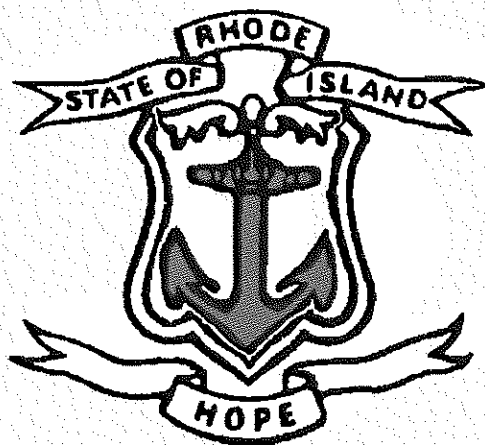
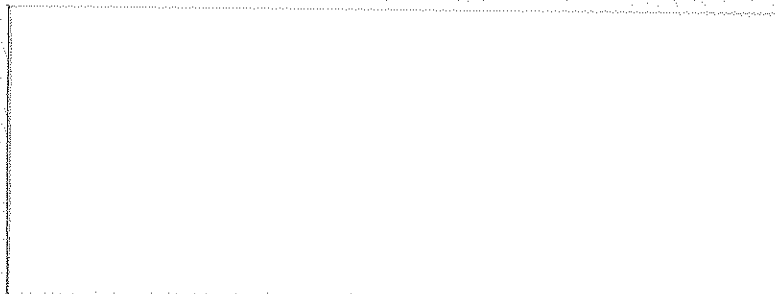


State of Rhode Island and Providence Plantations



Office of the General Treasurer

Nancy J. Mayer
General Treasurer

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING
APRIL 29, 1998**

MEMBERS OF THE STATE INVESTMENT COMMISSION

Hon. Nancy J. Mayer, Chair

**Rosemary Booth Gallogly
Rep. Mark B. Heffner
Mr. James M. Seed**

**Mr. Kenneth R. Dulgarian
Mr. Karl F. Ericson
Sen. Paul J. Tavares**



State of Rhode Island and Providence Plantations

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General Treasurer

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RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, April 29, 1998 at 9:00 a.m. in Room 135 of the State House.

AGENDA
STATE INVESTMENT COMMISSION

1. Approval of Minutes
 - Regular Meeting held on March 25, 1998
 - Alternative Investments Committee Meeting held on March 23, 1998
2. Interviews for Active Core-Oriented Domestic Equity Manager Search
 - Fundamentally-oriented managers:
 - Sanford C. Bernstein & Co., Inc.
 - J. P. Morgan Investment Mgmt. Inc.
 - Quantitatively-oriented managers:
 - State Street Global Advisors
 - First Quadrant, L.P.
3. General Consultant's Report - Wilshire Associates Incorporated
 - Capital Market Update
4. Treasurer's Report
5. Deputy General Treasurer for Finance Report
6. Legal Counsel Report
7. New Business

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

**Minutes of the Regular Meeting
March 25, 1998**

The following members were present at the meeting held in Room 135, State House, Providence: Mr. Kenneth R. Dulgarian, Mr. Karl F. Ericson, Ms. Rosemary Booth Gallogly, Designee of the Director of Administration, General Treasurer Nancy J. Mayer, Mr. James M. Seed, Senator Paul J. Tavares and Ms. Joann E. Flaminio, Ex-Officio. Also present were Ms. Barbara B. Schoenfeld, Legal Counsel to the Commission; Mr. William G. Bensus, Jr. of Wilshire Associates Incorporated, Consultant to the Commission, Mr. James E. Thorsen, Deputy Treasurer for Finance and other members of the Treasurer's Staff. Representative Mark B. Heffner arrived at 9:25 a.m.

There being a quorum present, the Treasurer called the meeting to order at 9:10 a.m.

Minutes. Mr. Dulgarian moved, Mr. Seed seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Dulgarian, Mr. Ericson, Ms. Gallogly, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To approve the Minutes of the February 24, 1998 Regular Meeting.

Minutes. Senator Tavares moved, Mr. Dulgarian seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Dulgarian, Mr. Ericson, Ms. Gallogly, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To approve the Minutes of the February 17, 1998 Meeting of the Alternative Investments Committee.

Consultant Report - Wilshire Associates Incorporated. Providing Wilshire's Capital Market Update, Mr. Bensus reported that the broad US equity market, as measured by the Wilshire 5000 Index, returned 12.5% through 3/23/98. Large stocks have outperformed small stocks by 3% year-to-date. The S&P 500 Index, a measure of large stocks, returned 13.3%. The Wilshire 4500 Index, a measure of small stocks, generated a 10.3% return through 3/23/98.

Large growth stocks lead large value stocks by 3.8% and small growth stocks lead small value stocks by 5.3%. The UK/Europe region has generated a 19.3% return and the Pacific Basin region has generated a 4.9% return through 3/23/98.

Emerging markets returns continue to lag developed markets but have generated 7.4% through 3/23/98. The bond market, as measured by the Lehman Aggregate Bond Index, returned 1.8%. Inflationary concerns relating to rising oil prices have caused bond yields to rise.

Loomis, Sayles & Company Inc. Mr. Bensus gave a brief overview of Loomis, Sayles & Company Inc. which was retained in 1996 to provide a long-term strategic exposure to the high yield and convertible securities sectors of the fixed income market. The Loomis allocation represents approximately 4.3% of the total fund and approximately 12.9% of the fixed income composite. The market value at 12/31/97 was \$238.2 million and holds 101 securities.

Mr. Bensus introduced Ms. Kathleen Gaffney and Ms. Maureen Keough. Ms. Gaffney reported that the benchmark index is: 70% Merrill Lynch High Yield Index and 30% CS First Boston Convertible Index. There is a maximum of 30% allocated to foreign issues, 10% of which may be invested in foreign currency denominated securities.

Ms. Gaffney and Ms. Keough went on to explain that between 50% and 80% must be invested in high yield issues and between 20% and 50% must be invested in convertible securities. Yield to maturity is currently 10.3%. The minimum average portfolio quality is BB. Maturity distribution is biased toward the long side. They use a bottoms up bond picking approach.

NOTE: The Treasurer called a recess from 10:40 a.m. to 10:50 a.m.

Fidelity Management Trust Company. Mr. Bensus gave a brief overview of Fidelity which was retained in 1989 to provide a long term, strategic allocation to the mortgage-backed sector of the fixed income market. The Fidelity allocation represents approximately 3.2% of the total fund and approximately 9.5% of the fixed income composite. Market value at 12/31/97 was \$174.3 million and holds 341 securities.

Mr. Bensus introduced Mr. Arthur Greenwood and Mr. Thomas Silvia. Mr. Greenwood gave a brief synopsis of Fidelity's strategy, objectives, philosophy and approach. He stated that Fidelity has a highly disciplined process which maintains a duration that is neutral with the benchmark - the Salomon Brothers Mortgage Index. Mr. Silvia explained the three-step process used: 1) sector allocation; 2) security selection; and 3) looking outside the index. The quarter was characterized by declining interest rates and a flattening yield curve.

Some detractors from performance were being overweighted in GNMA 7.5% coupon securities and being overweighted in the 15 year maturity sector. There are no asset-back securities in the portfolio or in the index. The value of the portfolio was up 31 basis points in 1997 and 54 basis points since inception.

NOTE: Mr. Dulgarian left the meeting at 11:20 a.m.

Alternative Investments Committee Recommendations. The Treasurer reported that the Committee had met on March 23, 1998 to consider three proposed alternative investments: Apollo Investment Fund IV, L.P.; Aurora Equity Partners II, L.P. and First Reserve Fund VIII, L.P. The Treasurer gave a brief synopsis of each fund.

