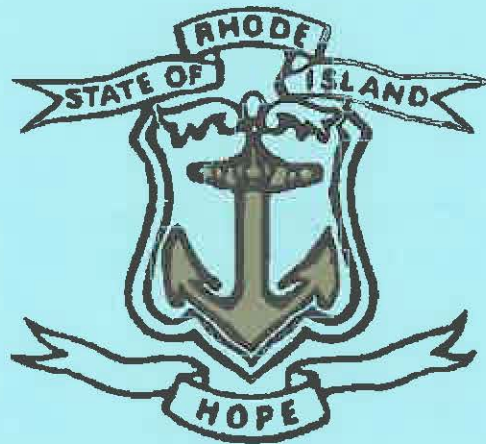


# State of Rhode Island and Providence Plantations



Office of the General Treasurer

Paul J. Tanavara  
General Treasurer

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
JANUARY 31, 2006**

**STEPHEN F. IAFRATE**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

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

**Mr. Jeffrey Britt  
Ms. Rosemary Booth Gallogly  
Ms. Marcia Reback**

**Mr. J. Michael Costello  
Dr. Robert J. McKenna  
Mr. John R. Treat**



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, February 22, 2006 at 9:00 a.m. in Room 135 of the State House.

**AGENDA**

1. Membership Roll Call
2. Approval of Minutes
  - State Investment Commission Meeting held on 12/7/05 \*
  - Executive Session held on 12/7/05 \*
3. Alternative Investments Consultant - Pacific Corporate Group
  - Charterhouse Capital Partners, VIII, L.P. \* ✓
  - Focus Ventures III, L.P. \* ✓
4. The Townsend Group
  - Investment Policy Guidelines \* ✓
  - Investment Policy Benchmark \* ✓
  - Third Quarter Review
5. State Street Corp.
  - Securities Lending \* ✓
6. Investment Manager Review - MacKay Shields \* ✓
7. Gateway Eight Update \*/\*\* ✓
8. Legal Counsel Report
  - Nordic Capital Fund VI Commitment Ratification \* ✓
9. Deputy Treasurer for Finance Report
10. Treasurer's Report
11. New Business

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

\*\* Commission members may seek to convene in Executive Session to discuss this matter.

**POSTED ON THURSDAY, FEBRUARY 16, 2006**

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

**Regular meeting February 22, 2006**

A State Investment Commission ("SIC") meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, February 22, 2006. The Treasurer called the meeting to order at 9:05 a.m.

Membership Roll Call. Present were: Mr. Jeffrey Britt, Mr. George Welly, Designee of Ms. Rosemary Booth Gallogly, Ms. Marcia Reback, Mr. John Treat, and General Treasurer Paul J. Tavares. Mr. J. Michael Costello joined the meeting at 9:40 a.m. Also present were: Ms. Joan M. Caine, Deputy Treasurer for Finance, Mr. William G. Bensus of Wilshire Associates Incorporated, Consultant to the Commission, Jayne Donegan, Esq., of Brown Rudnick Berlack Israels, Legal Counsel to the Commission, Ms. Tara Blackburn of Pacific Corporate Group, Alternative Investments Consultant to the Commission, Mr. Frank Blaschka and Mr. Anthony Frammartino of The Townsend Group, Real Estate Consultant to the Commission and other members of the Treasurer's Staff.

Treasurer Tavares reported that Commission Member Dr. Robert McKenna has been seriously ill and hospitalized recently. He is now in therapy and recuperating at home but is unable to attend meetings. He will be celebrating his 75<sup>th</sup> birthday tomorrow. The Treasurer noted that the Separation of Powers legislation has not been passed and is still pending which is continuing to cause quorum problems.

State Investment Commission Minutes. Mr. Treat moved, Mr. Britt seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares. (Note: Mr. Costello was not present for this vote).

**VOTED: To approve the Minutes of the December 7, 2005 Regular meeting and to approve and seal the Minutes of the December 7, 2005 Executive Session.**

Proposed Investment in Charterhouse Capital Partners VIII, L.P. ("CCP VIII"). Ms. Tara Blackburn of Pacific Corporate Group ("PCG") gave a brief overview of CCP VIII. She noted that the Employees' Retirement System of Rhode Island ("ERSRI") is a limited partner in Charterhouse VII. She noted that Charterhouse is a European group heavily focused on large cap investing in the UK and France.

Mr. Geoffrey Arbuthnott, Partner, represented CCP VIII. He noted that CCP VIII seeks to raise €3.5 billion in total commitments and has set a hard cap of €4.0 billion. Mr. Arbuthnott stressed that Charterhouse has a distinctive philosophy whereby they concentrate on one fund at a time taking up to 4-5 years to fully invest. They have a strong, stable, experienced investment team with a good track record and are backers of incumbent management. Of twenty professionals, sixteen are based in London and four are based in Paris. The CCP VIII team has committed 1% to the fund.

Charterhouse intends to continue the investment strategy employed in its prior fund, which is to pursue large company buy-outs in Western Europe. They anticipate a relatively

concentrated portfolio of ten to twelve investments. The fund would be classified as an international investment in the corporate finance category of ERSRI's sector target allocation.

Ms. Reback moved, Mr. Britt seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares. (Note: Mr. Costello was not present for this vote).

**VOTED: To invest up to 15 million Euros in Charterhouse Capital Partners VIII, L.P., contingent upon satisfactory review and negotiation of investment and other legal documents.**

Proposed Investment in Focus Ventures III, L.P. ("Focus III"). Ms. Blackburn gave a brief overview of Focus III noting that a commitment to this fund would be to the venture capital sub-sector. Focus III will invest exclusively in expansion and later-stage technology companies with a demonstrated revenue stream.

Mr. Kevin J. McQuillan, General Partner and Mr. Steven P. Bird, General Partner represented the fund. Mr. Bird noted that Focus III will target companies backed by top tier early stage firms. The two previous funds combined total \$570 million in assets under management. They have produced an aggregate net IRR of 102% for the past eight years. Target fund size is \$200 million with a cap of \$250 million.

Focus III will invest in five sub-sectors: access equipment, consumer video, security, wireless technology, and next generation internet services. They actively identify and partner with technology companies through both its deep network of leading early-stage venture capital firms and the team's proprietary top-down company sourcing effort. They monitor and track up to 1,500 venture backed companies until they identify 300 companies as likely candidates for an investment. Once narrowed to 50 to 100 target companies, Focus meets personally with management teams. Their proven selection process includes analyzing the tech sectors to determine the best opportunities, to monitor those companies and then to select the leaders for investment.

Mr. Treat moved, Mr. Welly seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Costello, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares.

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

Ms. Caine noted that approval process of alternative investments has been taking an enormous amount of the Commission's time. That combined with the approval process of the real estate investments has made it burdensome to the Commission. She and PCG have been working on streamlining the process to make it more efficient and to make Rhode Island an attractive investor.

Ms. Caine and Ms. Blackburn suggested the possibility that fund groups that already have an established relationship with ERSRI such as "re-ups" be waived from presenting before the Commission provided the fund meets certain performance guidelines. Any new relationships would still be required to come before the Commission. Ms. Caine expects to bring a proposal to streamline the approval process to the March meeting. Ms. Blackburn noted that many clients

have moved to similar approval processes for long-standing relationships where the manager has been performing well to expedite the process of approval.

Treasurer Tavares explained to Commission members that in the previous administration alternative investments were presented to a sub-committee and then brought before the Commission for final approval. He stated that the Commission would not be relinquishing any control over approval of investments. He noted that alternative investments comprise only 7.5% of the portfolio and real estate investments comprise 5% of the portfolio and they have been taking an inordinate amount of the Commission's time.

The Townsend Group ("Townsend") - Amended Real Estate Investment Policy and Benchmark. Ms. Caine noted that the real estate target is 5% of the fund which today equates to approximately \$285 million. Of the 5% target allocation, 2.5% has been temporarily allocated to international equities and 2.5% to domestic equities. Townsend is here today to present two proposals: 1) to amend the target allocation to the non core portfolio; and 2) to amend ERSRI's Investment Policy benchmark to include the NCREIF index. Mr. Frank Blaschka and Mr. Anthony Frammartino represented Townsend.

Amended Investment Policy. Mr. Blaschka noted that one of the critical risk management policies is the allocation of capital between the core and non-core portfolio. The core portfolio target is 65% and the non-core portfolio target is 35%. He noted that it is typical in the early periods of building a non-core portfolio to over-commit to the target allocation. As of September 30, 2005, ERSRI has made \$115 million in commitments to these two sectors of which less than \$10 million has actually been funded. The amended Policy makes only one change: it permits ERSRI to make an over-commitment of up to 25% of the target allocation to the non-core portfolio in order to facilitate portfolio construction and achieve a funded status that is closer to the permitted allocation under the Policy.

Mr. Blaschka explained that although the core portfolio still needs to be fully committed and funded (\$170 million in commitments have been made as of September 30, 2005, but only \$58 million has been funded), technically the portfolio is overallocated on a commitment basis to the non-core portfolio at the present time. Townsend surveyed its public pension fund clients and the vast majority permit over-commitment to the non-core sector. The amount of over-commitment ranges from 10% to 50%. Townsend proposes the amendment to permit the over-commitment to the non-core portfolio of up to 25% which falls within the mid-range of the practice of Townsend's pension and institutional client base.

Ms. Reback moved, Mr. Treat seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Costello, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares.

**VOTED: To amend the Employees' Retirement System of Rhode Island's real estate Investment Policy to permit up to a 25% over-commitment to the non-core portfolio.**

Amended Policy Benchmark. Mr. Blaschka explained that up to this point, the formal ERSRI total plan level benchmark has not included any weight to real estate as the portfolio was in the early stages of construction. The real estate program's investment objective is to surpass the NCREIF Property Index ("NPI") plus 100 basis points, measured over rolling three-year periods. The active level of commitments since inception and increased funding towards the

target allocation of 5% suggests that real estate no longer needs to be excluded from the total plan benchmark.

Townsend recommends that as of January 1, 2006, the overall ERSRI total plan level benchmark be revised to include the NPI at a weight of 5% of total plan assets, with the real estate portfolio benchmark lagged one quarter. In order to add the NPI, the prior benchmark weights to domestic and international equities will each be reduced by 2.5%. The lag is necessary to account for the extended timing requirements as they relate to reporting from the closed-end real estate funds.

Mr. Treat moved, Mr. Costello seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Costello, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares.

**VOTED: Effective January 1, 2006, to amend the Employees' Retirement System of Rhode Island's Investment Policy Benchmark to include the NCREIF Property Index ("NPI") at a weight of 5% with the NPI Benchmark lagged one quarter. Prior benchmark weights to domestic and international equities will simultaneously be reduced by 2.5%.**

Third Quarter Review. Mr. Frammartino noted that to date ERSRI has committed \$285 million to 12 commingled fund investments. Approximately \$61 million remains to be committed to future commingled fund investments in the stable return and likely the enhanced return sectors. The investing of capital from prior commitments has picked up considerably with 23% of prior commitments having been invested as of the third quarter 2005.

