

Comprehensive Annual Financial Report

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois



For Fiscal Year Ended June 30, 1995

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The Teachers' Retirement System of the State of Illinois presents the Comprehensive Annual Financial Report for the Teachers' Retirement System — A Component Unit of the State of Illinois — For the Fiscal Year Ended June 30, 1995. Each year, this report highlights the trends of the System's membership and explores the impact of ongoing events on the fund's progress.



2815 West Washington, P.O. Box 19253
Springfield, Illinois 62794-9253

4200 Commerce Court, Suite 100
Lisle, Illinois 60532-3611

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Teachers' Retirement System of the State of Illinois

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 1994

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Sam Krah
President

Jeffrey L. Esser
Executive Director

For the sixth consecutive year, the Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Teachers' Retirement System for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 1994. The award is a prestigious honor recognizing conformance with the highest standards for preparation of state and local government financial reports. This report was produced in compliance with the program's requirements and will be submitted to the GFOA for review.

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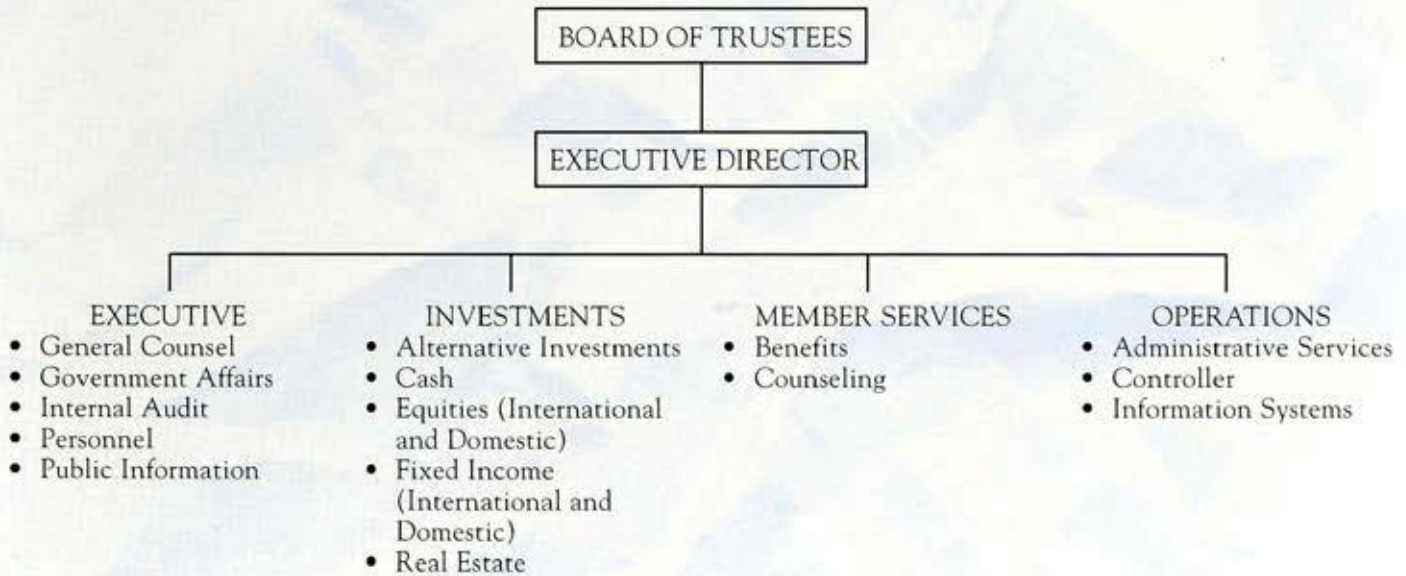
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ORGANIZATIONAL CHART

The Teachers' Retirement System of the State of Illinois was created in 1939 by the General Assembly. The Illinois Compiled Statutes contain the laws relating to the creation, definition, maintenance and administration of the System.

TRS is comprised of four main divisions: Executive, Investments, Member Services and Operations. Together these divisions are committed to serving the active and retired public school teachers of Illinois as attested in the System's mission statement.



Joining TRS Executive Director Robert Daniels (seated at center) are members of the Executive Cabinet including, front row, left to right: John Sigle (Director of Member Services) and Ruby Reynolds (Director of Personnel). Standing left to right: Sandy Andrighetti (Internal Auditor), Jon Bauman (Chief Operating Officer), Bill Brewer (Benefits Officer), Judy Davis (Assistant to the Executive Director), Ed Mabie (Information Systems Officer), Alice Kern (Manager of Administrative Services), Scott Mulford (Public Information Officer), Sally Sherman (Counseling Services Manager), Matt Evans (Director of Real Estate & Alternative Investments) and Todd Kennedy (Controller).

Not pictured are John Day (Director of Government Affairs), Don Nesbitt (Director of Investments), Jack Tucker (Manager, Northern Area Office) and Wilma VanSeyoc (General Counsel).



Joseph Spagnolo
President



Judith Tucker
Vice President



Ray J. Althoff



Hugh R. Brown



James Bruner



Anne Davis



Scott Eshelman



James Kane



Roman Miller



Marilyn Oglesby



Teachers' Retirement System of the State of Illinois

P.O. Box 19253, 2815 West Washington
Springfield, Illinois 62794-9253
217/753-0311

Robert Daniels
Executive Director

December 15, 1995

The Teachers' Retirement System presents the Comprehensive Annual Financial Report for the Teachers' Retirement System - A Component Unit of the State of Illinois - For Fiscal Year Ended June 30, 1995. TRS management is responsible for ensuring that this report is accurate and complete and that all material disclosures have been made. To the best of our knowledge, the information presented is a fair and accurate portrayal of the financial position and operations of TRS as of June 30, 1995.

This report contains six sections: an Introduction, the Financial Statements and Related Notes, Actuarial Information, Membership and Benefits Information, Statistical Summary, and an Investment Summary that includes a detailed investment listing. In all, these sections present a comprehensive review of the System's activities in fiscal year 1995.

FINANCIAL INFORMATION

The System uses a series of internal controls to monitor and safeguard the System's assets and to promote the efficient operation of the System. TRS undergoes an annual external audit conducted by the Illinois Auditor General in addition to regular reviews conducted by the System's Internal Auditor. The System's annual operating budget is evaluated and approved by the TRS Board of Trustees.

The financial statements of TRS, presented on pages 14 and 15, are prepared in accordance with generally accepted accounting principles (GAAP) within the guidelines established by the Governmental Accounting Standards Board (GASB).

REVENUES AND FUNDING

Three major sources fund the System: member contributions, investment income, and employer contributions in the form of state appropriations and payments by TRS employers. Total assets available to pay benefits grew to \$12.6 billion in FY 1995.

Member contributions, the System's major source of funding, come from nearly 129,000 members who contribute 8 percent of their earnings each year. Members also make contributions for optional service, Early Retirement Incentive and Early Retirement Option. In fiscal year 1995, member contributions totaled \$431 million, an \$18 million increase from the previous year. Assets from these contributions are invested to create the second source of funding: investment income, which decreased \$218 million in fiscal year 1995 to \$771 million.

REVENUES	<i>(In millions)</i>			
			<i>Increase/(Decrease)</i>	
Sources of Revenue	1995	1994	Amount	Percent
Member Contributions	\$431	\$413	\$ 18	4.4%
Employer Contributions	598	484	114	23.6
Investment Income plus realized gain on investments	771	989	(218)	(22.0)
TOTAL	\$1,800	\$1,886	(\$86)	(4.6%)

Board of Trustees

Joseph Spagnolo
President
Springfield

Ray J. Althoff
Edwardsville

James Bruner
Jacksonville

Scott Eshelman
Elgin

Roman Miller
Waukegan

Judith Tucker
Darien

Hugh R. Brown
Evanston

Anne Davis
Harvey

James Kane
Long Grove

Marilyn Oglesby
Charleston

Appropriations from the state and other employer contributions make up the third funding source. Employer revenue increased due to recognizing employer Early Retirement Incentive (ERI) contributions as revenue in the year the member retired; however, actual contributions received resulted in a negative cash flow situation. State appropriations to the System for FY 1995 increased \$1 million to \$267.1 million and contributions from federal programs were down \$361,000.

EXPENSES

Expenditures consist of payments of benefits, refunds, health insurance subsidies, and administrative expenses.

Benefit payments again increased, growing from \$824 million to \$1,073 million in FY 1995. This 30 percent increase is the result of increased retirements related to the Early Retirement Incentive program and annual increases in annuities as provided by law. Administrative expenses constituted less than 1 percent of the System's FY 1995 expenses.

EXPENSES	(In millions)			
	1995	1994	Increase/(Decrease)	
			Amount	Percent
Benefit Payments	\$1,073	\$824	\$249	30.2%
Health Insurance	38	50	(12)	(24.0)
Refunds	29	22	7	31.8
Administrative	11	11	0	0
TOTAL	\$1,151	\$ 907	\$244	26.9%

INDEPENDENT AUDIT

Each year, the financial statements, records, and internal controls of TRS are examined by special assistant auditors employed by the Illinois Auditor General. In addition, an annual compliance audit for the previous year is performed to review compliance with applicable statutes and codes. The Report of Independent Public Accountants is on page 13 of this report.

AWARDS

TRS participates in the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program. A recipient of GFOA's certificate for the past six years, this report has been prepared in accordance with GFOA requirements for the preparation of a Comprehensive Annual Financial Report and will again be submitted for certification.

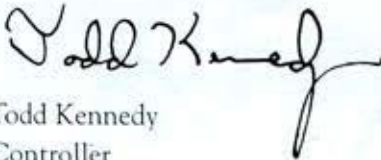
ACKNOWLEDGMENTS

This report reflects the efforts of the TRS staff under the leadership of the Board of Trustees and the Executive Director. The information was gathered by the Accounting and Public Information Departments. It is intended to provide complete and reliable information as a basis for making management decisions, to determine our compliance with legal provisions, and as a means of determining responsible stewardship of the assets contributed by members and their employers.

This report is provided to members of the General Assembly and all Illinois school districts outside the city of Chicago and, by request, to members and annuitants. We trust that you find this document informative and helpful. It includes a report from Executive Director Robert Daniels that outlines the major activities during the past year, plans for the coming year, and reviews the economic outlook for the System.

I am pleased to present the Comprehensive Annual Financial Report for the Teachers' Retirement System - A Component Unit of the State of Illinois - For Fiscal Year Ended June 30, 1995.

Sincerely,


 Todd Kennedy
 Controller



Robert Daniels
Executive Director

MISSION
STATEMENT

*The Teachers'
Retirement System
of the State of Illinois
is committed
to protect retirement funds,
to administer benefits
and to provide quality service
to our members.*

Fiscal year 1995 was an exceptionally challenging and ultimately rewarding year for the Teachers' Retirement System.

Our number one priority was to solve the TRS health insurance crisis. To that end, the Board of Trustees, membership, and staff mounted a tremendous effort. Most importantly, we endeavored to improve the short-term finances of the program that was in place. We conducted statewide information meetings and spearheaded one of the largest Statehouse lobbying days in recent memory.

Our efforts proved successful on May 25, 1995, when legislation to remedy the crisis passed both houses of the General Assembly with near unanimous margins. Governor Edgar signed the bill into law on June 21. I firmly believe the tremendous support and tireless effort of TRS members, their families, and their constituent groups made the difference. I agree with many Statehouse observers who call their session-long work in support of TRS health insurance "textbook grassroots lobbying." Details of the new health insurance program are on page 25 of this report.

The health insurance legislation also contains a provision taking effect January 1, 1996 that increases the minimum annuity benefit from \$15 to \$25 per year of service per month for eligible annuitants.

Another TRS legislative priority was the extension of the Early Retirement Option (ERO) provision that was due to expire June 30, 1995. Lawmakers passed and Governor Edgar signed legislation to extend the availability of ERO until June 30, 2000.

A fourth significant outcome for the System in the spring 1995 session of the General Assembly was the first budgeted year of increased state appropriations for TRS under the newest pension funding law. Our state appropriations for fiscal year 1996 rose \$62.7 million, or 23.4 percent, over fiscal year 1995. As required state contributions under this law continue to increase in future years, continued vigilance is required to ensure that the future funding commitments are indeed fulfilled.

Unfortunately, increased state funding was not present in FY 1995, contributing to the System's fourth consecutive year of negative cash flow. Nearly \$340 million of investment income was used to pay benefits to our annuitants. We expect negative cash flow to be a continuing TRS problem for at least the next five years, underscoring the importance of increased state funding.

I am pleased to report excellent results from our investment portfolio. TRS investments captured a total return of 13.4 percent in fiscal year 1995. Please join me in commending our investment managers and staff for their performance this year; however, as noted in last year's report, we do not expect double-digit returns to continue throughout the 1990s.

It is important to recognize that TRS, like all large pension funds, has a diversified portfolio of investments allocated according to guidelines established by the Board of Trustees and the Illinois Pension Code. At any point, some investments will outperform others, but the long-term performance of the total portfolio is the most important measure of our success. We continued to exceed our long-term performance objectives in FY 1995.

The asset allocation of the System's investment portfolio is the most important determinant of investment return. The System's portfolio is well diversified among numerous classes in order to ensure stable realization of long-term performance objectives.

TRS uses derivative products as part of its overall asset allocation strategy to reduce risk associated with changes in foreign currency values, with changes in bond prices related to interest rates and with stock index price changes. Details on the System's derivative investments may be found later in this report. In reviewing the information, it is important to note that the contractual principal amount of the derivative contracts represents only a small percentage (less than 10 percent) of the investment portfolio's value. Derivative products are utilized by the System as authorized by law and guidelines and only as an efficient, cost-effective method of managing its portfolio's asset allocation.

Counterbalancing favorable investment returns was a further downturn in the System's actuarial funding status in fiscal year 1995. The funded ratio, which mea-

sures the portion of the System's liability for benefits which are covered by its assets, dropped to 52.7 percent in FY 1995 from 55.1 percent in FY 1994. The unfunded liability, which is the difference between the System's pension liability and assets, grew to \$11.3 billion from \$9.8 billion during this period. As mentioned, TRS looks forward to eventual improvement in its financial condition through Public Act 88-0593, the funding legislation enacted in 1994, that requires significant increases in state appropriations beginning in fiscal year 1996. Past underfunding by the State is the primary cause of the increased unfunded liability.