Mr. Ericson moved, Senator Tavares seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Ericson, Ms. Gallogly, Representative Heffner, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To invest \$15 million each in the following three funds:

Apollo Investment Fund IV, L.P.;
Aurora Equity Partners II, L.P.; and
First Reserve Fund VIII, L.P.

as recommended by Pacific Corporate Group contingent upon satisfactory review and negotiation of investment and other legal documents.

Treasurer's Report. The Treasurer reported to the Commission regarding Apollo Real Estate Investment Fund III, L.P. which had been approved as an alternative investment at the February 24, 1998 meeting for an investment of \$10 million. She stated that after the Commission approved the investment, she and staff discovered that Mr. Mack had not disclosed his ownership and involvement in a publicly held company, Mack-Cali and then did not adequately explain how he intended to manage the competing demands on his time. She recommended the investment not be made.

Senator Tavares moved, Mr. Seed seconded and the following motion was passed unanimously. The following members voted in favor: Mr. Ericson, Ms. Gallogly, Representative Heffner, Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To rescind approval of the investment of \$10 million in Apollo Real Estate Investment Fund III, L.P.

Legal Counsel Report. Barbara Schoenfeld reported to the Commission members that Ivan Vercoutere is leaving Pacific Corporate Group. Chris Bower met with the Treasurer and her staff recently to report that PCG had made several new hires and that the firm is very stable. The Treasurer's office will continue to monitor Pacific Corporate Group.

Deputy Treasurer for Finance Report. Mr. Thorsen reported that the fund had a record one-month gain in February of \$254.8 million. As of 3/23/98 the fund market valuation is \$5.947 billion. He also praised Messrs. Stephen Iafrate and George Crepeau for their behind-the-scenes work on behalf of the pension fund.

Mr. Thorsen stated that the RI Higher Education Assistance Authority voted to negotiate a contract with the Rhode Island College Saving Program with Collegiate Capital Group, Inc. Collegiate Capital Group, Inc. will come back to the Board in approximately two months with a slate of proposed investment managers for approval by the Board.

The Commission members agreed to move the next meeting from April 22nd to April 29th. The bulk of the April meeting agenda will be to interview finalists in the active core-oriented domestic equity manager search.

There being no further business, the meeting was adjourned at 12:15 p.m.

Respectfully submitted,

Barbara B. Schoenfeld
Legal Counsel to the
State Investment Commission

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

ALTERNATIVE INVESTMENTS COMMITTEE

**Minutes of the Meeting
March 23, 1998**

The following members were present at the meeting held in Room 135, State House, Providence: General Treasurer Nancy J. Mayer, Chair, Mr. James M. Seed and Senator Paul J. Tavares. Also present were Ms. Tara Blackburn, Mr. Christopher Bower and Mr. Kelly DePonte of Pacific Corporate Group, Alternative Investments Consultant to the Commission, Ms. Barbara B. Schoenfeld, Deputy Treasurer/General Counsel and Mr. James E. Thorsen, Deputy Treasurer for Finance and other members of the Treasurer's Staff.

There being a quorum present, the Treasurer called the meeting to order at 1:30 p.m.

Apollo Investment Fund IV, L.P. The Treasurer introduced Mr. Kelly DePonte of Pacific Corporate Group, the Alternative Investments Consultant. Mr. DePonte gave a brief overview of Apollo Investment Fund IV, L.P. for the Committee to consider as a proposed alternative investment. The target size of the fund is \$2.5 billion with a maximum fund size of \$3.5 billion. The purpose of the fund is to realize substantial long term capital appreciation through control or influential minority equity investments or investments in debt or other securities providing equity type returns.

Mr. DePonte then introduced Mr. Marc Rowan and Mr. Andrew Africk. Mr. Rowan explained that Apollo Advisors was founded in 1990. There are seven senior partners with an average of 13 years working together.

Apollo seeks out companies with strong, enduring business franchises that have attractive risk-reward profiles. The key elements that define such a business include: (i) unique or highly respected products with strong market share positions and highly efficient production; (ii) a strong, experienced management team and organization; and (iii) an ability to supply superior value to the customer. They characterize attractive investment opportunities by favorable prospects for substantial earnings growth through both internal expansion and acquisition opportunities, a favorable acquisition price and downside investment protection.

Apollo has engaged in several different types of investments: leveraged acquisitions, growth investments and restructurings. Having this flexibility has allowed Apollo to build a diversified portfolio in which Apollo has achieved consistently rapid deployment of capital and consistently above-market returns through both recession and prosperity.

Aurora Equity Partners II, L.P. Mr. Christopher Bower of Pacific Corporate Group gave a brief overview of Aurora Equity Partners II, L.P. for the Committee to consider as a proposed alternative investment. The proposed size of the fund is \$500 million, and will be capped at \$600 million. The fund is being formed to make equity and equity-related investments in businesses controlled by Aurora, pursuing a middle market buy and build strategy.

Mr. Bower introduced Mr. Gerald L. Parsky, Chairman of Aurora Capital Partners, L.P. Mr. Parsky explained that the fund will focus on the disciplined analysis of industries where principals believe they can acquire a base company in the \$50 - \$250 million size range, attract strong management and create value by improving operations, increasing revenue through internal growth and the acquisition of weaker competitors.

Aurora targets industries which have world-wide sales in excess of \$1.5 billion, a fragmented competitor base and the presence of several large, experienced competitors from which strong management can be recruited. Aurora does not invest in businesses with a high risk of technological change. Upon acquiring a company, Aurora and management implement a strategy to improve the company's operations and acquire competitors whose operations can build the base company into a more significant factor in its industry. Aurora's principals support management by providing capital markets expertise, identifying and assisting in the acquisition of additional companies, serving as directors and providing additional financing for growth. It is the intention of the principals either to take the acquired companies public or sell them in a 4-7 year period.

First Reserve Fund VIII, L.P. Mr. Kelly DePonte gave a brief overview of First Reserve Fund VIII, L.P. The fund is being formed to make privately negotiated equity and equity-related investments in a diversified portfolio of energy companies with proven management teams and significant growth potential. The target size of the fund is \$600 million, with a maximum size of \$800 million.

Mr. DePonte introduced Mr. John A. Hill and Ms. Cathleen M. Ellsworth of First Reserve Corporation. Ms. Ellsworth stated that current management has worked together since 1983 and has sustained focus exclusively on the energy industry. Mr. Hill explained that First Reserve focuses on sectors of the energy industry in which the principals have substantial operating and investment experience: oil field services; equipment manufacturing; exploration and production; transportation and marketing of natural gas, crude oil and refined petroleum products; production and marketing of coal to utilities and industrial users; and electric generation.

First Reserve's strategy focuses on investment selection and on post-investment returns. The first part of the strategy is to identify and acquire initial and follow-on investments that emphasize diversification within the energy industry; a disciplined and conservative approach to pricing and structuring acquisitions; and incentives to attract and motivate entrepreneurial management teams.

The second part of the strategy is to maximize post-investment returns by actively monitoring portfolio companies, working closely with management teams to create strategic plans, consummate follow-on acquisitions and develop capital structures that enhance equity value.

Mr. Seed moved, Senator Tavares seconded and the following motion passed unanimously. The following members voted in favor: Treasurer Mayer, Mr. Seed and Senator Tavares.

VOTED: To invest \$15 million in each of:

- **Apollo Investment Fund IV, L.P.;**
- **Aurora Equity Partners II, L.P. and**
- **First Reserve Fund VIII, L.P.,**

contingent upon satisfactory review and negotiation of investment and other legal documents.

There being no further business, the meeting was adjourned at 4:30 p.m.

