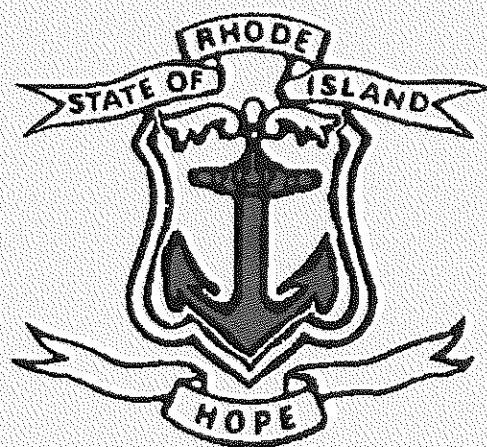


# State of Rhode Island and Providence Plantations



Office of the General Treasurer  
Paul J. Tabares  
General Treasurer

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING  
OCTOBER 27, 1999  
DATA AT  
SEPTEMBER 30, 1999**

**GEORGE A. CREPEAU**

**MEMBERS OF THE STATE INVESTMENT COMMISSION**

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

**Rep. Mark B. Heffner  
B.Gen.(Ret.) Jack A. Apperson  
Sen. Daniel P. Connors  
Marcia Reback**

**James E. Thorsen  
J. Michael Costello  
Rosemary Booth Gallogly  
Dr. Robert J. McKenna**



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, October 27, 1999 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 9/22/99
3. Investment Manager Reviews
  - J.P. Morgan Investment Management - Active Core (Domestic Equity)
  - State Street Global Advisors - Active Core (Domestic Equity)
4. Y2K Update
5. General Consultant's Report - Wilshire Associates Incorporated
  - Capital Market Update
6. Deputy Treasurer for Finance Report
7. Treasurer's Report
8. New Business

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

**Minutes of the Regular Meeting  
September 22, 1999**

A State Investment Commission meeting was held in Room 135, State House, Providence, Rhode Island on Wednesday, September 22, 1999. There being a quorum present, the Treasurer called the meeting to order at 9:05 a.m.

Membership Roll Call. Present were B. Gen (Ret.) Jack A. Apperson, Senator Daniel P. Connors, Mr. J. Michael Costello, Ms. Rosemary Booth Gallogly, Designee of the Director of Administration, Representative Mark B. Heffner and General Treasurer Paul J. Tavares. Absent was: Mr. James E. Thorsen. Also present were Mr. William G. Bensur, Jr., of Wilshire Associates Incorporated, Consultant to the Commission, Andrew M. Hodgkin, Esq., Legal Counsel to the Commission and other members of the Treasurer's Staff.

State Investment Commission Minutes. Mr. Hodgkin requested that the Minutes of the Regular Meeting and the Closed Session (both held on 8/25/99) be amended to reflect an additional statute cited with regard to the reasons specified for holding the meeting in Closed Session.

Rep. Heffner moved, Ms. Gallogly seconded and the following motion was passed unanimously. The following members voted in favor: Gen. Apperson, Sen. Connors, Mr. Costello, Ms. Gallogly, Rep. Heffner and Treasurer Tavares.

**VOTED: To approved the Minutes of the August 25, 1999 Regular Meeting and the August 25, 1999 Closed Session, as amended.**

Taplin, Canida & Habacht. Mr. Bensur gave a brief overview of Taplin, Canida & Habacht, which was retained in 1996 for the Emerging Manager Program to provide a strategic market allocation to the general investment characteristics of the corporate sector of the US fixed income market. Taplin emphasizes long-term growth by incorporating quality control and prudent diversification of assets. Preservation of capital is stressed through strict adherence to risk controls throughout the investment process. Taplin's allocation represents approximately 1.5% of the total fund and 4.6% of the fixed income composite. Market value at 6/30/99 was \$97.7 million and the portfolio is comprised of 31 securities with an effective duration of 5.16 years.

Ms. Tere Alvarez Canida, President and Mr. Alan Habacht, Principal represented the firm. Ms. Canida stated that Taplin has \$2.5 billion of assets under management. There has been no turnover in their professional staff or their administrative team. She explained that value is added from: maturity and duration selection; sector rotation; yield spread analysis, yield curve positioning, issue selection and cost effective trading.

Mr. Habacht stated that the portfolio is broadly diversified among the industrial, finance and utility sectors, including Yankee bonds which are foreign securities denominated in US dollars. Securities with maturities beyond 30 years are prohibited. Up to 25% may be in US Governments/Agencies and the maximum cash position is 20%. Return on the portfolio since inception is 6.82% compared to the benchmark of 5.55%. Mr. Habacht noted that sector and issue selection, quality and yield curve strategies are factors favorably affecting performance.

MacKay Shields Financial Corporation. Mr. Bensus gave a brief overview of MacKay Shields Financial Corporation, which was retained in 1994 to provide a strategic allocation to the large stock/ value-oriented segment of the domestic equity market. MacKay focuses on value stock with low P/E and/or low price/free cash flow. Portfolios are constructed on a bottom-up basis using both quantitative and qualitative analysis designed to generate competitive performance and low market risk. MacKay's allocation represents approximately 3.9% of the total fund and 8.1% of the domestic equity composite. Market value at 6/30/99 was \$257.8 million and the portfolio is comprised of 69 securities.

The primary reason MacKay was invited before the Commission was to address the recent departure of Mr. Denis Laplaige, the former President, and the under-performance of the portfolio. Mr. Ravi Akhoury, Chairman and CEO, Mr. Richard Rosen, Director-Head of Value Equity Team, and John Prom, Senior Managing Director and Head of Marketing and Client Service represented the firm. Mr. Prom stressed that except for Mr. Laplaige, the other members of the value equity portfolio management team will remain the same with Mr. Rosen heading the Value Product area. Mr. Akhoury explained the departure of Mr. Laplaige and the restructuring of the firm.

A discussion followed regarding the fact that the disciplined value style has been an out-of-favor sector of the marketplace for the past three years with 1998 being a particularly bad year. Wilshire believes that we are in the beginning phases of a value style recovery. Mr. Bensus recommended, and the Commission approved, putting MacKay on probation for the next six months, giving them time to bring the performance of the portfolio back to expected levels. Wilshire will monitor MacKay's activities closely during the probationary period.

Y2K Update. Mr. Bensus provided an update on the progress of Wilshire's Y2K survey of investment managers. He reported that of all the investment managers, four managers had been lagging in Year 2000 readiness. They are now at a satisfactory level of compliance. Wilshire has set up a contingency plan to manage a problem situation.

The Treasurer thanked the Commission, Gen. Apperson and both Bill Bensus and Donna Yates Kling of Wilshire for their diligence in the Y2K area.

Consultant Report - Wilshire Associates Incorporated. Providing his monthly Capital Market Update, Mr. Bensus reported that the broad US equity market, as measured by the Wilshire 5000 Index, has returned 8.9% through 9/17/99. Large cap stocks, as measured by the S&P 500 Index, have returned 9.7% year-to-date. Small

stocks continue to trail larger stocks. Large growth stocks have outpaced large value stocks by 4.5% (11.8% vs 7.3%), while small value stocks have outperformed small growth stocks by 2.5% (2.8% vs 0.3%).

European equity markets show little signs of life as the Pacific and Emerging Markets continue their economic and financial recovery from last year's predicament. As of 9/17/99, the MACI EAFE Index (a measure of developed international equity markets) has returned 7.5%. The Pacific equity market (as measured by the MSCI Pacific Index) returned 35.5% through 9/17/99 while the European equity market (as measured by the MSCI Europe Index) has declined 1.2%. The MSCI Emerging Markets Index has risen 29.1%.

Executive Director – Employees Retirement System Report. Ms. Joann Flaminio reported on the progress of plans to computerize the business practices of the retirement system. The field of respondents to the RFP for a computer vendor has narrowed and she hopes to bring a recommendation for a vendor to the Retirement Board members at their October meeting. The implementation of the computerization project is expected to start in early 2000.

Ms. Flaminio also reported on the results of the latest actuarial evaluation for fiscal year June 30, 1998, which determines employer contribution rates for FY'2001. She noted that both active and retired membership figures have increased over the past year. She reviewed the recommended employer contributions for FY'2001 with the Commission and noted that the retirement system will be sponsoring legislation to change the methodology for the ERSRI (State and teachers) plan from the present Frozen Initial Liability methodology to what is known as an Entry Age Normal method. Both the board and the system's actuary support the move in an effort to reduce future volatility in employer contribution rates.

Finally, Ms. Flaminio noted that most of the MERS plans are fully funded at this point; however, the state employer and teacher plans are approximately 80% funded as stated in the latest actuarial report.

Treasurer's Report. The Treasurer distributed a chart entitled "Missing the Market" that indicated over the last ten years, annualized returns drop dramatically when you are not in the market full time.

Gateway Eight Limited Partnership. Mr. Hodgkin gave a brief update on the Gateway Eight Limited Partnership investment. He noted that the documentation, which is now in the simpler form and structure of a mortgage loan rather than a bond, is under the control of the Commission's counsel. Drafts of all documents have been prepared and sent to Borrower's counsel and the EDC. While numerous items have to be produced by the Borrower prior to finalizing the transaction, Mr. Hodgkin was hopeful that a closing could be scheduled in October. Representative Heffner reminded Mr. Hodgkin of the legal opinion that must be rendered by Brown Rudnick Freed & Gesmer to the effect that the actions being taken by the Commission are consistent with the fiduciary responsibilities of the SIC. Mr. Hodgkin indicated that a draft of the letter

had been prepared and would be circulated, with a reasonable period of time to review and comment by the SIC, prior to the closing.

Mr. Costello moved, Ms. Gallogly seconded and the following motion was passed unanimously. The following members voted in favor: Gen. Apperson, Sen. Connors, Mr. Costello, Ms. Gallogly, Rep. Heffner and Treasurer Tavares.