Our annuitant payroll reached nearly 60,000 by the end of fiscal year 1995, reflecting the conclusion of the Early Retirement Incentive program. Nearly 12,000 TRS members elected to retire under ERI, making it the largest program of its kind. The automated systems and enhanced services developed for the ERI program will continue to allow our staff to serve our membership efficiently and professionally.

During FY 1995, TRS began implementing a major change in our internal operations. Like many public and private entities, the System relies on "main-frame" computer technology to run many of our business programs. We need to prepare for the twenty-first century by moving to up-to-date "open systems" computing that ultimately allows increased service and responsiveness to our members in the years ahead. I will keep you apprised of our progress.

Allow me to stress one important note. Among Illinois' large public pension funds, TRS spends the smallest proportion, just under one percent, of its total expenditures for System administration.

I am pleased to provide this report on behalf of the managers and staff of the Teachers' Retirement System.

Sincerely,



Robert Daniels
Executive Director

Financial Statements

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois

For Fiscal Year Ended June 30, 1995



Peat Marwick Plaza
303 East Wacker Drive
Chicago, IL 60601-5255

Independent Auditors' Report

Honorable William G. Holland
Auditor General
State of Illinois

Board of Trustees
Teachers' Retirement System of
the State of Illinois

As Special Assistant Auditors of the Auditor General, we have audited the accompanying balance sheet of the Teachers' Retirement System of the State of Illinois (System), a component unit of the State of Illinois, as of June 30, 1995, and the related statement of revenues and expenses and changes in net assets for the year then ended. These financial statements are the responsibility of the System's management. Our responsibility is to express an opinion on these financial statements based on our audit. The accompanying financial statements of the System as of June 30, 1994 were audited by other auditors whose report thereon dated October 14, 1994 expressed an unqualified opinion on those statements.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards (1994 Revision), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

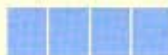
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Teachers' Retirement System of the State of Illinois as of June 30, 1995, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards (1994 Revision), we have also issued a report dated October 27, 1995 on our consideration of the System's internal control structure and a report dated October 27, 1995 on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The required supplemental information and supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements of the System. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole. The information for the years 1986 through 1994 has been derived from financial statements audited by other auditors whose reports thereon expressed an unqualified opinion.

KPMG Peat Marwick LLP

October 27, 1995



Member Firm of
Kynard Peat Marwick Goetsch

STATEMENTS OF FINANCIAL POSITION

STATEMENTS OF FINANCIAL POSITION TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

	As of June 30	
	<u>1995</u>	<u>1994</u>
ASSETS		
Cash - Note C	\$1,055,000	\$0
Receivables:		
Contributions from employers:		
Salary deductions	23,280,000	25,265,000
Federal and trust funds	5,753,000	5,697,000
Employer ERI	387,788,000	173,392,000
Contributions from members:		
Members' accounts	142,000	101,000
Members' ERI	<u>27,157,000</u>	<u>18,013,000</u>
TOTAL RECEIVABLES	444,120,000	222,468,000
Investments (Net) - Note C	12,499,068,000	12,287,359,000
(Market value 1995: \$13,230,761,000; 1994: \$12,333,823,000)		
Property and equipment (Net of accumulated depreciation) - Note A	<u>3,513,000</u>	<u>4,007,000</u>
TOTAL ASSETS	<u>12,947,756,000</u>	<u>12,513,834,000</u>
LIABILITIES		
Payables:		
Cash overdraft	0	2,513,000
Benefits	788,000	2,765,000
Refunds	991,000	533,000
Notes	221,327,000	141,683,000
Other	24,351,000	22,033,000
Pending trades	<u>58,434,000</u>	<u>352,083,000</u>
TOTAL LIABILITIES	<u>305,891,000</u>	<u>521,610,000</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$12,641,865,000</u>	<u>\$11,992,224,000</u>
PENSION BENEFIT OBLIGATION - Note D		
Retirees and beneficiaries currently receiving benefits	12,702,258,000	10,088,901,000
Terminated members not yet receiving benefits	425,224,000	375,411,000
Current employees:		
Accumulated employee contributions	2,846,405,000	2,850,319,000
Employer-financed vested	3,157,449,000	3,045,589,000
Employer-financed nonvested	<u>4,849,230,000</u>	<u>5,386,655,000</u>
TOTAL PENSION BENEFIT OBLIGATION	23,980,566,000	21,746,875,000
UNFUNDED PENSION BENEFIT OBLIGATION	<u>(11,338,701,000)</u>	<u>(9,754,651,000)</u>
NET ASSETS AVAILABLE FOR BENEFITS - Note G	<u>\$12,641,865,000</u>	<u>\$11,992,224,000</u>

The accompanying notes are an integral part of these statements.

STATEMENTS OF REVENUE AND EXPENSE

STATEMENTS OF REVENUE AND EXPENSE AND CHANGES IN NET ASSETS
TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

	For the Fiscal Year Ended June 30	
	<u>1995</u>	<u>1994</u>
REVENUE		
Contributions - Note E		
Members	\$430,761,000	\$413,395,000
State of Illinois	267,146,000	266,077,000
Employers:		
Early retirement option	240,000	409,000
Early retirement incentive	314,390,000	200,225,000
Federal and trust funds	<u>16,393,000</u>	<u>16,754,000</u>
TOTAL CONTRIBUTIONS	1,028,930,000	896,860,000
Investment income		
Interest	395,882,000	323,328,000
Real estate	26,997,000	164,956,000
Dividends	71,106,000	64,440,000
Other	<u>19,942,000</u>	<u>5,968,000</u>
TOTAL INVESTMENT INCOME	513,927,000	558,692,000
Gain on sale of investments	<u>257,560,000</u>	<u>430,229,000</u>
TOTAL REVENUE	<u>1,800,417,000</u>	<u>1,885,781,000</u>
EXPENSE		
Benefits:		
Age retirement	866,461,000	635,213,000
Post-retirement	158,051,000	142,235,000
Survivor	39,901,000	37,645,000
Disability	9,051,000	9,228,000
Health insurance	<u>38,212,000</u>	<u>49,553,000</u>
	1,111,676,000	873,874,000
Refunds	28,671,000	22,126,000
Administrative expenses	10,345,000	10,088,000
Prior service credit/Transfers	<u>84,000</u>	<u>525,000</u>
TOTAL EXPENSE	<u>1,150,776,000</u>	<u>906,613,000</u>
REVENUE IN EXCESS OF EXPENSE	649,641,000	979,168,000
Adjustment of Net Assets Available for Benefits - Note I	0	133,466,000
Net Assets Available for Benefits at Beginning of Year	<u>11,992,224,000</u>	<u>10,879,590,000</u>
NET ASSETS AVAILABLE FOR BENEFITS AT END OF YEAR	<u>\$12,641,865,000</u>	<u>\$11,992,224,000</u>

The accompanying notes are an integral part of these statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting: The financial statements of the Teachers' Retirement System of the State of Illinois (the System or TRS) are prepared using the accrual basis of accounting.

Investments accounting: Investments are valued on the basis of cost. Gain or loss on the sale of investments is determined based on average cost for stocks and identified cost for debt securities. Investment income is shown net of investment expenses. Gain or loss on real estate is recognized upon sale and for market declines judged to be other than temporary. Real estate investments are valued at historical cost, subject to adjustment for market declines judged to be other than temporary. No provision for depreciation has been made because real estate is treated as an investment asset.

TRS is engaged in futures contracts that are used as hedge vehicles against possible adverse changes of the System's portfolio securities. Risks of entering into futures and option contracts include the possibility that there may be an illiquid market at the time TRS seeks to close out a contract and changes in the value of the contract may not correlate with changes in the value of the portfolio securities being hedged.

Upon entering into a contract, TRS is required to maintain a collateral account through a custodian or a sub-custodian in an amount sufficient to meet the initial margin requirements. Subsequent payments are made or received by TRS equal to the daily change in the contract value and recorded as unrealized gains or losses. TRS recognizes a gain or loss when the contract is closed or expires.

Investments authorized: Through the Board of Trustees, as authorized in the Illinois Pension Code, (40 ILCS 5/16-101, *et seq.*), the System serves as fiduciary for the members' trust funds and is responsible for investment of such funds under authority of the "prudent person rule." The prudent person rule establishes a standard for all fiduciaries by specifying fiduciary responsibility with regard to the members' trust funds.

Property and Equipment: Equipment is stated on the basis of historical cost. Provisions for depreciation are computed by the straight-line method, based upon the estimated useful lives of the assets. Equipment is assigned a useful life of three to ten years while vehicles are assigned a five-year life.

Transfers: This expense category reflects transfers of members' accumulated contributions to other pension systems.

Administrative expenses: This category includes \$95,709 and \$197,063 for accrued compensated absences for FY 1995 and FY 1994, respectively.

GASB Pronouncements: In September 1993, the Governmental Accounting Standards Board (GASB) issued Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting." The Statement provides that the System may apply all GASB pronouncements, as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Statements and Interpretations of the Financial Accounting Standards Board (FASB), Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure. In addition, the System may also apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. The System has elected to apply only FASB, APB and ARB materials issued on or before November 30, 1989.

In November 1994, the GASB issued Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans." This Statement requires that plan assets be reported at fair value, rather than at cost. In addition, this Statement establishes a new financial reporting framework that will result in significant changes to financial statements as well as the required supplementary information. The requirements of this Statement are effective for periods beginning after June 15, 1996, with earlier implementation encouraged. If comparative financial statements are presented, restatement of the prior year financial statements is required.

The System intends to adopt this Statement beginning with the fiscal year ending June 30, 1997. The effect of this Statement will be to increase the net assets and decrease the unfunded actuarial accrued liability of the System by the difference between fair value and cost of the net assets on the date of adoption.

NOTE B - PLAN DESCRIPTION

The System is the administrator of a cost-sharing multiple-employer public employee retirement plan. Members of the System consist of all teachers employed in the public common schools of Illinois outside of Chicago. The System was established by the State of Illinois and is governed by the Illinois Pension Code (40 ILCS 5/16-101, *et seq.*). The System is a component unit of the State of Illinois and is included in the State's financial statements as a pension trust fund.

The System has developed criteria to determine whether other entities should be included within its financial reporting entity. These criteria include analyzing the significance over the operational or financial relationships with the System.

Based on these criteria, the System has no other entities included in these financial statements.

Members are employed by 1,076 school districts and special districts. Member contributions are remitted by each employer to the System. These employers are responsible only for employer contributions for teachers paid from federal and trust funds and for the employer's portion of the Early Retirement Option and the Early Retirement Incentive contributions. The State of Illinois provides employer contributions to fund the System. State contributions are appropriated annually and, through June 30, 1995, have not met statutory funding requirements of normal cost and amortization of the unfunded pension benefit obligation over a 40-year period with a seven year phase-in as prescribed in Public Act 86-0273.

The System provides retirement benefits, death benefits and disability benefits. A member qualifies for an age retirement annuity after attaining one of the following: age 62 with five years of service credit; age 60 with ten years; age 55 with 20 years. If retirement occurs between age 55 and 60 with less than 35 years of service, the annuity will be reduced at the rate of 1/2 percent for each month the member is under age 60. A member age 55 with less than 35 years of service credit may use the Early Retirement Option to avoid a discount for early retirement if retirement occurs before July 1, 2000, and within six months of the last day of service requiring contributions, and if the member and employer both make a one-time contribution to the System. A member with less than five years of creditable service and service on or after July 1, 1947 is entitled to a single sum benefit payable upon attainment of age 65.

Public Act 87-1265 provided an Early Retirement Incentive. The retirement windows were June 1 through September 1 in 1993, 1994, and 1995. Retirements that occurred in 1995 were those delayed by employers because more than 30 percent of those eligible retired in 1994. Employees purchased up to five years of additional service and received an equal number of years of age. Employees contribute 4 percent of the highest salary used in the calculation of final average salary for each year purchased, and employers contribute 20 percent for each year purchased. Employer contributions can be made in either a lump sum, over five years in equal quarterly installments, or under a different schedule approved by the TRS Board of Trustees.

A retirement benefit is determined by the average salary of the four highest consecutive salary rates within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. This percentage is determined by the following formula: 1.67 percent for each of the first 10 years, plus 1.9 percent for each of the next 10 years, plus 2.1 percent for each of the next 10 years, plus 2.3 percent for each year over 30. The maximum retirement benefit, 75 percent of average salary, is achieved with 38 years of service. Each annuitant who retired after 1969 or made a qualifying contribution receives an annual 3 percent increase in the current retirement benefit beginning January 1 following attainment of age 61 or following the first anniversary in retirement, whichever is later.

NUMBER OF EMPLOYERS	(Years Ended June 30)	
	1995	1994
Local school districts	912	923
Special districts	129	132
State agencies	35	36
	1,076	1,091
SYSTEM MEMBERSHIP	(Years Ended June 30)	
	1995	1994
Retirees and beneficiaries		
currently receiving benefits	59,634	53,218
Inactive members	38,736*	30,329
Current members	128,796*	128,939
	227,166	212,486

*Inactive and current members are based on the latest available data.

Member contributions, established by statute, are 8 percent of earnings allocated as follows: 6 1/2 percent for retirement, 1/2 percent for post-retirement increases and 1 percent for death benefits. Effective July 1, 1995, members not employed by state agencies will contribute an additional 1/2 of 1 percent of salary toward health insurance benefits for retired members. TRS will collect these funds as agent for the Illinois Department of Central Management Services, which will begin administering the health insurance program on January 1, 1996. These funds are not a part of the System's assets and will not be included in the Annual Financial Report for 1996.

If a member leaves covered employment, the System will refund a member's retirement contributions upon request. The refund consists of actual contributions excluding the 1 percent death benefit contribution.

NOTE C - CASH AND INVESTMENTS

The bank balance and carrying amount of the System's deposits were \$90,593,000 and \$1,055,000 at June 30, 1995 and \$71,134,000 and \$(2,513,000) at June 30, 1994. Of the bank balance, \$89,736,000 and \$69,540,000 was on deposit with the State Treasurer at June 30, 1995 and 1994, respectively. All bank balances at year end are fully collateralized, insured, and in the name of TRS. The System's investments are categorized to give an indication of the level of risk at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the System or its agent in the System's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department in the System's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty but not in the System's name. As of June 30, 1995 and 1994, the System holds no securities classified in either Category 2 or Category 3.