Respectfully submitted,

Barbara B. Schoenfeld
Deputy Treasurer/General Counsel

RHODE ISLAND STATE INVESTMENT COMMISSION

STAFF SUMMARY ANALYSIS

MARCH 1998 PORTFOLIO HIGHLIGHTS

MARKET VALUES

The total portfolio value increased in March by \$183.4 Million to \$5,980.5 Billion (+3.28%). This compares with a decrease in value of \$109.0 Million (-2.11%) for the same period in 1997. For the first quarter of 1998, the fund increased in value by \$487.1 Million, for a period return of 9.03%.

- The equity market values increased by \$86.4 Million (+4.75%). Fixed income increased by \$58.7 Million, net of transfers (+0.76%), while international equities increased by \$28.0 Million (+3.56%). Alternative investments increased by \$8.4 Million (+2.83%) net of capital calls, cash distributions and transfers, while cash increased by \$1.8 Million.
- The top three equity manager performers for March were as follows:

<i>Manager</i>	<i>Market Value Gains(Losses)</i>	<i>Percentage Gains</i>
Brinson Ptrns	\$11.8Million	+5.72%
Mckay Shield	\$3.6 Million	+5.55%
Bankers Trust	\$39.7 Million	+4.90%

- Brown Brothers' fixed income portfolio increased in value by \$1.1 Million, net of transfers. Fleet's fixed income portfolio decreased in value by \$45.7 Million net of transfers, while Fidelity's value increased by \$57.7 Million net of transfers. The Loomis Sayles portfolio increased by \$8.4 Million, and Taplin, Canida & Habacht's portfolio increased by \$37.0 Million net of transfers.

ASSET ALLOCATION

- There is a 6.38% over allocation in domestic equities; fixed income is slightly under-allocated by 0.41%, and the international equity asset class is under-allocated by 1.38%; the alternative investments asset class is under by 4.90%. We expect that the over-allocation to equities will persist due to the challenge of investing the alternative investment commitment in an orderly fashion. However, staff recently began rebalancing the fixed income asset class, as detailed below.
- Cash and equivalents decreased from \$262.74 Million in February to \$193.27 Million in March.

INVESTMENT MANAGER FUNDING

- Rebalancing of several domestic and fixed income manager accounts took place on March 31st, based on market values at that date compared to target amounts. Below is a breakdown of these transfers:

Investment Manager	Transfer Out	Transfer In
Fleet Equities	\$5,000,000	
Bankers Trust	5,000,000	
Provident	13,000,000	
Brinson Partners	4,500,000	
Mckay Shield	11,000,000	
Babson	6,000,000	
J & W Seligman	11,000,000	
Fleet Fixed Income	49,500,000	
Fidelity		\$57,000,000
Taplin, Canida & Habacht		37,000,000
Cash In Trust		11,000,000
TOTAL	\$105,000,000	\$105,000,000

Transfers out were limited to cash balances on hand, with the exception of Fleet's fixed income.

- A total of ten supplemental fundings was provided to: ABS Capital \$15,922, Blackstone Capital \$423,877, Boston Ventures \$350,000, Harvest Partners \$496,933, Heritage \$599,211, OCM Opportunities II \$1,200,000, Providence Equity Partners \$96,263, Triumph Partners \$810,563, Welsh Carson \$750,000, and Willis Stein \$101,912. The total amount of funding was \$4,844,681.
- Cash distributions received during the month were as follows: Aetna \$78,505 and L&B Real Estate \$502,024, for a total of \$580,529.

At this time, the alternative investment asset class has an unfunded allocation of approximately \$293.2 Million.

EXPENSES

Expenses for fiscal 1998 to date are \$11,854,543. This figure is in line with budget expectations and market conditions. No significant adjustments to expense forecasts are required at this time.

CASH FLOW

March's combined state and teacher contributions were insufficient to cover the month's pension payroll, requiring a transfer of \$3.5 Million from the long term plan; the municipal plan also required the transfer of an additional \$1 Million.

SHORT TERM CASH

The short term cash portfolio had a 21.18 day weighted average maturity vs. 20.16 days in February, and 18.21 days in March 1997.

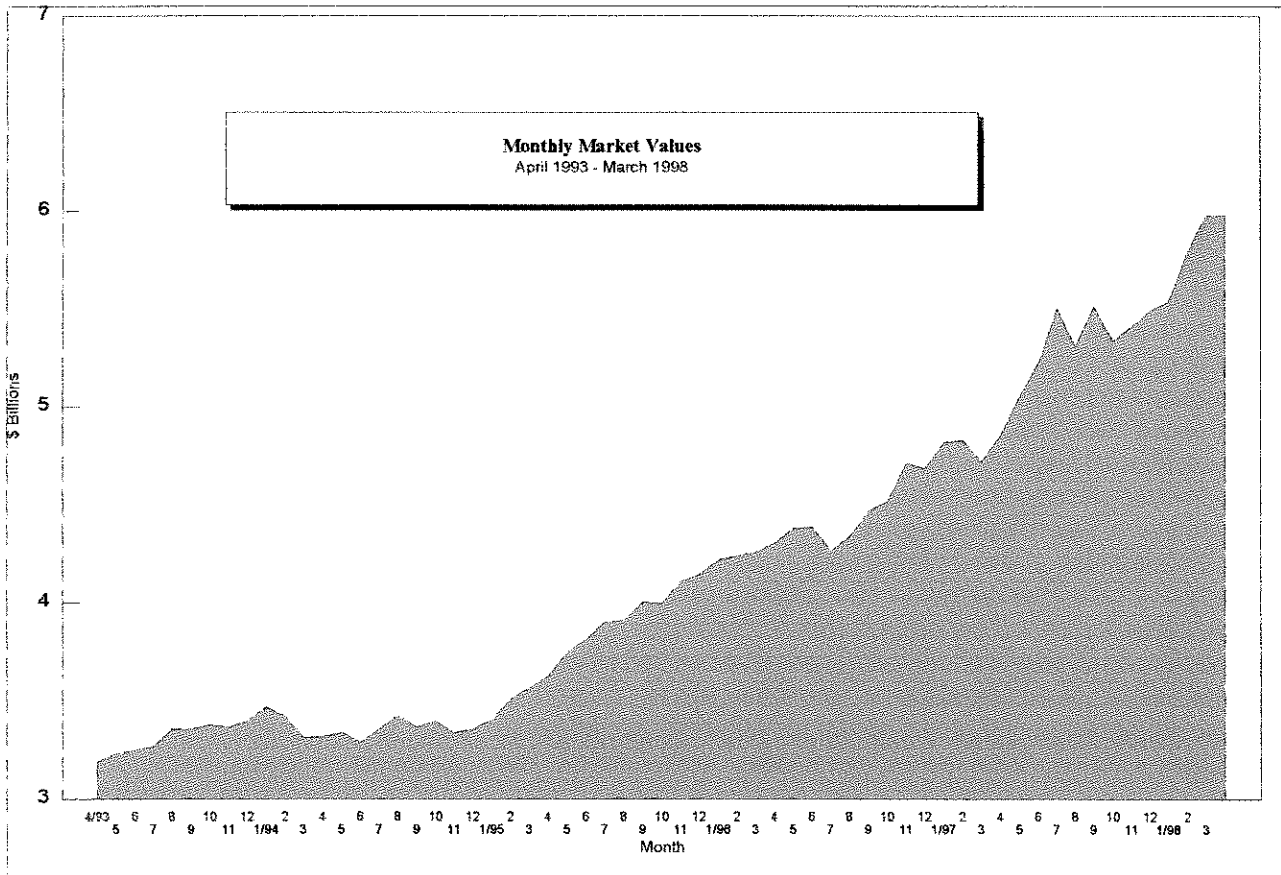
RHODE ISLAND STATE INVESTMENT COMMISSION

Market Value Report

EMPLOYEES' RETIREMENT SYSTEMS
Market Values at March 31, 1998

ASSET CLASS	NET ASSET VALUE \$ (millions)
<i>Domestic Equity</i>	3,064.84
<i>Alternative Investments</i>	155.69
<i>Fixed Income</i>	1,769.42
<i>International Equity</i>	797.23
<i>Cash & Equivalents</i>	193.33
Total	5,980.51

