276	150,000	150,000	150,000	150,000	150,000	150,000	923,875
145,714	17,275	78,510	37,346	293,284	108,268	200,000	200,000	200,000	200,000	200,000	200,000	1,880,397
2,948,060	2,821,275	2,906,144	2,905,516	3,147,620	3,010,860	3,350,000	3,350,000	3,300,000	3,450,000	3,350,000	3,300,000	37,839,475
1,505,428	1,610,883	559,349	1,536,688	1,306,745	3,642,335	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	19,761,428
86,652	275,343	57,508	39,071	109,942	168,872	375,000	375,000	375,000	375,000	375,000	375,000	2,987,388
1,592,080	1,886,226	616,857	1,575,759	1,416,687	3,811,207	1,975,000	1,975,000	1,975,000	1,975,000	1,975,000	1,975,000	22,748,816
(1,355,980)	(935,049)	(2,289,287)	(1,329,757)	(1,730,933)	800,347	(1,375,000)	(1,375,000)	(1,325,000)	(1,475,000)	(1,375,000)	(1,325,000)	(15,090,659)

Judges/State Police Retirement System

	Actual July 2001	Actual August	Actual September	Actual October	Actual November	Actual December	Projected January 2002	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	7,678	7,678	7,678	7,678	7,678	7,678	7,500	7,500	7,500	7,500	7,500	7,500	91,068
ADMINISTRATIVE EXPENSES	0	0	128	61	396	95	3,250	3,250	3,250	3,250	3,250	3,250	20,180
INVESTMENT EXPENSES	3,797	457	2,165	1,049	8,391	3,144	4,250	4,250	4,250	4,250	4,250	4,250	44,503
TOTAL OUTFLOW	11,475	8,135	9,971	8,788	16,465	10,917	15,000	15,000	15,000	15,000	15,000	15,000	155,751
CONTRIBUTIONS	317,942	480,000	325,850	326,678	320,000	26,838	350,000	350,000	350,000	350,000	350,000	350,000	3,897,309
OTHER INCOME*	2,258	7,287	1,587	1,098	3,146	4,905	8,000	8,000	8,000	8,000	8,000	8,000	68,281
TOTAL INCOME	320,200	487,287	327,437	327,776	323,146	31,743	358,000	358,000	358,000	358,000	358,000	358,000	3,965,590
DIFFERENCE	308,725	479,152	317,466	318,988	306,681	20,826	343,000	343,000	343,000	343,000	343,000	343,000	3,809,839

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

**ALTERNATIVE INVESTMENTS**

**FISCAL YEAR ANALYSES**

**CASH FLOW**

	JUL 1998	AUG	SEPT	OCT	NOV	DEC	JAN 1999	FEB	MAR	APR	MAY	JUN	YTD
<b>FISCAL YEAR 1999</b>													
FUNDING	7,541,470	3,002,627	7,539,316	6,956,433	3,010,334	6,553,062	5,360,631	4,784,922	10,481,384	8,451,170	5,527,463	7,448,986	76,657,798
DISTRIB & RET OF CAPITAL	4,074,945	1,091,360	1,828,927	143,592	52,642	2,118,583	1,173,899	314,341	3,295,430	2,498,433	2,419,342	1,834,848	20,846,342
GAINS/LOSSES/INCOME	1,077,292	158,475	1,771,770	343,364	35,695	1,584,290	3,078,622	481,227	1,462,144	1,387,253	692,624	2,192,543	14,265,299
<b>FISCAL YEAR 2000</b>													
FUNDING	9,823,066	5,110,752	9,901,425	6,380,627	3,468,723	8,796,622	8,253,423	8,993,081	8,615,559	7,611,390	4,752,500	3,911,269	85,618,437
DISTRIB & RET OF CAPITAL	936,824	943,255	614,451	625,662	1,479,086	2,264,032	613,896	626,829	4,401,772	1,193,941	908,508	621,479	15,229,735
GAINS/LOSSES/INCOME	4,494,508	482,472	2,183,904	1,137,446	917,857	433,686	1,006,405	288,160	9,976,688	1,546,109	502,193	2,169,983	25,139,411
<b>FISCAL YEAR 2001</b>													
FUNDING	7,850,261	7,940,976	2,416,691	3,798,586	2,964,509	4,678,116	3,051,803	1,099,337	2,863,015	9,106,342	4,013,476	1,925,133	51,708,245
DISTRIB & RET OF CAPITAL	454,835	6,058,639	1,926,442	3,217,130	4,769,473	856,092	665,329	3,042,558	1,987,251	3,733,464	765,820	1,167,650	28,644,683
GAINS/LOSSES/INCOME	2,947,475	1,573,768	8,843,848	944,012	788,589	1,599,978	742,481	2,806,532	1,217,223	446,040	189,909	1,116,919	23,216,774
<b>FISCAL YEAR 2002</b>													
FUNDING	2,811,969	2,446,774	887,809	7,070,705	2,539,487	4,008,151							19,764,895
DISTRIB & RET OF CAPITAL	1,900,266	572,212	1,949,501	48,098	1,255,339	1,773,166							7,498,582
GAINS/LOSSES/INCOME	443,245	20,359,100	398,539	23,394	479,230	1,882,213							23,585,721



**Rhode Island Employees Retirement System  
Securities Lending Report  
December, 2001**

<u>INVESTMENT MANAGER</u>	<u>Income</u>	<u>Average Collateral Balance</u>
<b><u>DOMESTIC EQUITY</u></b>		
Provident Investment Council	13,583	25,729,633
JP Morgan Investment Management	4,884	9,635,715
SSgA Core	<u>7,251</u>	<u>14,005,210</u>
<b>Total Domestic Equity</b>	<b><u>\$25,719</u></b>	<b><u>\$49,370,557</u></b>
<b><u>INTERNATIONAL EQUITY</u></b>		
Bank of Ireland	34,364	43,331,476
Putnam Investments	50,139	72,747,721
<b>Total International Equity</b>	<b><u>\$84,503</u></b>	<b><u>\$116,079,197</u></b>
<b><u>FIXED INCOME</u></b>		
Fleet Investment Advisors	98,463	275,811,462
Brown Brothers, Harriman	5,025	11,321,627
Taplin, Canida & Habacht	5,283	9,516,091
Loomis, Sayles & Co.	<u>11,720</u>	<u>22,219,158</u>
<b>Total Fixed Income</b>	<b><u>\$120,492</u></b>	<b><u>\$318,868,338</u></b>
 <b>TOTAL SECURITIES LENDING INCOME</b>	 <b><u>\$230,713</u></b>	 <b><u>\$484,318,093</u></b>
  <b>Calendar Year 2001 YTD</b>	  <b><u>\$ 2,288,904.58</u></b>	



**General Information**

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<b>B. Daily Investment Performance vs. Benchmark Graph</b>	
<b>IV. A. Treasury Bill Yield Curve Graph</b>	<b>4.</b>
<b>B. comparative Market Yields Graph</b>	
<b>V. A. Portfolio Maturities by Week Graph</b>	<b>5.</b>
<b>B. Summary Portfolio Yields</b>	