He noted that the stable return investments outperformed the NPI for the third quarter by 110 basis points. The enhanced and high return investments are lagging due to the effects of the "j curve" whereby fees on committed capital mitigate distributions to ERSRI due to minimal invested capital and the early stages of the value-added process. When fully funded the portfolio will consist of the following property types: approximately 30% in office, 18% in industrial, 20% in apartments, 21% in retail, and 1% in hotels.

Gateway Eight Update. Ms. Caine reported that Fidelity Investments has entered into a lease dated January 19, 2006 with respect to the Gateway Eight building and she thanked Townsend for their help in securing Great Point Investors ("Great Point") as a property manager which was instrumental in the culmination of the bankruptcy process and execution of Fidelity's lease. Treasurer Tavares also thanked Ms. Caine for her hard work and diligence in this difficult matter.

Ms. Caine reported on some of the key lease terms and conditions. The lease will generate \$2.04 million of revenue per year or approximately \$170,000 per month. Fidelity has agreed to pay all the operating expenses and utilities, except for the ground lease. The cost of the ground lease is approximately \$18,000 per month. The term is for three years with an option to renew for an additional three years. This equates to approximately \$18 per square foot of office space.

Fidelity will also pay for some deferred maintenance repairs to the building such as fixing the cooling tower, cracks in the first floor slab, repair concrete, steel and the ventilation system in the 150-car parking garage. For this ERSRI will credit Fidelity up to \$460,000 (approximately 3

months' rent). The repairs are expected to be completed by May 2006 and Fidelity plans to move into the building in June 2006.

Ms. Caine also noted that simultaneously with the lease negotiations, Great Point interviewed four real estate brokers to market/sell the building. They were: CB Richard Ellis, Cushman Wakefield, Keystone Realty and Meredith and Grew. CB Richard Ellis ("CBRE") was chosen as the real estate broker. CBRE has distributed a packet of information electronically to thousands of real estate funds and investment managers including ERSRI's own investment managers. Approximately sixty-eight of those entities have signed confidentiality agreements in order to receive a more comprehensive package of information on the building.

Mr. Blaschka noted that he was surprised at the level of interest in the building. He expects approximately one third of those entities to make an offer on the building which would greatly help in maximizing the value of the building. He also noted that Fidelity is an excellent tenant which will help in marketing the building.

Securities Lending Program - State Street Corp. ("State Street"). By way of history, Ms. Caine stated that in 1994-95 ERSRI had pulled out of the securities lending program. In 2000 Wilshire recommended issuance of a Request for Proposals ("RFP") for a new custodial bank. State Street was ultimately selected and they offered additional products and a new team. Wilshire then recommended that we would benefit from the fee structure if the securities lending program was re-established. She noted that the risk parameters of the securities lending program are much more stringent now and there is the opportunity to earn an additional \$2 million per year by participating in the program.

Ms. Caine explained that there were two investment vehicles that the Commission could have invested in when the program was re-established in 1999. The more conservative option, "Quality A" investment pool was the one chosen for ERSRI. At this point, it makes sense to move the collateral investment option to the "Quality D" investment pool. Mr. Bensur noted that the major difference between the pools is the ability for Quality D to use securities with longer maturities and higher exposure to floating rate instruments.

Mr. Henry Disano, Vice President and Mr. Glenn Horner, Vice President represented State Street Securities Finance. Mr. Disano reported that in 2005, \$2.5 million of revenue was generated for ERSRI in the securities lending program with a 75/25 split of revenue. Ms. Caine noted that State Street's custody fees had previously been over \$1 million per year, but that with the new fee structure and the re-establishment of the securities lending program State Street's fees are now less than half that, closer to \$300,000 per year.

Mr. Disano noted that State Street is the most experienced and largest securities lending agent in the world with \$2.5 trillion in lendable assets. Currently \$410 billion of assets are on loan in over 35 markets globally. State Street has 300 employees worldwide dedicated to securities lending. He noted that no investment in the cash collateral accounts has ever missed a payment and there have been no losses due to counterparty default in the history of the State Street program.

Mr. Horner, who heads up the risk management team noted that the average historic return relative to Fed Funds since 1998 was 31 basis point for Quality D and 23 basis points for Quality A. Quality D has outperformed Quality A on a spread return basis in 95 of the last 96 months. Quality D has never had a negative spread to the risk free rate during this period, as



compared to 5 occurrences for Quality A. State Street estimates that ERSRI would have earned an additional \$2.2 million since 2001 if it had been invested in Quality D.

Mr. Britt moved, Mr. Costello seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Costello, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares.

**VOTED: To approve State Street's "Quality D" collateral pool as the investment vehicle for the Employees' Retirement System of Rhode Island's securities lending collateral.**

Investment Manager Review - MacKay Shields ("MacKay"). Ms. Caine reported that MacKay's lead portfolio manager for the high yield portfolio, Mr. Donald Morgan, has resigned from the firm which causes concern going forward despite strong historical performance. Therefore, MacKay was invited today to explain how the firm will handle his departure. Mr. Bensur gave a brief overview of MacKay Shields which was retained in 2002 to provide a long-term strategic exposure to the high yield segment of the US fixed income market. Market value of the portfolio as of 12-31-05 was \$127 million. MacKay comprises approximately 7.5% of the fixed income composite and approximately 1.7% of the total fund composite.

Mr. Kirk Kashevaroff, Director of Institutional Business Development and Mr. Mathew Philo, Senior Managing Director and Co-Head of Fixed Income, High Yield Division represented MacKay. Mr. Kashevaroff explained that Matt Philo and Don Morgan had taken over the high yield portfolios in January 2000 from Steve Tannenbaum upon his departure from the firm. So Mr. Morgan's departure had not dramatically affected the portfolio as Mr. Philo is completely comfortable with continuing to manage the portfolio. Mr. Kashevaroff explained that Mr. Morgan had resigned to start his own firm and that a senior analyst had also resigned. He noted that an additional two senior analysts will be added to the MacKay team.

Mr. Philo stated that there will be no changes in the management of the portfolio because of Mr. Morgan's departure. He noted that Mr. Morgan's non-compete agreement will most likely expire at the end of 2006. After lengthy questioning, Mr. Philo indicated he had no intentions to leave MacKay, but that he could not guarantee his tenure at MacKay.

Legal Counsel Report. Ms. Donegan explained a need to ratify a previous vote taken by the Commission regarding an investment in Nordic Capital Fund VI, L.P. to have the investment in Euros rather than dollars.

Ms. Reback moved, Mr. Britt seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Costello, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares.

**VOTED: To ratify approve and confirm the execution by the Treasurer of legal documents subscribing to an investment of up to 15 million Euros in Nordic Capital Fund VI, L.P.**

Treasurer's Report. Treasurer Tavares noted that he and Ms. Caine have recently met with Wasatch Advisors, Inc. ("Wasatch") because of performance concerns. Ms. Caine noted that Wasatch has returned 21% over the last three years, but that return is approximately 200 basis points behind its benchmark. She mentioned concern with Wasatch's rapid growth. When Wasatch was hired in 2002, it had approximately \$1 billion of assets under management and has

now nearly tripled in size. Mr. Bensur noted that Wasatch has good people, good products, a clear philosophy and great process. However, their rapid growth has taken its toll on implementation of their strategy. Ms. Caine explained performance over the last few years had been adversely affected by lack of coverage and exposure to the energy industry and a few concentrated portfolio companies' involvement in fraudulent accounting activity.

Ms. Caine stated that Mr. Bensur will present his Manager Continuation Policy at the March meeting of the Commission which will include recommendations regarding all managers.

Deputy Treasurer for Finance Report. Ms. Caine distributed an article and commended the Commission members for their part in the fund's 9.4% return for 2005, beating the benchmark's 7.8% return. She noted that US equities were up 6.4%, international equities were up 16.4%, fixed income was up 3.2%, while private equity generated an IRR of 41%. On a total return basis, private equity was up 35.6%.

Ms. Caine also noted that the fund's performance compared favorably to other public pension funds, foundations, and endowments as measured by the Trust Universe Comparison Survey ("TUCS"). According to TUCS, foundations and endowments returned an average of 8.7%, corporate funds returned 7.6%, and public funds returned 7.5%, all well below ERSRI's 9.4%.

Treasurer Tavares thanked the Commission for their indulgence in such a full meeting as January's meeting had been canceled.

Mr. Costello moved, Ms. Reback seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Britt, Mr. Costello, Mr. Welly, Ms. Reback, Mr. Treat, and Treasurer Tavares.

**VOTED: To adjourn the meeting.**

There being no further business, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,

Paul J. Tavares  
General Treasurer



**RHODE ISLAND STATE INVESTMENT COMMISSION  
STAFF SUMMARY ANALYSIS  
PORTFOLIO HIGHLIGHTS  
January 31, 2006**

**PORTFOLIO PERFORMANCE**

**December**

The ERSRI portfolio posted a gain of 3.52% for the month of January, against the policy index of 3.44%. Domestic equities were up 4.25%, international equities returned 6.03%, and the fixed income asset class returned 0.26%. Additionally, the retirement fund earned \$201,795 from the securities lending program during this month.

**Calendar Year to Date**

For the month ended January 31, 2006, the portfolio is up 3.52% against the policy index of 3.44%. Domestic equities were up 4.25%, international equities were up 6.03%, while fixed income generated a return of 0.26%.

**Fiscal Year to Date**

For the Fiscal Year ended June 30, 2006, the fund has gained 10.62%, against the policy index of 10.69%.