**VOTED: To adjourn the meeting.**

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

Respectfully submitted,

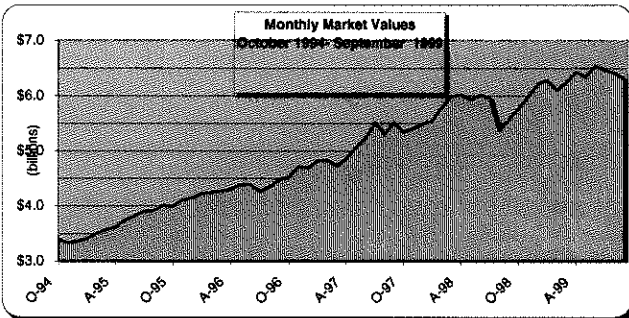
Paul J. Tavares  
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION  
STAFF SUMMARY ANALYSIS  
PORTFOLIO HIGHLIGHTS  
September 30, 1999**

**MARKET VALUES**

The total portfolio value decreased in September by \$92.7 Million to \$6.311 Billion (-1.00%), in line with most broad market indices. This compares with an increase in value of \$190.6 Million (+3.65%) for the same period in 1998. The equity market values decreased by \$107.8 Million (-2.98%). Fixed income increased by \$11.3 Million, net of transfers (+1.21%), while international equities decreased by \$9.0 Million (-0.64%). Alternative investments increased by \$9.0 Million net of capital calls, cash distributions and transfers, while cash increased by \$3.6 Million.

*Back*



**ALTERNATIVE INVESTMENTS**

**Capital Calls**

CURRENT MONTH	FYTD	UNFUNDED BALANCE
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\$9,269,631	\$24,203,449	\$193,384,989
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SEPTEMBER 1998	FYTD	UNFUNDED BALANCE
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\$6,500,217	\$9,726,272	\$207,472,811
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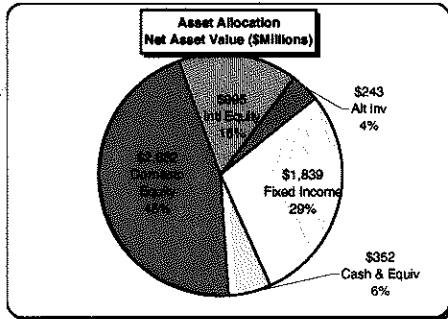
Performance Summary - September 1999		
Market Indices	Sep-99	YTD
<b>Domestic Equity</b>		
S & P 500	-2.77%	5.32%
Wilshire 5000	-2.61%	4.47%
Russell 2000	0.02%	2.37%
Russell 2500	-1.49%	3.74%
Balanced Fund	0.91%	3.83%
<b>International Equity</b>		
MSCI EAFE	1.01%	8.53%
<b>Fixed Income</b>		
Lehman AGG	1.16%	-0.71%
<b>RISERS Fund By Asset Class</b>		
Domestic Equity	-2.98%	2.47%
Fixed Income	1.21%	0.08%
International Equity	-0.64%	10.06%
<b>Total Fund Composite*</b>	<b>-1.00%</b>	<b>3.22%</b>
<b>Manager Summary</b>		
<b>DOMESTIC EQUITY</b>		
Shott Capital Mgmt	0.68%	138.92%
J&W Seligman	0.59%	-2.25%
State Street Global Advisors	-1.78%	6.76%
David L. Babson	-1.96%	-3.77%
Bankers Trust	-2.44%	4.29%
Provident	-2.63%	0.10%
JP Morgan	-2.87%	4.84%
Mackay Shield	-6.38%	4.50%
Brinson Partners	-7.25%	-4.59%
<b>Total Domestic Equity</b>	<b>-2.98%</b>	<b>2.47%</b>
<b>FIXED INCOME</b>		
Fidelity Management	1.66%	1.83%
Tapin Canida Habacht	1.65%	-0.43%
Brown Bros	1.46%	-0.96%
Instate Fixed Income	1.18%	9.54%
Fleet Investment Advisors	0.96%	2.76%
Loomis Sayles	0.80%	7.41%
<b>Total Fixed Income</b>	<b>1.21%</b>	<b>0.08%</b>
<b>INTERNATIONAL EQUITY</b>		
Scudder Kemper	0.47%	15.17%
Baring Asset Mgmt	-0.10%	6.01%
Schroder	-1.94%	6.12%
<b>Total International Equity</b>	<b>-0.64%</b>	<b>10.06%</b>

\*Total Fund Composite includes all classes



**ASSET ALLOCATION**

Despite the rebalancing which recently took place, there remains a 1.2% over-allocation in domestic equities; fixed income is over-allocated by 1.2%, the international equity asset class is over-allocated by 1.1%, while the alternative investments asset class is under-allocated by 3.7%. The challenge of investing the alternative investment commitment in an orderly fashion will continue to persist.



Cash and equivalents decreased from \$424.7 Million in August to \$352.1 Million in September.

**MANAGER FUNDING**

The following thirty five cash transfers took place during September, principally to provide sufficient cash for alternative investment funding as well as retirement payroll.

At this time, the alternative investment asset class has an unfunded allocation of approximately \$193.3 Million, vs a commitment of \$381.9.

**CASH FLOW**

September's combined state and teacher contributions were insufficient to cover the month's pension payroll, requiring a transfer of \$17,000,000 from the long term plan; the municipal plan also required a transfer of \$1,000,000.

**SHORT TERM CASH**

The short-term cash portfolio had a 16.34 day weighted average maturity vs. 25.64 days in August, and 16.71 days in September 1998. Investments at September 30th totaled \$396.75 Million. Interest earned during the month was \$849,720, of which \$39,556 was credited to the retirement accounts, based on an interest rate of 5.2% or 81 basis over the average 30 day treasury rate.

Employees' Retirement System of Rhode Island  
Asset Transfers  
September 30, 1999

Alternative Investment Manager	Cash In	Cash Out
ABS	31,236	
Alta Bio	600,000	
Alta Calif	500,000	
Apollo	415,201	
Aurora	1,319,770	
Blackstone Pturs III	99,633	
Crossroads		297,046
CVC	434,436	
First Reserve	461,823	
L & B		502,024
Nordic	867,850	
TH Lee	52,174	
Prov Equity	1,954,045	311,778
TPG	499,520	
Triumph	1,478,143	
V S & A	1,930,486	
Weish		1,663,603
Wille Stein	145,588	
Miscellaneous	1	45
<b>Investment Managers</b>		
Shott Cap'l Mgmt	83,767	
Bankers Trust	67,500	1,500,000
Provident		2,000,000
Brinson		3,000,000
Mackay Shield		3,000,000
Seligman		5,500,000
JP Morgan		1,000,000
SSGA		2,500,000
Fleet	67,500	6,000,000
Brown Bros	100,000	5,000,000
Fidelity		3,000,000
Instate		148,542
Baring	15,000	
Scudder		2,500,000
Cash in Trust	23,274,496	28,289,906
Cash Outside Trust	14,150,733	5,000,000
<b>TOTAL</b>	<b>48,548,902</b>	<b>71,212,944</b>

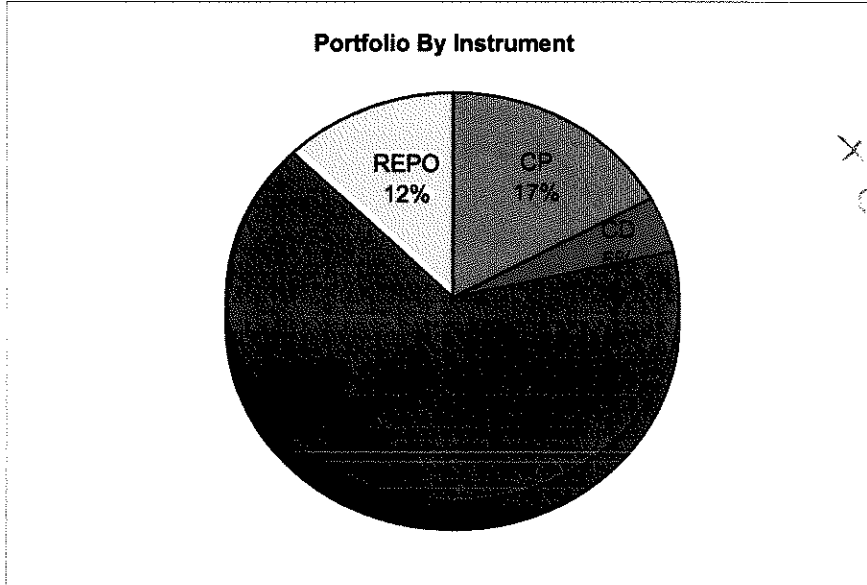
*Handwritten notes: 1.2% over, 3.7% under*

**EXPENSES**

Expenses for September 1999 were \$2,209,561. This figure is in line with budget expectations.

RHODE ISLAND STATE INVESTMENT COMMISSION

SHORT TERM CASH INVESTMENTS AT SEPTEMBER 30, 1999



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

Vendor	CP	ETD	CD	Agency	Money Mkt	Repo	Total (\$)
<b>Guidelines-Total/Vendor</b>	<b>15%/15%</b>	<b>15%/15%</b>	<b>25%/10%</b>	<b>75%/35%</b>	<b>50%/35%</b>	<b>100%/20%</b>	
Bank Boston Robertson	0	0	0	25,464,721	0	0	25,464,721
	0%	0%	0%	11%	0%	0%	11%
Zions Bank	0	0	0	39,220,471	0	0	39,220,471
	0%	0%	0%	17%	0%	0%	17%
Dean Witter	0	0	0	27,915,441	0	0	27,915,441
	0%	0%	0%	12%	0%	0%	12%
BancAmerica	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%
Ford Motor	37,662,771	0	0	0	0	0	37,662,771
	16%	0%	0%	0%	0%	0%	16%
First Tennessee	0	0	0	29,380,178	0	0	29,380,178
	0%	0%	0%	13%	0%	0%	13%
Citizens Bank	0	0	10,470,201	0	0	0	10,470,201
	0%	0%	5%	0%	0%	0%	5%
Prudential	0	0	0	29,478,799	0	0	29,478,799
	0%	0%	0%	13%	0%	0%	13%
Citi-Group	991,333	0	0	0	0	0	991,333
	0%	0%	0%	0%	0%	0%	0%
State St Bank	0	0	0	0	0	28,552,555	28,552,555
	0%	0%	0%	0%	0%	12%	12%
<b>TOTALS</b>	<b>38,654,104</b>	<b>0</b>	<b>10,470,201</b>	<b>151,459,609</b>	<b>0</b>	<b>28,552,555</b>	<b>229,136,470</b>
<b>(%) PORTFOLIO</b>	<b>17%</b>	<b>0%</b>	<b>5%</b>	<b>66%</b>	<b>0%</b>	<b>12%</b>	<b>100%</b>