ERSRI - 87.0815398%
MERSRI - 12.7499832%
ST POL - 00.1058416%
JUDICIAL - 00.0626354%



RHODE ISLAND STATE INVESTMENT COMMISSION

TIME WEIGHTED PERFORMANCE REPORT

Rhode Island Employees' Retirement Systems Performance as of March 31, 1998
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<u>DOMESTIC EQUITY</u>	<u>MARCH 1998</u>	<u>YTD</u>
<i>Fleet</i>	4.66%	12.93%
<i>Bankers Trust</i>	4.90%	13.01%
<i>Provident</i>	4.67%	15.87%
<i>Brinson</i>	5.72%	15.77%
<i>Mackay-Shields</i>	5.55%	10.64%
<i>Babson</i>	3.87%	5.92%
<i>J & W Seligman</i>	3.23%	10.09%
<i>HLM Management</i>	3.83%	12.27%
<i>ValueQuest</i>	3.72%	13.53%
<i>Total Domestic Equity</i>	4.75%	12.79%
 <u>INTERNATIONAL EQUITY</u>		
<i>Alliance</i>	3.10%	14.46%
<i>Schroders</i>	6.40%	20.20%
<i>Scudder</i>	-1.62%	8.85%
<i>Schroder Emerging Markets</i>	3.54%	5.27%
<i>Total International Equity</i>	3.56%	14.57%
 <u>FIXED INCOME</u>		
<i>Fleet</i>	0.31%	1.58%
<i>Fidelity</i>	0.41%	1.76%
<i>Brown Brothers</i>	0.54%	1.81%
<i>In-State F.I.</i>	0.08%	1.36%
<i>Taplin, Canida & Habacht</i>	0.41%	1.69%
<i>Loomis Sayles</i>	3.52%	3.71%
<i>Total Fixed Income</i>	0.76%	1.91%

RHODE ISLAND STATE INVESTMENT COMMISSION

SUMMARY PORTFOLIO

PERFORMANCE REPORT

<u>ASSET CLASS</u>	<u>MARCH 1998</u>	<u>YTD</u>
<i>Domestic Equity</i>	4.75%	12.79%
<i>International Equity</i>	3.56%	14.57%
<i>Fixed Income</i>	0.76%	1.91%
TOTAL FUND COMPOSITE*	3.28%	9.03%

<u>INDICES</u>	<u>MARCH 1998</u>	<u>YTD</u>
<u>Domestic Equity</u>		
<i>S & P 500</i>	5.13%	13.96%
<i>Wilshire 5000</i>	5.01%	13.26%
<i>Russell 2000</i>	4.12%	10.05%
<i>Russell 2500</i>	4.39%	10.26%
<u>International Equity</u>		
<i>MSCI EAFE</i>	3.08%	14.71%
<u>Fixed Income</u>		
<i>Lehman AGG</i>	0.34%	1.54%

* Total Fund Composite includes all asset classes.

RHODE ISLAND STATE INVESTMENT COMMISSION

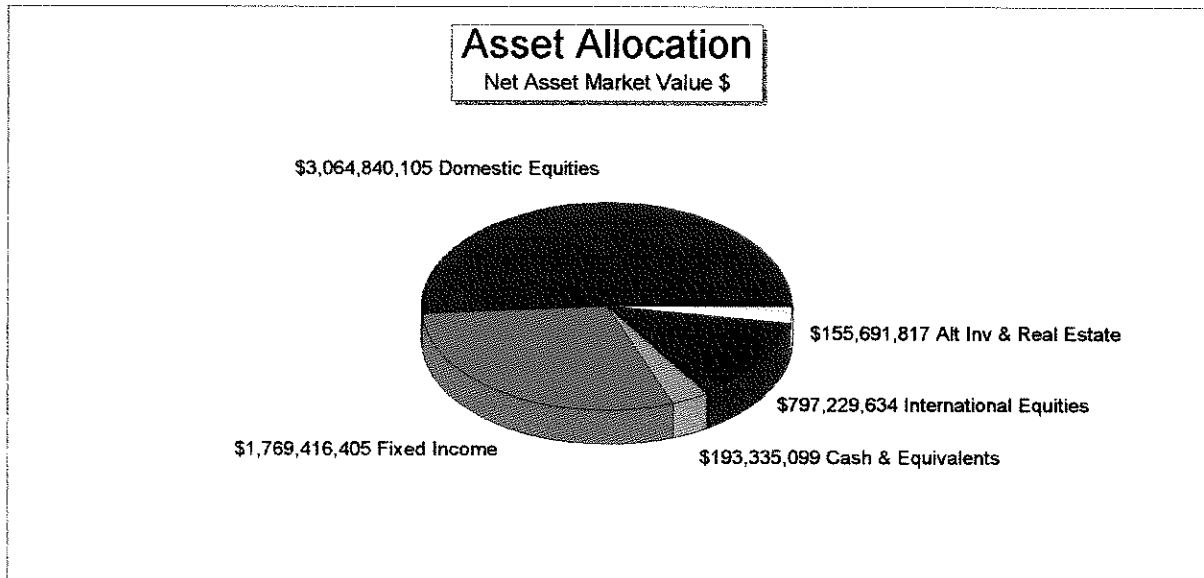
EMPLOYEES' RETIREMENT SYSTEMS

ASSET ALLOCATION

March 31, 1998

PERCENTAGE OF TOTAL DOLLARS

<u>ASSET CLASS</u>	<u>ACTUAL</u>	<u>TARGET</u>	<u>ACTUAL/TARGET DIFFERENCE</u>
<i>Domestic Equity</i>	51.38%	45.00%	6.38%
<i>Fixed Income</i>	32.09%	32.50%	-0.41%
<i>Alt Inv & Real Estate</i>	2.60%	7.50%	-4.90%
<i>International Equity</i>	13.62%	15.00%	-1.38%
<i>Cash</i>	0.31%	0.00%	0.31%
	100.00%	100.00%	-0.00%





State of Rhode Island and Providence Plantations

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Nancy J. Mayer
General Treasurer

treasury@treasury.state.ri.us

April 29, 1998

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

This is to certify that the amounts so listed on the following page 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 March 31, 1998.