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

Short Term Investments Portfolio by Fund

As of December 31, 2001

	Principal	Interest*	Total Value @ Maturity
4901 GENERAL FUND	51,313,988	18,110	51,332,098
4904 PENSION C	4,600,000	383	4,600,383
4908 PAYROLL A	600,000	50	600,050
4920 GENERAL FUND (HIST PRES)	437,210	1,224	438,435
5200 RI UNDERGROUND STORAGE TNK	1,199,460	540	1,200,000
5400 HIGHWAY FUND	4,000,000	333	4,000,333
5500 UNIVERSITY COLLEGE	0	0	0
5800 PROV. RIVER RELOCATION	0	0	0
6920 AUTO EQUIPMENT SERVICE	2,500,100	742	2,500,842
8000 T.D.I. RESERVE (DET)	58,832,165	17,683	58,849,848
8300 PERMANENT SCHOOL FUND	655,430	459	655,889
8400 EMP RETIREMENT FUND	0	0	0
8500 MUN EMP RETIREMENT FUND	0	0	0
8700 R.I. CLEAN WATER ACT	4,000,594	4,594	4,005,188
9000 BOND CAPITAL FUND	16,492,105	10,468	16,502,573
9400 R.I. HIGHER EDUCATION	0	0	0
9700 STATE LOTTERY FUND	25,381,615	20,276	25,401,892
9800 INDUS. BLDG. & MTG. INS.	3,099,948	3,638	3,103,586
9900 SINKING FUND	3,337,523	2,477	3,340,000
4911 TANS PROCEEDS	0	0	0
Subtotal	176,450,139	80,977	176,531,116
8701 CLEAN WATER CCDL2000 A	2,590		
8702 CLEAN WATER 1993 SER. A	52,970		
8703 CLEAN WATER 1991 SERIES A	702,809		
8704 CLEAN WATER 96 SERIES A	315,263		
8706 CLEAN WATER CCDL 1994 (A)	193,041		
8707 CAP DEV. OF 1997 SERIES A	156,266		
8733 CAP DEV. OF 1997 SERIES A	101,177		
8737 RI POLLUT. CONT 94 SER. A	44,973		
8738 POLLUTION CONTROL 1998B	5,620		
8739 CCDL99A 1999A	415,354		
8740 POLLUTION CONTROL CCDL200A	3,853,020		
8741 BOND 2001	1,264,440		
9108 BOND SALE 1990 SER. A&B	1,943		
9114 G.O. NOTE 1991 SER. B	12,374		
9115 BOND CCDL 1992 SERIES A	587		
9116 BOND CCDL 1993 SERIES A	3,045,452		
9117 BOND CCDL 1994 SERIES A	1,830,229		
9118 BOND CCDL 1995 SER. A	5,268		
9120 BOND CCBL96A	2,473,639		
9121 CAP DEV OF 1997 SERIES A	2,466,807		
9123 CCDL 1998B	11,496,702		
9124 CCDL99A 1999A	32,077,586		
9125 MMG099 1999	3,510,085		
9126 BOND CAPITOL CCDL2000A	21,468,500		
9127 MULTI-MODAL GEN OBL 2000	1,588,490		
9128 BOND 2001	41,271,739		
Subtotal Bond Proceed Accounts	128,356,922		
Total Short Term Portfolio	304,807,061		

\* General Fund (4901) & TDI (8000) Investments do not reflect Interest earnings on Brinson Advisors MM due to nature of Money Market investments. Principal balances w/ Brinson @ Dec 31 are GF \$17,115,854.88 and TDI \$45,540,958.75. Interest is posted on the 1st business day of the next month and for December totalled \$14,559.57 and \$86,253.67 respectively.

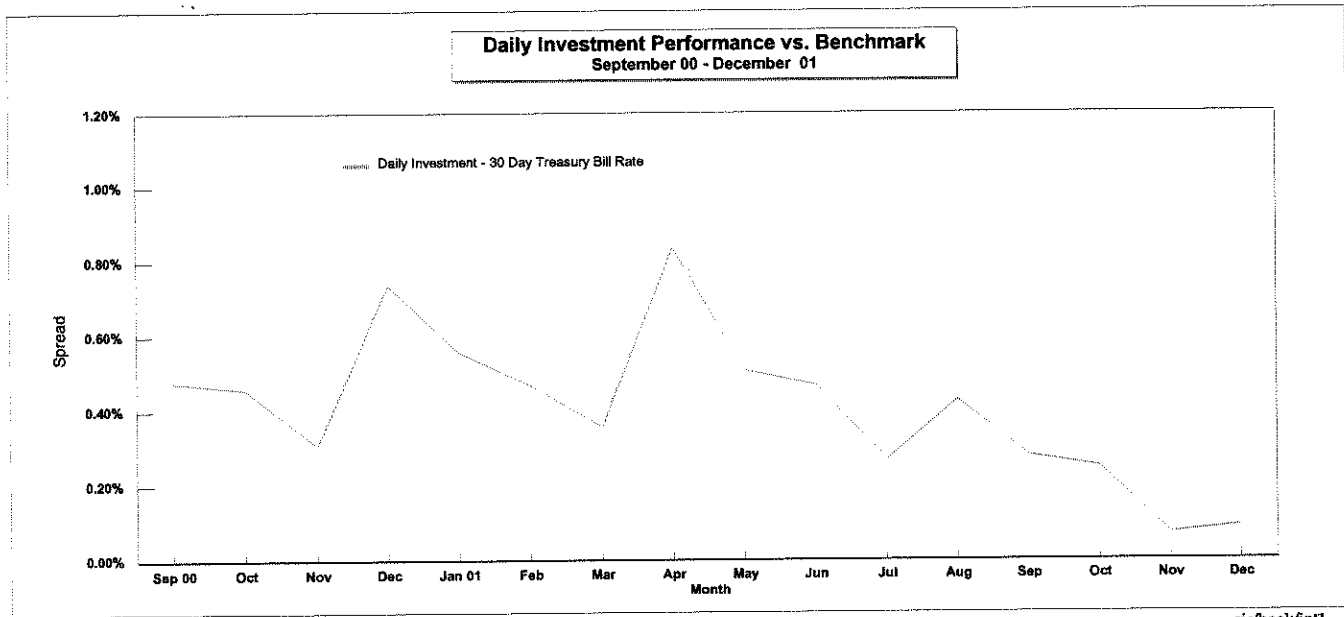
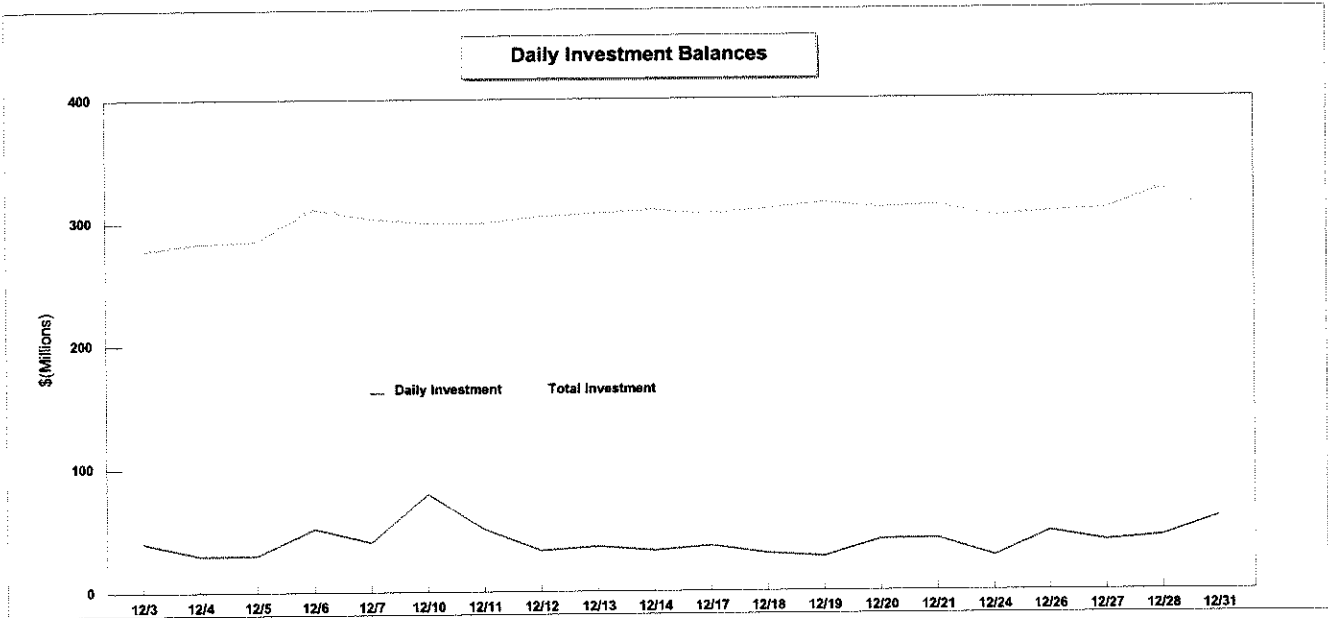
**Short Term Interest Rate Performance  
December 31, 2001**