**ERSRI Monthly Market Value Report With Time Weighted Returns**  
**October-99**

	Performance Update				Performance			Valuation Change			Increase/ (Decrease)
	Performance	Calendar YTD	Alpha	Benchmark Description	Net of Xfers	Current Month	Alpha	Market Value 9/30/99	Transfers In/(Out)	Market Value 9/30/99	
		Benchmark				Benchmark					
<b>Domestic Equity</b>											
Bankers Trust Co	4.29%	4.47%	-0.18%	Wilshire 5000	-2.44%	-2.61%	0.17%	1,063,347,580	(1,432,500)	1,063,347,580	(26,585,805)
Shof Capital Manag	138.92%	N/A	N/A	S & P 500	0.65%	N/A	N/A	4,484,039	83,767	4,568,225	30,420
JP Morgan Investme	4.84%	4.19%	0.65%	Russell 1000 Growth	-2.87%	-2.75%	-0.12%	364,797,153	(1,000,000)	363,340,043	(10,457,110)
State Street Global	6.76%	4.19%	2.57%	Russell 1000 Growth	-1.78%	-2.75%	0.97%	353,281,707	(2,500,000)	344,538,577	(6,243,130)
Provident Investment	0.10%	4.19%	-4.09%	Russell 1000 Growth	-2.63%	-2.75%	0.12%	406,774,607	(2,000,000)	394,118,212	(10,656,395)
Binson Partners	-4.59%	4.47%	-9.06%	Wilshire 5000	-7.25%	-2.61%	-4.64%	254,863,338	(3,000,000)	233,616,143	(18,267,195)
MacKay Shields	4.50%	4.47%	0.03%	Wilshire 5000	-6.38%	-2.61%	-3.77%	248,687,483	(3,000,000)	229,986,341	(15,691,142)
D.L. Babson	-3.77%	3.74%	-7.51%	Russell 1000 Growth	-1.96%	-1.49%	-0.47%	130,103,999	-	127,554,473	(2,549,526)
JW Seligman	-2.25%	2.37%	-4.62%	Russell 2000 Sncap	0.59%	0.02%	0.57%	167,424,440	(5,500,000)	162,879,053	954,613
HLM Management	N/A	2.37%	N/A	Russell 2000 Sncap	N/A	0.02%	N/A	2,480	-	2,480	-
ValueQuest	N/A	1.40%	N/A	Wilshire Large Value	N/A	-4.06%	N/A	-	-	-	-
<b>Total Domestic Equity</b>	<b>2.47%</b>	<b>1.40%</b>	<b>N/A</b>	<b>Wilshire Large Value</b>	<b>-2.88%</b>	<b>-4.06%</b>	<b>N/A</b>	<b>3,021,805,131</b>	<b>(18,348,733)</b>	<b>2,913,991,128</b>	<b>(89,465,270)</b>
<b>International Equity</b>											
Barring Asset Mena	6.01%	8.53%	-2.52%	MSCI EAFE	-0.10%	1.01%	-1.11%	261,451,524	15,000	261,192,113	(274,411)
Schroder Capital Me	6.12%	11.45%	-5.33%	MS All Country EX US	-1.94%	0.53%	-2.47%	410,639,322	-	402,679,574	(7,959,748)
Scaudler Kemper	15.17%	11.45%	3.72%	MS All Country EX US	0.47%	0.53%	-0.06%	355,663,997	(2,500,000)	354,835,562	1,671,565
Schroder Capital Ma	N/A	N/A	N/A	MSCI Eng Markets	N/A	N/A	0.00%	-	-	-	-
<b>Total International Equi</b>	<b>10.08%</b>	<b>N/A</b>	<b>N/A</b>	<b>MSCI Eng Markets</b>	<b>-0.64%</b>	<b>N/A</b>	<b>0.00%</b>	<b>1,027,754,843</b>	<b>(2,485,000)</b>	<b>1,018,707,249</b>	<b>(16,562,594)</b>
<b>Fixed Income</b>											
Flext Investment Ad	-2.76%	-0.71%	-2.05%	Lehman Aggregate	0.96%	1.16%	-0.20%	816,394,657	(5,932,500)	816,169,137	7,766,980
Fidelity Management	1.83%	1.55%	0.28%	Salomon Mortgage	1.66%	1.70%	-0.04%	293,315,882	(3,000,000)	295,145,819	4,829,937
Brown Brothers, Har	-0.96%	2.37%	-3.33%	Lehman 1-3 Yr	1.46%	0.63%	0.83%	599,474,533	(4,900,000)	603,269,257	8,694,724
In-State Fixed Incom	9.54%	N/A	N/A	none	1.18%	N/A	N/A	27,321,521	(148,542)	27,343,806	170,827
Taplin, Cantida & Ha	-0.43%	0.34%	-0.77%	Lehman Intermediate	1.65%	0.93%	0.72%	86,293,583	-	87,885,343	1,591,760
Loomis, Sayles & C	7.41%	3.28%	4.13%	MerrillCS First Bos	0.80%	0.36%	0.44%	283,519,947	-	285,777,768	2,257,821
<b>Total Fixed Income</b>	<b>0.08%</b>	<b>3.28%</b>	<b>4.13%</b>	<b>MerrillCS First Bos</b>	<b>1.21%</b>	<b>0.36%</b>	<b>0.44%</b>	<b>2,116,280,123</b>	<b>(13,961,042)</b>	<b>2,127,591,130</b>	<b>25,312,048</b>
<b>Alternative Investments</b>											
Pacific Corporate Gr	11.30%	N/A	N/A	Lehman Aggregate	1.91%	N/A	N/A	171,246,475	7,931,643	180,331,646	1,153,628
Shott Capital Manag	0.00%	N/A	N/A	Salomon Mortgage	N/A	N/A	N/A	-	-	-	-
Bank Acquisition Co	0.00%	N/A	N/A	Lehman 1-3 Yr	N/A	N/A	N/A	500,000	-	500,000	-
JMB/Hellman Adviso	0.00%	N/A	N/A	Wilshire Real Estate	0.00%	N/A	N/A	14,854,280	-	14,854,280	0
L & B Real Estate C	0.00%	N/A	N/A	Wilshire Real Estate	0.00%	N/A	N/A	47,012,419	-	47,012,419	-
/ETNA Realty Advis	0.00%	N/A	N/A	Wilshire Real Estate	0.00%	N/A	N/A	-	-	-	-
Phoenix Home Life	0.00%	N/A	N/A	Wilshire Real Estate	0.00%	N/A	N/A	27,907	-	27,907	0
<b>Total Alternatives</b>	<b>12.76%</b>	<b>N/A</b>	<b>N/A</b>	<b>Wilshire Real Estate</b>	<b>1.41%</b>	<b>N/A</b>	<b>N/A</b>	<b>233,641,081</b>	<b>7,931,643</b>	<b>242,726,252</b>	<b>1,153,628</b>
<b>Cash Accounts</b>											
Cash in Trust	N/A	N/A	N/A		N/A	N/A	N/A	4,096,959	4,135,324	8,311,592	79,309
Interest Cash	N/A	N/A	N/A		N/A	N/A	N/A	800,978	-	271,959	(528,919)
<b>Total Cash</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>		<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4,897,937</b>	<b>4,135,324</b>	<b>8,583,550</b>	<b>(449,611)</b>
<b>Fund Grand Total</b>	<b>3.22%</b>				<b>-1.06%</b>			<b>6,404,959,015</b>	<b>(22,747,808)</b>	<b>6,311,599,310</b>	<b>(70,011,697)</b>



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

Paul J. Tavares  
General Treasurer

October 27, 1999

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

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, State Police and Judiciary Retirement Systems, and the Municipal Employees' Retirement System of the State of Rhode Island at the close of business on September 30, 1999.

Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
September 30, 1999

Asset Class		
Cash/Short Term Investments		\$ 352,113,940.83
Equities - Domestic		\$ 2,882,278,341.47
Equities - International		\$ 995,176,058.21
Fixed Income - Governme	\$ 1,220,155,826.01	
Fixed Income - Corporate	\$ 591,805,084.30	
Fixed Income - In State	\$ 27,343,806.41	
Total Fixed Income		\$ 1,839,304,716.72
Alternative Investments		\$ 242,226,252.31
Other - Escrow		\$ 500,000.00
Total Fund Investments		\$ 6,311,599,309.54
Plan Allocation		
State Employees & Teachers	87.0446306%	\$ 5,493,908,303.94
Municipal Employees	12.7293177%	803,423,528.06
State Police	0.1368544%	8,637,701.37
Judicial	0.0891973%	5,629,776.17
Total Fund Investments		\$ 6,311,599,309.54