INVESTMENT SUMMARY		<i>(Years Ended June 30)</i>		
	COST		MARKET VALUE	
	1995	1994	1995	1994
Category 1:				
Bonds	\$ 3,081,940,000	\$ 2,813,690,000	\$3,165,938,000	\$ 2,762,472,000
Corporate notes	1,518,435,000	2,077,941,000	1,532,515,000	2,037,248,000
Preferred stock	18,714,000	40,868,000	21,817,000	47,369,000
Short term investments:				
Commercial paper	235,185,000	151,132,000	235,185,000	151,078,000
U.S. Treasury bills	112,330,000	99,116,000	112,330,000	140,727,000
Other	(19,659,000)*	9,546,000	(38,812,000)*	17,376,000
Common stock	4,311,200,000	3,655,498,000	5,077,334,000	4,073,618,000
Currency investments	87,344,000	21,611,000	83,588,000	(6,299,000)**
	\$9,345,489,000	\$8,869,402,000	\$10,189,895,000	\$9,223,589,000
Not Categorized:				
Real estate equity	2,060,516,000	2,088,856,000	1,901,964,000	1,785,143,000
Mutual funds	397,968,000	764,973,000	407,785,000	748,008,000
Alternative investments:				
Limited partnerships	96,801,000	52,118,000	117,114,000	59,187,000
Farm land	149,248,000	119,828,000	164,957,000	126,807,000
Collective investment funds	336,926,000	300,111,000	336,926,000	299,018,000
Accrued interest and dividends	112,120,000	92,071,000	112,120,000	92,071,000
Total Investments	\$12,499,068,000	\$12,287,359,000	\$13,230,761,000	\$12,333,823,000

*The negative book value balance for 1995 is caused by \$35 million in U.S. Treasury notes payable and \$28 million in options contracts at June 30, 1995. The negative market value balance for 1995 is caused by \$35 million in U.S. Treasury notes payable and \$49 million in options contracts at June 30, 1995.

**The negative market value balance for 1994 is caused by \$57 million in foreign currency payables and \$32 million in Open Foreign Exchange Contracts at June 30, 1994.

A non-material reclassification of assets was made to 1994 figures. In addition, the System has reduced the book value of certain investments by approximately \$115 million in FY 1995 due to declines that were determined to be other than temporary.

The System has nonrecourse mortgages totaling \$316,587,000 and \$275,648,000 on real estate equities at June 30, 1995 and 1994, respectively. The amount reported for real estate equity is net of these mortgages, which mature on various dates through the year 2017.

The real estate equity category includes \$413,162,000 and \$375,723,000 of mortgages receivable which are fully secured by the properties at June 30, 1995 and 1994, respectively.

The System participates in a securities lending program whereby securities are loaned to brokers and, in return, receives collateral of amounts slightly in excess of the market value of securities loaned. Collateral consists solely of cash, letters of credit and government securities which are held by or reinvested at the discretion of the master trustee. As of June 30, 1995 and 1994, TRS had outstanding loaned investment securities having a market value of approximately \$954,357,000 and \$912,822,000, respectively, against which it had received collateral of approximately \$986,218,000 and \$947,482,000 respectively. At June 30, 1995 and 1994, the System has instructed the master trustee to direct \$221,327,000 and \$141,683,000, respectively, of the collateral received from securities lending to be invested in floating rate debt securities collateralized by real estate investments, which results in a note payable from TRS. Income from securities lending was \$3,666,000 in FY 1995 and \$4,098,000 in FY 1994 and is included in Investment Income-Other.

Except as noted below, management believes that declines in market values that fall below cost are temporary in nature and reflect normal fluctuations in the economic market. As such, no reserve is established for these holdings.

In general, the value of real estate properties nationwide has stabilized. Losses in market value judged to be other than temporary have been recognized in TRS' financial statements through the creation of a Reserve for Real Estate account which has a balance of \$21,725,278 as of June 30, 1995. Management believes that other declines in appraised values are temporary in relation to the expected holding periods of the investments.

The System invests in derivative securities. A derivative security is an investment whose payoff depends upon the value of other assets such as commodity prices, bond and stock prices, or a market index. Derivatives transactions involve, to varying degrees, credit risk and market risk. Credit risk is the possibility that a loss may occur because a party to a transaction fails to perform according to terms. In order to eliminate credit risk, all derivative securities are acquired through a clearinghouse which guarantees delivery and accepts the risk of default by either party. Market risk is the possibility that a change in interest or currency rates will cause the value of a financial instrument to decrease or become more costly to settle. The market risk associated with derivatives, the prices of which are constantly fluctuating, is regulated by imposing strict limits as to the types, amounts and degree of risk that investment managers may undertake. These limits are approved by the Board of Trustees and senior management, and the risk positions of the investment managers are reviewed on a weekly basis to monitor compliance with the limits.

During the year, the System's derivative investments included foreign currency forward contracts, options, and futures. Derivative contracts are used by experienced investment personnel to quickly and efficiently implement tactical strategies upon the portfolios in a cost effective manner. Foreign currency forward contracts are used to hedge against the currency risk in the System's foreign stock and fixed income security portfolios. The remaining derivative securities are used to improve yield, adjust the duration of the fixed income portfolio, or to hedge changes in interest rates.

Financial futures are an agreement to buy or sell a specific amount of an asset at a specified delivery or maturity date for an agreed upon price. As the market value of the futures contract varies from the original contract price, a gain or a loss is recognized and paid to the clearinghouse. Financial futures represent an off-balance sheet obligation as there are no balance sheet assets or liabilities associated with those contracts.

Financial options are an agreement that gives one party the right, but not the obligation, to buy or sell a specific amount of an asset for a specified price, called the strike price, on or before a specified expiration date. As a writer of financial options, the System receives a premium at the outset of the agreement and bears the risk of an unfavorable change in the price of the financial instrument underlying the option. Accordingly, it is

against the System's policy to invest in any uncovered options. Premiums received are recorded as a liability when the financial option is written, and gains or losses are recognized at the time the options are exercised or when they expire. As of June 30, 1995, the net book and market values of option contracts written were \$(39,992,000) and \$(51,489,000), respectively. As of

The following table presents the aggregate contractual principal amount of the System's outstanding contracts at June 30, 1995:

DERIVATIVE (CONTRACTS OUTSTANDING)	<i>(June 30, 1995)</i>
	Contractual Principal*
Domestic Interest Rate Products:	
Fixed income futures purchased, net (5,536)	\$826,374,607
Fixed income written call options (3,600)	203,672,820
Fixed income written put options (10,667)	290,448,240
International Interest Rate Products:	
International Fixed income futures purchased, net (2,726)	383,387,487
Domestic Equity Products:	
S&P 500 index futures purchased, net (186)	50,884,950
Written S&P 500 index call options (800)	533,471,250
Written S&P 500 index put options (4,776)	120,548,088
International Equity Products:	
Index futures purchased, net (121)	3,824,194
Foreign Currency Products:	
Futures sold, net (3,074)	394,086,300
Written call options (2,425)	114,020,705
Written put options (2,800)	57,422,775

*The contractual principal amounts listed above represent the market value of the underlying assets the derivative contracts control. Contractual principal values do not represent actual balance sheet values.

June 30, 1994, the net book and market values of option contracts written were \$(3,671,000) and \$(4,253,000), respectively. The book value of options represents the premiums received, and the market value represents the amount needed to close all positions as of that date.

Contractual principal amounts are often used to express the volume of these transactions but do not reflect the extent to which positions may offset one another. These amounts do not represent the much smaller amounts potentially subject to risk.

NOTE D - FUNDING STATUS AND PROGRESS

The pension benefit obligation is a standardized disclosure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee services to date. The measure is the actuarial present value of credited projected benefits and is intended to help users to assess the System's funding status on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons with other public employee retirement systems.

The pension benefit obligation is determined as of June 30, 1995 and 1994. Significant actuarial

assumptions are summarized as follows:

- The present value of future pension payments is computed using a discount rate of 8 percent. The discount rate represents the estimated long-term rate of return on current and future investments.
- Future pension payments reflect an assumption of a 4 percent salary increase due to inflation and a 3.4 percent salary increase for merit adjustments.
- Future pension payments include post-retirement increases based on 3 percent of the pension payment of the previous year.

RECONCILIATION OF THE UNFUNDED PENSION BENEFIT OBLIGATION		<i>(Years Ended June 30)</i>
	1995	1994
Unfunded benefit obligation at beginning of year	\$9,754,651,000	\$7,606,300,000
Additions (deductions):		
Employer cost in excess of contributions	877,237,000	639,746,000
Amendments:		
For FY95: 5,446 retirements under the TRS Early Retirement Incentive program	148,891,000	—
For FY95: Increase in guaranteed minimum retirement annuity COLA due to PA 89-0025	4,000,000	—
For FY94: 5,497 retirements under the TRS Early Retirement Incentive program	—	193,098,000
Addition to health care reserves	—	21,600,000
Change in actuarial assumptions:		
For FY93-94:		
New assumption for severance pay	—	223,335,000
New assumption for unused sick leave	—	295,570,000
New assumption for optional service purchases*	—	253,220,000
Actuarial losses (gains) compared to assumptions:		
Salary increases for continuing active members	89,801,000	196,373,000
Investment income	174,564,000	(249,575,000)
New entrant loss	11,954,000	17,517,000
Lower than expected mortality	37,071,000	23,508,000
Prior service credits	12,037,000	64,221,000
Severance pay for new service retirements	9,013,000	53,229,000
Retirements with unused sick leave	14,034,000	76,605,000
Delayed reporting of retirements**	148,207,000	96,420,000
Other***	57,241,000	243,484,000
Net additions	1,584,050,000	2,148,351,000
Unfunded benefit obligation at end of year	\$11,338,701,000	\$ 9,754,651,000

* FY94: Future member contributions will cover \$63 million of the increase in the unfunded pension benefit obligation

** 3,398 retirements that occurred prior to 7/01/93 were not reported to the actuary until 6/30/94

4,780 retirements that occurred prior to 7/01/94 were not reported to the actuary until 6/30/95

*** These items include retroactive benefits for late retirees (50-100 late retirements annually), fewer terminations of vested employees than expected, change in rate of benefit accruals from certified normal cost rate, retirements with reciprocal service credits, and fewer disabilities than expected.

In 1994, additional actuarial assumptions regarding factors which had not previously been measured such as severance pay, unused sick leave, and optional service were adopted. These new assumptions added \$772.1 million to the FY 1994 unfunded pension benefit obligation and are identified separately in the reconciliation table shown in this Note.

An experience analysis is required by statute to determine the adequacy of actuarial assumptions regarding mortality, service, and compensation experience. The most recent experience analysis was performed for the four-year period ending June 30, 1992. Based on this analysis, there were minor changes in actuarial assumptions reflected in the 1993 valuation. New assumptions were adopted for the 1994 valuation and are detailed in the preceding table. The new assumptions were used to calculate the 1996 employer contribution requirements under the state funding law which became effective in 1995 (Public Act 88-0593). The increased state contributions provided under this law will begin in 1996. Public Act 89-0136 requires that the next experience analysis be conducted in 1997.

NOTE E - CONTRIBUTION REQUIREMENTS

Employer contributions made by the State of Illinois are based on annual appropriations and are not actuarially determined. The largest source of State appropriations is the Common School Fund (1995 - \$233,786,000; 1994 - \$233,786,000).

Another source of state contributions is the State Pensions Fund (1995 - \$29,079,000; 1994 - \$27,570,000) which represents a distribution to the System of money escheated to the state.

The third source of employer contributions is federal and trust contributions. School districts and special districts make these contributions for teachers paid from federal and trust funds. Amounts received from these sources were \$16,393,000 in 1995 and \$16,754,000 in 1994.

Total contributions from these three sources (the Common School Fund, the State Pensions Fund and federal/trust funds) were \$279,258,000 in 1995 and \$278,110,000 in 1994. These amounts represented 6.3 percent of annual covered payroll in both 1995 and 1994.

There are two other sources of employer contributions which were not counted towards the employer's funding obligation in 1995 and 1994 because the costs

of the benefits to which they apply were not included in the calculation of the annual funding requirement. The state's General Revenue Fund appropriations to reimburse the System for certain minimum and supplemental benefits were \$4,282,000 in 1995 and \$4,722,000 in 1994. Employer contributions for the employer's cost under the Early Retirement Option were \$240,000 in 1995 and \$409,000 in 1994.

Total contributions from employers from all sources, including the state's General Revenue Fund appropriations and employer contributions from the Early Retirement Option, were \$598,169,000 in 1995 and \$483,465,000 in 1994. These amounts represented 13.5 percent of the annual covered payroll in 1995 and 10.9 percent in 1994. Included in total contributions are \$314,390,000 and \$200,225,000 of Early Retirement Incentive contributions for 1995 and 1994, respectively. Of this total, \$247,127,000 and \$173,392,000 represents an accounts receivable balance and \$67,263,000 and \$26,833,000 represents cash collected on accounts established in 1995 and 1994, respectively. Because the amounts to be received are non-interest bearing, the accounts receivable balance has been discounted for financial statement purposes at a rate of six percent.

In 1989, the Illinois General Assembly passed Public Act 86-0273, which required a level of funding of the System that would pay normal costs as determined by the actuaries plus amortization of the unfunded pension benefit obligation over 40 years after a seven-year phase-in. However, the General Assembly did not appropriate money to provide the required level of funding in any of the phase-in years. The table below shows the required and actual state contributions and funding shortfalls for the period 1990 through 1995.

Subsequent to June 30, 1994, a new state funding law was enacted that will change state funding practices

Fiscal Year	Total Actual Contributions		
	Requirement	(CS,SPF,Fed)	Shortfall
1990	\$282,969	\$269,028	\$ 13,941
1991	329,331	269,879	59,452
1992	400,982	247,189	153,793
1993	495,013	281,903	213,110
1994	572,627	278,110	294,517
1995	663,792	279,258	384,534

beginning in 1996. Public Act 88-0593 provides for a 50-year funding plan which includes a 15-year phase-in period. The System's funded ratio will be 90 percent at the end of the 50-year period. Beginning July 1, 1995, state contributions are being made through a continuing appropriation instead of through the appropriations process.

It should be noted that Public Act 86-0273 and Public Act 88-0593 establish funding plans that do not conform with official accounting pronouncements, particularly Accounting Principles Board Opinion No. 8 (APB No. 8) "Accounting for the Cost of Pension Plans."