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

Respectfully submitted,

Nancy J. Mayer
General Treasurer

COMPOSITE REPORTING

BALANCE SHEET

MARCH 31, 1998

ASSET CLASS

<i>Cash/Short Term Investments</i>		
<i>Short Term Investment Fund</i>		
<i>Money Market Instruments</i>		\$193,335,099.48
<i>Equities - Domestic</i>		\$3,064,840,104.64
<i>Equities - International</i>		\$797,229,633.56
<i>Fixed Income - Government</i>	\$1,513,237,776.87	
<i>Fixed Income - Corporate</i>	\$228,461,269.79	
<i>Fixed Income - In State</i>	<u>\$27,717,357.91</u>	
<i>Total Fixed Income</i>		\$1,769,416,404.57
<i>Alternative Investments</i>		\$155,191,817.20
<i>Other - Escrow</i>		\$500,000.00
TOTAL FUND INVESTMENTS		\$5,980,513,059.45

ERSRI - 87.0815398%
MERSRI - 12.7499832%
STPOL - 0.1058416%
JUDC'L - 0.0626354%

balsheet.xls

TIME WEIGHTED ERSKI MARKET VALUE CHANGE REPORT
3/07/98 - 3/31/98

MONTHLY CHANGE

PORTFOLIO	BENCHMARK DESCRIPTION	MARKET VALUE 2/28/98	TRANSFERS IN/OUT	MARKET VALUE 3/31/98	NET INCREASE/ (DECREASE)	MONTHLY CHANGE			CALENDAR YTD PERFORMANCE	CALENDAR YTD BENCHMARK PERFORMANCE	YTD BENCHMARK BENCHMARK
						% OF CHANGE	% OF CHANGE	% OF CHANGE			
DOMESTIC EQUITY											
FLEET	S&P 500	604,845,510	(5,000,000)	628,027,024	28,181,514	4.66%	5.13%	-0.47%	12.93%	13.96%	13.96%
BANKERS	W. 5000	912,536,985	(4,962,200)	952,280,320	44,705,535	4.90%	5.01%	-0.11%	13.01%	13.26%	13.26%
PROVIDENT	RUSSEL 1000 GRWTH	468,123,116	(13,000,000)	476,982,667	21,859,551	4.67%	5.04%	-0.37%	15.87%	13.26%	13.26%
BRINSON	W. 5000	284,843,879	(4,500,000)	296,645,533	16,301,654	5.72%	5.01%	0.71%	15.77%	13.26%	13.26%
MCKY-SHLD	W. 5000	264,200,417	(11,000,000)	267,864,319	14,663,902	5.55%	5.01%	0.54%	10.64%	13.26%	13.26%
BABSON	RUSSEL 2500 SMLCAP	195,932,231	(6,000,000)	197,521,879	7,589,647	3.87%	4.39%	-0.52%	5.92%	10.26%	10.26%
JW SELIGMAN	RUSSEL 2000 SMLCAP	198,450,832	(11,000,000)	193,864,013	6,413,181	3.23%	4.12%	-0.89%	10.09%	10.05%	10.05%
JHM Management	RUSSEL 2000	26,104,032	0	27,104,402	1,000,370	3.83%	4.12%	-0.29%	12.27%	10.05%	10.05%
VAUBIQUEST LTD	W. LARGE VALUE	31,272,260	0	32,436,162	1,163,902	3.72%	5.47%	-1.75%	13.53%	11.56%	11.56%
TOTAL EQUITY		2,986,309,263	(55,462,200)	3,072,726,319	141,879,257	4.75%			12.79%		
FIXED INCOME											
FLEET	LEHMAN AGG	1,186,314,344	(49,462,200)	1,140,568,691	3,716,547	0.31%	0.34%	-0.03%	1.58%	1.54%	1.54%
FIDELITY	SALOMON MORT.	176,655,831	57,000,000	234,383,763	727,933	0.41%	0.39%	0.02%	1.76%	1.63%	1.63%
BROWN BROS.	LEHMAN 1-3YR	207,455,917	77,000	208,649,622	1,116,705	0.54%	0.38%	0.16%	1.81%	1.43%	1.43%
IN STATE F.I.		27,694,949	(179,948)	27,717,358	202,356	0.08%	N/A	N/A	1.36%	N/A	N/A
TAPLIN CANIDA & HABEGITT	LB INT GOVT/CORP	23,610,232	37,000,000	60,707,530	97,299	0.41%	0.32%	0.09%	1.69%	1.55%	1.55%
LOOAH SAULLS COMPANY	MERRYNCLIST ROSTO	238,695,935	0	247,098,911	8,402,976	3.52%	1.41%	2.11%	3.71%	4.25%	4.25%
COMPOSITE											
TOTAL FIXED INCOME		1,860,427,207	44,434,852	1,919,125,875	14,263,816	0.76%			1.91%		

PORTFOLIO

BENCHMARK DESCRIPTION	MARKET VALUE 2/28/98	TRANSFERS IN/OUT	MARKET VALUE 3/31/98	NET INCREASE/ (DECREASE)	MARKET VALUE % OF CHANGE NET OF FEES	BENCHMARK % OF CHANGE TO BENCHMARK PERFORMANCE	MKT VARIANCE CALENDAR YTD	CALENDAR YTD BENCHMARK
INTERNATIONAL EQUITY								
ALLIANCE	225,112,374	8,400	232,099,781	6,979,007	3.10%	3.08%	0.02%	14.46%
SCHRODER	321,176,991	0	341,746,034	20,569,043	6.40%	7.12%	-0.72%	20.20%
SCUDDER	155,718,725	0	153,202,849	(2,515,876)	-1.62%	-4.08%	2.46%	8.85%
SCHRODER EMERGING MKTSMSCI EMERG MKTS EX MALAYSIA	84,500,676	0	87,488,094	2,987,417	3.54%	4.92%	-1.38%	5.27%
TOTAL INT'L EQUITY	786,508,766	8,400	814,536,757	28,019,591	3.56%			14.57%
ALTERNATIVE INVESTMENTS								
ALTERNATIVE INVESTMENT	74,421,656	4,784,367	83,389,709	4,183,686	4.82%	N/A	N/A	4.84%
BANK ACQUISITION	500,000	0	500,000	0	0.00%	N/A	N/A	0.00%
HEITMAN	25,546,717	0	25,546,717	0	0.00%	N/A	N/A	0.13%
L & B	43,377,419	(502,054)	42,875,396	0	1.17%	N/A	N/A	19.45%
AETNA	434,748	0	434,824	75	0.02%	N/A	N/A	17.74%
PHOENIX	2,945,172	0	2,945,172	0	0.00%	N/A	N/A	22.42%
TOTAL ALTERNATIVE INVESTMENTS	147,225,712	4,282,343	155,691,817	4,183,762	2.83%			8.46%
CASH ACCOUNTS								
CASH ACCOUNT	14,708,126	2,397,604	17,171,050	65,319	N/A	N/A	N/A	N/A
INTERNAL CASH	1,927,919	0	1,261,241	(666,678)	N/A	N/A	N/A	N/A
TOTAL CASH	16,636,046	2,397,604	18,432,291	(601,359)	N/A			
GRAND TOTAL	5,797,106,994	(4,339,000)	5,980,513,059	187,745,065	3.28%			9.03%

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RHODE ISLAND STATE INVESTMENT COMMISSION

Domestic Equity Holdings By Top 10 Market Values

MARCH 31, 1998

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	544,400	\$48,723,800	Bankers, Provident
2	AMERICAN INTL GROUP INC	379,612	47,807,386	Fleet, Bankers, Provident
3	FEDERAL NATL MTG ASSN	751,100	47,507,075	Fleet, Bankers, Provident
4	MERCK & CO INC	359,000	46,019,313	Fleet, Bankers
5	INTEL CORP	503,300	39,288,856	Fleet, Bankers, ValueQuest
6	PFIZER INC	365,200	36,405,875	Fleet, Bankers, Provident
7	AUTOMATICDATA PROCESSING INC	475,400	32,356,913	Fleet, Bankers
8	FORD MOTOR CO.	495,400	32,108,113	Fleet, Bankers, MacKay Shields
9	PEPSICO INC	725,300	30,961,244	Fleet, Bankers
10	WAL MART STORES INC	566,100	28,764,956	Fleet, Bankers
		12.69%	\$389,943,531 of total equity market value	
			** Total Composite Equities **	\$3,072,726,319.