<u>Date</u>	<u>Amount Invested (millions)</u>	<u>Weighted Interest Rate</u>	<u>30 Day Treasury Rate</u>	<u>Basis Point Difference</u>	<u>Date</u>	<u>Total Investment (millions)</u>
12/03	\$40.55	1.97	1.70	26.68	12/03	\$277.75
12/04	\$30.40	1.91	1.75	15.76	12/04	\$283.45
12/05	\$30.55	1.92	1.76	16.28	12/05	\$285.27
12/06	\$51.70	1.86	1.73	13.11	12/06	\$311.43
12/07	\$40.90	1.81	1.65	15.82	12/07	\$304.03
12/10	\$79.49	1.78	1.63	15.48	12/10	\$299.75
12/11	\$50.99	1.74	1.62	11.78	12/11	\$299.74
12/12	\$33.65	1.73	1.64	8.93	12/12	\$304.88
12/13	\$36.99	1.68	1.67	1.37	12/13	\$307.77
12/14	\$33.49	1.72	1.66	5.66	12/14	\$310.35
12/17	\$37.29	1.77	1.67	10.46	12/17	\$306.44
12/18	\$30.75	1.74	1.68	5.75	12/18	\$310.89
12/19	\$28.35	1.69	1.69	-0.40	12/19	\$316.14
12/20	\$41.99	1.68	1.66	1.76	12/20	\$311.34
12/21	\$42.43	1.68	1.62	5.91	12/21	\$313.84
12/24	\$28.20	1.72	1.61	10.66	12/24	\$304.04
12/26	\$47.80	1.74	1.62	12.27	12/26	\$307.73
12/27	\$40.29	1.79	1.73	6.22	12/27	\$309.92
12/28	\$44.00	1.79	1.69	10.38	12/28	\$326.38
12/31	\$59.40	1.59	1.62	-3.34	12/31	\$304.87
	<b>Total Amount Invested</b>	<b>Weighted Average Rate</b>	<b>Average 30 day Rate</b>	<b>Basis Point Difference</b>		
	\$829.23	1.76	1.67	10		

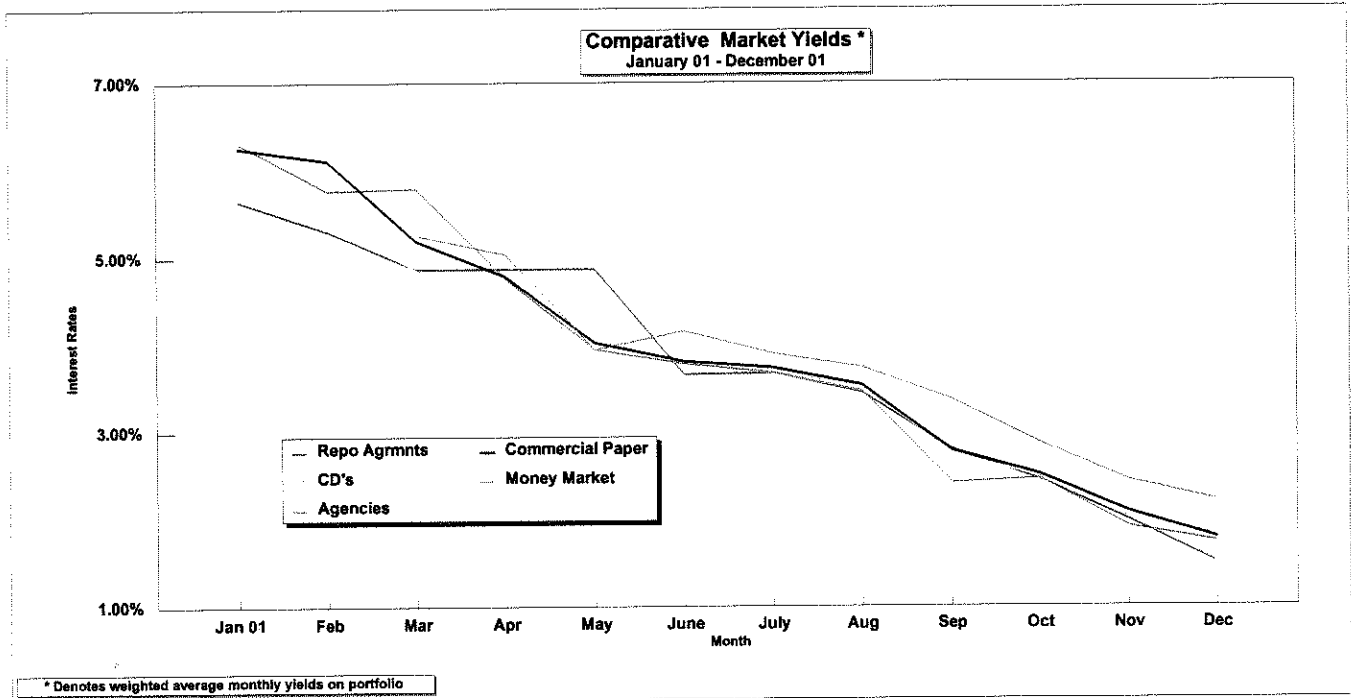
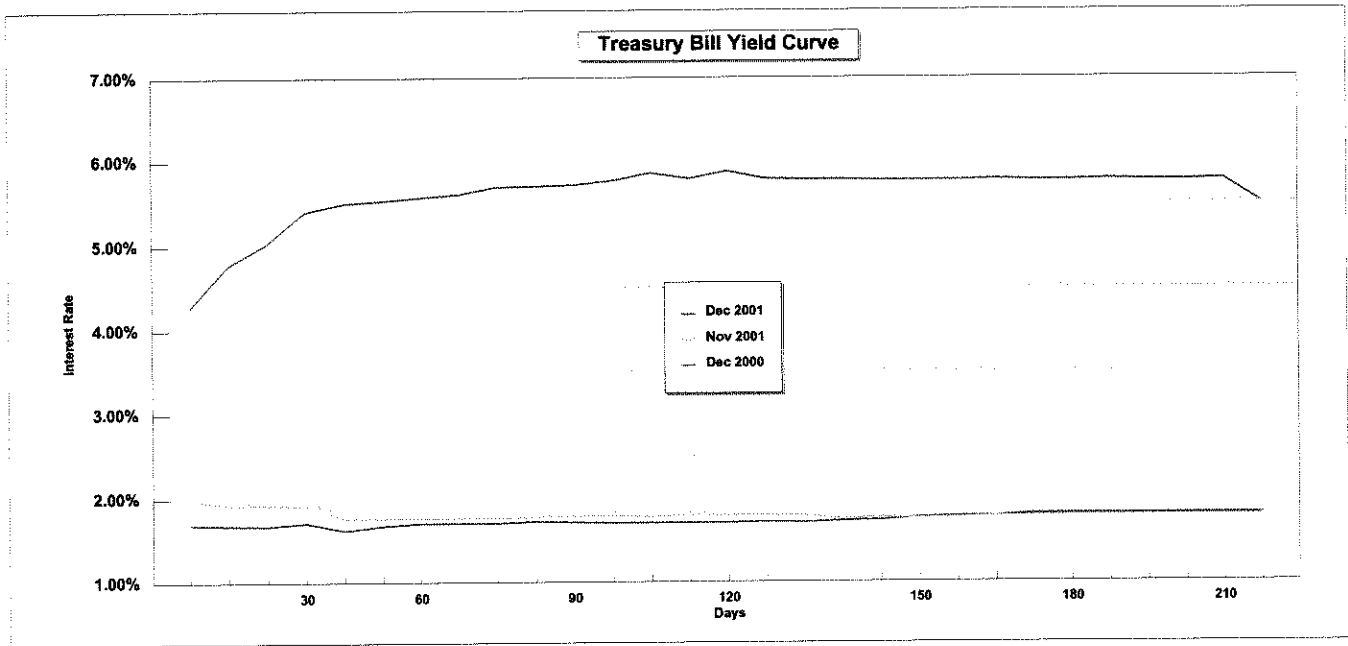
INTEREST