The contributions that are required under Public Act 88-0593 are presented in the Actuarial Section of this report. The requirements of both Public Acts are significantly different than the funding requirements shown on the Supplemental Schedule of Revenue by Source in the Required Supplemental Information that are computed in accordance with APB No. 8.

NOTE F - PENSION DISCLOSURE FOR TRS AS AN EMPLOYER

All of the System's full-time employees who are not eligible for another state-sponsored retirement plan participate in the State Employees' Retirement System (SERS), which is a component unit of the State of Illinois reporting entity. SERS is a single-employer defined benefit public employee retirement system (PERS) in which state agencies, including the System, participate on a cost-sharing basis. The financial position and result of operations of SERS for FY 1995 and FY 1994 and the related GASB Statement 5, "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Governmental Employers," disclosures are included in the State's Comprehensive Annual Financial Report for years ended June 30, 1995 and 1994, respectively. SERS also issues a separate Annual Financial Report.

A summary of SERS benefit provisions, changes in benefit provisions, employee eligibility requirements including eligibility for vesting, and the authority under which benefit provisions are established is included as an integral part of the SERS annual report. Also included is a discussion of employer and employee obligations to contribute, the authority under which those obligations are established, as well as an explanation of the pension benefit obligation. The

amount shown below as "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is the actuarial present value of credited projected benefits.

The pension benefit obligation at June 30, 1995 and June 30, 1994 for SERS as a whole, determined through an actuarial valuation at that date, was \$6,988.5 million and \$6,502.1 million, respectively. SERS net assets available for benefits on these respective dates (valued at cost) were \$3,923.1 million and \$3,721.9 million, leaving unfunded pension benefit obligations of \$3,065.4 million and \$2,780.2 million at June 30, 1995 and 1994, respectively. The System's FY 1995 and FY 1994 contribution requirements represented .14 percent of total contributions required of all state agency/department employers participating in SERS.

Ten-year historical trend information designed to provide information about SERS progress made in accumulating sufficient assets to pay benefits when due is presented in its separately issued annual reports for the years ended June 30, 1995 and June 30, 1994, respectively.

Pertinent financial information relating to the System's participation in SERS is summarized as follows:

- The System's covered payrolls for FY 1995 and FY 1994 were \$4.0 million and \$3.8 million and the payrolls for all System employees were \$5.4 million and \$5.3 million, respectively.
- The System's (i.e., the employer's) actuarially determined contribution requirements for FY 1995 and FY 1994 were \$248.3 thousand and \$211.7 thousand, respectively, or 6.2 percent and 5.6 percent, respectively, of the System's covered payrolls. For FY 1995, the System's and employees' contributions actually made were \$248.3 thousand and \$163.6 thousand, respectively, which represents 6.2 percent and 4.1 percent, respectively, of the current year covered payroll. For FY 1994, the System's and employees' contributions actually made were \$211.1 thousand and \$151.2 thousand, respectively, which represents 5.6 percent and 4.0 percent, respectively, of the covered payroll. During FY 1995 and FY 1994, employee contributions of \$163.6 thousand and \$151.2 thousand, respectively, were made on behalf of employees by the System.

NOTE G - RESERVE BALANCES

The balances in the reserve accounts at June 30, 1995 and June 30, 1994, were as follows:

RESERVE ACCOUNTS	(Years Ended June 30)	
	1995	1994
Members' accumulated contributions	\$ 4,051,313,707	\$ 4,010,738,204
Post-retirement increases:		
Minimum retirement allowance	1,916,508	1,796,831
Supplementary payments	571,148	503,816
Health insurance	0	38,211,612
Employers' contributions	8,588,063,637	7,940,973,537
Total reserves	\$12,641,865,000	\$11,992,224,000
Unfunded pension benefit obligation	11,338,701,000	9,754,651,000
Pension Benefit Obligation	\$23,980,566,000	\$21,746,875,000

These statutory reserve accounts are maintained in accordance with provisions of 40 ILCS 5/16-101 et seq. (1993). Final reserve allocations cannot be made until annual update processing is completed in early FY 1996.

Members' Accumulated Contributions: This reserve accumulates, with 6 percent interest, the contributions by members prior to retirement. Contributions are made by salary deduction (6 1/2 percent of salary) and are fully refundable upon withdrawal from the System, excluding interest credited thereon. The interest accrued is refundable only in the event of death.

Interest is credited as of the date of retirement or death of those retiring or dying during the year, and as of the end of the fiscal year for all other members. Interest is computed annually based upon the individual member balance in the reserve at the beginning of the fiscal year.

Minimum Retirement Allowance: In 1974, a minimum retirement allowance equal to \$10 per month for each year of creditable service at retirement was enacted. In 1984, the minimum was raised to \$15 per month. In 1996, the minimum will be raised to \$25 per month. The current maximum of \$450 per month for 30 or more years of creditable service will be raised to \$750 per month. To qualify, annuitants are required to make a one-time contribution which is credited to the reserve. Interest at 6 percent is credited to the reserve annually, based upon the average reserve balance. The State of Illinois also appropriates funds necessary to pay the minimum benefits provided in the legislation. All benefits

paid under this program are charged to the reserve.

Supplementary Payments: In 1961, legislation was enacted to provide for increased annuities to members then retired who met certain specified requirements.

Annuitants were required to make a one-time contribution, which was credited to this reserve. The State of Illinois also appropriates funds which are credited to the reserve. Interest at 6 percent is credited to the reserve annually, based upon the average reserve balance. The annuity expenses resulting from this legislation are charged to the reserve.

Health Insurance: 40 ILCS 5/16-153.4 (1993) authorized the Health Insurance Reserve. In 1994 and 1995, the Board of Trustees was authorized to transfer up to \$20 million annually from its investment earnings

in excess of 4 percent per annum and interest was authorized to be credited to this account at a rate of 8 percent annually based on the System's actuarial rate of return assumption. In 1995, the System did not transfer funds or credit any interest to the Health Insurance Reserve. Health insurance subsidy payments for annuitant premiums were charged to the reserve. Refer to Note H for information regarding new health insurance legislation.

Employer's Contribution: This reserve serves as a clearing account for income and expenses of the System. The reserve is credited with contributions from the State of Illinois not specifically allocated to other reserves, member and employer contributions, income from invested assets of the System, the interest portion of the accumulated contributions of members granted refunds and contributions from annuitants which qualify for automatic annual increases in annuity. The reserve is charged with amounts necessary to be transferred to the Members' Accumulated Contribution Reserve, all amounts necessary to be refunded to withdrawing members, all benefits paid to temporarily or accidentally disabled members, all death benefits paid, and survivor benefit contributions refunded to annuitants.

**NOTE H - POST-RETIREMENT
HEALTH CARE BENEFITS**

In addition to the pension benefits described in Note B, TRS annuitants receiving a monthly benefit are eligible for post-retirement health care benefits in accordance with state statutes. Currently, there are 59,634 members receiving monthly annuity benefits of which 31,826 are enrolled in the TRS health plan. At June 30, 1994, there were 53,218 members receiving monthly annuity benefits of which 26,398 were enrolled in the TRS health plan. TRS subsidizes 75 percent of the premium for these enrolled members. In fiscal year 1995, TRS paid \$38.2 million in premium subsidies and \$26.8 million was charged to a premium reserve held by Blue Cross/Blue Shield. In FY 1994, the System paid \$49.5 million in premium subsidies for enrolled members.

Legislation transferring the administration of the health insurance program to the Illinois Department of Central Management Services (CMS) takes effect January 1, 1996. It also establishes a funding mechanism consisting of a 1/2 of 1 percent contribution from active teachers and matching appropriations from the state to pay the subsidy portion of participating annuitants during FY 1996. Participants will have the option to choose between a traditional major medical program and a managed care program. Persons enrolling in managed care or residing in areas with no managed care will receive a 75 percent premium subsidy. All others will receive a 50 percent premium subsidy. Once the program is transferred to CMS, TRS will continue to be responsible for program enrollment and eligibility determination. CMS will be responsible for providing information and consultation to plan participants, determination of coverage benefits, insurance rates and premiums and availability of Health Maintenance Organizations (HMOs).

**NOTE I - ADJUSTMENT OF NET ASSETS
AVAILABLE FOR BENEFITS**

As noted in the Statements of Revenue and Expense and Changes in Net Assets, the fund recorded a \$133,466,000 adjustment to net assets available for benefits during FY 1994 due to the understatement of prior years' investment income and gains. During FY 1994, it was discovered that TRS inadvertently had not recorded approximately \$25 million in income and \$108 million of realized gains from FY 1989 through FY 1993 for a total understatement to revenue of \$133 million.

In management's opinion, the unrecorded amounts were not material to the TRS financial statements for any individual prior year and, accordingly, amounts previously reported in TRS' financial statements have not been restated.

REQUIRED SUPPLEMENTAL SCHEDULES

NOTE J - HISTORICAL TREND INFORMATION

Supplemental schedules of historical trend information are presented below. These schedules are designed to provide information on the System's progress in accumulating assets to pay benefits when due.

Year Ended June 30	Employee Contributions	Employer Contributions	Percentage of Annual Covered Payroll	Employer's Normal Cost Plus Interest	Percentage of Annual Covered Payroll	Other*	Invest. Income	Total
1986	\$220	\$239	9.1%	\$439	16.7%	\$21	\$813	\$1,293
1987	238	258	9.1	440	15.5	22	835	1,353
1988	253	220	7.3	506	16.8	22	560	1,055
1989	268	237	7.5	559	17.6	24	560	1,089
1990	284	269	7.9	617	18.1	24	814	1,391
1991	311	270	7.1	686	18.2	24	662	1,267
1992	351	247	6.2	771	19.4	25	1,114	1,737
1993	363	282	6.7	833	19.9	24	1,143	1,812
1994	413	278	6.3	918	20.8	205	989	1,885
1995	431	279	6.3	1,156	26.2	319	771	1,800

* Other includes Minimum Retirement, ERO, ERI and Supplemental Contributions. These amounts are not counted for actuarial purposes.

Year Ended June 30	Age Retirement	Post Retirement	Survivor Benefits	Disability Benefits	Health Insurance	Refunds	Administrative/ Other Expenses	Total
1986	\$264	\$ 65	\$19	\$ 7	\$ 5	\$26	\$ 4	\$ 390
1987	290	75	21	7	5	26	5	429
1988	316	83	23	7	7	21	5	462
1989	348	88	25	8	8	20	6	503
1990	379	96	26	8	11	22	41	583
1991	414	106	29	9	15	19	8	600
1992	457	117	31	9	28	19	12	673
1993	504	129	34	10	38	19	10	744
1994	635	142	38	9	50	22	11	907
1995	867	158	40	9	38	29	10	1,151

SUPPLEMENTAL SCHEDULE OF FUNDING PROGRESS						(In millions)
June 30	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded (1) / (2)	(4) Unfunded Pension Benefit Obligation (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll (4) / (5)
1986	\$ 5,168	\$ 8,687	59.5%	\$ 3,519	\$ 2,633	133.6%
1987	6,092	9,950	61.2	3,858	2,834	136.1
1988	6,684	10,922	61.2	4,238	3,007	140.9
1989	7,272	11,914	61.0	4,642	3,172	146.3
1990	8,080	13,663	59.1	5,583	3,402	164.1
1991	8,747	15,141	57.8	6,394	3,777	169.3
1992	9,812	16,659	58.9	6,847	3,976	172.2
1993	10,880	18,486	58.9	7,606	4,189	181.6
1994	11,992	21,747	55.1	9,755	4,413	221.1
1995	12,642	23,981	52.7	11,339	4,417	256.7

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percent-

age, the stronger the system. Trends in unfunded pension benefit obligation and annual covered payroll are both affected by inflation. Expressing the unfunded pension benefit obligation as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the system.

ADMINISTRATIVE EXPENSES		<i>(Years ended June 30)</i>
	1995	1994
Personal services	\$7,150,000	\$6,854,000
Professional services	615,000	791,000
Postage	345,000	426,000
Machine repair and rental	320,000	275,000
Other contractual services	518,000	470,000
Commodities	290,000	204,000
Occupancy expense	370,000	374,000
Provision for depreciation of equipment	731,000	659,000
Loss on disposition of equipment	6,000	35,000
	\$10,345,000*	\$10,088,000*

* Includes depreciation and is on the accrual basis.

CASH RECEIPTS AND DISBURSEMENTS		<i>(Years ended June 30)</i>
	1995	1994
Cash balance at beginning of year	(\$2,513,000)	\$2,246,000
Cash receipts:		
Member contributions	428,353,000	397,637,000
Employer contributions	384,235,000	309,447,000
Investment income	756,601,000	779,855,000
Annuities returned	584,000	520,000
Investments sold	29,582,638,000	23,895,011,000
Total cash receipts	\$31,152,411,000	\$25,382,470,000
Cash disbursements:		
Benefits	1,118,975,000	880,224,000
Refunds	28,241,000	22,409,000
Administrative	10,378,000*	10,201,000*
Real estate and investment manager expenses	253,961,000	196,198,000
Investments purchased	29,737,288,000	24,278,197,000
Total cash disbursements	\$31,148,843,000	\$25,387,229,000
Cash balance at end of year	\$1,055,000	\$(2,513,000)

* Is on the cash basis; therefore, does not include accruals or depreciation.

Actuarial Information

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois

For Fiscal Year Ended June 30, 1995

**BUCK
CONSULTANTS**

55 West Monroe Street Suite 1700
Chicago, Illinois 60603

November 3, 1995

Board of Trustees
Teachers' Retirement System
of the State of Illinois
2815 West Washington Street
Springfield, Illinois 62794

Subject: Pension Benefit Obligation as of June 30, 1995

Ladies & Gentlemen:

Based upon our annual actuarial valuation of the Teachers' Retirement System of the State of Illinois, we have determined the pension benefit obligation of the System to be \$23,980,566,000 as of June 30, 1995. The valuation was performed in accordance with generally accepted actuarial principles and procedures, using the projected unit-credit actuarial cost method.

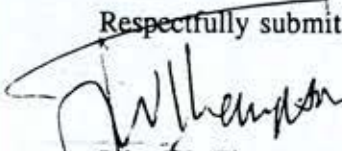
The June 30, 1995 valuation reflects the effects of the ongoing Early Retirement Incentive program and a change in the Guaranteed Minimum Annuity provided by the System.