International Equity Holdings By Top 10 Market Values

MARCH 31, 1998

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	NOVARTIS AG	Switzerland	10,339	\$18,297,759	Alliance, Schroders
2	ROCHE HLDGS AG GENUSSSCHEINE	Switzerland	1,133	12,262,846	Alliance, Schroders
3	BRITISH PETROLEUM	England	819,774	11,833,471	Alliance, Schroders
4	ROYAL DUTCH PETROL	Netherlands	205,091	11,608,867	Alliance, Schroders
5	ZURICH VERSICHERUN	Switzerland	18,929	10,988,752	Alliance, Schroders
6	LLOYDS TSB GROUP	England	679,402	10,569,472	Alliance, Schroders
7	ELF AQUITAINE	France	77,035	10,096,120	Alliance, Schroders
8	BCO POPULAR ESP	Spain	95,920	9,310,348	Alliance, Schroders
9	ING GROUP NV CVA	Netherlands	160,974	9,134,856	Alliance, Schroders
10	ZENECA GROUP ORD	England	205,037	8,837,950	Alliance, Schroders
			13.87%	\$112,940,441 of total international equity market value	
			** Total Composite International Equities **	\$314,546,184.	

Asset Allocation Monitoring Report
Market Values at March 31, 1998

ERSRI
&
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Asset Class	Style	March 31, 1998		Target		Difference	Cash	% of Total
		Actual		\$	%			
Domestic Equity								
<i>Fleet</i>	active	628.03	10.50%	538.25	9.00%	89.78	0.40	0.06%
<i>Bankers</i>	passive	952.28	15.92%	807.37	13.50%	144.91	1.07	0.11%
Total Core		1,580.31	26.42%	1,345.62	22.50%			
<i>Provident</i>	growth	476.98	7.98%	448.54	7.50%	28.44	0.52	0.11%
Total Growth		476.98	7.98%	448.54	7.50%			
<i>Brinson Partners</i>	large cap	296.65	4.96%	239.22	4.00%	57.43	0.60	0.20%
<i>Mackay-Shields</i>	large cap	267.86	4.48%	239.22	4.00%	28.64	2.41	0.90%
Total Large Cap Value		564.51	9.44%	478.44	8.00%			
<i>David L. Babson</i>	value	197.52	3.30%	179.42	3.00%	18.11	0.68	0.34%
<i>J.W. Seligman</i>	s/c growth	193.86	3.24%	179.42	3.00%	14.45	0.41	0.21%
Total Small Cap		391.39	6.54%	358.83	6.00%			
<i>HLM Management</i>	sm1 grwth	27.10	0.45%	29.90	0.50%	-2.80	1.42	5.24%
<i>ValueQuest Ltd</i>	lrg value	32.44	0.54%	29.90	0.50%	2.53	0.38	1.17%
Total Emerging Managers		59.54	1.00%	59.81	1.00%			
TOTAL DOMESTIC EQUITY		3,072.73	51.38%	2,691.23	45.00%	381.50	7.89	0.26%
International Equity								
<i>Alliance</i>	core	232.10	3.88%	179.42	3.00%	52.68	1.91	0.82%
<i>Schroder</i>	Euro/region	341.75	5.71%	299.03	5.00%	42.72	6.88	2.01%
<i>Scudder</i>	Pac Basin	153.20	2.56%	299.03	5.00%	-145.82	8.52	5.56%
<i>Schroder Emerging Markets</i>	Int'l	87.49	1.46%	119.61	2.00%	-32.12	0.00	0.00%
TOTAL INT'L EQUITY		814.54	13.62%	897.08	15.00%	-82.54	17.31	2.12%
Domestic Fixed Income								
<i>Fidelity</i>	Mort-bk sec	234.38	3.92%	149.51	2.50%	84.87	83.43	35.60%
<i>In-State</i>	n/a	27.72	0.46%	29.90	0.50%	-2.19	0.25	0.89%
Total Mortgage		262.10	4.38%	179.42	3.00%			
<i>Fleet</i>	Fixed/Inc.	1,140.57	19.07%	1,345.62	22.50%	-205.05	15.14	1.33%
<i>Brown Bros (Short)</i>	Short Term F/	208.65	3.49%	149.51	2.50%	59.14	5.71	2.73%
Total Other Fixed Income		1,349.22	22.56%	1,495.13	25.00%			
<i>Taplin, Canida & Habacht</i>	core/fixed inc	60.71	1.02%	29.90	0.50%	30.80	38.45	63.33%
Total Emerging Managers		60.71	1.02%	29.90	0.50%			
<i>Loomis Sayles & Co</i>		247.10	4.13%	239.22	4.00%	7.88	6.74	
Total Convertibles		247.10	4.13%	239.22	4.00%			
TOTAL FIXED-INCOME		1,919.13	32.09%	1,943.67	32.50%	-24.54	149.71	7.80%
Real Estate								
<i>Heitman</i>	core	25.55	0.43%					
<i>L&B</i>	core	42.88	0.72%					
<i>Aetna</i>	cong. care r/e	0.43	0.01%					
<i>Phoenix</i>	deve. r/e	2.95	0.05%					
Total Real Estate		71.80	1.20%					
Alternative Investments								
<i>Crossroads & Narragansett</i>	venture cap.	29.60	0.49%					
<i>Pacific Corp Group</i>	venture cap.	53.79	0.90%					
<i>Bank Acquisition</i>	n/a	0.50	0.01%					
Total Alternative Investments		83.89	1.40%					
TOTAL ALTERNATIVE INVESTMENTS AND REAL ESTATE		155.69	2.60%	448.54	7.50%	-292.85	0.00	0.00%
<i>Cash Equivalents</i>		18.43	0.31%	0.00	0.00%	27.33	18.37	99.66%
TOTAL ASSETS		5,980.51	100.00%	5,980.51	100.00%	8.90	193.27	3.23%

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Alternative Investments Funding

1998

Manager	Partnership Commitment	Prior Funding Thru 2/28/98	Current Month Funding	Cumulative Total at 3/31/98	Unfunded Balance	Market Values at 3/31/98
<i>ABS Capital Partners</i>	5,000,000	2,165,287	15,922	2,181,209	2,818,791.00	2,161,410
<i>Apollo RE Investment Fund IV L.P.</i>	15,000,000	0	0	0	15,000,000.00	0
<i>Alta BioPharma Partners, L.P.</i>	10,000,000	0	0	0	10,000,000.00	0
<i>Aurora Equity Partners II</i>	15,000,000	0	0	0	15,000,000.00	0
<i>Blackstone Capital Ptnrs</i>	20,000,000	1,648,625	423,877	2,072,502	17,927,498.00	2,071,528
<i>Boston Ventures Ltd</i>	5,000,000	1,200,000	350,000	1,550,000	3,450,000.00	1,325,671
<i>Crossroads/Providence LP</i>	42,509,665	42,509,665	0	42,509,665	0.00	27,924,748
<i>Doughty Hanson II</i>	5,000,000	3,574,797	0	3,574,797	1,425,203.00	2,962,104
<i>Doughty Hanson III</i>	15,000,000	15,000	0	15,000	14,985,000.00	15,000
<i>First Reserve Fund VIII L.P.</i>	15,000,000	0	0	0	15,000,000.00	0
<i>Harvest Partners III</i>	15,000,000	1,493,173	496,933	1,990,106	13,009,894.00	1,990,106
<i>Heritage Fund</i>	5,000,000	695,467	599,211	1,294,678	3,705,322.00	1,294,678
<i>Narragansett First Fund</i>	218,566	198,498	0	198,498	20,068.46	5,122
<i>Narragansett Capital Partners</i>	1,671,121	1,671,121	0	1,671,121	0.00	1,671,370
<i>Nordic Capital III</i>	7,500,000	468,214	(1,000)	467,214	7,032,786.00	469,715
<i>OCM Opportunities Fund</i>	8,000,000	8,000,000	0	8,000,000	0.00	10,381,456
<i>OCM Principal Opportunities</i>	5,000,000	2,000,000	0	2,000,000	3,000,000.00	2,336,001
<i>OCM Opportunities II</i>	12,000,000	2,400,000	1,200,000	3,600,000	8,400,000.00	3,632,098
<i>Providence Equity Partners</i>	10,000,000	3,045,905	96,263	3,142,168	6,857,832.00	5,613,465
<i>SKM Equity Fund II</i>	10,000,000	2,462,008	0	2,462,008	7,537,992.00	2,473,726
<i>THL Equity Fund IV</i>	15,000,000	0	0	0	15,000,000.00	0
<i>TPG Partners</i>	10,000,000	2,376,400	0	2,376,400	7,623,600.00	2,416,259
<i>Triumph Partners III</i>	15,000,000	656,634	810,563	1,467,197	13,532,803.00	1,467,197
<i>Wellspring Capital Partners</i>	15,000,000	0	0	0	15,000,000.00	0
<i>Welsh, Carson, Anderson & Stowe</i>	15,000,000	9,000,000	750,000	9,750,000	5,250,000.00	8,931,761
<i>Willis Stein</i>	5,000,000	3,462,983	101,912	3,564,895	1,435,105.00	4,246,295
TOTALS:	\$296,899,353	\$89,043,777	\$4,843,681	\$93,887,458	\$203,011,894	\$83,389,710