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

Respectfully submitted,

Paul J. Tavares  
General Treasurer

MEFA

ERSRI Monthly Market Value Report With Time Weighted Returns

September-99									
	Performance Update		Benchmark Description	Current Month		Valuation Change		Market Value 9/30/99	Increase/Decrease
	Calendar YTD Performance	Benchmark		Net of Xfers	Performance Benchmark	Transfers In/(out)	Market Value 8/31/99		
<b>Domestic Equity</b>									
Bankers Trust Co	4.29%	4.47%	Wilshire 5000 S & P 500	-2.44%	-2.61%	(1,432,500)	1,063,347,580	(26,585,805)	
Short Capital Manag	136.92%	N/A	Russell 1000 Growth	0.68%	N/A	83,767	4,596,225	30,420	
JP Morgan Investme	4.84%	4.19%	Russell 1000 Growth	-2.87%	-2.75%	(1,000,000)	353,340,043	(10,457,110)	
State Street Global A	6.76%	4.19%	Russell 1000 Growth	-1.78%	-2.75%	(2,500,000)	344,538,577	(6,243,130)	
Provident Investment	0.10%	4.19%	Russell 1000 Growth	-2.63%	-2.75%	(2,000,000)	394,118,212	(10,686,395)	
Briason Partners	-4.59%	4.47%	Wilshire 5000	-7.25%	-2.61%	(3,000,000)	233,616,143	(18,267,195)	
Mackay Shields	4.50%	4.47%	Wilshire 5000	-6.38%	-2.61%	(3,000,000)	229,996,341	(15,691,142)	
D.L. Babson	-3.77%	3.74%	Russell 1000 Growth	-1.96%	-1.49%	-	127,554,473	(2,549,526)	
JW Salliman	-2.25%	2.37%	Russell 2000 Smcap	0.59%	0.02%	(5,500,000)	162,879,053	954,613	
HLM Management	N/A	2.37%	Russell 2000 Smcap	N/A	0.02%	-	-	-	
ValueQuest	N/A	1.40%	Wilshire Large Value	N/A	-4.06%	-	2,480	-	
<b>Total Domestic Equity</b>	<b>2.47%</b>			<b>-2.98%</b>		<b>(18,348,733)</b>	<b>2,913,991,128</b>	<b>(89,466,270)</b>	
<b>International Equity</b>									
Baring Asset Manag	6.01%	8.53%	MSCI EAFE	-0.10%	1.01%	15,000	261,192,113	(274,411)	
Schroder Capital Ma	6.12%	11.45%	MIS All Country EX US	-1.94%	0.53%	-	402,679,574	(7,959,748)	
Scudder Kemper	15.17%	11.45%	MIS All Country EX US	0.47%	0.53%	(2,500,000)	354,835,562	1,671,565	
Schroder Capital Ma	N/A	N/A	MSCI Emg Markets	N/A	N/A	-	-	-	
<b>Total International Equ</b>	<b>10.06%</b>			<b>-0.64%</b>		<b>(2,485,000)</b>	<b>1,018,707,249</b>	<b>(6,582,594)</b>	
<b>Fixed Income</b>									
Fleet Investment Adv	-2.76%	-0.71%	Lehman Aggregate	0.96%	1.16%	(5,932,500)	818,169,137	7,766,980	
Fidelity Management	1.83%	1.55%	Salomon Mortgage	1.66%	1.70%	(3,000,000)	295,145,819	4,829,937	
Brown Brothers, Harr	-0.96%	2.37%	Lehman 1-3 yr	1.46%	0.63%	(4,900,000)	603,269,257	8,694,724	
In-State Fixed Incom	9.54%	N/A	none	1.18%	N/A	(148,542)	27,343,806	170,827	
Taplin, Cantida & Hob	-0.43%	0.34%	Lehman Intermediate	1.65%	0.93%	-	97,865,343	1,591,760	
Loomis, Sayles & Co	7.41%	3.28%	MerrillCS First Bos	0.80%	0.36%	-	285,777,768	2,257,821	
<b>Total Fixed Income</b>	<b>0.08%</b>			<b>1.21%</b>		<b>(13,981,042)</b>	<b>2,127,591,130</b>	<b>25,312,049</b>	
<b>Alternative Investments</b>									
Pacific Corporate Gr	11.30%	N/A		1.91%	N/A	7,931,643	180,331,646	1,153,528	
Short Capital Manag	0.00%	N/A		N/A	N/A	-	-	-	
Bank Acquisition Co	0.00%	N/A		N/A	N/A	-	500,000	-	
JMB/Heliman Adviso	0.00%	N/A	Wilshire Real Estate	0.00%	N/A	-	14,854,280	0	
L & B Real Estate Co	0.00%	N/A	Wilshire Real Estate	0.00%	N/A	-	47,012,419	-	
AETNA Realty Adviso	0.00%	N/A	Wilshire Real Estate	0.00%	N/A	-	-	-	
Phoenix Home Life	0.00%	N/A	Wilshire Real Estate	0.00%	N/A	-	27,907	-	
<b>Total Alternatives</b>	<b>12.76%</b>			<b>1.41%</b>		<b>7,931,643</b>	<b>242,726,252</b>	<b>1,153,529</b>	
<b>Cash Accounts</b>									
Cash in Trust	N/A	N/A		N/A	-	4,135,324	8,311,592	79,309	
Internal Cash	N/A	N/A		N/A	-	800,878	271,959	(528,919)	
<b>Total Cash</b>	<b>N/A</b>			<b>N/A</b>		<b>4,135,324</b>	<b>8,583,550</b>	<b>(449,611)</b>	
<b>Fund Grand Total</b>	<b>3.22%</b>			<b>-1.00%</b>		<b>(22,747,808)</b>	<b>6,311,599,310</b>	<b>(70,011,897)</b>	

RHODE ISLAND STATE INVESTMENT COMMISSION

Domestic Equity Holdings By Top 10 Market Values

SEPTEMBER 30, 1999

*Equities*

<u>RANK</u>	<u>SECURITY NAME</u>	<u>PAR VALUE/SHARES</u>	<u>BASE MARKET AMOUNT</u>	<u>MONEY MANAGERS</u>
1	MICROSOFT CORP	982,300	\$88,959,544	Provident, Bankers,J.P. Morgan,SSGA
2	INTEL CORP	777,360	57,767,565	Provident, Bankers,J.P. Morgan,SSGA
3	GENERAL ELEC. CO	455,400	53,993,363	Bankers,J.P. Morgan,SSGA
4	LUCENT TECHNOLOGIES INC	684,886	44,431,979	Provident, Bankers,J.P. Morgan,SSGA
5	CISCO SYS INC	635,185	43,549,872	Provident, Bankers,J.P. Morgan,SSGA
6	MCI WORLDCOM INC	556,500	39,998,438	Provident, Bankers,J.P. Morgan,SSGA
7	CITIGROUP INC	796,752	35,057,088	Provident, Bankers,J.P. Morgan,SSGA,MacKay Shields
8	INTERNATIONAL BUSINESS MACHS	284,800	34,460,800	Bankers,J.P. Morgan,SSGA
9	TYCO INTLLTD	287,900	29,725,675	Provident,J.P. Morgan
10	WAL MART STORES INC	567,100	26,972,694	Bankers,J.P. Morgan,SSGA
		15.64%	\$454,917,018 of total equity market value	
		** Total Composite Equities **	\$2,909,392,902	

International Equity Holdings By Top 10 Market Values

SEPTEMBER 30, 1999

*International Equities*

<u>RANK</u>	<u>SECURITY NAME</u>	<u>COUNTRY</u>	<u>PAR VALUE/SHARES</u>	<u>BASE MARKET AMOUNT</u>	<u>MONEY MANAGERS</u>
1	MANNESMANN AG	Germany	79,307	\$12,669,174	Schroders,Scudder,Baring
2	ROYAL DUTCH PETROL	Netherlands	198,900	11,544,544	Schroders,Scudder,Baring
3	TAIWAN SEMICNDCTR MFG CO LTD	Taiwan	374,055	11,034,623	Schroders,Scudder,Baring
4	ELF AQUITAINE	Euro	58,231	10,170,530	Schroders,Scudder,Baring
5	SONY CORP	Japan	68,000	10,161,670	Schroders,Scudder,Baring
6	MURATA MFG CO	Japan	100,000	10,050,085	Schroders,Scudder,Baring
7	SUEZ LYONN EAUX	Euro	60,116	9,731,486	Schroders,Scudder,Baring
8	NTT MOBILE COMMUNICATIONS	Euro	475	9,369,122	Schroders,Scudder,Baring
9	ST MICROELECTRONICS	Euro	120,113	9,363,681	Schroders,Scudder,Baring
10	ERICSSON	Sweden	260,110	8,059,262	Schroders,Scudder,Baring
			10.03%	\$102,154,177 of total international equity market value	
		** Total Composite International Equities **	\$1,018,707,710		

<b>Asset Allocation Report</b>		<b>Style</b>					<b>Cash</b>	<b>% of</b>	
<b>Market Values at Sept 30, 1999</b>		<b>Mandate</b>	<b>Actual</b>	<b>Target</b>	<b>Difference</b>		<b>Total</b>		
<b>Allocation by Manager</b>									
<b>Domestic Equity</b>									
Bankers Trust		passive core	1,063.35	16.8%	852.07	13.5%	211.28	3.43	0.3%
Shott Capital Mgmt		alternative distribution	4.60	0.1%	0.00	0.0%	4.60	4.40	0.0%
JP Morgan Investment Management		active core	353.34	5.6%	284.02	4.5%	69.32	1.14	0.3%
State Street Global Advisors		active core	344.54	5.5%	284.02	4.5%	60.52	1.78	0.5%
Provident Investment Council		large cap grwth	394.12	6.2%	473.37	7.5%	-79.25	0.23	0.1%
Brinson Partners		lrge cap val	233.62	3.7%	252.46	4.0%	-18.85	4.26	1.8%
MacKay Shields		lrge cap val	230.00	3.6%	252.46	4.0%	-22.47	3.45	1.5%
D.L. Babson		sm cap value	127.55	2.0%	189.35	3.0%	-61.79	4.52	3.5%
JW Seligman		sm cap grwth	162.88	2.6%	189.35	3.0%	-26.47	8.50	5.2%
HLM Management		sm cap grwth	0.00	0.0%	31.56	0.5%	-31.56	0.00	0.0%
ValueQuest		contrarian value	0.00	0.0%	31.56	0.5%	-31.56	0.00	0.0%
<b>TOTAL DOMESTIC EQUITY</b>			<b>2,913.99</b>	<b>46.2%</b>	<b>2,840.22</b>	<b>45.0%</b>	<b>73.77</b>	<b>31.71</b>	<b>1.1%</b>
<b>International Equity</b>									
Baring Asset Management		passive EAFE	261.19	4.1%	189.35	3.0%	71.84	1.67	0.6%
Schroder Capital Management Intl		M/S all country ex US	402.68	6.4%	315.58	5.0%	87.10	12.84	3.2%
Scudder Kemper		M/S all country ex US	354.84	5.6%	315.58	5.0%	39.26	9.02	2.5%
Schroder Capital Management Intl		emerging mkts	0.00	0.0%	126.23	2.0%	-126.23	0.00	0.0%
<b>TOTAL INT'L EQUITY</b>			<b>1,018.71</b>	<b>16.1%</b>	<b>946.74</b>	<b>15.0%</b>	<b>71.97</b>	<b>23.53</b>	<b>2.3%</b>
<b>Domestic Fixed Income</b>									
Fleet Investment Advisors		active core	818.17	13.0%	666.69	10.6%	151.47	102.56	12.5%
Fidelity Management & Research		mortgages	295.15	4.7%	303.90	4.8%	-8.76	5.59	1.9%
Brown Brothers, Harriman		opportunistic core	603.27	9.6%	666.69	10.6%	-63.42	178.70	29.6%
In-State Fixed Income		short/int govt	27.34	0.4%	3.72	0.1%	23.62	0.00	0.0%
Taplin, Canida & Habacht		corporates	97.89	1.6%	102.56	1.8%	-4.68	0.77	0.8%
Loomis, Sayles & Co.		convt/hi yield	285.78	4.5%	307.69	4.9%	-21.91	0.67	0.2%
<b>TOTAL FIXED-INCOME</b>			<b>2,127.59</b>	<b>33.7%</b>	<b>2,051.27</b>	<b>32.5%</b>	<b>76.32</b>	<b>288.29</b>	<b>13.5%</b>
<b>Alternative Investments</b>									
JMB/ Heitman Advisory Corp		real estate	14.85	0.2%					
L&B Real Estate Counsel		office/shopping	47.01	0.7%					
Aetna Realty Advisors, Inc.		cong. care	0.00	0.0%					
Phoenix Home Life		developmental	0.03	0.0%					
Shott Capital Mgmt		alternative distribution	0.00	0.0%					
Pacific Corp Group		various pvt eq	180.33	2.9%					
Bank Disposition		contingency	0.50	0.0%					
<b>TOTAL ALTERNATIVE INVESTMENTS</b>			<b>242.73</b>	<b>3.8%</b>	<b>473.37</b>	<b>7.5%</b>	<b>-230.64</b>	<b>0.00</b>	<b>0.0%</b>
<b>CASH EQUIVALENTS</b>			<b>8.58</b>	<b>0.1%</b>	<b>0.00</b>	<b>0.0%</b>	<b>8.58</b>	<b>8.58</b>	<b>100.0%</b>
<b>TOTAL ASSETS</b>			<b>6,311.60</b>	<b>100.0%</b>	<b>6,311.60</b>	<b>100.0%</b>	<b>0.00</b>	<b>352.11</b>	<b>5.6%</b>