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

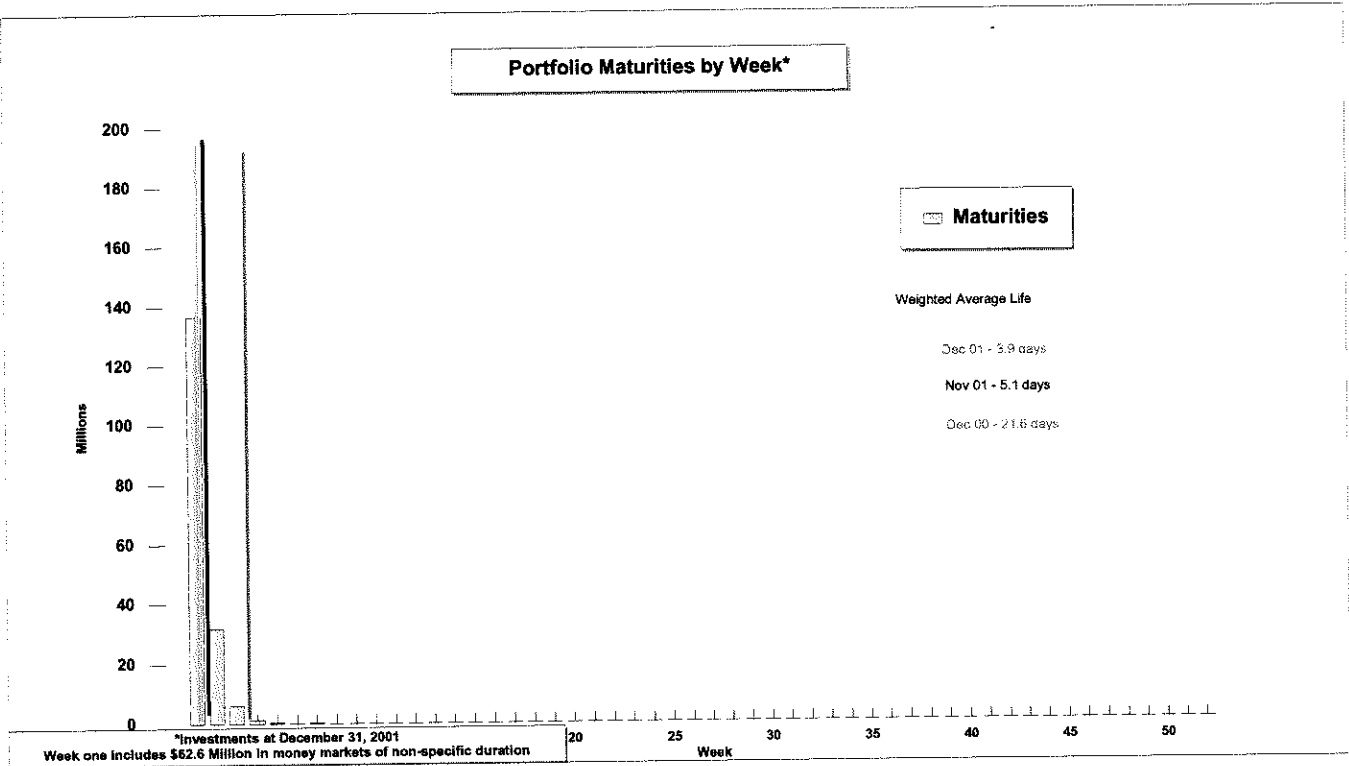
December 30, 2001



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



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



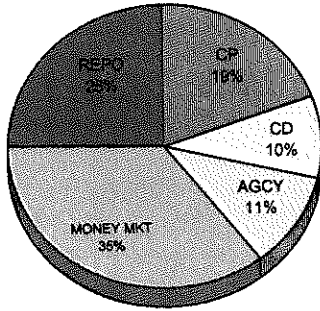
**SUMMARY PORTFOLIO YIELDS**

	<b>WEIGHTED AVERAGE YIELD(%)</b>
<b>Dec 31, 2001</b>	<b>1.9%</b>
<b>Nov 30, 2001</b>	<b>1.8%</b>
<b>Dec 31, 2000</b>	<b>6.3%</b>

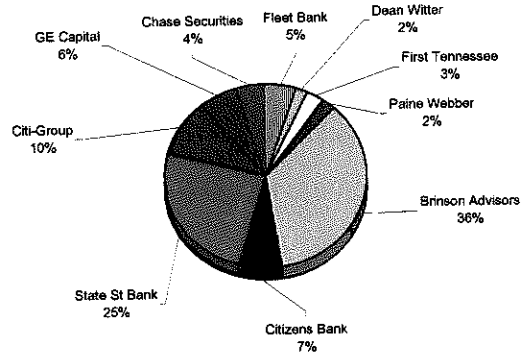


**RHODE ISLAND STATE INVESTMENT COMMISSION**  
**SHORT TERM CASH INVESTMENTS AT DECEMBER 31, 2001**

**Portfolio By Instrument**



**Portfolio by Issuer**



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

Vendor	CP	CD	Agency	Money Mkt	Repo	Total (\$)
Guidelines-Total/Vendor	25%/10%	25%/10%	75%/35%	50%/35%	100%/20%	
Fleet Bank	5,292,758 3%	0 0%	3,337,523 2%	0 0%	0 0%	8,630,280 5%
Bear Stearns	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Zions Bank	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Dean Witter	0 0%	0 0%	3,495,643 2%	0 0%	0 0%	3,495,643 2%
Chase Securities	0 0%	4,800,000 3%	2,997,788 2%	0 0%	0 0%	7,797,788 4%
Paine Webber	0 0%	0 0%	4,197,551 2%	0 0%	0 0%	4,197,551 2%
Ford Motor	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
First Tennessee	0 0%	0 0%	4,794,491 3%	0 0%	0 0%	4,794,491 3%
Brinson Advisors	0 0%	0 0%	0 0%	62,656,814 36%	0 0%	62,656,814 36%
Citizens Bank	0 0%	12,198,429 7%	0 0%	0 0%	0 0%	12,198,429 7%
GE Capital	11,383,791 6%	0 0%	0 0%	0 0%	0 0%	11,383,791 6%
Prudential	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Sun Trust	0 0%	0 0%	0 0%	0 0%	0 0%	0 0%
Citi-Group	17,494,808 10%	0 0%	0 0%	0 0%	0 0%	17,494,808 10%
State St Bank	0 0%	0 0%	0 0%	0 0%	43,800,545 25%	43,800,545 25%
<b>TOTALS</b>	<b>34,171,357</b>	<b>16,998,429</b>	<b>18,822,995</b>	<b>62,656,814</b>	<b>43,800,545</b>	<b>176,450,139</b>
<b>(%) PORTFOLIO</b>	<b>19%</b>	<b>10%</b>	<b>11%</b>	<b>36%</b>	<b>25%</b>	<b>100%</b>



SPECIAL FUNDS  
 INVESTMENT SUMMARY  
 DECEMBER 31, 2001

<u>FUND NAME</u>	<u>EQUITIES</u>	<u>CASH &amp; EQUIVALENTS</u>	<u>FIXED INCOME</u>	<u>Gain/Loss</u>	<u>TOTAL MARKET VALUE</u>
<u>Abraham Touro Fund</u>	\$1,357,697	\$18,692	\$777,505	(\$59,886)	\$2,153,895
<u>State of Rhode Island Land Grant Fund</u>	0	\$65,198	0	\$90	\$65,198
<b>TOTALS</b>	\$1,357,697	\$83,890	\$777,505	(\$59,796)	\$2,219,093