**Retirement Systems
 Investment Earnings
 Fiscal Year 1998 to Date Summary**

**ERSRI
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 MERSRI**

at March 31, 1998

	<u>LONG TERM</u>	<u>SHORT TERM</u>	<u>TOTAL</u>
INTEREST SOLD	11,474,335		11,474,335
DIVIDENDS	33,171,050		33,171,050
INTEREST	91,300,901	423,935	91,724,836
MISCELLANEOUS	17,057,925		17,057,925
CAPITAL GAINS	199,246,036		199,246,036
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GRAND TOTAL:	352,250,247	423,935	352,674,182

ERSRI & MERSRI

1997-1998 EXPENSES

	Actual Jul 97	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan 98	Actual Feb	Actual Mar	Projected Apr	Projected May	Projected Jun	PROJECTED TOTAL
EQUITIES													
Fleet/Noestar		262,500	113,653		262,500	124,539		262,500		95,000	262,500	95,000	1,050,000
Banker Trust						688,411	613,152			600,000		600,000	428,192
President Investment			189,077			201,348		205,697					2,501,563
Brinson				140,949		147,709			151,751				776,122
Mackay-Scheid			118,785			133,204		149,296	142,590		110,000	140,000	580,409
David L. Robson		124,644				145,595		60,864			125,000		504,579
J & V Seligman		52,875			59,864			64,985		60,000		60,000	544,536
HLM Agent		59,422			64,619								233,604
ValueQuest													249,027
FIXED INCOME													
Brown Bros.			102,615			66,431			51,942	100,000		210,000	320,988
Fidelity			186,340			159,733		16,835	126,503				682,576
Tappin					16,310			299,772					48,898
Loomis Stiles	15,753	272,972			291,681							260,000	1,124,425
INTL EQUITIES													
Alliance Capital		126,848	62,352			66,134	139,772	194,438		35,000		35,000	198,486
Schwab			128,317	155,659		235,660			162,235	130,000			1,110,694
Scudder			180,233			179,752				165,000			687,220
Schwab Engorg Nikls													0
REAL ESTATE													
Hathman Autoisory													0
L & B Real Estate													0
Actua													0
Phoenix													0
ALTERNATIVE INVESTMENTS													
Bigley/Crossroads	4,367												0
Narragansett Cap.	336,776			4,396	100,201	3,232			4,042		200,000	4,700	20,738
Other Alt Inv Mgmt Fees									64,092				701,069
PROFESSIONAL FEES													
Consulting													0
Legal													0
State Street Bank		85,634	85,586	114,005		68,750		340,044		300,000		300,000	1,225,268
Pacific Corp Group			16,667	68,750	16,667	33,333			68,750		62,500		268,750
Wilshire Assoc	16,667		16,667	16,667	16,667			16,667	16,667	16,667	16,667	16,667	183,335
OPERATING EXPENSE													
Retirement Transfers				1,418,048	850			1,169,668	5,200	3,750	900,000		3,487,715
Other Expense													3,700
TOTAL:	373,563	984,896	1,183,624	1,918,474	812,692	2,253,832	752,924	2,780,766	793,772	1,210,417	1,971,667	1,901,367	16,931,895

CASH FLOW ANALYSIS

Employees Retirement System

	FY 1997-98	Actual July 1997	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 1998	Actual February	Actual March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	20,711,680	23,243,705	24,140,005	23,716,403	21,771,161	23,265,552	23,882,660	24,263,899	22,082,184	22,500,000	22,000,000	22,500,000	22,500,000	274,077,249
ADMINISTRATIVE EXPENSES	0	0	89,103	1,546,385	0	0	0	1,018,512	4,528	3,458,529	300,000	250,000	250,000	3,458,529
INVESTMENT EXPENSES	31,994	856,564	942,307	127,203	620,509	1,963,024	655,548	1,402,873	686,701	10,286,722	850,000	1,025,000	1,125,000	10,286,722
TOTAL OUTFLOW	20,743,674	24,100,269	25,171,415	25,389,991	22,391,670	25,228,576	24,538,208	26,685,284	22,773,413	23,650,000	23,275,000	23,875,000	23,875,000	287,822,499
CONTRIBUTIONS	16,858,425	13,809,794	18,891,089	9,859,191	17,380,616	21,040,847	29,548,542	17,217,279	22,374,799	14,500,000	23,500,000	25,500,000	25,500,000	230,480,582
OTHER INCOME*	1,966,912	137,071	898,091	5,819,558	5,454,593	3,218,144	467,244	(277,760)	458,382	3,200,000	75,000	2,900,000	2,900,000	23,417,235
TOTAL INCOME	17,925,337	13,946,865	19,789,180	15,678,749	22,835,209	24,258,991	30,015,786	16,939,519	22,833,181	17,700,000	23,575,000	28,400,000	28,400,000	253,897,817
DIFFERENCE	(2,818,337)	(10,153,404)	(5,382,235)	(9,711,242)	443,539	(969,585)	5,477,578	(9,745,765)	59,769	(5,950,000)	300,000	4,525,000	4,525,000	(33,924,682)

Municipal Employees Retirement System

	Actual July 1997	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 1998	Actual February	Actual March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	1,977,601	2,105,248	2,279,363	2,298,848	2,090,014	2,354,561	2,317,073	2,428,975	2,283,352	2,300,000	2,100,000	2,200,000	26,735,035
ADMINISTRATIVE EXPENSES	0	0	12,996	225,865	0	0	0	149,236	663	675	100	14,000	403,535
INVESTMENT EXPENSES	4,752	127,248	137,442	17,945	90,821	287,311	96,149	205,557	100,543	125,000	150,000	175,000	1,517,766
TOTAL OUTFLOW	1,982,353	2,232,496	2,429,801	2,542,658	2,180,835	2,641,872	2,413,222	2,783,768	2,384,558	2,425,675	2,250,100	2,389,000	28,656,338
CONTRIBUTIONS	1,170,401	1,388,638	1,601,231	699,271	1,855,769	1,256,460	1,615,239	1,576,204	1,820,819	1,200,000	1,500,000	1,650,000	17,334,032
OTHER INCOME*	158,497	20,362	130,993	852,898	797,927	471,013	68,530	(40,699)	67,114	475,000	50,000	425,000	3,475,835
TOTAL INCOME	1,328,898	1,409,000	1,732,224	1,551,369	2,653,696	1,727,473	1,683,769	1,535,505	1,887,933	1,675,000	1,550,000	2,075,000	20,809,867
DIFFERENCE	(653,455)	(823,496)	(697,577)	(991,289)	472,861	(914,399)	(729,453)	(1,248,263)	(496,625)	(750,675)	(700,100)	(314,000)	(7,846,471)