<b>Index Performance Summary - January 31, 2006</b>		
<b>Market Indices</b>	<b>Jan-06</b>	<b>Calendar YTD</b>
<b><u>Domestic Equity</u></b>		
S & P 500	2.65%	2.65%
DJ Wilshire 5000	3.56%	3.56%
Russell 2000	8.97%	8.97%
Russell 1000	2.80%	2.80%
Policy Index	3.44%	3.44%
<b><u>International Equity</u></b>		
MSCI ACWI	6.97%	6.97%
<b><u>Fixed Income</u></b>		
Lehman AGG	0.01%	0.01%
<b><u>Real Estate</u></b>		
NCREIF	0.08%	0.08%

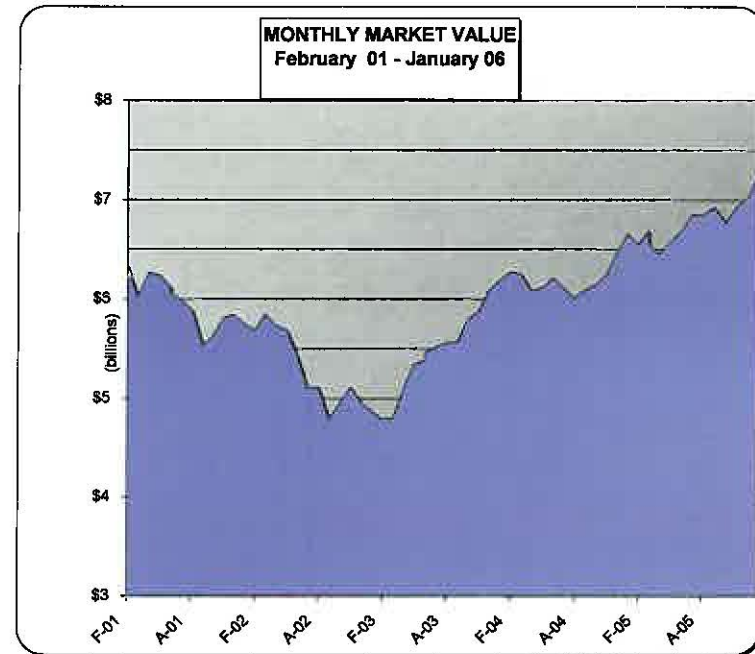
<b>ERSRI Performance By Asset Class</b>	<b>Jan-06</b>	<b>Calendar YTD</b>
Domestic Equity	4.25%	4.25%
Fixed Income	0.26%	0.26%
International Equity	6.03%	6.03%
<b>Total Fund Composite*</b>	<b>3.52%</b>	<b>3.52%</b>
<b>Manager Summary</b>	<b>Jan-06</b>	<b>CYTD</b>
<b><u>DOMESTIC EQUITY</u></b>		
Shott	0.39%	0.39%
PIMCO	2.75%	2.75%
SSgA Russell 1000	2.81%	2.81%
SSgA Core	3.11%	3.11%
Wasatch	5.03%	5.03%
Northpointe	8.13%	8.13%
Wellington	8.24%	8.24%
<b>Total Domestic Equity</b>	<b>4.25%</b>	<b>4.25%</b>
<b><u>FIXED INCOME</u></b>		
Brown Bros TIPS	0.09%	0.09%
Brown Bros Core	0.05%	0.05%
Fidelity	0.31%	0.31%
Taplin Canida & Habacht	0.03%	0.03%
InState Fixed Income	0.00%	0.00%
Shenkman	0.92%	0.92%
Mackay Shield	1.02%	1.02%
<b>Total Fixed Income</b>	<b>0.26%</b>	<b>0.26%</b>
<b><u>INTERNATIONAL EQUITY</u></b>		
Mondrian	5.95%	5.95%
Goldman Sachs	6.80%	6.80%
Boston Co	5.34%	5.34%
<b>Total International Equity</b>	<b>6.03%</b>	<b>6.03%</b>

\*Total Fund Composite includes all classes

Market Valuation Report  
January, 2006

Market Values

The total portfolio value increased in January by \$231.7 million to \$7.251 billion. This compares with a decrease in value of \$109.8 million for the same period in 2005. The domestic equity market values increased by \$136.2 million, including transfers in of \$3.0 million; fixed income increased by \$4.3 million, while international values increased by \$63.0 million including transfers out of \$34.8 million. The cash accounts increased by \$ 17.4 including transfers in of \$15.7 million, and alternative investments increased by \$10.8 including transfers in of \$10.8 million.



**Cash Flow**

January's pension payroll of \$52.8 million exceeded the \$ 38.9 million in contributions and wire transfers received by \$13.9 million. To meet this shortfall along with other obligations, \$16.0 million was transferred from long-term investments.

**Alternative Investments**

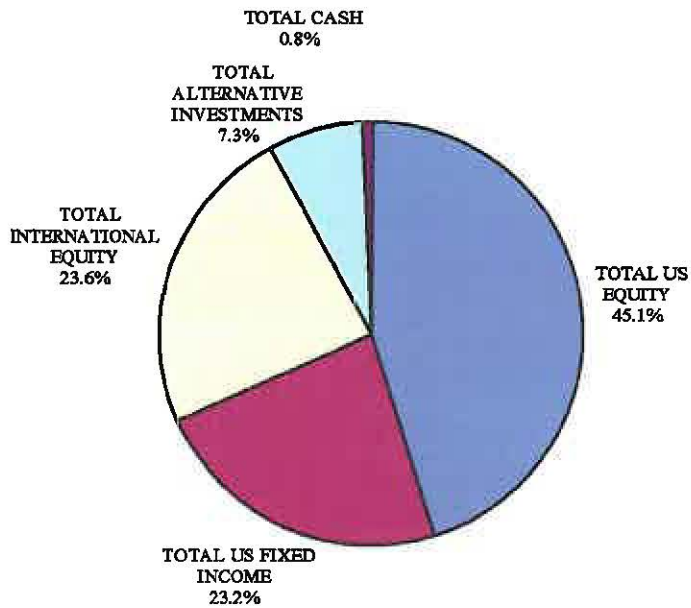
At this time the alternative investment asset class has unfunded commitments of approximately \$455 million on commitments of \$863 million.

**CAPITAL CALLS  
Net of Distributions**

January 2006	FYTD	UNFUNDED BALANCE
\$9,863,755	\$84,777,180	\$431,824,908
January 2005	FYTD	UNFUNDED BALANCE
\$1,998,658	\$13,884,223	\$454,114,775



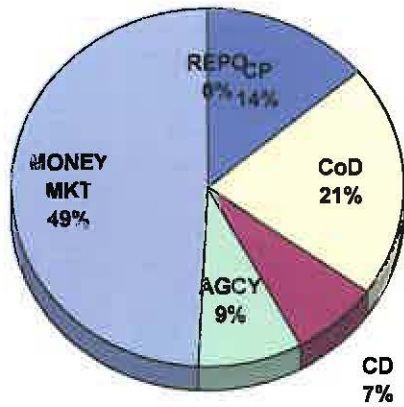
**CURRENT ASSET CLASS ALLOCATION (IN MILLIONS)**



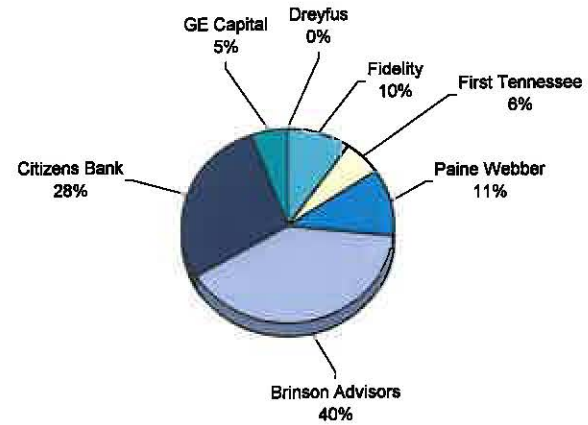
<b>MANAGER</b>	<b>CURRENT PERIOD</b>
TOTAL US EQUITY	3,271.2
TOTAL US FIXED INCOME	1,681.5
TOTAL INTERNATIONAL EQUITY	1,712.5
TOTAL ALTERNATIVE INVESTMENTS	529.2
TOTAL CASH	56.5
<b>TOTAL</b>	<b>7,250.9</b>

**RHODE ISLAND STATE INVESTMENT COMMISSION**  
**SHORT TERM CASH INVESTMENTS AT JANUARY 31, 2006**

**Portfolio By Instrument**



**Portfolio by Issuer**



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



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

**Issuer Credit Ratings  
January, 2006**

Issuer	Type of Instrument	Month End % Portfolio	Issuer Ratings		S-T Debt Rating		L-T Debt Rating		Credit Outlook
			Moody's		Moody's	S&P	Moody's	S&P	S&P
Chase Securities	2,3,5	0%	Aa3		P-1	A-1	Aa3	A+	Stable
Citigroup Inc.	2	0%	Aa1		P-1	A-1+	Aa1	AA-	Stable
Citizens Bank RI	3,4	28%	Aa2		P-1	A-1+	Aa2	AA-	Stable
Dreyfus	6	0%	Aa3		P-1	A-1+	Aa3	AA-	Stable
First Tennessee Capital Markets	5	6%	A1		P-1	A-1	A1	A	Stable
Fidelity	6	10%				N/R		N/R	N/R
Merrill Lynch	2,5,6	0%	Aa3		P-1	A-1	Aa3	A+	Stable
GE Capital	2	5%	Aaa		P-1	A-1+	Aaa	AAA	Stable
Morgan Stanley	1,2,5	0%	Aa3		P-1	A-1	Aa3	A+	Negative
Paine Webber	5	11%	Aa2		P-1	A-1+	Aa2	AA+	Stable
UBS Brinson Advisors	6	39%	Aa2		P-1	A-1+	Aa2	AA+	Stable
State Street Bank & Tru	1,3	0%	Aa2		P-1	A-1+	Aa2	AA	Stable

**Instrument Codes**

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

**Ratings Definitions**

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

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

**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

February 17, 2006

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 January 31, 2006.

**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
January 31, 2006**

Asset Class		
Cash/Short Term Investments		\$ 303,028,682
Equities – Domestic		\$ 3,224,172,305
Equities – International		\$ 1,646,949,168
Fixed Income – Government	\$ 913,215,039	
Fixed Income – Corporate	\$ 634,319,428	
Fixed Income – In State	\$ 20,929,806	
Total Fixed Income		\$ 1,568,464,273
Alternative Investments		\$ 384,276,505
Real Estate		\$ 123,945,084
<b>Total Fund Investments</b>		<b>\$ 7,250,836,016</b>
Plan Allocation		
State Employees & Teachers	86.24%	\$ 6,252,894,986
Municipal Employees	12.94%	\$ 937,919,320
State Police	0.50%	\$ 36,246,291
Judicial	0.33%	\$ 23,775,419
<b>Total Fund Investments</b>	<b>100.00%</b>	<b>\$ 7,250,836,016</b>