The actuarial valuation was based on a census of retired members as of June 30, 1995, and a census of active and inactive members as of June 30, 1994, which were submitted to us by the System. While we did not verify the data at their source, we did perform tests for internal consistency and reasonability in relation to the data submitted for the previous valuation. We also understand that the outside auditor of the System has made an examination of the membership data.

The valuation is based on the benefit provisions of TRS in effect on June 30, 1995. The actuarial assumptions used in the valuation are those specified by the Board of Trustees of the System based on recommendations made by the actuary and are the same as those used in the previous valuation.

In our opinion, the amount of \$23,980,566,000 is a fair representation of the pension benefit obligation of the System as of June 30, 1995.

Respectfully submitted,



John W. Thompson
Consulting Actuary

JWT:rl
7228/A4395.A02

Buck Consultants Inc
312 | 332-2285 Fax 312 | 332-5245

Actuarial information is based on mathematical relationships and probabilities concerning plan participants and economic events. Actuaries estimate the cost of benefits that members and survivors will receive over their lifetimes and then calculate the amount that should be set aside each year to fund those benefits. Various measures of the Teachers' Retirement System's ability to meet the cost of its obligations are discussed in this section.

This section also discusses Public Act 88-0593 (SB 533), the pension funding legislation enacted in 1994, which requires increases in state contributions beginning in FY 1996. The requirements of Public Act 86-0273 (SB 95) and state appropriations for FY 1995 are also compared.

Nearly 12,000 retirements under the Early Retirement Incentive (ERI) are reflected in the valuation as of June 30, 1995. ERI allowed members to purchase up to five years of age and service if they retired during the summers of 1993 and 1994; additional members retired under ERI in the summer of 1995 if they qualified under the delayed retirement provisions of the legislation. (See Early Retirement Incentive, page 41.)

The System complies with the reporting requirements issued by the Governmental Accounting Standards Board in November 1986 under Statement No. 5, "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Governmental Employers."

RESULTS OF THE ANNUAL ACTUARIAL VALUATION

The purpose of the annual valuation is to measure the System's total liability for all benefits earned to date. The types of obligations are categorized in the table below. The unfunded pension benefit obligation is the difference between the pension benefit obligation and the net assets that have been accumulated to cover that obligation. The funded ratio is equal to the net assets available for benefits divided by the pension benefit obligation.

ACTUARIAL VALUATION		<i>(In millions)</i>	
<i>(Years Ended June 30)</i>	1995	1994	
Pension benefit obligation			
Retirees and beneficiaries currently receiving benefits	\$12,702	\$10,089	
Inactives (Terminated employees not yet receiving benefits)	427	375	
Current employees			
Accumulated employee contributions	2,846	2,850	
Employer-financed vested	3,157	3,046	
Employer-financed nonvested	4,849	5,387	
Total pension benefit obligation	\$23,981	\$21,747	
Net assets available for benefits (book value)	12,642	11,992	
Unfunded pension benefit obligation	\$11,339	\$ 9,755	
Funded Ratio	52.7%	55.1%	

RECONCILIATION OF UNFUNDED PENSION BENEFIT OBLIGATION

The following table shows how the System's unfunded pension benefit obligation changed during FY 1995 and FY 1994. The amounts shown represent the differences between actuarial assumptions and experience.

All of the factors listed in the table at left caused increases in the unfunded pension benefit obligation during FY 1995. The difference between the employer's normal cost plus interest and employer contributions caused the most significant increase and was five times the size of the increase due to the second most significant factor. (See Employer's Normal Cost plus Interest, page 34.)

RECONCILIATION OF UNFUNDED PENSION BENEFIT OBLIGATION		<i>(In millions)</i>	
<i>(Years Ended June 30)</i>	1995	1994	
Unfunded pension benefit obligation at beginning of year	\$9,755	\$7,606	
Additions (deductions)			
Employer cost in excess of contributions	877	640	
PA 87-1265 (ERI): FY 1995: 5,446 retirements FY 1994: 5,497 retirements	149	193	
PA 89-0025: Increase in COLA due to increase in minimum benefit	4	—	
Addition to health care reserves	—	22	
Changes in assumptions			
New assumption for severance pay	—	223	
New assumption for unused sick leave	—	296	
New assumption for optional service purchases*	—	253	
Actuarial losses (gains) compared to experience			
Salary increases	90	197	
Investment income	175	(250)	
New entrant loss	12	18	
Lower than expected mortality	37	24	
Purchases of prior service credits	12	64	
Severance pay for new service retirements	9	53	
Retirements with unused sick leave	14	77	
Delayed reporting of retirements**	148	96	
Other***	57	243	
Net additions	1,584	2,149	
Unfunded pension benefit obligation at end of year	\$11,339	\$9,755	

* \$63 million of the increase will be covered by future member contributions.
 ** 3,398 retirements that occurred prior to 7/1/93 were not reported to the actuary until 6/30/94.
 4,780 retirements that occurred prior to 7/1/94 were not reported to the actuary until 6/30/95.
 *** Other includes:
 (a) Retroactive benefits for late retirees (50-100 late retirements annually).
 (b) Fewer terminations of vested employees than expected.
 (c) Change in rate of benefit accruals from certified normal cost rate.
 (d) Retirements with reciprocal service credits.
 (e) Fewer disabilities than expected.

For example, there were increases in the unfunded pension benefit obligation due to the cost of ERI benefits that will not be fully covered by employee and employer contributions. Additionally, slightly higher 3 percent annual benefit increases will be paid due to the increase in the minimum benefit, which becomes effective January 1, 1996. (The minimum benefit itself is paid from a separate reserve and is reimbursed by state appropriations, so the total actuarial cost of the minimum benefit program is not counted again as part of the System's pension benefit obligation.)

Increases in the unfunded pension benefit obligation were also caused by differences between the System's long-term actuarial assumptions and its experience in FY 1995. These are listed as actuarial losses in the reconciliation table. For example, salary increases were 8.0 percent compared to the composite assumption of 7.4 percent, and investment returns were 6.5 percent, compared to the 8.0 percent assumption.

Additional actuarial losses were caused by increased life expectancy (and longer benefit payouts). There were also losses for members who retired in FY 1995 with prior service credits (non-TRS service that they purchased), severance pay and unused sick leave.

SOURCES OF CONTRIBUTIONS

There are three sources of contributions to the System's trust fund: investment income, member contributions, and employer contributions. Collectively, they affect the funded ratio and the solvency test (page 35). Individually, however, employer contributions are the most important indication of the employer's commitment to the long-term stability of the fund.

Investment income depends on asset allocation and market conditions.

Member contributions (8 percent of salary) are specified under the Illinois Pension Code (40 ILCS 5/16-152) and are the most stable source of System income.

Employer contributions are also specified under the statute. The State of Illinois is the major source of employer contributions.

STATE FUNDING

Public Act 88-0593 (SB 533) will begin to strengthen the System's financial position as required state contributions increase. The System's current financial condition is the result of past state funding decisions.

"Percent of benefit payout" was used to determine state pension contributions for many years. This percentage was gradually reduced from 100 percent of benefit payout to 60 percent and then 44 percent; eventually the prior year's funding level (in dollars) became the basis of each year's appropriation, with minor differences due to the timing of distributions from the State Pensions Fund.

Public Act 86-0273 (SB 95) was enacted in 1989 and provided for amortization of the System's unfunded pension benefit obligation over 40 years after a seven-year phase-in (FY 1990-FY 1996). However, the state has never complied with these funding requirements and has continued its practice of essentially level funding. The table below shows the required and actual state contributions and funding shortfalls for FY 1990-FY 1995.

Fiscal Year	Total Requirement	Actual Contribution (CS, SPE, Fed)	Shortfall
1990	\$283.0	\$269.0	\$ 14.0
1991	329.3	269.9	59.4
1992	401.0	247.2	153.8
1993	495.0	281.9	213.1
1994	572.6	278.1	294.5
1995	663.8	279.3	384.5

Public Act 88-0593 (SB 533) was enacted in 1994 and provides for a 35-year amortization after a 15-year phase-in (FY 1996-FY 2010). State contributions will be gradually increased during the phase-in period to a level percentage of active member payroll. The plan calls for each state system to attain a 90 percent funded ratio (the current average among public plans nationwide) by the end of FY 2045.

Year Ended June 30	End of Year Funded Ratio	Year Ended June 30	End of Year Funded Ratio	Year Ended June 30	End of Year Funded Ratio	Year Ended June 30	End of Year Funded Ratio
1995	52.7%	2008	52.7%	2021	57.2%	2034	66.1%
1996	51.7	2009	53.4	2022	57.4	2035	67.5
1997	50.9	2010	54.1	2023	57.7	2036	69.0
1998	50.3	2011	54.7	2024	58.0	2037	70.7
1999	50.0	2012	55.2	2025	58.4	2038	72.5
2000	49.8	2013	55.6	2026	58.9	2039	74.5
2001	49.8	2014	55.9	2027	59.5	2040	76.6
2002	49.9	2015	56.1	2028	60.1	2041	78.9
2003	50.2	2016	56.3	2029	60.8	2042	81.3
2004	50.6	2017	56.5	2030	61.7	2043	84.0
2005	51.0	2018	56.6	2031	62.6	2044	86.9
2006	51.5	2019	56.8	2032	63.7	2045	90.0
2007	52.1	2020	57.0	2033	64.8		

The FY 1995 actuarial valuation was used to determine FY 1997 state funding requirements and the FY 1997 employer's normal cost. Similarly, the FY 1994 actuarial valuation was used to determine this information for FY 1996.

	FY 1997	FY 1996
Employer contribution reserve	\$377,969,000	\$324,276,000
Minimum benefit reserve	8,113,000	6,452,000
Supplemental benefit reserve	66,000	90,000
Total state funding requirements	\$386,148,000	\$330,818,000

Employer's Normal Cost as a percentage of active member payroll	8.21%	8.23%
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Compared to PA 86-0273, the most significant change in the newer law is the continuing state appropriation language which requires the state to make contributions to its retirement systems before funding other state programs. This makes the new funding law much more meaningful than previous funding measures which have been enacted but not followed.

Under PA 88-0593, the System's financial position will not immediately improve due to the phased-in contributions required during the ramp period. However, this enforceable funding policy should eventually lead to a strengthened financial condition for TRS and the other state pension systems.

EMPLOYER'S NORMAL COST PLUS INTEREST

Comparing employer contributions to the amount needed to cover the employer's normal cost plus interest is a common funding standard for a retirement system. (The employer's normal cost is the employer's portion of the cost of benefits earned by active members during the year.) If employer contributions (which for TRS are mostly due from the State of Illinois) cover the employer's normal cost plus interest on the unfunded pension benefit obligation and all of the System's actuarial assumptions match its experience, the unfunded pension benefit obligation will not change. Three contributing factors are present.

First, part of the employer's contribution would cover the cost of benefits earned by active members during the year (employer's normal cost). Second, the rest of the employer's contribution would cover interest on the unfunded pension benefit obligation to keep it from growing. Third, if all the long-term actuarial assumptions are exactly on target in a given year, there would be no actuarial gains or losses. (See Actuarial Assumptions and Method, page 37.)

However, the shortfalls between normal cost plus interest and employer contributions (mostly state appropriations) were \$877 million in FY 1995 and \$640 million in FY 1994. This shortfall has been the single most important factor explaining the change in the System's unfunded benefit obligation for the past several years. As shown under the Reconciliation of the Unfunded Pension Benefit Obligation (page 32), this shortfall has been far more significant over time than any actuarial gain or loss.

HISTORICAL TESTS OF FINANCIAL CONDITION

The **Funded Ratio** shows the percentage of the pension benefit obligation covered by net assets at either cost or market. Increasing percentages generally indicate improvements in financial condition.

The **Payroll Percentages** table shows various types of comparisons. Showing the System's unfunded pension benefit obligation as a percentage of payroll (Column 3) is a standard measure of the relative size of the unfunded pension benefit obligation. Generally, a system that is growing stronger will show this percentage

EMPLOYER'S NORMAL COST PLUS INTEREST		
<i>(In millions)</i>		
<i>(Years Ended June 30)</i>	1995	1994
Employer's normal cost	\$376	\$309
Interest on unfunded pension benefit obligation at beginning of year	780	609
Total employer's cost	\$1,156	\$918
Deduct employer contributions:		
State of Illinois *	263	261
Federal and trust funds	16	17
Total employer contributions	\$279	\$278
Employer's cost in excess of contributions	\$877	\$640

* State contributions exclude minimum and supplemental benefits not included in actuarial costs.

FUNDED RATIOS*					
<i>(In millions)</i>					
<i>As of June 30</i>	<i>Net Assets at Cost</i>	<i>Net Assets at Market</i>	<i>Pension Benefit Obligation*</i>	<i>Funded Ratio*</i>	
				<i>At Cost</i>	<i>At Market</i>
1986	\$ 5,168	\$ 5,952	\$ 8,687	59.5%	68.5%
1987	6,092	6,958	9,950	61.2	69.9
1988	6,684	7,055	10,922	61.2	64.6
1989	7,272	8,089	11,914	61.0	67.9
1990	8,080	8,924	13,663	59.1	65.3
1991	8,747	9,453	15,141	57.8	62.4
1992	9,812	10,440	16,659	58.9	62.7
1993	10,880	11,545	18,486	58.9	62.5
1994	11,992	12,039	21,747	55.1	55.4
1995	12,642	13,374	23,981	52.7	55.8

* The System's actuaries conducted analyses for the four-year periods ended June 30, 1981, June 30, 1985, and June 30, 1992; and for the three-year period ended June 30, 1988. The effects of these analyses were reflected in the pension benefit obligation for the years ended June 30, 1982, June 30, 1987, and June 30, 1993, respectively; there was no effect on the pension benefit obligation resulting from the analysis for the three-year period ended June 30, 1988.

decreasing. For TRS, however, this percentage is increasing. The actuarially required employer's cost under normal cost plus interest (Column 8) shows the percent of payroll the employer would need to contribute each year to cover its portion of the benefits earned by active members during the year and stabilize the System's unfunded liability. The largest portion of the increase in this percentage is due to the interest payment that accrues on the unfunded liability. Employer contribu-

tions to the System relative to payroll and actuarial funding requirements have dropped steadily over time.