#### Allocation By Management Style

<b>Domestic Equity</b>									
Core			1,765.82	28.0%	1,420.11	22.5%	345.71	10.75	0.6%
Large Cap Growth			394.12	6.2%	473.37	7.5%	(79.25)	0.23	0.1%
Large Cap Value			463.61	7.3%	504.93	8.0%	(41.32)	7.71	1.7%
Small Cap			290.43	4.6%	378.70	6.0%	(88.26)	13.02	4.5%
Emerging Managers			0.00	0.0%	63.12	1.0%	(63.11)	-	0.0%
<b>TOTAL DOMESTIC EQUITY</b>			<b>2,913.99</b>	<b>46.2%</b>	<b>2,840.22</b>	<b>45.0%</b>	<b>73.77</b>	<b>31.71</b>	<b>1.1%</b>
<b>International Equity</b>									
Passive			261.19	4.1%	189.35	3.0%	71.84	1.67	0.6%
Active			757.52	12.0%	631.16	10.0%	126.36	21.86	2.9%
Emerging Markets			-	0.0%	126.23	2.0%	(126.23)	-	#DIV/0!
<b>TOTAL INT'L EQUITY</b>			<b>1,018.71</b>	<b>16.1%</b>	<b>946.74</b>	<b>15.0%</b>	<b>71.97</b>	<b>23.53</b>	<b>2.3%</b>
<b>Domestic Fixed Income</b>									
Mortgage			1,113.31	17.6%	970.60	15.4%	142.72	108.15	9.7%
Core			630.61	10.0%	670.42	10.6%	(39.81)	178.70	28.3%
Corporates			97.89	1.6%	102.56	1.6%	(4.68)	0.77	0.8%
Convertible/High Yield			285.78	4.5%	307.69	4.9%	(21.91)	0.67	0.2%
<b>TOTAL FIXED-INCOME</b>			<b>2,127.59</b>	<b>33.7%</b>	<b>2,051.27</b>	<b>32.5%</b>	<b>76.32</b>	<b>288.29</b>	<b>13.5%</b>
<b>Alternative Investments</b>									
Real Estate			61.89	1.0%					
Other Alternative Investments			180.83	2.9%					
<b>TOTAL ALTERNATIVE INVESTMENTS</b>			<b>242.73</b>	<b>3.8%</b>	<b>473.37</b>	<b>7.5%</b>	<b>(230.64)</b>		
<b>CASH EQUIVALENTS</b>			<b>8.58</b>	<b>0.1%</b>	<b>0.00</b>	<b>0.0%</b>	<b>8.58</b>	<b>8.58</b>	<b>100.0%</b>
<b>TOTAL ASSETS</b>			<b>6,311.60</b>	<b>100.0%</b>	<b>6,311.60</b>	<b>100.0%</b>	<b>0.00</b>	<b>352.11</b>	<b>5.6%</b>

## Alternative Investments Funding

1999

Manager	Inception Date	Partnership Commitment	Prior Funding Thru 8/31/99	Current Month Funding	Cumulative Total at 9/30/99	Unfunded Balance	Market Values at 9/30/99
<i>ABS Capital Partners</i>	May 1996	5,000,000	3,689,073	11,146	3,700,219	1,299,781	3,768,179
<i>Apollo RE Investment Fund IV L.P.</i>	Apr 1998	15,000,000	7,382,056	415,201	7,797,257	7,202,743	8,082,722
<i>Alta BioPharma Partners, L.P.</i>	Mar 1998	10,000,000	4,200,000	600,000	4,800,000	5,200,000	4,368,067
<i>Alta California Partners II L.P.</i>	Oct 1998	10,000,000	2,000,000	500,000	2,500,000	7,500,000	2,407,745
<i>Aurora Equity Partners II</i>	Mar 1998	15,000,000	2,452,581	1,319,770	3,772,351	11,227,649	3,773,010
<i>Blackstone Capital Ptnrs</i>	Jun 1997	20,000,000	6,212,560	99,633	6,312,193	13,687,807	6,781,560
<i>Boston Ventures Ltd</i>	Sept 1996	5,000,000	2,300,235	0	2,300,235	2,699,765	2,577,331
<i>Crossroads/Providence LP</i>	Dec 1988	42,509,665	38,963,771	(88,336)	38,875,435	3,634,231	14,226,562
<i>CVC Capital Partners</i>	Mar 1998	15,000,000	6,016,200	434,436	6,450,636	8,549,364	6,300,306
<i>Doughty Hanson II</i>	Mar 1996	5,000,000	2,218,962	0	2,218,962	2,781,038	1,865,039
<i>Doughty Hanson III</i>	Nov 1997	15,000,000	3,333,688	0	3,333,688	11,666,312	3,200,087
<i>Fenway</i>	Aug 1998	15,000,000	2,264,441	0	2,264,441	12,735,559	2,626,071
<i>First Reserve Fund VIII L.P.</i>	Apr 1998	15,000,000	4,592,897	461,823	5,054,720	9,945,280	4,627,333
<i>Harvest Partners III</i>	Dec 1997	15,000,000	6,471,920	0	6,471,920	8,528,080	6,378,103
<i>Heritage Fund</i>	May 1997	5,000,000	3,098,707	0	3,098,707	1,901,293	3,106,239
<i>Narragansett First Fund</i>	Dec 1982	218,566	0	0	0	0	0
<i>Narragansett Capital Partners</i>	Jan 1987	1,671,121	999,377	0	999,377	671,744	1,175,590
<i>Nordic Capital III</i>	Feb 1998	7,500,000	3,313,009	0	3,313,009	4,186,991	3,581,334
<i>OCM Opportunities Fund</i>	Jan 1996	8,000,000	6,026,271	0	6,026,271	1,973,729	8,747,200
<i>OCM Principal Opportunities</i>	Nov 1996	5,000,000	5,000,000	0	5,000,000	0	4,895,087
<i>OCM Opportunities II</i>	Oct 1997	12,000,000	12,000,000	0	12,000,000	0	11,940,216
<i>Parthenon Investors, L.P.</i>	Feb 1999	15,000,000	3,876,541	0	3,876,541	11,123,459	3,876,542
<i>Providence Equity Partners</i>	Dec 1996	10,000,000	7,525,417	954,557	8,479,974	1,520,026	18,612,140
<i>Providence Equity Partners III L.P.</i>	Dec 1998	15,000,000	4,558,737	999,488	5,558,225	9,441,775	5,558,225
<i>SKM Equity Fund II</i>	Dec 1996	10,000,000	5,926,992	0	5,926,992	4,073,008	5,897,009
<i>THL Equity Fund IV</i>	Dec 1997	15,000,000	3,187,104	52,174	3,239,278	11,760,722	3,369,751
<i>TPG Partners</i>	Apr 1997	10,000,000	6,651,659	499,520	7,151,179	2,848,821	6,647,421
<i>Triumph Partners III</i>	Feb 1998	15,000,000	5,728,607	1,478,143	7,206,750	7,793,250	6,864,264
<i>VS &amp; A Communications Ptnrs III L</i>	Nov 1998	15,000,000	0	1,930,486	1,930,486	13,069,514	1,930,486
<i>Wellspring Capital Partners</i>	Sep 1998	15,000,000	2,239,751	0	2,239,751	12,760,249	2,239,751
<i>Welsh, Carson, Anderson &amp; Stowe</i>	Oct 1995	15,000,000	13,473,468	(543,998)	12,929,470	2,070,530	16,691,852
<i>Willis Stein</i>	Jun 1996	5,000,000	3,322,143	145,588	3,467,731	1,532,269	3,324,858
<i>Real Estate Investments</i>		80,544,204	72,187,785	0	72,187,785	8,356,419	61,894,606
<i>Contingency Fund</i>		500,000	500,000	0	500,000	0	500,000
<b>TOTALS:</b>		<b>\$462,943,557</b>	<b>\$251,713,952</b>	<b>\$9,269,631</b>	<b>\$260,983,583</b>	<b>\$201,741,408</b>	<b>\$241,834,686</b>



**Retirement Systems  
Investment Earnings  
Fiscal Year 2000 to Date Summary**

**ERSRI  
&  
MERSRI**

**at September 30,, 1999**

	<u>LONG TERM</u>	<u>SHORT TERM</u>	<u>TOTAL</u>
INTEREST SOLD	6,429,069		6,429,069
DIVIDENDS	10,995,306		10,995,306
INTEREST	32,206,469	111,421	32,317,890
MISCELLANEOUS	(4,767,127)		(4,767,127)
CAPITAL GAINS	98,308,014		98,308,014
	-----	-----	-----
<b>GRAND TOTAL:</b>	<b>143,171,730</b>	<b>111,421</b>	<b>143,283,152</b>

**INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES**

CASH BASIS

ERSRI & MERSRI

	Actual Jul 99	Actual Aug	Actual Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 00	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	PROJECTED TOTAL
<b>EQUITIES</b>													
Fleet/Norstar		262,500	57,195			50,000		262,500	50,000		262,500	50,000	1,050,000
Banker Trust			750,803			1,050,000			1,050,000			1,050,000	207,195
Proident Investmt		206,754				220,000			220,000				3,900,803
Britson			150,617		200,000			200,000					866,754
Mackay-Shield			114,181		150,000			150,000					750,617
David L. Babson		136,898											564,181
J & W Seligman		21,046				200,000			200,000				586,898
HLM Management		17,786				225,000			225,000				913,726
ValueQuest			246,496										21,046
JP Morgan			238,726										17,786
State Street Global Advisors		3,058			4,500			4,500			4,500		846,496
Shott Capital													913,726
													16,558
<b>FIXED INCOME</b>													
Brown Bros.				180,000		180,000			180,000				720,000
Fidelity			182,696			225,000			225,000				857,696
Taplin		63,928			67,500			67,500					266,428
Leomis Styles		351,466			320,000			320,000					1,311,466
<b>INT'L EQUITIES</b>													
Baring Asset Management		216,343		400,000	80,000	400,000		80,000			80,000	400,000	456,343
Schroder					220,000			220,000					1,600,000
Schroder Emrgng Mkts			310,700										970,700
													0
<b>REAL ESTATE</b>													
Heitman Advisory													0
L & B Real Estate													0
Actra													0
Phoenix													0
<b>ALTERNATIVE INVESTMENTS</b>													
Bigley/Crossroads	1,475		1,475	200,000	200,000	2,250	2,250	200,000	200,000	200,000	200,000	2,250	9,700
Narragansett Cap.	868,054		54,590										2,722,644
Other Alt Inv Mgmt Fees													0
<b>SUB TOTAL - INV MGMT FEES</b>	<b>869,529</b>	<b>1,279,779</b>	<b>2,107,478</b>	<b>780,000</b>	<b>1,504,500</b>	<b>2,902,250</b>	<b>200,000</b>	<b>1,504,500</b>	<b>2,902,250</b>	<b>200,000</b>	<b>1,504,500</b>	<b>2,902,250</b>	<b>18,657,036</b>
<b>PROFESSIONAL FEES</b>													
Consulting													0
Legal													0
State Street Bank		204,506		160,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	1,004,506
Pacific Corp Group			68,750			68,750			68,750				275,000
Wilshire Assoc		16,667	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>													
Retirement Transfers				850,000	850,000			850,000			850,000		3,400,000
Other Expense													0
<b>TOTAL:</b>	<b>869,529</b>	<b>1,500,952</b>	<b>2,209,561</b>	<b>1,806,667</b>	<b>2,451,167</b>	<b>3,067,667</b>	<b>296,667</b>	<b>2,451,167</b>	<b>3,067,667</b>	<b>296,667</b>	<b>2,451,167</b>	<b>3,067,667</b>	<b>23,536,545</b>

## CASH FLOW ANALYSIS - INCOME & EXPENSES

### Employees Retirement System

	FY 1999-00 Actual July 1999	Actual August	Actual September	Projected October	Projected November	Projected December	Projected January 2000	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	26,933,982	28,511,612	25,337,595	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	27,500,000	328,283,189
ADMINISTRATIVE EXPENSES	0	192,526	88,858	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	2,531,384
INVESTMENT EXPENSES	0	1,114,022	1,786,929	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	16,400,951
TOTAL OUTFLOW	26,933,982	29,818,160	27,213,382	29,250,000	29,250,000	29,250,000	29,250,000	29,250,000	29,250,000	29,250,000	29,250,000	29,250,000	347,215,524
CONTRIBUTIONS	21,968,030	14,570,638	14,844,674	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	24,000,000	267,383,342
OTHER INCOME*	2,465,668	582,688	1,935,932	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	13,984,288
TOTAL INCOME	24,433,698	15,153,326	16,780,606	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	25,000,000	281,367,630
DIFFERENCE	(2,500,284)	(14,664,834)	(10,432,776)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(4,250,000)	(65,847,894)

### Municipal Employees Retirement System

	Actual July 1999	Actual August	Actual September	Projected October	Projected November	Projected December	Projected January 2000	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	2,564,770	2,689,600	2,412,097	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	31,066,467
ADMINISTRATIVE EXPENSES	0	28,154	12,995	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	401,149
INVESTMENT EXPENSES	0	162,913	261,319	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	2,224,232
TOTAL OUTFLOW	2,564,770	2,880,667	2,686,411	2,840,000	2,840,000	2,840,000	2,840,000	2,840,000	2,840,000	2,840,000	2,840,000	2,840,000	33,691,848
CONTRIBUTIONS	1,099,974	3,167,867	1,289,313	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	21,307,154
OTHER INCOME*	360,577	85,211	283,109	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	175,000	2,303,897
TOTAL INCOME	1,460,551	3,253,078	1,572,422	1,925,000	1,925,000	1,925,000	1,925,000	1,925,000	1,925,000	1,925,000	1,925,000	1,925,000	23,611,051
DIFFERENCE	(1,104,219)	372,411	(1,113,989)	(915,000)	(915,000)	(915,000)	(915,000)	(915,000)	(915,000)	(915,000)	(915,000)	(915,000)	(10,080,797)

Judges/State Police Retirement System

Actual July 1999	Actual August	Actual September	Projected October	Projected November	Projected December	Projected January 2000	Projected February	Projected March	Projected April	Projected May	Projected June	Projected TOTAL
0	0	0	0	0	0	0	0	0	0	0	0	0
0	493	230	700	700	700	700	700	700	700	700	700	7,023
0	2,844	4,640	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	43,484
0	3,337	4,870	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	50,507
250,228	153,391	162,624	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	225,000	2,591,243
6,183	1,488	5,028	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	32,949
256,411	154,879	167,652	227,250	227,250	227,250	227,250	227,250	227,250	227,250	227,250	227,250	2,604,192
256,411	151,542	162,782	222,550	222,550	222,550	222,550	222,550	222,550	222,550	222,550	222,550	2,573,685

123:5w / csfly99

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

**General Information**

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

Short Term Investments Portfolio by Fund

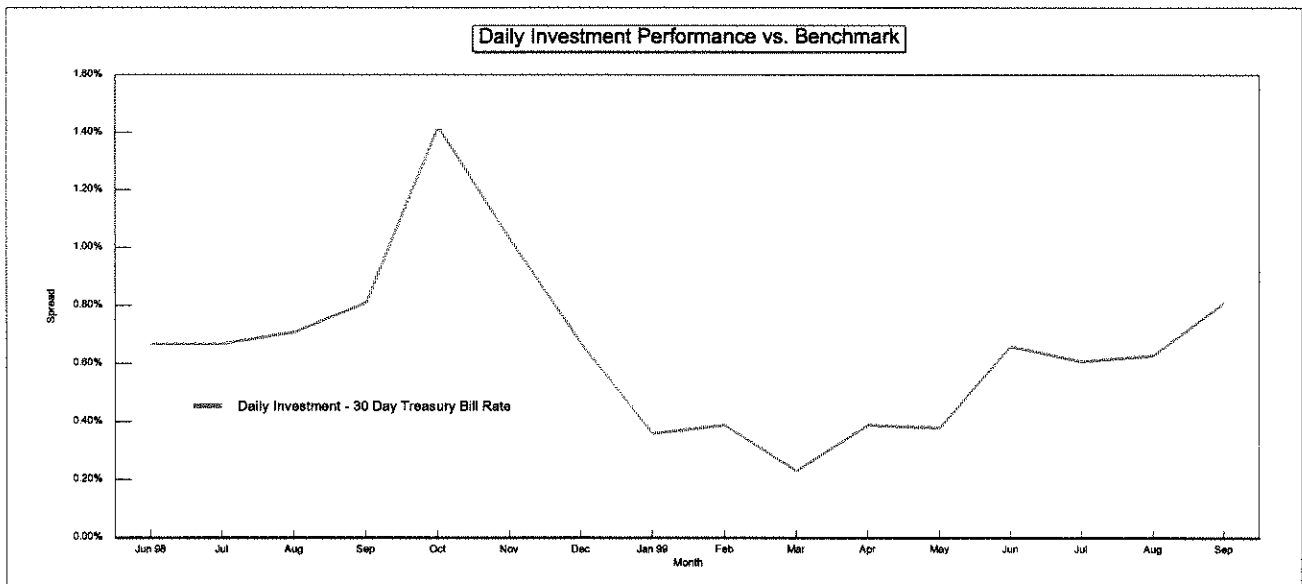
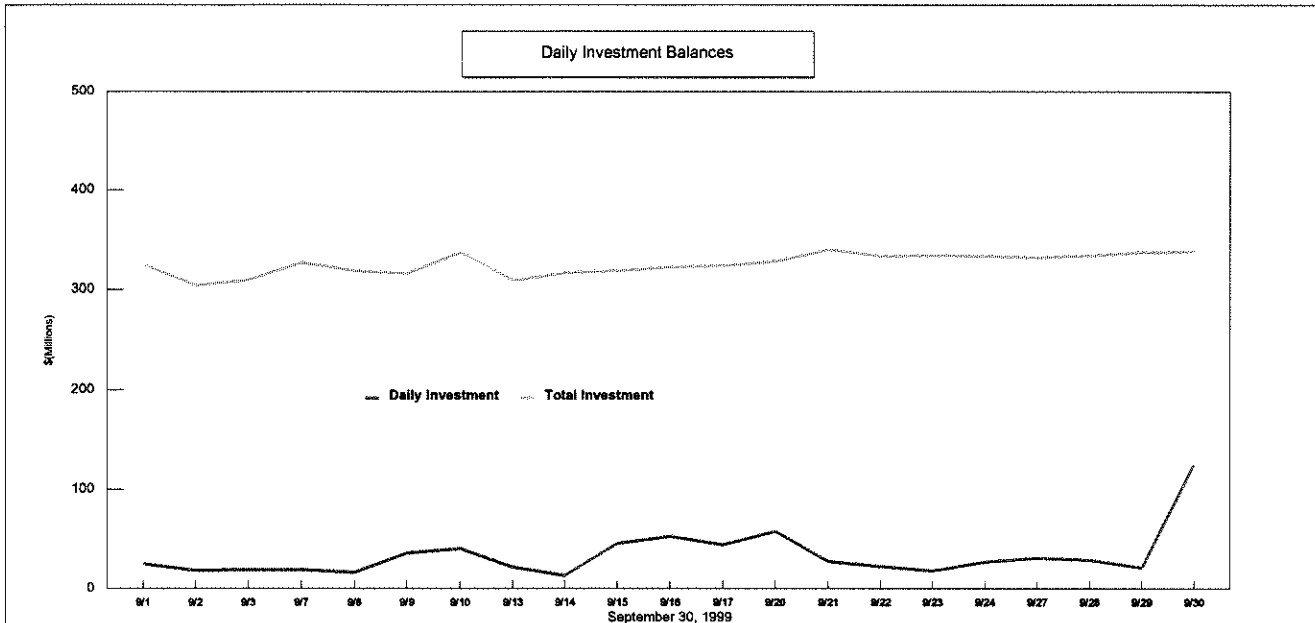
As of September 30, 1999