FISCAL YEAR 2002

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

ISO:	1,570,173	801,997	518,772	1,060,463	1,600,171	3,970,345	0	0	0	0	0	0	9,521,922
SCL:	144,694	121,147	182,026	228,368	250,924	230,713	0	0	0	0	0	0	1,157,872
DIV:	1,850,179	1,514,638	3,392,318	2,701,686	1,101,683	3,755,221	0	0	0	0	0	0	14,315,725
INT:	9,991,736	15,623,111	10,537,045	7,472,268	13,756,874	7,211,142	0	0	0	0	0	0	64,592,175
MIS:	(612,102)	1,360,112	85,548	(16,611)	220,351	847,276	0	0	0	0	0	0	1,959,202
CAPGNLS:	(15,563,524)	(26,768,978)	(33,034,259)	(94,262,958)	(12,420,046)	11,093,085	0	0	0	0	0	0	(170,756,681)
<b>TOTAL</b>	<b>(2,418,845)</b>	<b>(7,347,973)</b>	<b>(18,318,551)</b>	<b>(82,816,783)</b>	<b>4,509,957</b>	<b>27,107,782</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(79,209,783)</b>
<b>SHORT TERM TOTAL</b>	<b>42,125</b>	<b>29,395</b>	<b>11,452</b>	<b>14,962</b>	<b>21,088</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>119,022</b>

FY 2001

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

ISO:	1,906,209	2,461,866	974,059	966,226	527,187	609,804	2,204,215	1,719,389	1,803,471	1,376,652	2,355,728	730,355	17,635,161
SCL:	0	0	0	0	0	0	84,466	144,413	165,977	277,722	380,541	162,377	1,215,496
DIV:	3,360,665	2,089,925	3,621,026	3,220,277	1,948,405	3,240,239	1,347,613	889,223	2,432,327	2,557,346	3,250,982	4,472,661	32,430,689
INT:	10,402,808	17,723,445	11,451,348	8,772,322	17,785,670	9,796,620	11,017,571	16,684,375	11,005,327	9,218,788	16,137,758	8,416,777	148,612,809
MIS:	4,700	1,550,191	7,915,159	944,171	1,687,865	(1,566,125)	(661,251)	11,693,068	(15,158)	(314,192)	(404,119)	(780,262)	20,054,047
CAPGNLS:	21,742,394	11,358,004	33,198,309	563,288,521	(24,453,933)	3,153,827	(10,140,582)	(26,341,722)	(72,341,930)	(19,932,036)	(63,712,947)	(24,292,727)	391,525,178
<b>TOTAL</b>	<b>37,416,776</b>	<b>35,183,431</b>	<b>57,359,901</b>	<b>577,191,517</b>	<b>(2,504,806)</b>	<b>15,234,365</b>	<b>3,852,032</b>	<b>4,788,746</b>	<b>(56,949,986)</b>	<b>(6,815,720)</b>	<b>(41,992,057)</b>	<b>(11,290,819)</b>	<b>611,473,380</b>
<b>SHORT TERM TOTAL</b>	<b>64,309</b>	<b>31,654</b>	<b>29,728</b>	<b>63,149</b>	<b>38,507</b>	<b>44,957</b>	<b>90,900</b>	<b>51,165</b>	<b>41,706</b>	<b>56,709</b>	<b>37,339</b>	<b>36,264</b>	<b>586,387</b>

Key:

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

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
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ZU12

ISO													0
SCL													0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNI	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

Deutsch ZU16

ISO													0
SCL													0
DIV	0	7,244	0	11	0	0	0	0	0	0	0	0	7,255
INT	0	0	0	1	0	0	0	0	0	0	0	0	1
MIS	0	0	0	0	0	(882,000)	0	0	0	0	0	0	(882,000)
CAPGNI	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	7,244	0	13	0	(882,000)	0	0	0	0	0	0	(874,744)

Provident ZU21 & 22

ISO													0
SCL													0
DIV	81,600	25,650	88,394	49,500	24,850	108,816	0	0	0	0	0	0	378,610
INT	37,963	50,266	23,370	38,353	35,476	22,846	0	0	0	0	0	0	208,274
MIS	0	42,637	0	(46)	(160)	0	0	0	0	0	0	0	42,431
CAPGNI	(5,046,919)	(22,051,942)	(12,462,493)	(3,380,220)	(2,543,199)	275,479	0	0	0	0	0	0	(45,209,293)
TOTAL	(4,927,356)	(21,933,389)	(12,350,729)	(3,292,413)	(2,483,032)	407,141	0	0	0	0	0	0	(44,579,777)

ZU72

ISO													0
SCL													0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNI	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

INCOME FILE

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
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ZU 55 PIMCO

ISO													0
SCL													0
DIV		0	0	0	0	0	0	0	0	0	0	0	0
INT		62	0	0	59	26	0	0	0	0	0	0	148
MIS		2,244	20	(2,244)	0	2,154	0	0	0	0	0	0	2,174
CAPGNI		0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	2,306	20	(2,244)	59	2,180	0	0	0	0	0	0	2,322

ZU 56 TRANSITION

ISO													0
SCL													0
DIV	134,369	73,221	0	137,357	0	0	0	0	0	0	0	0	344,946
INT	4,145	374	1,655	177	0	0	0	0	0	0	0	0	6,351
MIS	(686)	(9,214)	0	0	0	0	0	0	0	0	0	0	(9,900)
CAPGNI	(1,422,765)	4,122	0	242	0	0	0	0	0	0	0	0	(1,418,401)
TOTAL	(1,284,937)	68,503	1,655	137,776	0	0	0	0	0	0	0	0	(1,077,003)

ZU

ISO													0
SCL													0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNI	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

ZU

ISO													0
SCL													0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNI	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

INCOME FILE

July 2001 August September October November December January 2002 February March April May June YTD

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
ZU 88													
ISO													0
SCL													0
DIV													0
INT													0
MIS													0
CAPGNI													0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

Alternative Investments ZU 32

ISO													0
SCL													0
DIV													0
INT													206
MIS	(780,364)	(273,690)	165	(69,837)	41	0	0	0	0	0	0	0	(480,959)
CAPGNI	181,660	790,496	(4,106)	54,839	376,061	481,423	(665,287)	0	0	0	0	0	890,011
TOTAL	(598,705)	516,806	148,302	(14,957)	541,676	(183,865)	0	0	0	0	0	0	409,257

Bank Acquisition ZU 60

ISO													0
SCL													0
DIV													0
INT	1,768	1,697	1,610	1,461	1,304	1,110	0	0	0	0	0	0	8,950
MIS													0
CAPGNI													0
TOTAL	1,768	1,697	1,610	1,461	1,304	1,110	0	0	0	0	0	0	8,950

Instate ZU 40

ISO													0
SCL													0
DIV													0
INT	141,733	109,035	127,238	292,556	127,092	122,301	0	0	0	0	0	0	919,955
MIS		0											0
CAPGNI													0
TOTAL	141,733	109,035	127,238	292,556	127,092	122,301	0	0	0	0	0	0	919,955



INCOME FILE

July 2001 August September October November December January February March April May June YTD

Fleet ZU 42

ISO	520,950	352,486	0	0	0	911,877	0	0	0	0	0	0	0	0	0	1,785,313
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	2,060,858	7,431,873	1,159,678	1,363,514	5,485,546	751,830	0	0	0	0	0	0	0	0	0	18,253,300
MIS	(26)	(1,145)	(5,373)	30	0	0	0	0	0	0	0	0	0	0	0	(6,513)
CAPGNL	1,350,766	2,066,032	0	5,430	(44,531)	8,874,805	0	0	0	0	0	0	0	0	0	12,252,502
TOTAL	3,932,548	9,849,247	1,154,306	1,368,974	5,441,015	10,538,512	0	0	0	0	0	0	0	0	0	32,284,601