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,

Joan M. Caine, CFA  
Deputy Treasurer for Finance

**State of Rhode Island**

SUMMARY OF PERFORMANCE

RATES OF RETURN

PERIODS ENDING January 31, 2006



**STATE STREET.**  
For Everything You Invest In™

	MKT VAL	% of FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<b>U.S. EQUITY</b>												
NORTHPOINTE CAPITAL	377,555	5.21	8.13	12.71	7.81	8.13	14.49	22.43	15.23	27.37		
PIMCO	487,017	6.72	2.75	6.97	4.39	2.75	8.20	9.84	8.10	16.41	4.96	0.53
SSGA - CORE	325,237	4.49	3.11	7.52	4.25	3.11	8.57	13.91	10.34	17.05	6.97	3.51
SSGA RUSSELL 1000	1,442,671	19.90	2.81	6.87	5.07	2.81	9.15	12.10	9.32			
WASATCH ADVISORS	207,288	2.86	5.03	10.29	-0.13	5.03	4.83	10.37	12.38	24.23		
WELLINGTON MANAGEMENT CO. LLC	428,603	5.91	8.24	15.75	12.10	8.24	18.41	21.49	13.63	30.85		
TOTAL US EQUITY	3,271,163	45.11	4.25	8.90	5.71	4.25	10.40	14.11	10.41	20.49	8.04	2.42
<i>RUSSELL 1000</i>			2.80	6.86	5.04	2.80	9.13	12.07	9.29	17.45	5.83	0.98
<i>RUSSELL 2000</i>			8.97	13.74	8.50	8.97	15.37	18.89	13.67	26.86	12.38	8.99
<i>RUSSELL 2000 GROWTH</i>			9.65	15.68	10.71	9.65	18.44	19.59	11.36	25.85	8.82	2.57
<i>RUSSELL 2000 VALUE</i>			8.27	11.80	6.31	8.27	12.36	17.93	15.74	27.70	15.33	14.74
<i>S&amp;P 500</i>			2.65	6.57	4.68	2.65	8.57	10.38	8.28	16.42	4.98	0.37
<i>DOW WILSHIRE 5000 FREE FLOAT</i>			3.56	7.84	5.75	3.56	10.12	13.15	10.10	18.73	6.93	2.06
<b>INTERNATIONAL EQUITY</b>												
GOLDMAN SACHS	566,544	7.81	6.80	16.12	21.47	6.80	26.26	30.46				
BANK OF IRELAND	4	0.00										
THE BOSTON COMPANY	576,613	7.95	5.34	13.15	16.25	5.34	19.62	20.79				
MONDRIAN	569,312	7.85	5.95	12.51	15.28	5.95	19.12	23.32				
PUTNAM INVESTMENTS	6	0.00										
SSGA MSCI ALL COUNTRY WORLD EX-US	0	0.00										
TRANSITION ACCOUNT INT EQUITY	63	0.00										
TOTAL INTERNATIONAL EQUITY	1,712,541	23.62	6.03	13.94	17.69	6.03	21.69	24.84	20.62	27.47	14.82	5.50

## State of Rhode Island

### SUMMARY OF PERFORMANCE

#### RATES OF RETURN

PERIODS ENDING January 31, 2006



**STATE STREET.**  
For Everything You Invest In™

	MKT VAL	% of FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<i>MSCI AC WORLD ex US (GROSS)</i>			6.97	15.89	20.44	6.97	24.88	27.47	22.33	30.61	17.66	7.79
<i>MSCI EAFE - NET</i>			6.14	13.80	18.31	6.14	21.94	22.76	19.53	27.97	15.55	5.82
<b>U.S. FIXED INCOME</b>												
BROWN BROTHERS HARRIMAN - CORE	250,258	3.45	0.05	1.38	1.15	0.05	0.06	2.35	3.51	4.73	5.93	6.20
FIDELITY MANAGEMENT TRUST	416,430	5.74	0.31	1.58	1.37	0.31	0.88	2.91	4.02	4.38	5.40	5.92
BROWN BROTHERS HARRIMAN - TIPS	500,804	6.91	0.09	1.68	2.52	0.09	0.57	3.52				
MACKAY SHIELDS, LLC	128,253	1.77	1.02	2.99	2.95	1.02	4.23	4.96	7.55	15.90		
SHENKMAN CAPITAL MANAGEMENT	127,653	1.76	0.92	2.69	2.27	0.92	3.63	4.67	6.17	9.45		
TAPLIN, CANIDA & HABACHT	257,538	3.55	0.03	2.11	1.53	0.03	1.38	2.11	3.73	7.38	6.99	7.24
TRANSITION ACCOUNT FIXED INCOME	575	0.01										
TOTAL US FIXED INCOME	1,681,511	23.19	0.26	1.85	1.89	0.26	1.20	3.16	4.49	6.27	6.37	6.06
<i>CSFB GLOBAL HIGH YIELD</i>			1.29	2.83	1.40	1.29	2.79	3.59	6.65	13.03	10.95	8.83
<i>LB AGGREGATE</i>			0.01	1.40	0.84	0.01	-0.08	1.80	2.97	3.59	5.03	5.53
<i>LB CREDIT</i>			-0.20	1.39	0.29	-0.20	-0.72	0.95	2.97	4.76	6.03	6.50
<i>LB GOV/CREDIT</i>			-0.18	1.28	0.58	-0.18	-0.55	1.48	2.72	3.68	5.28	5.72
<i>CITIGROUP BIG</i>			-0.01	1.43	0.84	-0.01	-0.04	1.91	3.09	3.72	5.09	5.59
<i>CITIGROUP LARGE PENSION FUND INDEX</i>			-0.37	1.77	0.34	-0.37	-1.14	1.96	4.33	5.02	6.57	6.73
<i>CITIGROUP L.P.F. COLLATERALIZED INDEX</i>			0.24	1.60	1.28	0.24	0.80	2.45	3.56	3.51	4.64	5.23

**State of Rhode Island**  
SUMMARY OF PERFORMANCE  
RATES OF RETURN  
PERIODS ENDING January 31, 2006



	MKT VAL	% of FUND	1 Month	3 Months	6 Months	YTD	FYTD	1 Year	2 Years	3 Years	4 Years	5 Years
<b>ALTERNATIVE INVESTMENTS</b>												
REAL ESTATE	123,945	1.71	0.16	0.14	1.02	0.16	1.02	3.92				
PRIVATE EQUITY	384,277	5.30	2.82	7.64	14.11	2.82	14.14	38.02	27.67	21.24	14.39	7.75
STATE ACCOUNT (IN DEFAULT)	20,930	0.29	0.00	0.13	0.16	0.00	0.17	0.19	2.88	4.17	4.82	5.22
TOTAL ALTERNATIVE INVESTMENTS	529,151	7.30	2.08	5.64	11.75	2.08	11.78	34.64	25.89	20.00	13.41	7.78
<i>NCREIF PROPERTY INDEX QTR LAG</i>			0.00	4.44	10.02	0.00	10.02	19.19	15.75	13.04	11.16	10.95
<b>CASH EQUIVALENTS</b>												
CASH ACCOUNT (INSIDE)	44,327	0.61	0.63	1.30	4.08	0.63	4.99	7.28	12.18	19.18	37.02	40.54
CASH ACCOUNT (OUTSIDE)	12,135	0.17	0.30	0.90	1.65	0.30	1.91	2.95	2.10	2.93	2.62	2.87
<b>TOTAL PLAN</b>												
TOTAL PLAN	7,250,829	100.00	3.52	8.03	7.80	3.52	10.62	14.75	12.04	18.42	9.93	5.21
<sup>1</sup> TOTAL PLAN BENCHMARK			3.44	7.99	7.70	3.44	10.69	13.37	11.01	17.46	9.25	4.85

**State of Rhode Island**  
SUMMARY OF PERFORMANCE  
RATES OF RETURN  
PERIODS ENDING January 31, 2006



**STATE STREET.**  
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**Endnotes**

- 1 As of 02/2003 52.5% W5000/25.0% LB AGG/22.5% MSCIAWORLDFREEexUSA  
Prior to 02/2003 52.5% W5000/27.5% LB AGG/20% MSCIAWORLDFREEexUSA

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

**January 31, 2006**

	Calendar YTD			Benchmark Description	Current Month			Valuation Change			
	Performance	Benchmark	Alpha		Performance	Benchmark	Alpha	Market Value	Transfers	Market Value	Market Value
								12/31/2005	In/(out)	1/31/2006	Increase/Decrease
<b>Domestic Equity</b>											
Shott Capital Management IRR	0.39%	N/A	N/A	S & P 500	0.39%	N/A	N/A	249,421	2,642,961	2,792,161	(100,221)
SSgA Russell 1000	2.81%	2.80%	0.01%	Russell 1000	2.81%	2.80%	0.01%	1,403,054,942	159,870	1,442,870,749	39,455,937
SSgA Core	3.11%	2.80%	0.31%	Russell 1000	3.11%	2.80%	0.31%	315,377,751	35,770	325,237,267	9,823,748
PIMCO	2.75%	2.65%	0.10%	S & P 500	2.75%	2.65%	0.10%	473,910,746	53,290	487,017,445	13,053,409
NorthPointe Capital	8.13%	8.27%	-0.14%	Russell 2000 Value	8.13%	8.27%	-0.14%	349,141,822	39,420	377,554,513	28,373,471
Wellington Mgmt	8.24%	8.97%	-0.73%	Russell 2000	8.24%	8.97%	-0.73%	395,928,225	43,800	428,602,781	32,630,756
Wasatch Advisors	5.03%	8.97%	-3.94%	Russell 2000	5.03%	8.97%	-3.94%	197,331,356	23,360	207,288,324	9,933,607
Transition Account	N/A	N/A	N/A		N/A	N/A	N/A	370		326	(45)
<b>Total Domestic Equity</b>	<b>4.25%</b>				<b>4.25%</b>			<b>3,134,994,433</b>	<b>2,998,471</b>	<b>3,271,163,566</b>	<b>133,170,662</b>
<b>International Equity</b>											
Boston Company	5.34%	6.97%	-1.63%	MSCI ACWI	5.34%	6.97%	-1.63%	552,307,173	(4,940,870)	576,617,046	29,250,743
Goldman Sachs	6.80%	6.97%	-0.17%	MSCI ACWI	6.80%	6.97%	-0.17%	559,169,519	(29,940,870)	566,543,732	37,315,083
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,311,181	(25,029)	660,475	(625,877)
Mondrian	5.95%	6.97%	-1.02%	MSCI ACWI	5.95%	6.97%	-1.02%	537,305,379	59,130	569,312,150	31,947,641
								-	-	-	-
<b>Total International Equity</b>	<b>6.03%</b>				<b>6.03%</b>			<b>1,650,093,252</b>	<b>(34,847,639)</b>	<b>1,713,133,402</b>	<b>97,887,790</b>
<b>Fixed Income</b>											
Fidelity Management & Research	0.31%	0.32%	-0.01%	Lehman Mortgage Backed	0.31%	0.32%	-0.01%	415,110,435	48,910	416,430,041	1,270,696
Brown Brothers, Harriman	0.05%	-0.01%	0.06%	Salomon Brd Inv Grade	0.05%	-0.01%	0.06%	250,093,465	29,930	250,258,267	134,872
In-State Fixed Income		( Non performing/In Default)		N/A	0.00%	N/A	N/A	21,221,000	350,589	20,929,808	(641,783)
Taplin, Canida & Habacht	0.03%	-0.20%	0.23%	Lehman Credit Index	0.03%	-0.20%	0.23%	257,433,257	29,930	257,537,692	74,505
Mackay Shields	1.02%	1.29%	-0.27%	CS First BoshHiYield	1.02%	1.29%	-0.27%	126,938,570	14,600	128,253,058	1,299,889
Shenkman Capital Mgmt	0.92%	1.29%	-0.37%	CS First BoshHiYield	0.92%	1.29%	-0.37%	126,474,607	14,600	127,653,125	1,163,918
Brown Bros TIPS	0.09%	-0.01%	0.10%	Lehman US TIPS Index	0.09%	-0.01%	0.10%	500,299,313	59,130	500,803,692	445,248
Transition Account	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-	-	-	-
<b>Total Fixed Income</b>	<b>0.28%</b>				<b>0.26%</b>			<b>1,697,570,647</b>	<b>547,889</b>	<b>1,701,865,681</b>	<b>3,747,345</b>
<b>Alternative Investments</b>											
Private Equity	2.82%	N/A	N/A	N/A	2.82%	N/A	N/A	381,588,647	2,848,237	384,276,505	(180,379)
Real Estate	0.16%	0.08%	N/A	NCREIF + 100	0.16%	0.08%	0.08%	115,816,098	7,991,200	123,945,084	137,786
								-	-	-	-
<b>Total Alternatives</b>	<b>2.08%</b>				<b>2.08%</b>			<b>497,404,746</b>	<b>10,839,436</b>	<b>508,221,589</b>	<b>(22,593)</b>
<b>Cash Accounts</b>											
Cash in Trust	0.63%	N/A	N/A		0.63%	N/A	N/A	21,831,741	21,706,606	44,327,245	788,898
Cash Outside Trust	0.30%	N/A	N/A		0.30%	N/A	N/A	17,258,270	(6,000,000)	12,124,534	866,264
<b>Total Cash</b>	<b>0.92%</b>	<b>*</b>	<b>0</b>		<b>0.92%</b>	<b>*</b>	<b>0</b>	<b>39,090,011</b>	<b>15,706,606</b>	<b>56,451,779</b>	<b>1,655,162</b>
	<b>3.52%</b>	<b>3.44%</b>	<b>0.08%</b>		<b>3.52%</b>	<b>3.44%</b>	<b>0.08%</b>	<b>7,019,153,088</b>	<b>(4,755,437)</b>	<b>7,250,836,016</b>	<b>236,438,365</b>