	Principal	Interest	Total Value @ Maturity
4901 GENERAL FUND	133,258,688	449,298	133,707,986
4902 GENERAL FUND	1,991,896	8,104	2,000,000
4904 PENSION C	0	0	0
4908 PAYROLL A	499,928	72	500,000
4920 GENERAL FUND (HIST PRES)	388,021	5,044	393,065
5200 RI UNDERGROUND STORAG TNK	1,440,290	2,052	1,442,342
5400 HIGHWAY FUND	3,999,424	576	4,000,000
5500 UNIVERSITY COLLEGE	7,199,597	4,766	7,204,363
5800 PROV. RIVER RELOCATION	300,813	300	301,113
6920 AUTO EQUIPMENT SERVICE	0	0	0
8000 T.D.I. RESERVE (DET)	52,061,325	945,670	53,006,995
8225 JOB DEVELOPMENT (DET)	5,992,740	47,010	6,039,750
8230 E.T. TARDY (DET)	0	0	0
8240 E.T. INTEREST (DET)	544,346	1,094	545,440
8300 PERMANENT SCHOOL FUND	452,617	910	453,527
8400 EMP RETIREMENT FUND	0	0	0
8500 MUN EMP RETIREMENT FUND	0	0	0
8700 R.I. CLEAN WATER ACT	1,751,742	1,747	1,753,490
9000 BOND CAPITAL FUND	2,299,813	1,050	2,300,863
9700 STATE LOTTERY FUND	14,874,996	39,597	14,914,594
9800 INDUS. BLDG. & MTG. INS.	2,080,234	7,465	2,087,699
4911 TANS PROCEEDS	0	0	0
Subtotal	229,136,470	1,514,757	230,651,227
8702 CLEAN WATER 1993 SER. A	52,693		
8703 CLEAN WATER 1991 SERIES A	699,129		
8704 CLEAN WATER 96 SERIES A	558,366		
8706 CLEAN WATER CCDL 1994 (A)	192,036		
8707 CAP DEV. OF 1997 SERIES A	155,448		
8733 CAP DEV. OF 1997 SERIES A	100,837		
8734 POLLUTION CONTROL 96A	4,604		
8737 RI POLLUT. CONT 94 SER. A	46,426		
8738 POLLUTION CONTROL 1998B	169,010		
8739 CCDL99A 1999A	3,114,349		
9101 BOND SALE A 11-4-87	65,705		
9102 BOND CAPITAL CCDL 1988	21,374		
9104 BOND CAPITAL 1989 SER. A	2,036		
9105 BOND CAPITAL 1989 SER. B	6,494		
9108 BOND SALE 1990 SER. A&B	122,606		
9114 G.O. NOTE 1991 SER. B	146,547		
9115 BOND CCDL 1992 SERIES A	35,215		
9116 BOND CCDL 1993 SERIES A	6,373,581		
9117 BOND CCDL 1994 SERIES A	3,956,807		
9118 BOND CCDL 1995 SER. A	55,007		
9119 CCDL 95 B	3,398		
9120 BOND CCBL96A	4,846,555		
9121 CAP DEV OF 1997 SERIES A	17,440,115		
9122 1998 MULTIMODAL GEN OBLIG	1,348,515		
9123 CCDL 1998B	35,669,619		
9124 CCDL99A 1999A	60,040,227		
9125 MMG099 1999	32,390,000		
Subtotal Bond Proceed Accounts	167,616,698		
Total Short Term Portfolio	396,753,168		

**Short Term Interest Rate Performance  
1999**

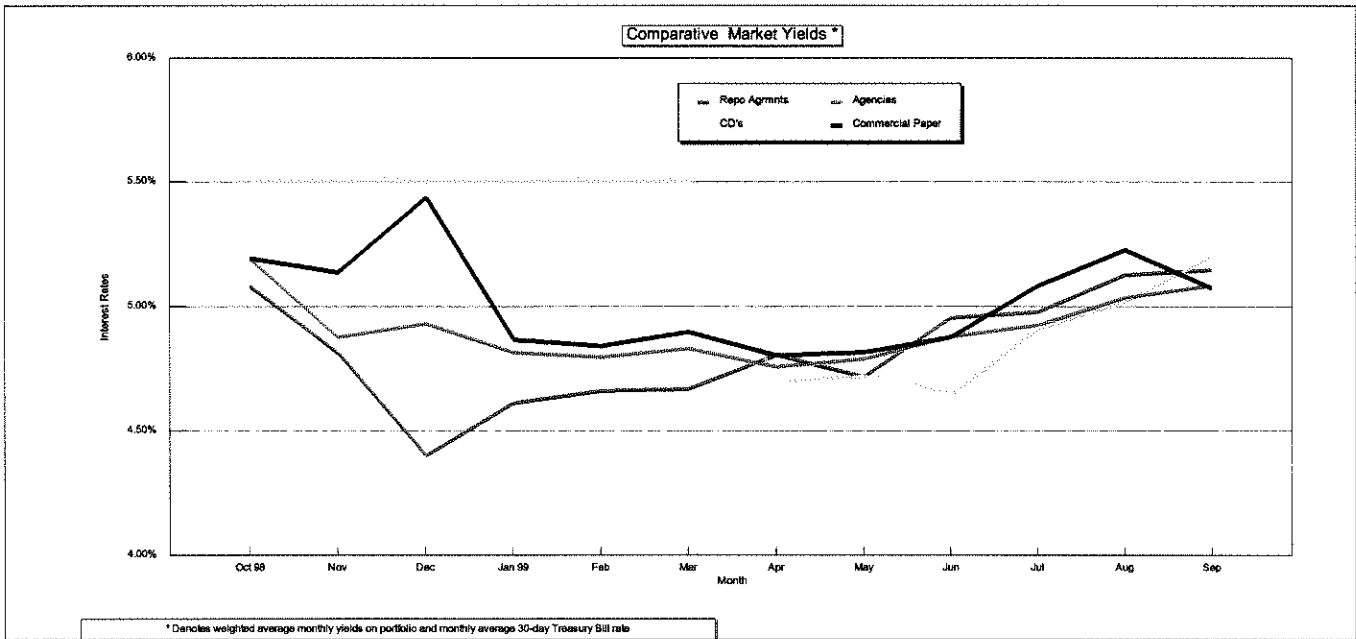
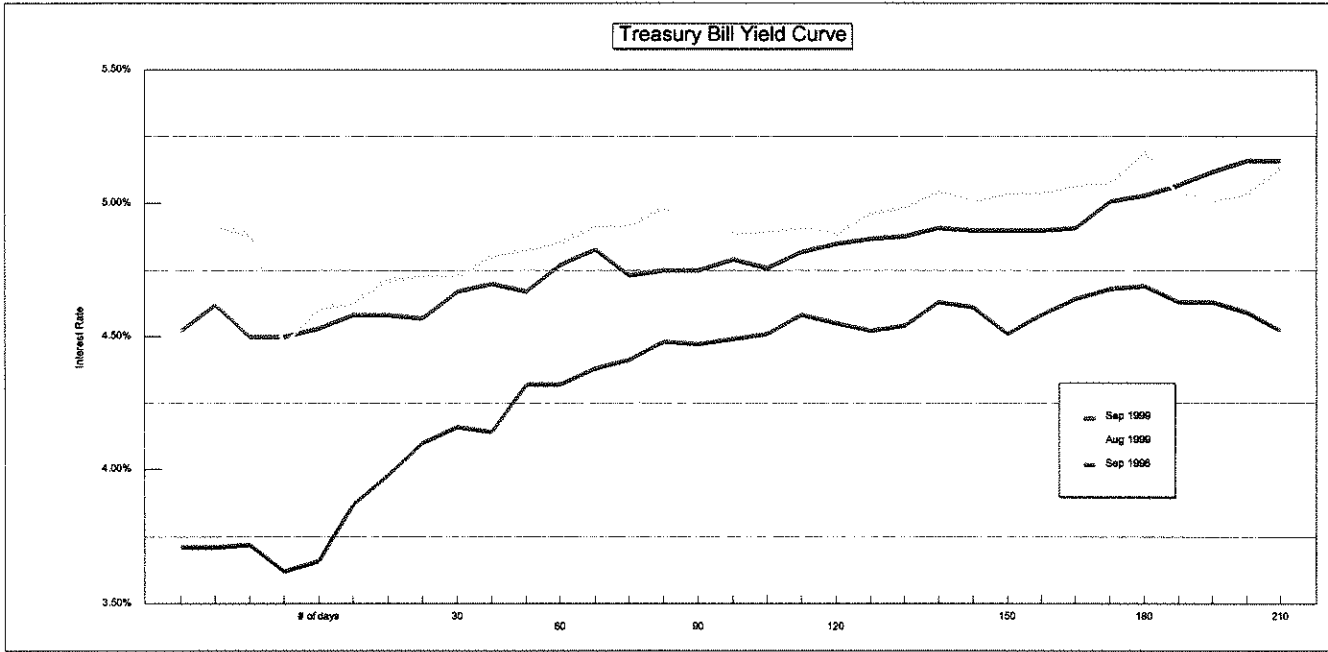
<u>Date</u>	<u>Amount Invested (millions)</u>	<u>Weighted Interest Rate</u>	<u>30 Day Treasury Rate</u>	<u>Basis Point Difference</u>	<u>Date</u>	<u>Total Investment (millions)</u>
9/01	\$25.40	5.21	4.59	62.05	9/01	\$317.96
9/02	\$18.85	5.20	4.48	72.00	9/02	\$311.44
9/03	\$18.90	5.17	4.34	83.25	9/03	\$296.48
9/07	\$19.29	5.22	4.38	83.56	9/07	\$295.78
9/08	\$16.84	5.21	4.41	80.49	9/08	\$291.37
9/09	\$36.00	5.17	4.29	88.22	9/09	\$292.33
9/10	\$40.77	5.17	4.26	90.73	9/10	\$301.08
9/13	\$21.90	5.15	4.36	79.16	9/13	\$306.69
9/14	\$13.74	5.27	4.31	96.23	9/14	\$304.96
9/15	\$46.05	5.17	4.38	79.16	9/15	\$351.01
9/16	\$52.72	5.22	4.24	98.42	9/16	\$403.73
9/17	\$44.32	5.22	4.28	93.63	9/17	\$281.70
9/20	\$58.19	5.20	4.37	83.01	9/20	\$308.90
9/21	\$27.79	5.16	4.26	90.10	9/21	\$315.64
9/22	\$22.67	5.15	4.46	69.33	9/22	\$322.94
9/23	\$18.15	5.08	4.37	70.94	9/23	\$344.53
9/24	\$27.15	5.13	4.45	68.03	9/24	\$332.56
9/27	\$30.84	5.19	4.47	71.70	9/27	\$336.94
9/28	\$29.10	5.18	4.45	73.29	9/28	\$350.18
9/29	\$21.00	5.20	4.59	60.95	9/29	\$352.48
9/30	\$126.52	5.27	4.50	76.67	9/30	\$396.75
	\$716.20	5.20	4.39	81		
	total amount invested	weighted average rate	average 30 day rate	basis point difference		