Brown Bros Zu 44

ISO	468,896	57,521	131,306	402,733	835,220	1,073,998	0	0	0	0	0	0	0	0	0	2,969,674
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	1,091,444	1,425,596	1,193,542	887,606	1,334,579	922,400	0	0	0	0	0	0	0	0	0	6,855,167
MIS	(206)	2,357	0	(63)	(1,571)	(125)	0	0	0	0	0	0	0	0	0	392
CAPGNL	(74,835)	58,180	148,857	1,320,938	851,676	(527,549)	0	0	0	0	0	0	0	0	0	1,777,267
TOTAL	1,485,300	1,543,655	1,473,705	2,611,214	3,019,903	1,468,724	0	0	0	0	0	0	0	0	0	11,602,501

Fidelity ZU 46

ISO	324,668	156,780	213,732	31,403	174,376	163,685	0	0	0	0	0	0	0	0	0	1,064,643
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	2,338,358	2,589,123	2,413,830	2,377,514	2,632,858	2,365,797	0	0	0	0	0	0	0	0	0	14,717,480
MIS	(1,249)	46,834	47,162	47,397	47,793	48,299	0	0	0	0	0	0	0	0	0	236,236
CAPGNL	139,951	1,001,389	2,014,841	181,769	1,258,986	(144,795)	0	0	0	0	0	0	0	0	0	4,452,143
TOTAL	2,801,729	3,794,126	4,689,564	2,638,083	4,114,014	2,432,987	0	0	0	0	0	0	0	0	0	20,470,503

Taplin, Canida &

Habecht ZU 84	107,611	0	21,250	171,931	323,545	1,293,998	0	0	0	0	0	0	0	0	0	1,918,335
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	2,385,173	1,775,765	3,133,017	1,366,138	2,628,162	1,432,153	0	0	0	0	0	0	0	0	0	12,720,409
MIS	0	(3,279)	(0)	210	0	0	0	0	0	0	0	0	0	0	0	(3,069)
CAPGNL	17,100	15,516	167,453	890,964	1,622,104	4,269,801	0	0	0	0	0	0	0	0	0	6,982,938
TOTAL	2,509,884	1,788,002	3,321,720	2,429,242	4,573,812	6,995,952	0	0	0	0	0	0	0	0	0	21,618,612

INCOME FILE

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
<b>Heitman ZU34</b>													
ISO													0
SCL													0
DIV													0
INT													0
MIS	80,624	0	0	25,319	0	0	0	0	0	0	0	0	105,943
CAPGNL													0
<b>TOTAL</b>	<b>80,624</b>	<b>0</b>	<b>0</b>	<b>25,319</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>105,943</b>
<b>L &amp; B ZU 3</b>													
ISO													0
SCL													0
DIV													0
INT													0
MIS	0	1,453,970	0	0	0	1,205,877	0	0	0	0	0	0	2,659,847
CAPGNL													0
<b>TOTAL</b>	<b>0</b>	<b>1,453,970</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,205,877</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,659,847</b>
<b>ZU 52</b>													
ISO													0
SCL													0
DIV													0
INT													0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNLS													0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>ZU 54</b>													
ISO													0
SCL													0
DIV													0
INT													0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNL													0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

INCOME FILE

July 2001 August September October November December January February March April May June VTD

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	VTD
Cash - Out of Trust ZU 66													
ISO													0
SCL													0
DIV			46,251	36,334	49,065	37,422	0	0	0	0	0	0	297,879
INT	72,998	55,810			0								0
MIS					0								0
CAPGNL													0
TOTAL	72,998	55,810	46,251	36,334	49,065	37,422	0	0	0	0	0	0	297,879

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	VTD
Cash - In Trust ZU 76													
ISO													0
SCL	144,694	121,147	182,026	228,368	250,924	230,713	0	0	0	0	0	0	1,157,872
DIV			47,916	28,653	7,676	10,328	0	0	0	0	0	0	155,276
INT	50,539	10,164											39,255
MIS	5,682	369	12,783	0	7,306	13,115	0	0	0	0	0	0	0
CAPGNL													0
TOTAL	200,915	131,680	242,725	257,021	265,906	254,157	0	0	0	0	0	0	1,352,404

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	VTD
Loomis Sayles ZU 90													
ISO	148,047	235,210	152,484	454,398	267,031	526,788	0	0	0	0	0	0	1,783,958
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	52,190	37,426	12,200	54,377	83,535	16,489	0	0	0	0	0	0	256,218
INT	1,678,169	2,033,777	2,291,953	998,157	1,366,529	1,477,925	0	0	0	0	0	0	9,846,510
MIS	159,465	0	0	(358)	(137)	0	0	0	0	0	0	0	158,970
CAPGNL	(2,702,133)	(4,329,156)	(1,374,649)	(26,248,208)	(1,817,608)	(415,919)	0	0	0	0	0	0	(36,887,674)
TOTAL	(664,261)	(2,022,743)	1,081,988	(24,741,635)	(100,650)	1,605,282	0	0	0	0	0	0	(24,842,019)

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	VTD
J.P. Morgan ZU 48													
ISO													0
SCL													0
DIV	421,660	289,695	408,781	391,658	305,828	369,663	0	0	0	0	0	0	2,187,284
INT	2,604	4,840	1,561	2,273	2,364	1,336	0	0	0	0	0	0	14,978
MIS	(2)	11,491	11	6,117	3,429	1,481	0	0	0	0	0	0	22,528
CAPGNL	(1,149,814)	(1,089,733)	(3,025,726)	(11,052,094)	(3,370,425)	206,561	0	0	0	0	0	0	(19,481,232)
TOTAL	(725,553)	(783,707)	(2,615,373)	(10,652,046)	(3,058,805)	579,041	0	0	0	0	0	0	(17,256,442)

INCOME FILE

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
<b>SSgA Core ZU 99</b>													
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	313,337	193,343	501,809	209,334	176,302	543,649	0	0	0	0	0	0	1,937,774
INT	11,643	16,862	9,031	13,151	12,289	10,067	0	0	0	0	0	0	73,043
MIS	(351)	0	36,551	(96)	0	0	0	0	0	0	0	0	36,104
CAPGNL	3,631,216	809,280	(1,294,223)	(2,439,158)	(1,643,909)	(301,012)	0	0	0	0	0	0	(1,237,806)
TOTAL	3,955,844	1,019,486	(744,832)	(2,216,770)	(1,455,317)	252,704	0	0	0	0	0	0	811,116
<b>Shott Capital Mgmt ZU 49</b>													
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	1,382	0	0	0	0	0	0	0	0	0	0	0
DIV	84	275	196	22	23	2	0	0	0	0	0	0	1,382
INT	0	364	116	(7,818)	0	0	0	0	0	0	0	0	603
MIS	(13,928)	(820,645)	0	0	(532)	(7,389)	0	0	0	0	0	0	(7,338)
CAPGNL	(13,928)	(820,645)	0	0	(532)	(7,389)	0	0	0	0	0	0	(842,494)
TOTAL	(13,844)	(818,624)	312	(7,796)	(509)	(7,387)	0	0	0	0	0	0	(847,848)
<b>SSgA Russell ZU 98</b>													
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	1,171,512	0	0	1,512,231	0	0	0	0	0	0	2,683,743
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNL	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	0	0	1,171,512	0	0	1,512,231	0	0	0	0	0	0	2,683,743
<b>SSgA Wilshire 5 ZU 50</b>													
ISO	0	0	0	0	0	0	0	0	0	0	0	0	0
SCL	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV	0	0	0	0	0	0	0	0	0	0	0	0	0
INT	0	0	0	0	0	0	0	0	0	0	0	0	0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGNL	0	0	0	0	0	(162,324)	0	0	0	0	0	0	(162,324)
TOTAL	0	0	0	0	0	(162,324)	0	0	0	0	0	0	(162,324)