\*Policy Index: (Effective 03/01/03)

52.5% Wilshire 5000

25.0% Lehman Aggregate

22.5% MSCI ACWI X-US



**State of Rhode Island**

RATES OF RETURN - Total

Periods Ending January 31, 2006



**STATE STREET.**  
For Everything You Invest In™

**PERFORMANCE SUMMARY REPORT**

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
<b>U.S. EQUITY</b>									
SHOTT CAPITAL	S&P 500	-3.29	2.65	-5.94	-3.29	2.65	-5.94	2,792	2,643
SSGA RUSSELL 1000	RUSSELL 1000	2.81	2.80	0.01	2.81	2.80	0.01	1,442,671	158
SSGA - CORE	RUSSELL 1000	3.11	2.80	0.31	3.11	2.80	0.31	325,237	36
PIMCO	S&P 500	2.75	2.65	0.10	2.75	2.65	0.10	487,017	53
NORTHPOINTE CAPITAL	RUSSELL 2000 VALUE	8.13	8.27	-0.14	8.13	8.27	-0.14	377,555	39
WELLINGTON MANAGEMENT CO. LLC	RUSSELL 2000	8.24	8.97	-0.73	8.24	8.97	-0.73	428,603	44
WASATCH ADVISORS	RUSSELL 2000	5.03	8.97	-3.94	5.03	8.97	-3.94	207,288	23
TOTAL US EQUITY		4.25			4.25			3,271,163	2,997
<b>INTERNATIONAL EQUITY</b>									
THE BOSTON COMPANY	MSCI AC WORLD ex US (GROSS)	5.34	6.97	-1.63	5.34	6.97	-1.63	576,613	-4,941
GOLDMAN SACHS	MSCI AC WORLD ex US (GROSS)	6.80	6.97	-0.17	6.80	6.97	-0.17	566,544	-29,941
MONDRIAN	MSCI AC WORLD ex US (GROSS)	5.95	6.97	-1.02	5.95	6.97	-1.02	569,312	59
TRANSITION ACCOUNT INT EQUITY								63	0
TOTAL INTERNATIONAL EQUITY		6.03			6.03			1,712,541	-35,488
<b>U.S. FIXED INCOME</b>									
FIDELITY MANAGEMENT TRUST	LB MBS	0.31	0.32	-0.01	0.31	0.32	-0.01	416,430	49
BROWN BROTHERS HARRIMAN - CORE	CITIGROUP BIG	0.05	-0.01	0.06	0.05	-0.01	0.06	250,258	30
TAPLIN, CANIDA & HABACHT	LB CREDIT	0.03	-0.20	0.23	0.03	-0.20	0.23	257,538	30
MACKAY SHIELDS, LLC	CSFB GLOBAL HIGH YIELD	1.02	1.29	-0.27	1.02	1.29	-0.27	128,253	14
SHENKMAN CAPITAL MANAGEMENT	CSFB GLOBAL HIGH YIELD	0.92	1.29	-0.37	0.92	1.29	-0.37	127,653	15
BROWN BROTHERS HARRIMAN - TIPS	LB U.S. TIPS	0.09	-0.01	0.10	0.09	-0.01	0.10	500,804	58
TRANSITION ACCOUNT FIXED INCOME								575	0
TOTAL US FIXED INCOME		0.26			0.26			1,681,511	196

**State of Rhode Island**

RATES OF RETURN - Total

Periods Ending January 31, 2006



**STATE STREET.**  
For Everything You Invest In™

**PERFORMANCE SUMMARY REPORT**

	Benchmark	1 Month Return			Calendar YTD Return			Value (000)	Net Flow (000)
		Fund	Index	Excess	Fund	Index	Excess		
<b>ALTERNATIVE INVESTMENTS</b>									
STATE ACCOUNT (IN DEFAULT)		0.00			0.00			20,930	-292
PRIVATE EQUITY		2.82			2.82			384,277	-7,997
REAL ESTATE	NCREIF PROPERTY LAG + 100 BPS	0.16	0.08	0.08	0.16	0.08	0.08	123,945	7,940
TOTAL ALTERNATIVE INVESTMENTS		2.08			2.08			529,151	-349
<b>CASH EQUIVALENTS</b>									
CASH ACCOUNT (INSIDE)		0.63			0.63			44,327	22,109
CASH ACCOUNT (OUTSIDE)		0.30			0.30			12,135	-5,210
TOTAL CASH		0.92			0.92			56,462	16,899
<b>TOTAL PLAN</b>									
TOTAL PLAN	TOTAL PLAN BENCHMARK	3.52	3.44	0.08	3.52	3.44	0.08	7,250,829	-15,745