The **Solvency Test** measures the System's ability to cover different types of obligations if the plan were terminated. (The Solvency Test is a standard measurement of a retirement system's financial health and should be considered illustrative.)

The columns shown are arranged in the order that assets would be used to cover certain types of obligations.

Employee contributions would be refunded first, amounts due for current beneficiaries would be covered second, and the employer's obligation for active members would be covered last. Columns 1 and 2 should be fully covered by assets. The portion of Column 3 which is covered by assets should increase over time but has decreased since FY 1989.

The System failed the minimum standards of the solvency test in FY 1995 and FY 1994.

PAYROLL PERCENTAGES											(In millions)
Year Ended June 30	Unfunded Pension Benefit Obligation			Actuarially Required Employer's Cost (Employer's Normal Cost plus Interest)					Employer Contributions		
	Member Payroll (1)	Unfunded PBO Amount (2)	Percent of Payroll (3)	Employer's Normal Cost (4)	Percent of Payroll (5)*	Interest on Unfunded Pension Benefit Obligation (6)	Total (7)	Percent of Payroll (8)	Employer Contribution (9) **	Percent of Payroll (10)	
1986	\$2,633	\$3,519	133.6%	\$179	6.8%	\$260	\$439	16.7%	\$239	9.1%	
1987	2,834	3,858	136.1	194	6.9	246	440	15.5	258	9.1	
1988	3,007	4,238	140.9	197	6.6	309	506	16.8	220	7.3	
1989	3,172	4,642	146.3	220	6.9	339	559	17.6	237	7.5	
1990	3,402	5,583	164.1	194	5.7	423	617	18.1	269	7.9	
1991	3,777	6,394	169.3	239	6.3	447	686	18.2	270	7.1	
1992	3,976	6,847	172.2	259	6.5	512	771	19.4	247	6.2	
1993	4,189	7,606	181.6	285	6.8	548	833	19.9	282	6.7	
1994	4,413	9,755	221.1	309	6.9	609	918	20.8	278	6.3	
1995	4,417	11,339	256.7	376	8.5	780	1,156	26.2	279	6.3	

* Percentages shown differ from employer normal cost rates calculated by the actuary.

** For actuarial comparisons, school district Early Retirement Option and state minimum and supplemental contributions are not included in employer contributions. ERI contributions and receivables are also excluded from FY 1995 and FY 1994 figures because the costs of ERI are not part of the regular actuarial costs of the System.

SOLVENCY TEST								(In millions)
Year Ended June 30	Members Accumulated Contributions (1)	Participants Currently Receiving Benefits (2)	Active Members Employer Portion (3)	Net Assets	Percentage of Benefits Covered by Net Assets			
					(1)	(2)	(3)	
1986	\$1,596	3,402	\$3,689	\$5,168	100%	100%	5%	
1987	1,718	3,777	4,455	6,092	100	100	13	
1988	1,860	4,165	4,898	6,684	100	100	13	
1989	2,004	4,528	5,382	7,272	100	100	14	
1990	2,167	5,121	6,375	8,080	100	100	12	
1991	2,312	5,743	7,086	8,747	100	100	10	
1992	2,503	6,338	7,818	9,812	100	100	12	
1993	2,710	7,511	8,265	10,880	100	100	8	
1994	2,850	10,089	8,808	11,992	100	91	0	
1995	2,846	12,702	8,433	12,642	100	77	0	

Year	Member Contributions (1)	Employer Contributions (2)	Minimum, Supplemental and ERO Contributions (3)	Employer Contributions (All Sources) [(4)=(3)+(2)]	Member and All Sources of Employer Contributions [(5)=(1)+(4)]	Benefits, Refunds and Expenses (6)	Cash Flow [(7)=(5)-(6)]
1986	\$220	\$239	\$21	\$260	\$ 480	\$ 390	\$ 90
1987	238	258	22	280	518	429	89
1988	253	220	22	242	495	462	33
1989	268	237	24	261	529	503	26
1990 *	284	269	24	293	577	583	(6)
1991	311	270	24	294	605	600	5
1992	351	247	25	272	623	673	(50)
1993	363	282	24	306	669	744	(75)
1994	395	305	5	310	705	907	(202)
1995	428	379	5	384	812	1,151	(339)

* System expense in FY 1990 includes \$35.5 million in non-cash expense.

CASH FLOW SUMMARY

The TRS Cash Flow Summary shows the difference between the sum of member contributions and employer contributions and benefit payments, refunds and current expenses. For this purpose, other sources of employer contributions which do not count towards meeting the System's actuarial requirements are included. Investment income received as cash is assumed to be immediately reinvested and thus is not added to member and employer cash contributions.

FY 1992 was the first year that System expenses exceeded member and employer contributions-\$50 million of investment income had to be used to pay benefits and other expenses. By FY 1995, \$339 million of investment income was used for benefits and other expenses. The natural growth in benefit payments was accelerated in both FY 1995 and FY 1994 due to ERI retirements.

If the state had complied with statutory funding requirements over the past several years, the System would now be in a much stronger financial condition. Higher state contributions would have generated incrementally greater investment income in years when rates of return were particularly high. Additionally, higher contributions would have been built into the state budget and offset the System's cash flow problem. Earnings used to pay benefits cannot be reinvested.

ACTUARIAL ASSUMPTIONS

An estimate of the pension benefit obligation is obtained each year through the actuarial valuation. Actuaries make demographic assumptions (for salary and service credit), economic assumptions (for salary increases and interest rates) and decrement assumptions (for mortality and disability rates). These actuarial assumptions are used to make projections that will be used in the actuarial valuation.

Differences between these long-term assumptions and experience in a given year are called actuarial gains and losses. Each year, the actuary reconciles the differences between major actuarial assumptions and experience in the process of explaining the change in the system's unfunded pension benefit obligation. The actuary may also recommend changes in actuarial assumptions before the next experience analysis.

The System's last experience analysis, covering the four-year period ended June 30, 1992, resulted in minor changes in assumptions that were adopted in the FY 1993 valuation. In compliance with Public Act 89-0136 (SB 114), the next TRS experience analysis will cover the five-year period ending June 30, 1997. All five state retirement systems will conduct experience analyses in 1997 and every five years thereafter so that changes in state funding requirements due to changes in actuarial assumptions will be implemented at the same time.

ACTUARIAL COST METHOD AND VALUATION

Normal cost is the annual cost of benefits earned by members during the year. The pension benefit obligation is the present value of pension benefits that have been earned to date and includes the cost of annual benefit increases.

There are several accepted actuarial cost methods. The actuarial cost method used by the System is projected unit credit. The certified normal cost for the year ending June 30, 1995 was 15.0 percent of payroll. Eight percent of normal cost was paid by the members' contributions. The remaining 7.0 percent was the employer's portion of the normal cost. The actual employer contribution was only 6.3 percent of payroll. Therefore, the employer's cost of benefits earned by active members was not fully covered and no payment was made on the unfunded pension benefit obligation.

ACTUARIAL ASSUMPTIONS AND METHOD

Inflation assumption: 4 percent per annum. Implicit in investment and earnings progression assumptions which were last modified in the FY 1987 valuation.

Investment return: 8 percent per annum, compounded annually. Adopted in FY 1987 valuation.

Retirement age: Graduated rates for active members. Inactive members are assumed to retire at age 62. Adopted in FY 1987 valuation.

Sample annual rates of retirement per 1,000 participants for active members:

Age	Male	Female
55	97	97
60	270	180
65	365	330
70	1,000	1,000

Mortality: Active participants and nondisabled pensioners - UP 1984 Table, set back six years. Active-adopted in FY 1993 valuation. Nondisabled pensioners-adopted in the FY 1991 valuation.

Disability: Adopted in FY 1993 valuation.

Sample annual rates per 1,000 participants.

Age	Male	Female
20	0.4	0.7
30	0.4	0.8
40	0.6	1.2
50	1.2	2.4
60	4.0	8.0

Separation: Graduated rates based on age and sex variations. Adopted in FY 1987 valuation.

Earnings progression: Merit and longevity increases, adjusted for inflation. Approximates 7.4 percent per year to earliest date of retirement eligibility. Adopted in FY 1987 valuation.

Sample annual percentage increases:

Age	Male and Female
20	9.7%
30	8.6
40	7.5
50	6.9
60	6.7

Severance Pay: Increases with years of service at retirement. Adopted in FY 1994 valuation.

Years of Service at Retirement	Percent of Retirees Who Receive Severance Pay	Severance Pay as % of Final Salary
Under 20	0%	0.0%
20-24	54	13.2
25-29	60	13.2
30-34	66	13.9
35 or more	72	14.6

Optional Service at Retirement: The pension benefit obligation for retirement benefits for active members is increased by 2.87 percent to cover the employer cost of optional service purchased in the last two years of service. Adopted in FY 1994 valuation.

Unused and Uncompensated Sick Leave: Equals 2.90 percent of regular service at retirement. Adopted in FY 1994 valuation.

Actuarial Cost Method: Projected unit credit. Gains and losses are reflected in the unfunded pension benefit obligation. Adopted in FY 1989 valuation.

Asset valuation method: Cost value.

Membership and Benefits Information

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois

For Fiscal Year Ended June 30, 1995

PLAN DESIGN

TRS provides retirement and disability benefits to its members and survivor benefits to their beneficiaries. The TRS plan pays specific benefits in amounts that are specified in the Illinois Pension Code (40 ILCS 5/16-101 *et seq.*), changed only by action of the Illinois General Assembly and the Governor.

All Illinois public school employees, outside the city of Chicago, and employed in a position requiring certification, are members of TRS and therefore contribute 8 percent of their annual earnings. There are 1,076 employers and 128,796 members. Members do not contribute to Social Security for TRS-covered employment; however, members hired after March 31, 1986, are required to contribute to Medicare.

MEMBERSHIP PROFILE

The average TRS member is 41 years old. In FY 1995, the largest portion of the active membership was in the 45-49 age group. A detailed membership summary is provided on page 50.

CONTRIBUTIONS

Active members contributed \$355 million to the System, representing 8 percent of creditable earnings. Additional amounts were contributed by members through ERI, ERO and optional service, resulting in total member contributions of \$431 million in FY 1995. The average salary earned by a TRS member during FY 1995 was \$40,455, 59 percent higher than a decade

ago. The highest salaries were earned by members with 41 to 45 years of service while members in the 0-5 years of service category had an average salary of \$28,851.

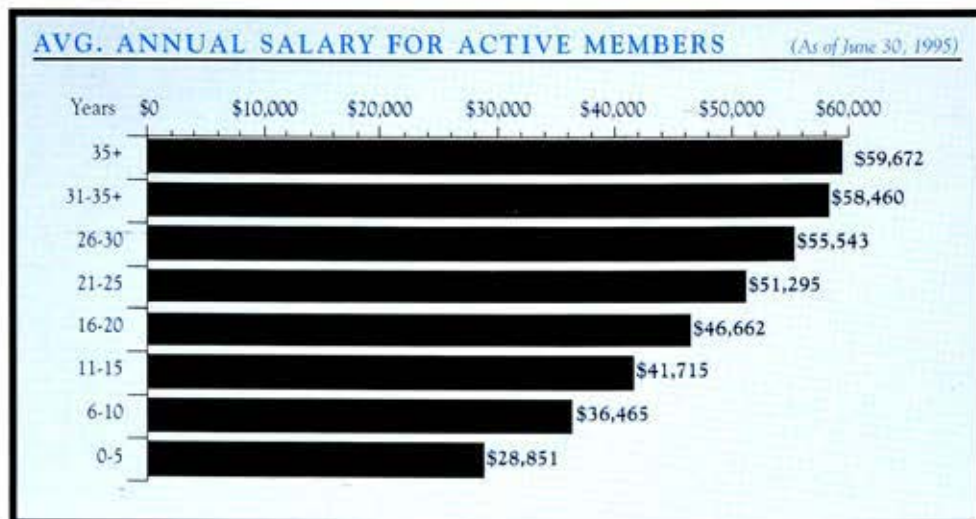
MEMBER SERVICES

The Teachers' Retirement System has offices in Springfield and Lisle to serve its members and annuitants. In FY 1995, the Member Services staff received over 136,200 phone calls, responded to over 116,100 inquiries with personal letters or publications, and conducted office consultations with over 5,900 members. TRS benefits counselors served over 9,100 members through 189 group meetings and 1,161 individual field conferences held throughout the state.

Benefits counselors provided information through the year to members and annuitants. Member Services coordinated nearly 40 statewide information meetings attended by key legislators and officials to explore issues and options for sustaining the health insurance program. In January 1995, plan changes including the introduction of managed care and a Preferred Provider Network were implemented that required information and clarification from the staff. During April and May, over 480 eligible members planning June 1995 retirements attended counselor-conducted workshops titled "Looking Forward to Your Future-Retirement Issues and Answers."

Changes are underway at TRS, using information derived from a Member Services survey. During FY 1995, counselors communicated with the System's database through the use of laptop computers during field counseling sessions. This allows instant access to a member's account and enables staff

to produce personal benefit estimates on demand. TRS is developing a World Wide Web "home page" on the Internet to provide benefit information, membership statistics, and topical articles regarding legislative activity and retirement issues. In addition, work has begun on a new service called "Rapid Retirement" to simplify and accelerate the process of preparing for retirement.



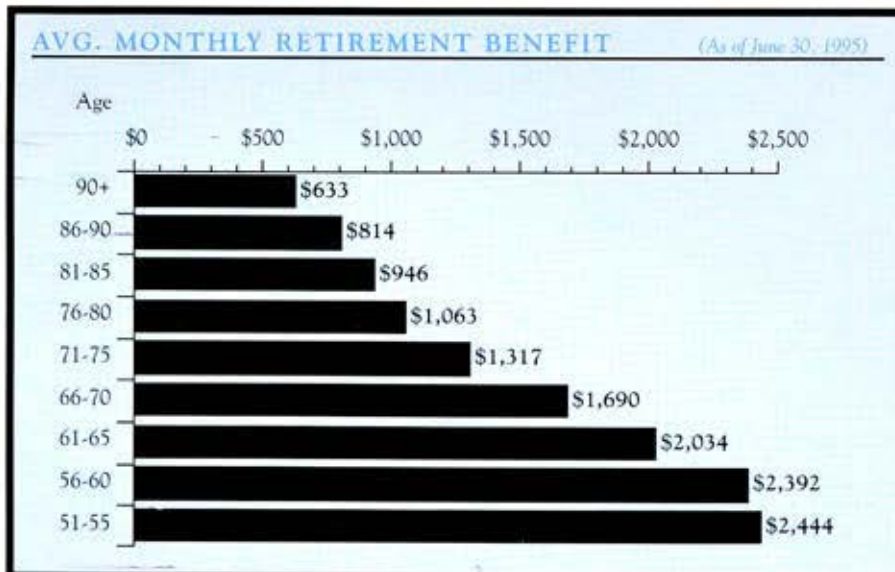
RETIREMENT BENEFITS

As of June 30, 1995, the TRS plan provided retirement benefits for 52,740 retirees who received an average monthly benefit of \$1,618. The System gained 6,076 monthly retirement benefit recipients in FY 1995, over 5,400 of whom retired under provisions of ERI. Of the 6,076 members who retired during FY 1995, the average age was 58, average service was 31.3 years, and the average monthly benefit was \$2,556. These members retired with an average salary of \$49,265, a 13 percent increase from average FY 1994 retiree salaries.