INCOME FILE

Bank of Ireland ZU 57

	July 2001	August	September	October	November	December	January 2002	February	March	April	May	June	YTD
ISO													
SCL	207,609	370,313	490,380	837,970	312,088	407,802	0	0	0	0	0	0	2,626,161
DIV	49,226	56,209	34,306	25,995	40,395	39,568	0	0	0	0	0	0	225,700
INT	0	7,950	0	(57)	(328)	(3,024)	0	0	0	0	0	0	4,541
MIS	(247,848)	(713,019)	(3,389,751)	(1,866,972)	(3,364,108)	(104,372)	0	0	0	0	0	0	(9,686,070)
CAPGNL													
TOTAL	8,987	(298,547)	(2,865,065)	(1,003,064)	(3,011,953)	339,974	0	0	0	0	0	0	(6,829,668)

	Putnam ZU 58
ISO	0
SCL	384,912
DIV	32,928
INT	(257)
MIS	(2,577,323)
CAPGNL	
TOTAL	(2,159,740)

	Putnam ZU 58	Scudder ZU 70
ISO	0	0
SCL	408,133	108,231
DIV	49,993	248,844
INT	80,112	16,106
MIS	(543,662)	(890)
CAPGNL		(1,907,656)
TOTAL	(5,423)	(6,720,058)

	Putnam ZU 58	Scudder ZU 70	ZU 92
ISO	0	0	0
SCL	470,397	0	0
DIV	35,620	0	0
INT	(3,490)	0	0
MIS	(7,222,584)	0	0
CAPGNL		0	0
TOTAL	(6,720,058)	(1,101,481)	(27,618)

	Putnam ZU 58	Scudder ZU 70	ZU 92
ISO	0	0	0
SCL	408,133	108,231	0
DIV	49,993	248,844	0
INT	80,112	16,106	0
MIS	(543,662)	(890)	0
CAPGNL		(1,907,656)	0
TOTAL	(5,423)	(6,720,058)	(27,618)



## Performance Update

### STATE OF RHODE ISLAND

#### Aetna Government Custom Choice Classic sm

#### Variable Annuity Account D, Group Annuity Contract

#### Average Annual Total Returns as of 12/31/2001

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

Investment Options	Relative Risk Level	1-Mo*	3-Mo*	YTD*	1-Yr	3-Yr	5-Yr	10-Yr	Since	Fund
									Fund Inception	Inception Date
<b>Global / International</b>										
Janus Aspen Series Worldwide Growth Portfolio - 123	A	2.43%	12.52%	-23.10%	-23.10%	1.59%	10.18%	14.77%	09/13/1993	
PPI Scudder International Growth Portfolio - I Class - 104	A	0.43%	3.39%	-27.55%	-27.55%	-3.19%		2.02%	11/28/1997	
<b>Aggressive Growth</b>										
AIM V.I. Capital Appreciation Fund - 076	A	1.65%	18.10%	-23.93%	-23.93%	-1.23%	5.11%	10.81%	05/05/1993	
Aetna Small Company VP - 042	A	5.44%	16.60%	3.27%	3.27%	12.45%	13.78%	14.02%	12/27/1996	
Janus Aspen Series Aggressive Growth Portfolio - 119	A	0.94%	13.40%	-39.97%	-39.97%	-3.20%	6.17%	11.56%	09/13/1993	
<b>Growth</b>										
Aetna Value Opportunity VP - 041	M	0.55%	7.01%	-10.25%	-10.25%	5.26%	14.42%	14.75%	12/13/1996	
Fidelity® VIP Contrafund® Portfolio - Initial Class - 133	M	2.32%	6.67%	-12.99%	-12.99%	-0.25%	9.50%	14.78%	01/03/1995	
Fidelity® VIP Growth Portfolio - Initial Class - 109	M	0.56%	16.57%	-18.35%	-18.35%	-0.60%	10.71%	12.44%	10/09/1986	
PPI MFS Capital Opportunities Portfolio - I Class - 100	M	2.65%	18.53%	-25.40%	-25.40%	0.96%		6.83%	11/28/1997	
PPI MFS Research Growth Portfolio - I Class - 105	M	1.56%	12.10%	-21.56%	-21.56%	-2.96%		2.20%	11/28/1997	
<b>Growth &amp; Income (Stocks)</b>										
AIM V.I. Growth and Income Fund - 079	M	0.23%	14.13%	-23.49%	-23.49%	-4.80%	6.38%	10.42%	05/02/1994	
Aetna Growth and Income VP - 001	M	1.70%	5.96%	-18.97%	-18.97%	-5.82%	4.14%	8.18%	05/01/1975	
Aetna Index Plus Large Cap VP - 035	M	0.57%	8.49%	-14.23%	-14.23%	-1.61%	10.60%	11.88%	09/16/1996	
Fidelity® VIP Equity-Income Portfolio - initial Class - 108	M	2.13%	9.14%	-5.77%	-5.77%	2.22%	8.47%	12.65%	10/09/1986	
<b>Growth &amp; Income (Stocks &amp; Bonds)</b>										
Aetna Balanced VP, Inc. - 008	M	0.78%	6.60%	-4.88%	-4.88%	1.95%	8.40%	9.45%	04/03/1989	
Calvert Social Balanced Portfolio - 101	M	-0.12%	5.51%	-7.73%	-7.73%	-0.46%	6.24%	7.87%	09/02/1986	
Janus Aspen Series Balanced Portfolio - 124	M	0.32%	4.63%	-5.52%	-5.52%	4.81%	13.16%	13.35%	09/13/1993	
<b>Income</b>										
Aetna Bond VP - 004	M	-0.53%	0.23%	7.98%	7.98%	5.04%	6.00%	6.02%	05/15/1973	
<b>Stability of Principal</b>										
Aetna Money Market VP - 003	C	0.09%	0.41%	3.21%	3.21%	4.39%	4.53%	4.13%	08/01/1975	