# State of Rhode Island

TOTAL PLAN

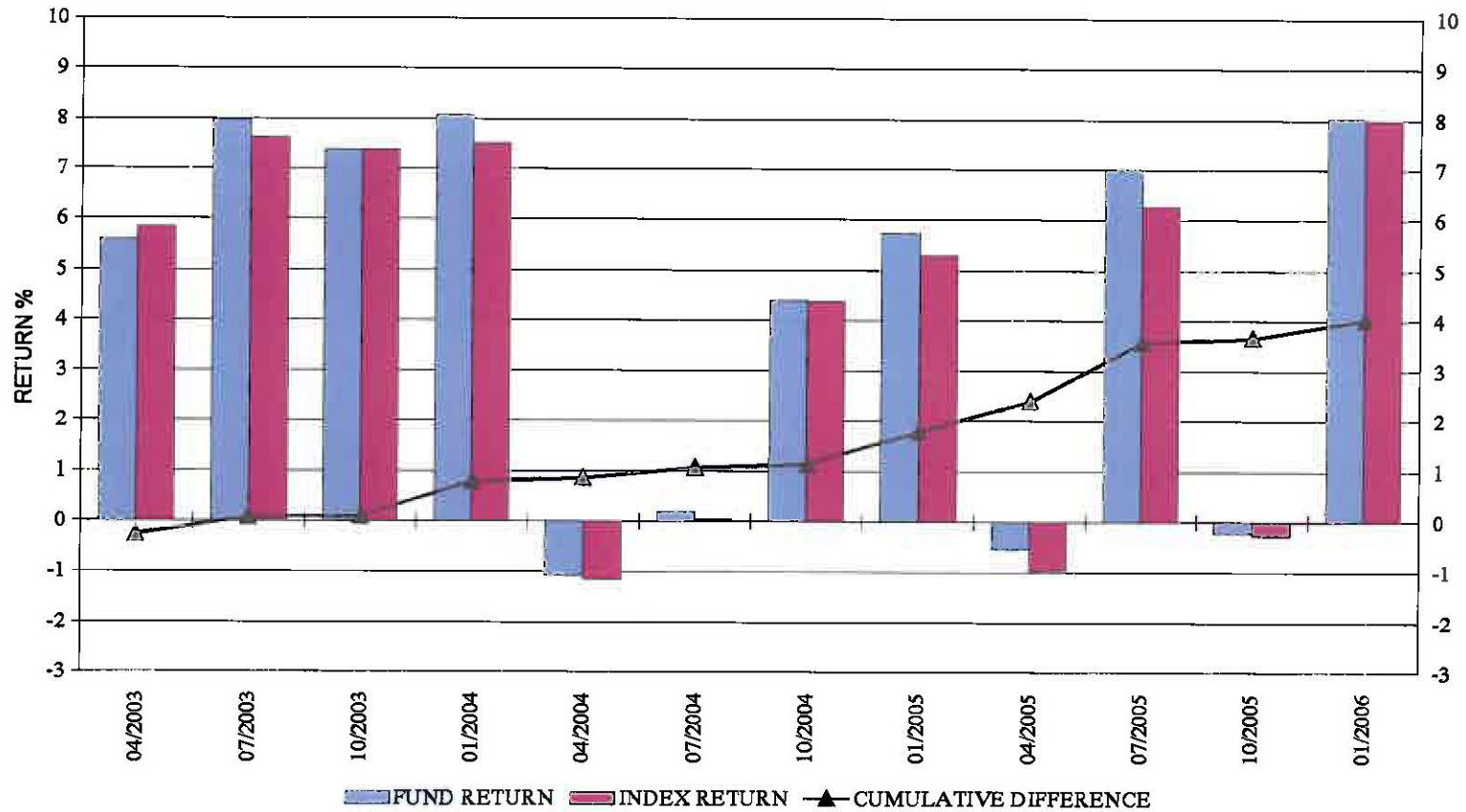
Index: TOTAL PLAN BENCHMARK

PERIODS: January 31, 2003 - January 31, 2006



STATE STREET  
For Everything You Invest In™

## CUMULATIVE PERFORMANCE REPORT

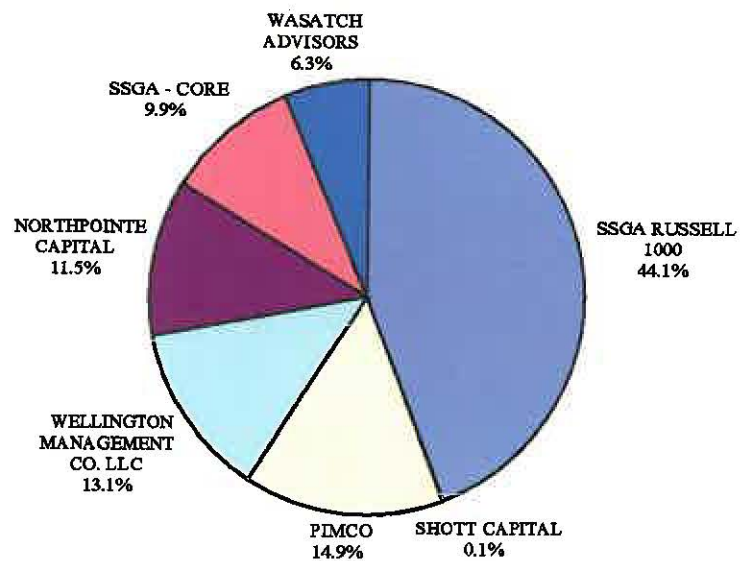


**State of Rhode Island**  
**MANAGER ALLOCATION ANALYSIS**  
**PERIOD ENDING 01/31/2006**



**STATE STREET.**  
*For Everything You Invest In™*

**CURRENT MANAGER ALLOCATION**



<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
SSGA RUSSELL 1000	1,442.7	1,322.6
SHOTT CAPITAL	2.8	0.2
PIMCO	487.0	443.0
WELLINGTON MANAGEMENT CO. LLC	428.6	371.0
NORTHPOINTE CAPITAL	377.6	326.0
SSGA - CORE	325.2	296.8
WASATCH ADVISORS	207.3	187.6
<b>TOTAL</b>	<b>3,271.2</b>	<b>2,947.2</b>

**State of Rhode Island**

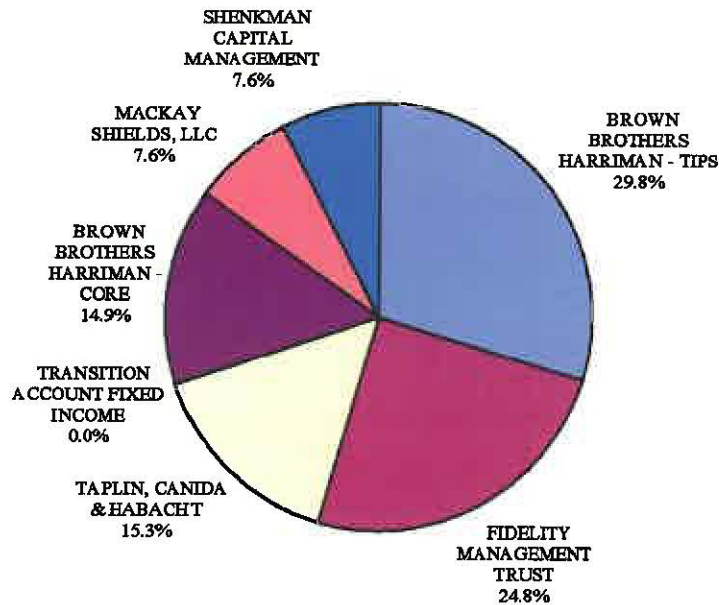
**MANAGER ALLOCATION ANALYSIS**

PERIOD ENDING 01/31/2006



**STATE STREET.**  
For Everything You Invest In™

**CURRENT MANAGER ALLOCATION**



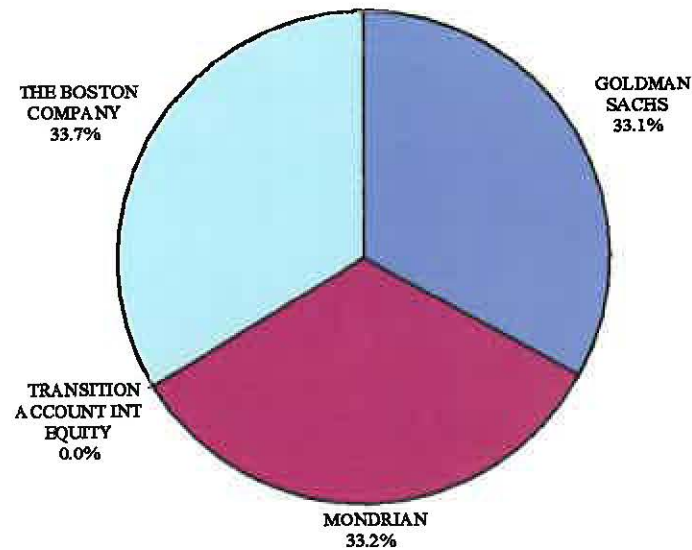
<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
BROWN BROTHERS HARRIMAN - TIPS	500.8	476.3
FIDELITY MANAGEMENT TRUST	416.4	396.2
TAPLIN, CANIDA & HABACHT	257.5	254.0
TRANSITION ACCOUNT FIXED INCOME	0.6	0.6
BROWN BROTHERS HARRIMAN - CORE	250.3	237.2
MACKAY SHIELDS, LLC	128.3	122.1
SHENKMAN CAPITAL MANAGEMENT	127.7	121.8
<b>TOTAL</b>	<b>1,681.6</b>	<b>1,608.2</b>

**State of Rhode Island**  
**MANAGER ALLOCATION ANALYSIS**  
**PERIOD ENDING 01/31/2006**



**STATE STREET**  
*For Everything You Invest In™*

**CURRENT MANAGER ALLOCATION**



<u>MANAGER</u>	<u>CURRENT PERIOD</u>	<u>ONE YEAR AGO</u>
GOLDMAN SACHS	566.5	525.1
MONDRIAN	569.3	532.3
TRANSITION ACCOUNT INT EQUITY	0.1	0.1
THE BOSTON COMPANY	576.6	526.9
SSGA MSCI ALL COUNTRY WORLD EX-US	0.0	0.6
<b>TOTAL</b>	<b>1,712.5</b>	<b>1,585.0</b>

# Net Asset Value By Manager

As of: February 17, 2006

View Date: February 21, 2006



STATE STREET

Fund	Manager Name	Net Asset Value	Percent of Total
ZU32	ALTERNATIVE INVEST PORT.	388,595,654.22	5.36
ZU44	BROWN BROTHERS BOND DEPT.	251,361,778.79	3.47
ZU69	BROWN BROTHERS HARRIMAN	500,504,054.88	6.91
R303	CONTINGENCY RESERVE FUND	4.67	0.00
ZU40	EMPLOYEES RETIREMENT SYS. OF RI	20,929,807.31	0.29
ZU46	FIDELITY MANAGEMENT TRUST COMPANY	417,160,282.41	5.76
ZU79	FREM. STRAT. PROP. PART. II LP	178,804,261.65	2.47
ZU25	GOLDMAN SACHS ASSET MGMT	556,573,839.32	7.68
ZU76	GROUP TRUST CASH ACCOUNT	19,228,735.83	0.27
ZU48	JP MORGAN	2,903.55	0.00
ZU59	MACKAY SHIELDS, LLC	128,439,959.64	1.77
ZU67	MONDRIAN	554,658,025.13	7.66
ZU47	NORTHPOINTE CAPITAL	375,234,493.09	5.18
ZU55	PACIFIC INVESTMENT MANAGEMENT	487,054,752.63	6.72
ZU58	PUTNAM INVESTMENTS	5,774.65	0.00
ZU56	R.I. INVESTMENT COMM EMPLOYEE	58.24	0.00
ZU66	RHODE ISLAND CASH ACCOUNT	29,187,879.02	0.40
ZU28	SCHROEDER CAPITAL MGMT.	13,686.13	0.00
ZU70	SCUDDER STEVENS CLARK	61,321.85	0.00
ZU61	SHENKMAN CAPITAL MANAGEMENT	128,311,872.68	1.77
ZU49	SHOTT CAPITAL	2,549,005.55	0.04
ZU29	SSGA	1,451,422,219.25	20.03
ZU99	SSGA	325,714,798.89	4.50
ZU84	TAPLIN CANIDA HABACHT	259,068,048.03	3.58
ZU57	THE BOSTON COMPANY	4,344.04	0.00
ZU77	THE BOSTON COMPANY	543,918,278.59	7.51
ZU39	WASATCH ADVISORS	207,053,121.19	2.86
ZU38	WELLINGTON MGMT CO, LLP	419,754,626.14	5.79
TOTAL NET ASSET VALUE		7,245,613,587.37	100.00





**ASSET ALLOCATION REPORT**  
**JANUARY 31st, 2007**

	Style Mandate	Actual (Millions \$)		Target (Millions \$)		Difference (Millions \$)
<b>Domestic Equity</b>						
SSgA Russell 1000	Passive	1,442.67	19.9%	1,468.29	20.25%	(25.62)
SSgA Core	Active core	325.24	4.5%	326.29	4.50%	(1.05)
PIMCO	Enhanced Equity	487.02	6.7%	489.43	6.75%	(2.41)
NorthPointe Capital	Small Cap Value	377.56	5.2%	362.54	5.00%	15.01
Wellington Mgmt	Small Cap Core	428.60	5.9%	398.80	5.50%	29.81
Wasatch Advisors	Small Cap Growth	207.29	2.9%	217.52	3.00%	(10.24)
<b>TOTAL DOMESTIC EQUITY</b>		<b>3,271.16</b>	<b>45.1%</b>	<b>3,262.87</b>	<b>45.00%</b>	<b>8.29</b>
<b>International Equity</b>						
Boston Company	MSCI ACWI	578.61	8.0%	543.81	7.50%	32.80
Goldman Sachs	MSCI ACWI	566.54	7.8%	543.81	7.50%	22.73
Mondrian	MSCI ACWI	589.31	7.9%	543.81	7.50%	25.50
Transition Account		0.06	0.0%	0.00	0.00%	0.06
<b>TOTAL INT'L EQUITY</b>		<b>1,712.54</b>	<b>23.6%</b>	<b>1,631.44</b>	<b>22.50%</b>	<b>81.11</b>
<b>Domestic Fixed Income</b>						
Fidelity Management & Research	Mortgages	416.43	5.7%	453.18	6.25%	(36.75)
Brown Brothers, Harriman	Opportunistic Core	250.26	3.5%	271.91	3.75%	(21.65)
Taplin, Canada & Habacht	Corporates	257.54	3.6%	271.91	3.75%	(14.37)
Mackay Shields	High yield	128.25	1.8%	135.95	1.88%	(7.70)
Shenkman Capital Mgmt	High yield	127.65	1.8%	135.95	1.88%	(8.30)
Brown Brothers, Harriman TIPS	TIPS	500.80	6.9%	543.81	7.50%	(43.01)
Transition Account		0.58	0.0%	0.00	0.00%	0.58
<b>TOTAL FIXED-INCOME</b>		<b>1,681.51</b>	<b>25.0%</b>	<b>1,812.71</b>	<b>25.00%</b>	<b>(131.20)</b>
<b>Alternative Investments</b>						
Real Estate	Real Estate	123.95	1.7%			
Shott Capital Mgmt	Alternative Distribution	2.79	0.0%			
Pacific Corp Group	Private Equity	384.28	5.3%			
In-State Fixed Income	Short/Int Govt	20.93	0.3%		0.00%	20.93
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>531.94</b>	<b>7.3%</b>	<b>\$543.81</b>	<b>7.50%</b>	<b>(11.87)</b>
<b>CASH EQUIVALENTS</b>	STIF, Yield+	<b>56.46</b>	<b>0.8%</b>	<b>0.00</b>	<b>0.00%</b>	<b>56.46</b>
<b>TOTAL ASSETS</b>		<b>7,250.83</b>	<b>100.0%</b>	<b>7,250.83</b>	<b>100.00%</b>	<b>0.00</b>