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

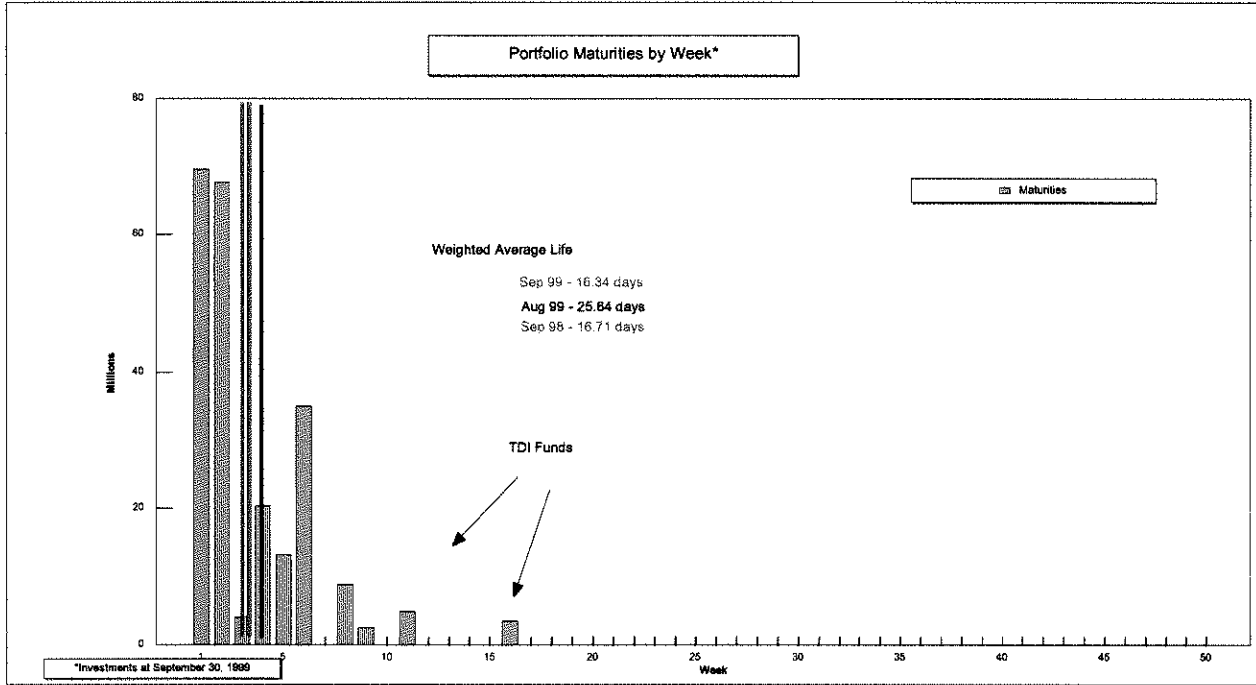




RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM INVESTMENTS



RHODE ISLAND STATE INVESTMENT COMMISSION  
SHORT TERM INVESTMENTS



**SUMMARY PORTFOLIO YIELDS**

	<b>WEIGHTED AVERAGE YIELD(%)</b>
<b>September 30, 1999</b>	<b>5.097%</b>
<b>August 31, 1999</b>	<b>5.075%</b>
<b>September 30, 1998</b>	<b>5.394%</b>

SPECIAL FUNDS  
 INVESTMENT SUMMARY  
 SEPTEMBER 30, 1999

<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>	** 1,679,499	195,007	758,463	17,746	2,632,969
<u>State of Rhode Island Land Grant Fund</u>	0	60,622	0	221	60,622
<u>TOTALS</u>	1,679,499	255,629	758,463	17,967	2,693,591

\*\* Balances as of 8/31/99

FY 2000

	July 1999	August	September	October	November	December	January 2000	February	March	April	May	June	YTD
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SUMMARY BY SOURCE:

ISO:	970,833	4,212,238	1,245,998	0	0	0	0	0	0	0	0	0	6,429,069
SCL:	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV:	4,119,425	2,797,484	4,078,397	0	0	0	0	0	0	0	0	0	10,995,306
INT:	7,344,201	16,762,945	8,099,323	0	0	0	0	0	0	0	0	0	32,206,469
MIS:	(299,393)	471,199	2,136,446	0	0	0	0	0	0	0	0	0	(4,767,127)
CAPGN:	29,286,892	32,478,209	36,542,912	0	0	0	0	0	0	0	0	0	98,308,014
<b>TOTAL</b>	<b>41,421,958</b>	<b>56,722,075</b>	<b>52,103,076</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>143,171,730</b>
SHORT TERM TOTAL	38,806	33,059	39,556	0	0	0	0	0	0	0	0	0	111,421

FY 1999

	July 1998	August	September	October	November	December	January 1999	February	March	April	May	June	YTD
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SUMMARY BY SOURCE:

ISO:	1,005,977	8,567,098	4,287,338	2,801,304	3,746,598	469,558	1,976,960	2,042,330	1,457,106	607,146	1,861,687	1,200,974	30,024,076
SCL:	0	0	0	0	0	0	0	0	0	0	0	0	0
DIV:	4,175,489	2,591,809	4,411,221	4,101,884	3,202,906	4,046,076	3,581,629	2,881,664	3,842,734	4,603,368	4,299,730	6,348,254	48,086,764
INT:	6,555,036	23,207,130	6,287,086	8,151,121	15,345,161	7,689,760	7,591,110	17,484,929	8,184,052	7,661,486	14,176,732	7,651,280	129,984,883
MIS:	263,693	610,365	593,745	(227,278)	46,509	1,563,537	2,705,218	207,859	1,473,898	1,003,037	69,403	2,537,486	10,847,472
CAPGN:	398,488,767	50,806,494	15,029,100	1,855,867	6,521,639	19,341,679	85,807,694	57,337,073	2,947,990	13,592,526	88,700,460	44,359,583	784,784,872
<b>TOTAL</b>	<b>410,488,962</b>	<b>85,782,896</b>	<b>30,608,490</b>	<b>16,682,898</b>	<b>28,862,813</b>	<b>33,110,610</b>	<b>101,662,611</b>	<b>79,953,855</b>	<b>17,905,780</b>	<b>27,467,563</b>	<b>109,108,012</b>	<b>62,093,577</b>	<b>1,003,728,067</b>
SHORT TERM TOTAL	88,148	59,272	17,921	40,503	52,118	36,077	30,663	24,923	41,671	31,363	40,557	39,534	502,750

Key:

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

ERSRI & MERSRI INCOME FILE FY 2000

	July 1999	August	September	October	November	December	January 2000	February	March	April	May	June	YTD
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Fleet ZU11 & 12

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
CAPGN/	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Bankers ZU15 & 16

ISO													0
SCL													0
DIV	1,026,082	923,173	1,352,603										3,301,859
INT	23,136	31,817	29,931										84,884
MIS	4,436	(3,461)	(68)										908
CAPGN/	2,136,199	662,192	5,548,022										8,346,414
<b>TOTAL</b>	<b>3,189,854</b>	<b>1,613,722</b>	<b>6,930,489</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>11,734,065</b>

Provident ZU21 & 22

ISO													0
SCL													0
DIV	108,219	77,507	108,110										293,836
INT	22,543	22,646	20,914										66,103
MIS	(66)	(4,190)	(119)										(4,374)
CAPGN/	3,271,587	8,016,271	19,297,578										30,585,436
<b>TOTAL</b>	<b>3,402,283</b>	<b>8,112,234</b>	<b>19,426,484</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>30,941,001</b>

Brinson ZU72

ISO													0
SCL													0
DIV	324,094	180,777	422,777										927,648
INT	33,579	22,269	16,506										72,354
MIS	(66)	2,170	(55)										2,050
CAPGN/	1,158,941	2,806,220	4,787,788										8,752,949
<b>TOTAL</b>	<b>1,516,548</b>	<b>3,011,436</b>	<b>5,227,017</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>9,755,001</b>

INCOME FILE

	July 1999	August	September	October	November	December	January 2000	February	March	April	May	June	YTD
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ValueQuest ZU 88

ISO													0
SCL													0
DIV													0
INT	3	0	0	0	0	0	0	0	0	0	0	0	3
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGN/	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	3	0	0	0	0	0	0	0	0	0	0	0	3

Alternative Investments ZU 32

ISO													0
SCL													0
DIV													0
INT	311	0	0	0	0	0	0	0	0	0	0	0	311
MIS	1,038,804	529,312	2,139,954	0	0	0	0	0	0	0	0	0	3,708,070
CAPGN/	1,353,853	117,527	65,883	0	0	0	0	0	0	0	0	0	1,537,264
TOTAL	2,392,968	646,839	2,205,838	0	0	0	0	0	0	0	0	0	5,245,645

Bank Acquisition ZU 60

ISO													0
SCL													0
DIV													0
INT	2,018	2,133	2,191	0	0	0	0	0	0	0	0	0	6,342
MIS													0
CAPGN/													0
TOTAL	2,018	2,133	2,191	0	0	0	0	0	0	0	0	0	6,342

Instate ZU 40

ISO													0
SCL													0
DIV													0
INT	148,542	148,542	148,542	0	0	0	0	0	0	0	0	0	445,625
MIS													0
CAPGN/													0
TOTAL	148,542	148,542	148,542	0	0	0	0	0	0	0	0	0	445,625

INCOME FILE

	July 1999	August	September	October	November	December	January 2000	February	March	April	May	June	YTD
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Heitman ZU34

ISO													0
SCL													0
DIV													0
INT													0
MIS	255,570	0	0	0	0	0	0	0	0	0	0	0	255,570
CAPGN/													0
TOTAL	255,570	0	0	0	0	0	0	0	0	0	0	0	255,570

L & B ZU

ISO													0
SCL													0
DIV													0
INT													0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGN/													0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

Aetna ZU

ISO													0
SCL													0
DIV													0
INT	11	0	0	0	0	0	0	0	0	0	0	0	11
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGN/LSS													0
TOTAL	11	0	0	0	0	0	0	0	0	0	0	0	11

Phoenix

ISO													0
SCL													0
DIV													0
INT													0
MIS	0	0	0	0	0	0	0	0	0	0	0	0	0
CAPGN/													0
TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0