Anyone receiving a monthly benefit has the option of having annuity payments deposited directly into participating financial institutions. Currently, 77 percent of annuitants participate in this program. This participation level is among the highest in the country for public pension systems.

EARLY RETIREMENT OPTION (ERO)

Of the 6,076 FY 1995 retirees, eight retired under the provisions of ERO. Members, aged 55 or older with more than 20, but less than 35 years of ser-



vice, may choose the Early Retirement Option to avoid a discounted annuity with a one-time contribution from the member and employer. Under current law, the Early Retirement Option expires June 30, 2000. Members with 35 or more years of service can retire and receive a non-discounted annuity.

EARLY RETIREMENT INCENTIVE (ERI)

The Early Retirement Incentive, first made available through Public Act 87-1265 in 1993, allowed members meeting certain age and service requirements to purchase up to five years of additional service and acquire an age enhancement of an equal number of years. During its third and final year, 623 members had retired under its provisions by the time statistics were compiled for this report. A total of 11,941 members took advantage of the ERI program over the three-year period. This represents approximately 43 percent of the members who were eligible for the program.

In anticipation of ERI, the System instituted numerous administrative changes in the process of retirement preparation to alleviate bottlenecks, increase accuracy, and improve processing speed. Bar codes were affixed to member records that reduced the incidence of lost files and saved processing time. Work procedures were streamlined and member files were audited prior to the traditional retirement season to prevent delays. In addition, systems were designed to produce automated calculations. During the 1995 retirement season, over 93 percent of retiring members were on the August payroll, representing a less than 60-day turnaround for processing.

DISABILITY BENEFITS

An average monthly benefit of \$1,024 was paid to 880 disability benefit recipients whose average age was 56 and whose average years of service were 16.5.

There were 312 new disability benefits paid during FY 1995 with an average monthly benefit of \$1,239.

During FY 1995, a Disability Determination Unit was established to monitor and adjudicate disability claims and to establish a network of physicians that will provide reexamination services. This unit will obtain and evaluate medical documentation to ensure claims meet the criteria set forth in the statutes and rules of the System and will manage a more comprehensive reexamination caseload.

DEATH BENEFITS

Average monthly survivor benefits of \$556 were paid to 6,014 survivors of TRS members and annuitants in FY 1995. The average age of the 6,014 survivors was 74. There were 610 new claims for monthly benefits during the year. The average monthly benefit for these new claims was \$689.

An additional \$11.1 million was paid in death benefits to survivors of active, inactive and retired members. These death benefits were refunds of various types of contributions that had been made by the members.

MEMBER REFUNDS

Members who withdraw from active service with the System may apply for a refund that includes accumulated retirement contributions, exclusive of the 1 percent survivor benefit contribution and accumulated interest. During FY 1995, refunds of these contributions totaled \$8.6 million.

The number of members who requested a refund of their 1 percent survivor benefit contributions increased from 1,177 in FY 1994 to 1,302 in FY 1995. These refunds, totaling \$8.9 million, were granted to members who have no dependent beneficiaries and therefore wish to forfeit any future survivor benefits.

MEMBER ACCOUNTS

The Member Accounts Department handles requests from members who are interested in purchasing optional service credit or repaying previous refunds from the System. Optional service credit is available for periods of public school teaching in other states or under the auspices of the United States government, substitute and part-time teaching, leaves of absence and involuntary layoffs, and military service. During FY 1995, staff processed 2,687 optional service adjustments that added 6,384 years of service credit to members' accounts.

TRS HEALTH AND PRESCRIPTION DRUG INSURANCE PLAN

The System has provided optional health and prescription drug insurance to its annuitants and their dependents since 1981. The plan, administered by Blue Cross and Blue Shield, provides comprehensive coverage for both hospital and physician services. During fiscal year 1995, TRS provided this coverage to over 31,800 annuitants and nearly 6,400 dependents.

PREMIUMS

The System subsidizes 75 percent of the cost of the premium for participating annuitants; dependent premiums are the responsibility of the annuitant.

PLAN CHANGES

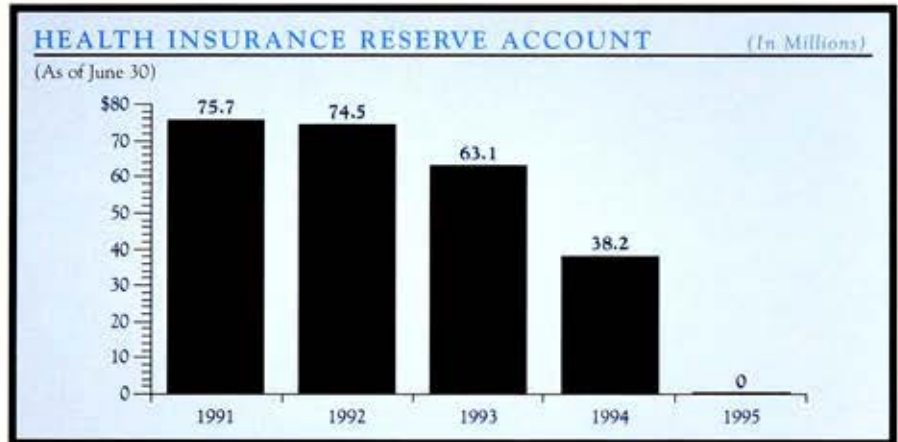
On February 1, 1995, a series of coverage changes was implemented to achieve needed cost savings. Changes included: a Preferred Provider Hospital network, a Medical Services Advisory Program with an alternative prescription drug plan featuring variable deductibles for generic and brand name drugs, pre-certification requirements for all surgeries and hospital admissions for participants not eligible for Medicare, and the establishment of a coinsurance feature for Medicare-eligible participants.

Legislation transferring the administration of the health insurance program to the Illinois Department of Central Management Services (CMS) takes effect January 1, 1996. It also establishes a funding mechanism consisting of a one-half of 1 percent contribution from active teachers and matching appropriations from the state to pay the subsidy portion of participating annuitants during FY 1996. Participants will have the option to choose between a traditional major medical program and a managed care program. Persons enrolling in managed care or residing in areas with no managed care will receive a 75 percent premium subsidy. All others will receive a 50 percent premium subsidy. Once the program is transferred to CMS, TRS will continue to be responsible for program enrollment and eligibility determination. CMS will be responsible for providing information and consultation to plan participants, determination of coverage benefits, insurance rates and premiums and availability of HMOs.

CURRENT COVERAGE OPTIONS

For annuitants and their dependents who qualify for Medicare, the present TRS plan provides supplemental Medicare coverage. After Medicare's payment and a \$300 yearly deductible, the plan provides 80 percent/20 percent coinsurance of the next \$10,000 and 100 percent thereafter of all reasonable and customary claims not covered by Medicare.

Annuitants who do not qualify for free Medicare Part A coverage at age 65 may elect the Special Coverage Option. This option provides coverage for both hospital and physician services. It pays all claims that are reasonable and customary after a \$300 deductible, 80 percent/20 percent coinsurance of the next \$10,000. Annuitants and their dependents under 65 are offered a plan identical to the Special Coverage Option; however, the deductible is \$500. The Medicare supplement option has the largest enrollment, with fewer annuitants enrolled in the under 65 group and Special Coverage Option, respectively.



RESERVE ACCOUNT

The Health Insurance Reserve is authorized under 40 ILCS 5/16-153.4 (1993). In 1994, the Board of Trustees was authorized to transfer up to \$20 million annually from its investment earnings in excess of 4 percent per annum and interest was authorized to be credited to this account at a rate of 8 percent annually based on the System's actuarial rate of return assumption. In 1995 the System did not transfer funds or credit any interest to the Health Insurance Reserve. Health insurance subsidy payments for annuitant premiums were charged to the reserve.

The total subsidy paid on behalf of TRS annuitants was \$65.0 million in fiscal year 1995. Monies for these payments included \$38.2 million paid from the Health Insurance Reserve account and \$26.8 million held by the insurance carrier, Blue Cross/Blue Shield, due to program changes, lower-than expected health care costs, and reductions in contractual reserve requirements. The expenditures reduced the Health Insurance Reserve Account balance to zero at year-end.

CLAIMS EXPERIENCE

June 30	Premiums Paid***	Retention Fees*	Claims Paid
1983	\$3,826,263	\$277,021	\$3,467,117
1984	6,242,236	368,008	5,962,159
1985	8,931,731	427,746	8,195,968
1986	11,640,732	539,458	9,859,427
1987	13,932,201	617,300	13,163,179
1988	17,066,035	735,546	17,714,923
1989	20,859,736	899,055	22,015,321
1990	26,048,490	1,122,690	24,921,796
1991	31,411,797	1,353,848	30,348,628
1992	45,562,267	1,963,734	40,927,520
1993	61,229,774	2,639,003	53,282,267
1994	79,903,205	2,796,612	65,734,806
1995**	102,996,095	2,986,887	82,555,440

* Retention is the percentage of premiums paid to the insurance carrier to cover the administrative costs for processing claims and the risk involved in underwriting the contract.

** \$26,768,087 of premiums paid were charged to the Premium Reserve held by Blue Cross/Blue Shield.

*** Premiums paid also include annuitant payments for their share of premium expense and for dependent premium expense.

SUBSIDY PAYMENTS

(In thousands)

Fiscal Year	Payment	Fiscal Year	Payment
1981	\$ 110	1989	\$ 8,346
1982	627	1990	10,331
1983	1,503	1991	15,142
1984	2,412	1992	27,717
1985	3,094	1993	37,498
1986	4,800	1994	49,553
1987	5,409	1995*	\$64,980
1988	6,823		

* \$38.2 million was paid from the TRS Health Insurance Reserve Account and \$26.8 million was charged to the Premium Reserve held by Blue Cross/Blue Shield.

ADMINISTRATION

The Teachers' Retirement System was created and is governed by 40 Illinois Compiled Statutes, Chap. 5, Section 16. A Board of Trustees, comprised of the State Superintendent of Education, four persons appointed by the Governor, four elected members of the System, and one elected annuitant, is authorized to carry out the duties granted under Article 16. The Board appoints an Executive Director responsible for the detailed administration of the System.

REVENUE

The primary sources of the System's revenue are active member contributions, employer contributions, and investment income. Members contribute 8 percent of gross earnings, designated as 6 1/2 percent for retirement annuity, 1/2 percent for post-retirement increases and 1 percent for death benefits.

MEMBERSHIP

Membership in the System is mandatory for all individuals certified under the provisions of The School Code of Illinois and employed in full-time, part-time, or substitute positions requiring certification in the public schools of Illinois (except Chicago). Individuals employed in positions requiring teacher certification in certain state institutions are also included.

SERVICE CREDIT

A member is granted a maximum of one year of credit for 170 paid days per school year. The school year is July 1 through June 30. Optional service credit may be purchased for military service and related educational training, out-of-system service, official leave of absence, reduction in force, and substitute or part-time teaching rendered prior to July 1, 1990. Up to one year of unused, uncompensated sick leave certified by former employers may also be added at retirement.

DISABILITY BENEFITS

TRS offers both occupational and non-occupational disability benefits to active members. Non-occupational disability benefits are payable as disability benefits or as a disability retirement annuity. Occupational disability benefits are payable for duty-related accidents or illnesses. The member continues to accrue service credit while receiving disability benefits but not while receiving a disability retirement annuity.

On January 1 following the fourth anniversary of the granting of the disability benefit, the monthly benefit will increase by 7 percent. Thereafter, the benefit increases by 3 percent of the current benefit each January 1.

DEATH BENEFITS

There are two types of death benefits: (1) a return of the member's accumulated contributions and (2) survivor benefits. The return of member contributions includes the retirement contribution (currently 6 1/2 percent) plus the statutory interest. The return also includes the 1/2 percent member contribution paid toward the annual increases in annuity.

Beneficiaries of annuitants will receive accumulated contributions minus the amount received as retirement annuity. Survivor benefits can be paid in either a lump sum or a monthly payment. A lump-sum benefit is the only method payable to non-dependent beneficiaries. A dependent beneficiary may choose either a lump sum benefit or a monthly payment. Survivor benefit recipients who are beneficiaries of a retired member are eligible for an annual 3 percent increase effective January 1 following the granting of the survivor benefit. Survivor benefit recipients who are beneficiaries of an active or eligible inactive TRS member are eligible for an annual 3 percent increase on January 1 following the first anniversary in receipt of a survivor benefit.

RETIREMENT BENEFITS

A member qualifies for a retirement annuity after attaining one of the following conditions: age 62 with five years of service credit, age 60 with 10 years, or age 55 with 20 years (reduced). A member, age 55 with less than 35 years of service, may use the Early Retirement Option to avoid a discount if retirement occurs before July 1, 2000. Under the ERO provision, the member and employer must make a one-time contribution to the System. A member with fewer than five years of creditable service who taught after July 1, 1947 is eligible to receive a single-sum retirement benefit at age 65.

A retirement annuity is determined by two factors: average salary (the average of the four highest consecutive salary rates within the last 10 years of creditable service) and the member's total creditable service. The maximum annuity, 75 percent of average salary, is achieved with 38 years of service. An actuarial calculation will be used if it provides a greater benefit.

POST-RETIREMENT INCREASE

Annuitants meeting certain service credit criteria receive an annual 3 percent increase in the gross annuity on the later of the January 1 following the first anniversary in retirement or the January 1 following the attainment of age 61.