**ALLOCATION BY MANAGEMENT STYLE**

<b>Domestic Equity</b>						
Core		325.24	4.5%	326.29	4.50%	(1.05)
Index		1,442.67	19.9%	1,468.29	20.25%	(25.62)
Enhanced Equity		487.02	6.7%	489.43	6.75%	(2.41)
Active Small Cap		1,013.45	14.0%	978.86	13.50%	34.58
<b>TOTAL DOMESTIC EQUITY</b>		<b>3,271.16</b>	<b>45.1%</b>	<b>3,262.87</b>	<b>45.00%</b>	<b>5.50</b>
<b>International Equity</b>						
Active		1,712.54	23.6%	1,631.44	22.50%	81.11
<b>TOTAL INT'L EQUITY</b>		<b>1,712.54</b>	<b>23.6%</b>	<b>1,631.44</b>	<b>22.50%</b>	<b>81.11</b>
<b>Domestic Fixed Income</b>						
Mortgage		416.43	6.2%	453.18	6.25%	(36.75)
Core		250.26	4.0%	271.91	3.75%	(21.65)
Corporates		257.54	3.9%	271.91	3.75%	(14.37)
High Yield		256.48	3.8%	271.91	3.75%	(15.43)
TIPS		500.80	7.1%	543.81	7.50%	(43.01)
<b>TOTAL FIXED-INCOME</b>		<b>1,681.51</b>	<b>25.0%</b>	<b>1,812.71</b>	<b>25.00%</b>	<b>(131.20)</b>
<b>Alternative Investments</b>						
Real Estate		123.95	1.7%			
Other Alternative Investments		405.21	5.3%	\$543.81		
<b>TOTAL ALTERNATIVE INVESTMENTS</b>		<b>529.15</b>	<b>7.0%</b>	<b>543.81</b>	<b>7.50%</b>	<b>(14.66)</b>
<b>CASH EQUIVALENTS</b>	STIF, Yield+	<b>56.46</b>	<b>0.8%</b>	<b>0.00</b>	<b>0.00%</b>	<b>56.46</b>
<b>TOTAL ASSETS</b>		<b>7,250.83</b>	<b>100.0%</b>	<b>7,250.83</b>	<b>100.00%</b>	<b>0.00</b>

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

JANUARY 31, 2006

<i>Equities</i>				
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS
1	EXXON MOBIL CORP	216,970	\$13,614,868	SSgA
2	ADVANTA CORP	381,823	13,214,894	NorthPoint,Wellington
3	RED HAT INC	340,800	9,866,160	Wellington
4	PFIZER INC	381,200	9,789,216	SSgA
5	ON SEMICONDUCTOR CORP	1,214,900	9,123,899	NorthPoint,Wellington
6	BEACON ROOFING SUPPLY INC	260,800	8,661,168	NorthPoint,Wellington
7	GENERAL ELEC CO	263,900	8,642,725	SSgA
8	BANK AMERICA CORP	193,400	8,554,082	SSgA
9	O REILLY AUTOMOTIVE INC	256,485	8,417,838	Wasatch
10	COPART INC	331,170	8,342,172	Wasatch
		3.02%	\$98,227,022	
<b>Total Composite Equities</b>		<b>\$3,255,317,855</b>		

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

JANUARY 31, 2006

<i>International Equities</i>				
RANK	SECURITY NAME	PAR VALUES/SHARES	BASE MARKET AMOUNT	MONEY MANAGERS
1	HBOS	1,693,031	\$29,745,059	Mondrian,Goldman
2	ROYAL DUTCH SHELL	751,831	25,580,805	Mondrian,Goldman,Boston Co.
3	TOTAL SA	77,380	21,348,281	Mondrian,Goldman,Boston Co.
4	RWE AG (NEU)	245,495	20,217,446	Mondrian,Goldman
5	BANCA INTESA SPA	3,154,833	17,938,247	Mondrian,Goldman
6	TOYOTA MOTOR CORP	343,600	17,845,539	Mondrian
7	KOREA MSCI EMERGING MKT	801,462	17,534,395	Goldman
8	CANON INC	285,500	17,266,818	Mondrian,Goldman,Boston Co.
9	TELEFONICA SA	1,092,233	16,658,304	Mondrian
10	GLAXOSMITHKLINE	637,147	16,284,401	Mondrian,Boston Co.
		11.79%	\$200,419,295	
<b>Total Composite International Equities</b>		<b>\$1,699,676,830</b>		

Top 10 Market Values SIC



FISCAL YEAR 2006

INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Projected Jul 05	Projected Aug	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 06	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected TOTAL
<b>EQUITIES</b>													
SSgA Core			209,189			200,000			200,000			200,000	809,189
SSgA Russell 1000			33,240			40,000			40,000			40,000	153,240
Shott Capital			41,277			1,000			1,000			1,000	44,277
PIMCO			313,889			200,000			1,000			225,000	739,889
Wellington Mgmt			596,297			575,000			600,000			600,000	2,371,297
Wasatch Advisors			125,048			120,000			120,000			120,000	485,048
NorthPointe			494,212			480,000			480,000			480,000	1,934,212
			1,813,152			1,616,000			1,442,000			1,666,000	6,537,152
<b>FIXED INCOME</b>													
Brown Bros.			124,624			120,000			120,000			120,000	484,624
Fidelity			140,617			140,000			140,000			140,000	560,617
Taplin			161,909			160,000			160,000			160,000	641,909
Mackay Shields			136,668			140,000			140,000			140,000	556,668
Shenkman			137,502			140,000			140,000			140,000	557,502
Brown Bros.TIPS			137,007			140,000			140,000			140,000	557,007
			838,327			840,000			840,000			840,000	3,358,327
<b>INT'L EQUITIES</b>													
The Boston Co			522,466	110,000		550,000			550,000				742,466
Mondrian			250,948			110,000			250,000			250,000	1,000,948
Goldman Sachs Asset Mgmt			470,412			250,000			475,000			475,000	1,895,412
SSgA MSCI ACWI			0			0			0			0	0
	0		1,243,826	110,000		1,385,000			1,275,000			725,000	3,638,826
<b>REAL ESTATE</b>													
L & B Real Estate			100,000			100,000			100,000			100,000	400,000
													0
<b>ALTERNATIVE INVESTMENTS</b>													
Other Alt Inv Mgmt Fees	881,233	775,539	0	0	21,810	906,443	886,829	210,000	280,000	450,000	100,000	300,000	4,811,854
<b>SUB TOTAL-INV MGMT FEES</b>													
	881,233	775,539	3,995,305	110,000	21,810	4,847,443	886,829	210,000	3,937,000	450,000	100,000	3,631,000	18,746,159
<b>PROFESSIONAL FEES</b>													
Legal	8,500	3,500	3,500	12,000	15,347	3,500	13,726	45,000	45,000	75,000	70,000	70,000	365,072
St St Bank Custodial	40,000	5,000	10,000	12,000	35,000	15,000	5,580	10,000	10,000	12,000	4,000	4,200	182,780
Pacific Corp Group		68,750	68,750	0	68,750	0	0	68,750	0	0	68,750	0	343,750
Wilshsire Assoc	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	20,833	249,997
Townsend	0	0	35,625	0	0	35,625	0	0	35,625	0	15,000	35,500	157,375
	69,333	98,083	138,708	44,833	139,930	74,958	40,139	144,583	111,458	107,833	178,583	130,533	1,278,974
<b>OPERATING EXPENSE</b>													
Retirement Transfers	0	0	0	0	0	3,191,154	0	0	2,250,000	0	0	2,250,000	7,691,154
Other Expense	76,373	8,333	61,370	55,459	38,230	23,755	13,164	0	3,000	0	70,000	7,000	356,684
	76,373	8,333	61,370	55,459	38,230	3,214,908	13,164	0	2,253,000	0	70,000	2,257,000	8,047,837
<b>TOTAL:</b>	1,026,939	881,955	4,195,383	210,292	199,970	8,137,309	940,132	354,583	6,301,458	557,833	348,583	6,018,533	28,072,970

Note: Numbers in bold are actual.

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2006

	FY 2005-06												Projected TOTAL
	Actual July 2005	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2006	Projected February	Projected March	Projected April	Projected May	Projected June	
MEMBER BENEFITS	46,471,539	47,606,631	47,452,432	47,250,400	47,250,400	47,391,972	48,816,683	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	574,740,057
ADMINISTRATIVE EXPENSES	0	3,021	97,502	76,181	134,375	2,794,363	41,155	116,717	2,100,000	92,768	195,825	2,250,000	7,901,906
INVESTMENT EXPENSES	760,564	669,306	0	0	404,933	781,952	764,774	176,150	2,818,736	378,722	86,322	242,683	7,084,141
TOTAL OUTFLOW	47,232,103	48,278,958	47,549,934	47,326,581	47,789,708	50,968,287	49,622,811	48,792,867	53,418,736	48,971,490	48,782,146	50,992,683	589,726,104
CONTRIBUTIONS	34,225,197	20,790,797	29,239,090	28,890,956	28,965,097	44,361,432	33,232,665	33,500,000	30,000,000	28,000,000	27,500,000	38,000,000	378,705,234
OTHER INCOME*	8,144,259	7,048,050	7,710,133	3,438,936	3,450,255	2,993,488	3,782,860	7,172,421	4,531,478	2,897,122	6,375,491	6,146,708	63,690,999
TOTAL INCOME	42,369,456	27,838,847	36,949,223	32,329,892	32,415,352	47,354,920	37,015,325	40,672,421	34,531,478	31,897,122	33,875,491	45,146,706	442,396,233
DIFFERENCE	(4,862,647)	(20,440,111)	(10,600,712)	(14,996,689)	(15,374,356)	(3,613,367)	(12,607,286)	(8,120,446)	(18,887,258)	(17,074,368)	(14,906,655)	(5,845,977)	(147,329,871)