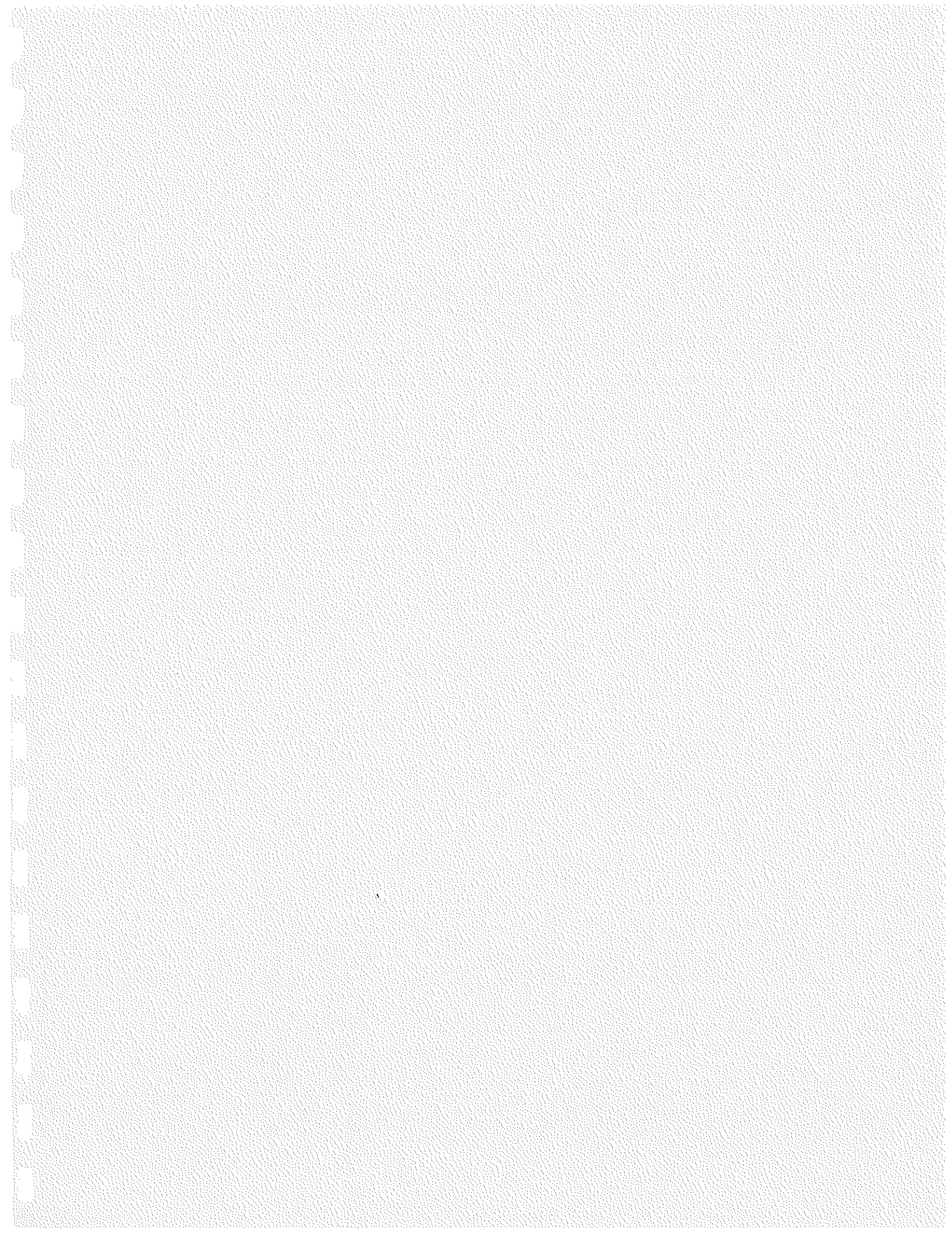
*The 7-day annualized Subaccount yield as of 12/31/2001 is 1.49%. (+)*

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

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

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

\* Returns not annualized.





# CURRENT PERFORMANCE

## HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending December 31, 2001

Fund Name	1 YR		3 YRS		5 YRS		10 YRS		% Lipper Peers	
	Return	% Beaten	Return	% Beaten	Return	% Beaten	Return	% Beaten	Peers	Beaten
Managed Income Portfolio	5.82		5.81		5.88		5.96			
First Tier Institutional	3.89		5.00		5.15		4.75			
Fidelity Blue Chip Grow	-16.55	79%	-2.47	53%	9.69	60%	13.07	90%		
S&P 500	-11.89		-1.03		10.70		12.94			
<b>Large-Cap Growth Funds</b>	<b>-22.94</b>		<b>-3.82</b>		<b>8.15</b>		<b>10.09</b>			
Fidelity Contrafund	-12.59	36%	0.62	38%	10.51	66%	14.32	76%		
S&P 500	-11.89		-1.03		10.70		12.94			
<b>Multi-Cap Core Funds</b>	<b>-10.89</b>		<b>2.43</b>		<b>9.58</b>		<b>11.93</b>			
Fidelity Dividend Growth	-3.74	98%	5.54	98%	15.36	100%	N/A	N/A		
S&P 500	-11.89		-1.03		10.70		12.94			
<b>Large-Cap Core Funds</b>	<b>-13.77</b>		<b>-1.56</b>		<b>8.19</b>		<b>11.07</b>			
Fidelity Dvds Intl	-12.99	92%	6.07	92%	9.20	94%	10.10	92%		
Templeton Fds:For:A	-7.92	99%	7.28	94%	4.61	82%	8.48	82%		
MS EAFE (Net MA tax)	-21.27		-4.86		1.11		4.57			
<b>International Funds</b>	<b>-21.71</b>		<b>2.37</b>		<b>1.94</b>		<b>6.17</b>			

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

# CURRENT PERFORMANCE

## HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending December 31, 2001

Fund Name	1 YR		3 YRS		5 YRS		10 YRS		% Lipper Peers Beaten	
	Return	%	Return	%	Return	%	Return	%	10 YRS	%
Fidelity OTC	-24.07	54%	-1.39	44%	8.15	43%	11.86	69%		
NASDAQ Comp. ex div	-21.05		-3.83		8.60		12.77			
Multi-Cap Growth Funds	-26.06		0.14		8.61		10.84			
Fidelity Puritan	-1.05	78%	3.13	63%	9.37	77%	12.06	97%		
60% RS 3000V/40% LB Aggr	0.88		4.75		9.91		11.54			
Balanced Funds	4.39		2.10		7.64		9.40			
Fidelity Sprt US Eq Indx	-12.05	90%	-1.22	83%	10.50	82%	12.70	80%		
S&P 500	-11.89		-1.03		10.70		12.94			
S&P 500 Index Objective Funds	12.48		1.60		10.19		12.52			
Fidelity Value Fund	12.25	59%	9.62	34%	9.83	34%	14.30	58%		
S&P 500	-11.89		-1.03		10.70		12.94			
Mid-Cap Value Funds	10.34		12.21		11.55		12.89			
Franklin Str:S/McG;A	-20.53	53%	12.21	84%	10.34	62%	N/A	N/A		
Russell 2500 Growth	-10.83		5.17		6.60		9.49			
Mid-Cap Growth Funds	21.17		5.04		7.64		9.88			
PIMCO:Total Return;Admnn	9.21	89%	6.71	93%	7.89	96%	N/A	N/A		
LB Aggregate Bond	8.44		6.28		7.43		7.23			
Intermediate Investment Grade Debt Funds	7.59		5.37		6.44		6.74			

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

# CURRENT PERFORMANCE

## HISTORICAL PERFORMANCE

Average Annual Total Return for Periods  
Ending December 31, 2001

Fund Name	1 YR		3 YRS		5 YRS		10 YRS		% Lipper Peers Beaten	
	Return	%	Return	%	Return	%	Return	%	Peers	Beaten
Fidelity Freedom 2000	-0.09	44%	5.23	79%	9.14	87%	N/A	N/A	N/A	N/A
FID Freedom 2000	1.46		4.20		8.71					
<b>Income Funds</b>	<b>0.02</b>		<b>3.40</b>		<b>6.83</b>		<b>9.70</b>			
Fidelity Freedom 2010	-4.34	53%	4.66	78%	10.30	86%	N/A	N/A	N/A	N/A
FID Freedom 2010	-2.12		2.95		9.42					
<b>Balanced Funds</b>	<b>-4.39</b>		<b>2.10</b>		<b>7.64</b>		<b>9.40</b>			
Fidelity Freedom 2020	-9.07	66%	3.38	63%	10.26	65%	N/A	N/A	N/A	N/A
FID Freedom 2020	-6.82		0.96		8.88					
<b>Multi-Cap Core Funds</b>	<b>-10.89</b>		<b>2.43</b>		<b>9.58</b>		<b>11.93</b>			
Fidelity Freedom 2030	-11.69	44%	2.51	50%	9.81	60%	N/A	N/A	N/A	N/A
FID Freedom 2030	-9.30		-0.24		8.14					
<b>Multi-Cap Core Funds</b>	<b>-10.89</b>		<b>2.43</b>		<b>9.58</b>		<b>11.93</b>			
Fidelity Freedom 2040	-13.50	30%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FID Freedom 2040	-11.02									
<b>Multi-Cap Core Funds</b>	<b>-10.89</b>		<b>2.43</b>		<b>9.58</b>		<b>11.93</b>			
Fidelity Freedom Income	2.22	72%	5.21	77%	7.45	67%	N/A	N/A	N/A	N/A
FID Freedom Income	3.10		4.70		7.32					
<b>Income Funds</b>	<b>-0.02</b>		<b>3.40</b>		<b>6.83</b>		<b>9.70</b>			

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