Judges/State Police Retirement System

	Actual July 1997	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January 1998	Actual February	Actual March	Projected April	Projected May	Projected June	Projected TOTAL
MEMBER BENEFITS	1,685	0	7,308	566	0	0	0	1,073	0	0	0	0	10,632
ADMINISTRATIVE EXPENSES	0	0	154	878	0	0	0	1,920	9	0	0	0	2,961
INVESTMENT EXPENSES	41	1,084	1,623	197	1,161	3,497	1,227	2,668	1,329	1,100	1,600	1,400	16,927
TOTAL OUTFLOW	1,726	1,084	9,085	1,641	1,161	3,497	1,227	5,661	1,337	1,100	1,600	1,400	30,520
CONTRIBUTIONS	119,190	143,437	147,493	143,786	143,725	238,472	161,993	162,058	162,058	160,000	160,000	220,000	1,962,212
OTHER INCOME**	1,350	175	1,547	10,193	10,648	5,732	275	(529)	887	4,000	200	3,600	38,078
TOTAL INCOME	120,540	143,612	149,040	153,979	154,373	244,204	162,268	161,529	162,945	164,000	160,200	223,600	2,000,290
DIFFERENCE	118,814	142,528	139,955	152,338	153,212	240,707	161,041	155,868	161,608	162,900	158,600	222,200	1,969,770

**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 March 31, 1998

	Principal	Interest	Total Value @ Maturity
4901 GENERAL FUND	126,220,467	253,004	126,473,471
4902 GENERAL FUND	4,000,000	637	4,000,637
4904 PENSION C	7,500,000	1,188	7,501,188
4908 PAYROLL A	500,000	82	500,082
4920 GENERAL FUND (HIST PRES)	358,239	3,404	361,643
5200 RI UNDERGROUND STORAG TNK	5,061,950	25,090	5,087,039
5400 HIGHWAY FUND	18,188,132	22,225	18,210,358
5500 UNIVERSITY COLLEGE	2,200,000	354	2,200,354
5800 PROV. RIVER RELOCATION	950,105	1,916	952,021
6920 AUTO EQUIPMENT SERVICE	0	0	0
8000 T.D.I. RESERVE (DET)	49,801,739	922,090	50,723,829
8225 JOB DEVELOPMENT (DET)	5,959,537	18,397	5,977,934
8230 E.T. TARDY (DET)	1,068,856	4,514	1,073,371
8240 E.T. INTEREST (DET)	352,924	1,491	354,415
8300 PERMANENT SCHOOL FUND	349,770	1,027	350,797
8400 EMP RETIREMENT FUND	600,000	97	600,097
8500 MUN EMP RETIREMENT FUND	149,542	458	150,000
8700 R.I. CLEAN WATER ACT	600,630	648	601,278
9000 BOND CAPITAL FUND	500,380	81	500,460
9700 STATE LOTTERY FUND	12,967,930	34,495	13,002,425
9800 INDUS. BLDG. & MTG. INS.	1,698,167	4,173	1,702,340
4911 TANS PROCEEDS	0	0	0
Subtotal	239,028,367	1,295,370	240,323,738
8701 CLEAN WATER 1991 SER. B	650,465		
8702 CLEAN WATER 1993 SER. A	189,688		
8703 CLEAN WATER 1991 SERIES A	313		
8704 CLEAN WATER 96 SERIES A	1,058,113		
8705 CLEAN WATER 1992 SER. A	171,732		
8706 CLEAN WATER CCDL 1994 (A)	894,016		
8707 CAP DEV. OF 1997 SERIES A	161,075		
8708 CLEAN WATER BOND 1990 A&B	22,905		
8709 CLEAN WATER 1990 SER. C	883		
8733 CAP DEV. OF 1997 SERIES A	103,954		
8734 POLLUTION CONTROL 96A	2,072,485		
8735 RI POLLUTION CONTROL	60,655		
8736 RI POLLUT. CONT 93 SER. A	162,471		
8737 RI POLLUT. CONT 94 SER. A	642,645		
9101 BOND SALE A 11-4-87	65,435		
9102 BOND CAPITAL CCDL 1988	21,386		
9104 BOND CAPITAL 1989 SER. A	2,027		
9105 BOND CAPITAL 1989 SER. B	88,129		
9108 BOND SALE 1990 SER. A&B	262,133		
9114 G.O. NOTE 1991 SER. B	171,228		
9115 BOND CCDL 1992 SERIES A	2,040,518		
9116 BOND CCDL 1993 SERIES A	11,290,323		
9117 BOND CCDL 1994 SERIES A	10,120,802		
9118 BOND CCDL 1995 SER. A	291,859		
9119 CCDL 95 B	3,384		
9120 BOND CCBL96A	11,785,156		
9121 CAP DEV OF 1997 SERIES A	35,582,876		
Subtotal Bond Proceed Accounts	77,916,655		
Total Short Term Portfolio	316,945,023		

Short Term Interest Rate Performance

1998

<u>Date</u>	<u>Amount Invested (millions)</u>	<u>Weighted Interest Rate</u>	<u>30 Day Treasury Rate</u>	<u>Basis Point Difference</u>
3/02	\$40.31	5.51	5.03	48.00
3/03	\$26.22	5.47	5.00	47.00
3/04	\$22.80	5.43	5.00	43.00
3/05	\$27.77	5.44	5.01	43.00
3/06	\$14.52	5.40	4.99	41.00
3/09	\$38.41	5.44	5.01	43.00
3/10	\$23.39	5.44	5.01	43.00
3/11	\$19.87	5.46	5.07	39.00
3/12	\$15.94	5.40	5.00	40.00
3/13	\$26.26	5.42	5.00	42.00
3/16	\$58.11	5.47	5.02	45.00
3/17	\$29.46	5.48	5.02	46.00
3/18	\$31.54	5.45	5.01	44.00
3/19	\$12.28	5.52	5.03	49.00
3/20	\$46.69	5.42	5.02	40.00
3/23	\$33.10	5.43	5.01	42.00
3/24	\$24.59	5.39	4.99	40.00
3/25	\$28.27	5.47	5.01	46.00
3/26	\$17.68	5.50	5.02	48.00
3/27	\$27.32	5.48	5.01	47.00
3/30	\$61.73	5.50	5.03	47.00
3/31	\$44.94	5.63	5.05	58.00
	\$671.20	5.47	5.02	45
	total	weighted	average	basis
	amount	average	30 day	point
	invested	rate	rate	difference

SPECIAL FUNDS
 INVESTMENT SUMMARY
 MARCH 31, 1998

<u>FUND NAME</u>	<u>EQUITIES</u>	<u>CASH & EQUIVALENTS</u>	<u>FIXED INCOME</u>	<u>Gain/Loss</u>	<u>TOTAL MARKET VALUE</u>
<u>Abraham Touro Fund</u>	1,722,601	151,080	642,131	47,642	2,515,812
<u>State of Rhode Island Land Grant Fund</u>	64,756	0	0	5,644	64,756
<u>TOTALS</u>	1,787,357	151,080	642,131	53,286	2,580,568