Municipal Employees Retirement System

	FY 2005-06												Projected TOTAL
	Actual July 2005	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 2006	Projected February	Projected March	Projected April	Projected May	Projected June	
MEMBER BENEFITS	3,818,954	3,883,036	3,901,672	3,920,905	3,907,784	3,908,734	4,015,188	3,850,000	3,850,000	3,850,000	3,850,000	3,850,000	46,606,273
ADMINISTRATIVE EXPENSES	0	452	14,600	11,407	20,129	418,428	6,173	17,523	305,038	13,804	29,350	484,465	1,321,470
INVESTMENT EXPENSES	113,996	100,227	0	0	60,889	117,090	114,714	26,401	422,462	58,762	12,938	36,374	1,061,853
TOTAL OUTFLOW	3,932,950	3,983,716	3,916,272	3,932,312	3,988,602	4,444,252	4,136,075	3,893,924	4,577,500	3,920,666	3,892,266	4,370,839	48,989,395
CONTRIBUTIONS	2,758,951	2,565,638	2,208,511	3,703,497	3,474,528	3,353,939	5,191,597	3,600,000	2,700,000	2,500,000	3,000,000	2,600,000	37,656,661
OTHER INCOME*	1,220,685	1,055,431	1,154,504	514,941	449,355	448,245	567,390	1,074,974	679,161	434,216	955,561	921,280	9,475,744
TOTAL INCOME	3,979,636	3,621,069	3,363,015	4,218,438	3,923,883	3,802,184	5,758,987	4,674,974	3,379,161	2,934,216	3,955,561	3,521,280	47,132,405
DIFFERENCE	48,686	(362,648)	(553,257)	286,126	(64,719)	(642,068)	1,622,912	781,050	(1,198,339)	(986,450)	63,273	(849,559)	(1,856,990)

Judges/State Police  
Retirement System

	Actual July 2005	Actual August	Projected September	Actual October	Actual November	Actual December	Actual January 2006	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	168,000
ADMINISTRATIVE EXPENSES	0	27	893	704	1,069	28,450	395	986	17,001	785	1,680	27,951	77,921
INVESTMENT EXPENSES	6,673	6,005	0	0	3,222	7,402	7,341	1,455	23,552	3,206	741	2,107	61,704
TOTAL OUTFLOW	20,673	20,033	14,893	14,704	18,291	47,852	21,736	16,421	54,553	17,991	16,421	44,058	307,625
CONTRIBUTIONS	720,000	475,000	475,000	590,000	500,000	730,000	510,000	450,000	455,000	435,000	779,800	435,000	6,554,800
OTHER INCOME*	71,461	63,240	70,594	31,768	25,350	28,335	36,310	59,237	27,863	24,529	54,698	53,373	546,759
TOTAL INCOME	791,461	538,240	545,594	621,768	525,350	758,335	546,310	509,237	482,863	459,529	834,498	488,373	7,101,559
DIFFERENCE	770,787	518,208	530,701	607,065	507,059	710,483	524,574	492,816	428,310	441,538	818,078	444,315	6,793,934

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

CSFL05

**Rhode Island Employees Retirement System  
Securities Lending Report  
January, 2006**

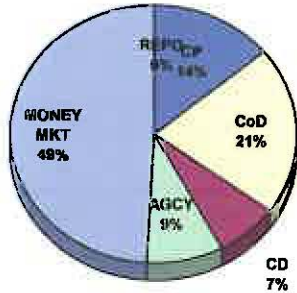
<u>INVESTMENT MANAGER</u>	<u>Income</u>	<u>Average Collateral Balance</u>
<b><u>DOMESTIC EQUITY</u></b>		
Wellington Mgmt. Co., LLP	39,452	126,240,434
Wasatch Advisors	5,363	44,706,185
NorthPointe Capital	12,256	102,833,087
SSgA Core	<u>19,190</u>	<u>22,259,358</u>
<b>Total Domestic Equity</b>	<b>\$ <u>76,262</u></b>	<b>\$ <u>296,039,065</u></b>
<b><u>INTERNATIONAL EQUITY</u></b>		
Goldman Sachs	21,858	91,757,761
Boston Company	30,698	113,260,928
Mondrian	<u>17,360</u>	<u>87,489,547</u>
<b>Total International Equity</b>	<b>\$ <u>69,916</u></b>	<b>\$ <u>292,508,236</u></b>
<b><u>FIXED INCOME</u></b>		
Brown Brothers, Harriman	6,527	49,319,050
Taplin, Canida & Habacht	1,668	18,279,062
MacKay Shields	5,358	13,228,672
Shenkman Capital Management	3,865	15,472,809
Brown Brothers, Harriman (TIPS)	<u>38,201</u>	<u>428,516,258</u>
<b>Total Fixed Income</b>	<b>\$ <u>55,618</u></b>	<b>\$ <u>524,815,851</u></b>
 <b>TOTAL SECURITIES LENDING INCOME</b>	 <b>\$ <u>201,795</u></b>	 <b>\$ <u>1,113,363,152</u></b>
 <b>Calendar Year 2006 YTD</b>	 <b>\$ <u>201,795</u></b>	



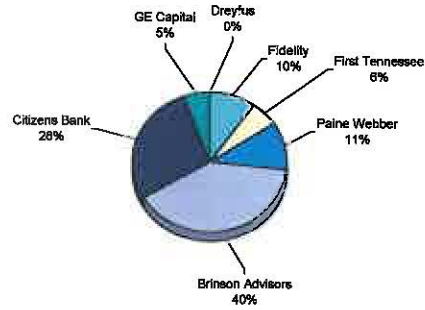


**RHODE ISLAND STATE INVESTMENT COMMISSION**  
**SHORT TERM CASH INVESTMENTS AT JANUARY 31, 2006**

**Portfolio By Instrument**



**Portfolio by Issuer**



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

Vendor	CP 25%/10%	CD 25%/10%	Agency 75%/35%	Money Mkt 50%/35%	CoD 25%/25%	Repo 100%/20%	Total (\$)
Merrill Lynch	0	0	0	0	0	0	0
Dreyfus	0	0	0	180,003	0	0	180,003
Dean Witter	0	0	0	0	0	0	0
Chase Securities	0	0	0	0	0	0	0
Paine Webber	20,927,293	0	6,789,367	0	0	0	27,716,660
Fidelity	0	0	0	23,362,519	0	0	23,362,519
First Tennessee	0	0	14,398,260	0	0	0	14,398,260
Brinson Advisors	0	0	0	96,802,496	0	0	96,802,496
Citizens Bank	0	17,494,014	0	0	51,738,012	0	69,232,026
GE Capital	13,455,809	0	0	0	0	0	13,455,809
Citi-Group	0	0	0	0	0	0	0
State St Bank	0	0	0	0	0	0	0
<b>TOTALS</b>	<b>34,383,102</b>	<b>17,494,014</b>	<b>21,187,627</b>	<b>120,326,018</b>	<b>51,738,012</b>	<b>0</b>	<b>245,127,773</b>
<b>(%) PORTFOLIO</b>	<b>14%</b>	<b>7%</b>	<b>9%</b>	<b>49%</b>	<b>21%</b>	<b>0%</b>	<b>100%</b>

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

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

**Short Term Investments Portfolio by Fund**

**As of January 31, 2006**

	Principal	Interest*	Total Value @ Maturity
4901 GENERAL FUND	81,003,156	0	81,003,156
4904 PENSION C	3,799,541	459	3,800,000
4908 PAYROLL A	999,879	121	1,000,000
4916 GENERAL FUND H.A.V.A.	7,136,139	0	7,136,139
4920 GENERAL FUND (HIST PRES)	468,859	2,968	471,828
4955 HEALTH INSURANCE FUND	33,287,841	27,018	
5400 HIGHWAY FUND	8,690,279	5,921	8,696,200
5500 UNIVERSITY COLLEGE	0	0	0
6920 AUTO EQUIPMENT SERVICE	1,523,579	427	1,524,007
8000 T.D.I. RESERVE (DET)	63,131,585	20,096	63,151,681
8300 PERMANENT SCHOOL FUND	724,736	1,240	725,976
8400 EMP RETIREMENT FUND	1,616,440	0	1,616,440
8500 MUN EMP RETIREMENT FUND	1,012,075	1,100	1,013,175
8700 R.I. CLEAN WATER ACT	3,412,692	1,956	3,414,648
9000 BOND CAPITAL FUND	4,067,912	4,515	4,072,427
9700 STATE LOTTERY FUND	33,515,691	88,609	33,604,300
9800 INDUS. BLDG. & MTG. INS.	737,368	0	737,368
9900 SINKING FUND	0	0	0
4911 TANS	0	0	0
Subtotal	245,127,773	154,430	211,967,343
8702 CLEAN WATER 1993 SER. A	707		
8703 CLEAN WATER 1991 SERIES A	309,895		
8704 CLEAN WATER 96 SERIES A	17,730		
8706 CLEAN WATER CCDL 1994 (A)	13,268		
8707 CAP DEV. OF 1997 SERIES A	19,454		
8710 CLEAN WATER CCDL 2002 A	364,257		
8711 CLEAN WATER 2004 SERIES A	721,235		
8712 CLN WATER CCDL 2005 SER E	883,024		
8733 CAP DEV. OF 1997 SERIES A	37,458		
8737 RI POLLUT. CONT 94 SER. A	6,357		
8739 CCDL99A 1999A	348,346		
8742 POLLUTION CNTRL 2002 A	45,502		
8743 POLL.CONTRL 2004 SERIES A	946,457		
8744 POLLUTION CON 2005 SER C	91,844		
8745 POLLUTION CTRL CCDL 2005 E	672,099		
9114 G.O. NOTE 1991 SER. B	3,796		
9116 BOND CCDL 1993 SERIES A	430,995		
9117 BOND CCDL 1994 SERIES A	861,914		
9120 BOND CCBL96A	1,485,590		
9121 CAP DEV OF 1997 SERIES A	958,526		
9123 CCDL 1998B	2,356,935		
9124 CCDL99A 1999A	1,547,260		
9125 MMG099 1999	2,850		
9126 BOND CAPITAL CCDL2000A	1,905,461		
9127 MULTI-MODAL GEN OBL 2000	2,821		
9128 BOND 2001	124,681		
9131 CCDL 2004 SERIES A	21,122,923		
9132 BOND CCDL 2005 SERIES C	39,669,211		
9133 BOND CCDL 2005 SERIES E	64,494,157		
Subtotal Bond Proceed Accounts	139,444,752		
Total Short Term Portfolio	384,572,525		



**ABRAHAM TOURO FUND  
INVESTMENT SUMMARY  
JANUARY 31, 2006**

<b><u>FUND NAME</u></b>	<b>January Gain/Loss</b>	<b>TOTAL MARKET VALUE</b>
<b>Abraham Touro Fund ( Fidelity Balanced Fund)</b>	<b>\$ 46,358</b>	<b>\$ 2,221,874</b>
<b><u>TOTALS</u></b>	<b>\$ 46,358</b>	<b>\$ 2,221,874</b>