REFUNDS

After a four-month waiting period from the date last taught, a member ceasing covered employment may elect to withdraw all member contributions, exclusive of the 1 percent death benefit contribution. Interest is not refundable. When a member accepts a refund, all service credit and benefit rights are forfeited. Credit can be reestablished if the member returns to a covered position for one year or a reciprocal system for two years and repays the refund with interest. A TRS member who is receiving disability benefits is not eligible for a refund.

TRS HEALTH AND PRESCRIPTION DRUG INSURANCE PLAN

Annuitants of the System and their eligible dependents may enroll in the TRS Health and Prescription Drug Insurance Plan. This partially subsidized plan covers hospital and physicians' medical expenses and prescription drugs. Effective January 1, 1996, the plan, known as Teachers' Retirement Insurance Program, will be administered by the Illinois Department of Central Management Services (CMS).

SPECIAL CONDITIONS

Any member convicted of a felony related to or in connection with teaching is not eligible for TRS benefits; however, that member may receive a refund of contributions.

Conditions involving a claim for benefits may require further clarification. If any conflicts arise between material in this summary and that of the law, the law takes precedence.

CONTINUITY OF CREDIT WITHIN ILLINOIS

TRS is one of 13 systems included in the provisions of the Retirement Systems Reciprocal Act that ensures continuous pension credit for public employment in Illinois.

Statistical Summary

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois

For Fiscal Year Ended June 30, 1995

Years of Service		1986	1987	1988	1989
0-5	Number	22,160	23,384	24,792	25,296
	Average Salary	18,555	19,726	20,845	22,121
6-10	Number	19,698	18,819	17,129	15,314
	Average Salary	23,005	24,320	25,780	27,124
11-15	Number	20,700	19,460	18,417	17,671
	Average Salary	27,607	29,001	30,312	31,581
16-20	Number	18,528	19,163	19,689	19,867
	Average Salary	31,056	33,144	34,771	36,315
21-25	Number	9,391	10,257	11,474	12,830
	Average Salary	33,309	35,246	37,153	39,141
26-30	Number	5,864	6,245	6,456	6,659
	Average Salary	35,740	37,666	39,474	41,429
31-35	Number	2,002	2,089	2,394	2,758
	Average Salary	37,533	39,310	41,730	43,749
35+	Number	483	517	426	462
	Average Salary	37,533	40,492	43,465	45,979
Total Number		98,826	99,934	100,777	100,857
Average Salary		26,522	28,085	29,638	31,318
Percent Change in Average Salary		4.2	5.9	5.5	5.7
Total Payroll Full & Part-time		2,621,063,172	2,806,646,390	2,986,828,726	3,158,639,526

Statistical information on the System's active membership for fiscal year 1995 is subject to review by the System's audit department and may undergo slight modifications as a result of their review. Annual salaries are computed using full- and part-time salary rates only; substitute and hourly employees and extra-duty earnings were omitted. Total payroll shown in this table will therefore be lower than payroll figures used elsewhere in this report.

(Years Ended June 30)

1990	1991	1992	1993	1994	1995
22,949	26,770	26,962	26,217	28,573	34,193
23,284	24,752	25,881	27,051	28,120	28,851
15,359	14,811	15,820	16,948	18,158	18,757
28,158	30,524	32,141	33,675	35,349	36,465
18,066	16,438	15,914	14,663	13,380	12,686
32,791	35,078	37,016	38,714	40,413	41,715
20,027	18,403	17,454	16,703	15,916	14,775
37,984	40,060	41,984	43,692	45,523	46,662
14,755	15,719	16,422	17,083	17,233	16,030
41,523	43,958	46,051	47,942	49,998	51,295
7,152	7,605	8,307	9,431	10,134	9,608
43,316	45,877	48,438	51,050	54,071	55,543
3,222	3,479	3,742	4,124	3,523	1,930
46,363	49,046	52,047	55,598	58,913	58,460
457	478	539	707	771	541
48,146	49,979	55,044	57,768	60,109	59,672
101,987	103,703	105,160	105,876	107,688	108,520
33,024	35,321	37,193	39,177	40,618	40,455
5.4	7.0	5.3	5.3	3.7	(0.4)
3,368,018,688	-3,662,893,663	3,911,215,880	4,147,904,052	4,374,071,184	4,390,176,600

STATISTICAL SUMMARY

ACTIVE MEMBERS BY YEARS OF AGE AND YEARS OF SERVICE							
AGE	SUBS	YEARS OF SERVICE					
		0-5	6-10	11-15	16-20	21-25	
20-24	Total #	2,674	4,182				
	Avg. Salary	2,953	24,396				
25-29	Total #	2,916	11,453	1,434			
	Avg. Salary	2,988	27,793	31,686			
30-34	Total #	1,779	4,435	5,187	878		
	Avg. Salary	3,098	29,433	34,642	38,689		
35-39	Total #	2,383	3,499	2,796	4,027	1,532	
	Avg. Salary	3,048	29,094	35,792	39,796	43,439	
40-44	Total #	3,651	4,776	3,488	2,864	6,925	2,902
	Avg. Salary	3,327	29,997	36,727	42,047	45,962	49,501
45-49	Total #	3,274	3,919	3,636	2,782	3,362	9,181
	Avg. Salary	3,641	32,189	38,795	43,196	48,191	51,531
50-54	Total #	1,683	1,414	1,649	1,524	1,893	2,677
	Avg. Salary	3,757	33,154	40,290	44,070	48,115	52,421
55-59	Total #	995	378	445	486	807	938
	Avg. Salary	3,216	33,917	40,867	44,703	48,319	51,251
60-64	Total #	523	108	105	103	220	269
	Avg. Salary	3,281	35,095	40,892	43,761	48,618	50,709
65-69	Total #	285	24	15	20	31	56
	Avg. Salary	2,608	32,503	40,641	44,666	50,856	54,747
70-74	Total #	91	3	2	2	4	6
	Avg. Salary	2,693	28,823	45,580	45,602	52,122	51,849
>74	Total #	22	2			1	1
	Avg. Salary	2,988	26,822			18,403	86,320
	Totals	20,276	34,193	18,757	12,686	14,775	16,030
	Avg. Salary	3,242	28,851	36,465	41,715	46,662	51,295

(As of June 30, 1995)

YEARS OF SERVICE						TOTALS
26-30	31-35	36-40	41-45	46-50	51-55	
						4,182
						24,396
						12,887
						28,226
						10,500
						32,781
						11,854
						36,163
						20,955
						40,741
3,189						26,069
55,072						45,960
5,195	692					15,044
55,980	57,420					49,351
863	992	167				5,076
54,572	59,619	59,304				50,421
290	206	270	13			1,584
56,150	57,601	59,962	57,004			51,773
61	33	38	31	2		311
54,856	52,761	63,969	61,783	36,719		52,837
8	7	7	3	2	3	47
50,687	49,389	51,232	69,104	51,679	44,303	49,826
2		1	2		2	11
45,447		39,921	37,751		55,304	43,208
9,608	1,930	483	49	4	5	108,520
55,543	58,460	59,882	59,982	44,199	48,703	40,455

STATISTICAL SUMMARY

RETIRED MEMBERS BY YEARS OF SERVICE AND YEARS IN RETIREMENT

YEARS RETIRED	YEARS OF SERVICE						
	1-5	6-10	11-15	16-20	21-25	26-30	
1-5	Total #	587	548	609	839	1,881	2,760
	Avg. Benefit	180	479	689	984	1,407	1,899
	Avg. Orig. Benefit	173	458	649	933	1,355	1,849
6-10	Total #	441	578	635	1,095	1,708	1,806
	Avg. Benefit	147	347	585	980	1,322	1,761
	Avg. Orig. Benefit	117	274	474	807	1,106	1,472
11-15	Total #	298	376	674	1,147	1,523	1,572
	Avg. Benefit	131	286	513	831	1,090	1,511
	Avg. Orig. Benefit	89	188	356	594	785	1,092
16-20	Total #	202	281	547	1,001	1,266	1,176
	Avg. Benefit	115	261	419	634	828	1,127
	Avg. Orig. Benefit	66	142	248	391	516	712
21-25	Total #	136	195	381	746	901	936
	Avg. Benefit	37	199	354	523	676	885
	Avg. Orig. Benefit	10	91	170	267	356	477
26-30	Total #	30	46	123	277	367	371
	Avg. Benefit	55	205	299	419	539	662
	Avg. Orig. Benefit	2	55	81	144	218	276
31-35	Total #	5	7	29	115	221	153
	Avg. Benefit	45	204	299	412	507	619
	Avg. Orig. Benefit	4	31	53	105	149	205
36-40	Total #			3	26	66	69
	Avg. Benefit			328	427	504	608
	Avg. Orig. Benefit			39	91	93	138
41-45	Total #				3	14	17
	Avg. Benefit				410	537	616
	Avg. Orig. Benefit				41	69	97
46-50	Total #				2	8	5
	Avg. Benefit				370	548	594
	Avg. Orig. Benefit				12	51	43
>50	Total #					1	
	Avg. Benefit					521	
	Avg. Orig. Benefit					42	
	TOTALS	1,699	2,031	3,001	5,251	7,956	8,865
	AVG. BENEFIT	141	342	516	772	1,078	1,506
	AVG. ORIG. BENEFIT	114	266	383	570	846	1,230

(As of June 30, 1995)

YEARS OF SERVICE					TOTALS	AVG. AGE
31-35	36-40	41-45	46-50	Over 50		
4,887	6,189	124	15	3	18,442	
2,526	3,178	3,372	2,993	2,482	2,277	60
2,482	3,117	3,210	2,801	2,375	2,226	
2,315	1,361	102	25	4	10,070	
2,418	3,000	2,704	2,655	1,578	1,706	67
2,040	2,487	2,255	2,193	1,300	1,424	
1,863	896	123	34	4	8,510	
2,085	2,511	2,270	2,326	1,838	1,408	72
1,511	1,839	1,629	1,665	1,355	1,017	
1,089	679	183	27	2	6,453	
1,475	1,762	1,748	1,642	1,664	1,008	78
934	1,103	1,088	998	946	630	
926	998	477	89	5	5,790	
1,181	1,446	1,409	1,322	1,050	922	84
648	797	762	705	534	496	
292	348	262	57		2,173	
815	981	1,058	1,081		702	88
367	457	496	498		303	
189	184	69	11		983	
697	813	897	951		629	91
251	330	373	393		220	
44	28	10	2		248	
669	722	823	740		591	94
184	237	309	245		147	
11	6				51	
680	686				604	97
156	144				104	
1	2				18	
675	686				563	98
83	85				50	
1					2	
678					600	101
83					63	
11,618	10,691	1,350	260	18	52,740	70
2,146	2,728	1,713	1,638	1,649	1,618	
1,846	2,441	1,148	1,063	1,239	1,363	

SCHEDULE OF AVERAGE MONTHLY PAYMENT AMOUNTS

(As of June 30, 1995)

Years of Age	Retirement Benefits		Disability Benefits		Survivor Benefits	
	Count	Avg Ben	Count*	Avg Ben	Count	Avg Ben
Under 5	—	—	—	—	1	\$206
6-10	—	—	—	—	21	314
11-15	—	—	—	—	52	366
16-20	—	—	—	—	44	388
21-25	—	—	—	—	1	782
26-30	—	—	1	\$ 568	3	625
31-35	—	—	5	775	4	583
36-40	—	—	17	810	11	685
41-45	—	—	57	808	40	685
46-50	—	—	56	860	55	694
51-55	4,023	\$2,444	78	983	191	822
56-60	7,298	2,392	121	1,081	312	825
61-65	8,993	2,034	79	995	485	768
66-70	8,955	1,690	82	738	734	708
71-75	7,360	1,317	58	680	832	584
76-80	5,997	1,063	26	565	1,039	501
81-85	4,857	946	10	394	1,036	441
86-90	3,366	814	4	369	724	366
Over 90	1,891	633	286	1,338	429	432
TOTALS	52,740	\$1,618	880	\$1,024	6,014	\$556

*Includes 280 members who are receiving temporary or occupational disability benefits who are counted as active members. The remaining 600 members receive permanent disability benefits.

RETIREES AND BENEFICIARIES ADDED TO AND REMOVED FROM ROLLS DURING FY 1995

Number of Annuitants at Beginning of Year	Added to Rolls	Removed from Rolls	Number of Annuitants at End of Year
54,888	6,822	2,076	59,634

SCHEDULE OF PARTICIPATING EMPLOYERS

5 COUNTY REG VOC SYSTEM
 ABINGDON COMM UNIT SCHL
 ADAMS-PIKE ESR
 ADDISON SCHOOL DISTRICT #4
 ADLAI E STEVENSON H S
 ADOLPH MEYER MNTL HEALTH & DEV
 AERO
 AKIN COM CONS
 ALBERS SCHL
 ALDEN HEBRON SCHL
 ALEDO COMM UNIT SCH DIST #201
 ALEXIS SCHOOL
 ALLEN TWP SCHOOL
 ALLENDALE SCHOOL
 ALTAMONT CUSD #10
 ALTERNATIVE SCHOOL
 ALTON COMM UNIT S D 11
 ALTON MENTAL HLTH CTR
 ALWOOD COMM. UNIT SCHOOL
 AMBOY SCHOOL
 ANN M. KILEY CENTER
 ANNA C.C SCHOOL
 ANNA JONESBORO COMM
 ANNAPAN SCHOOL
 ANTIOCH C C SCHL DIST 34
 ANTIOCH COMM H S
 APTAKISIC TRIPP SCHL
 ARBOR PARK SCHL
 ARCOLA SCHOOL
 ARGENTA SCHOOL
 ARGO COMM HS
 ARGO SUMMIT SCHOOL
 ARLINGTON HEIGHTS SCHOOLS
 ARMSTRONG SCHL
 ARMSTRONG TWP HS
 ARTHUR SCHOOL
 ASHLAND - CHANDLERVILLE
 ASHLEY SCHOOL
 ASHTON C U SCHOOL
 ASST SUPT ESR
 ASTORIA SCHOOL
 ATHENS SCHOOL
 ATWOOD HAMMOND SCHL
 ATWOOD HEIGHTS SCHOOL
 AUBURN SCHL
 AURORA SCHOOL
 AURORA WEST SCHOOL
 AVISTON SCHOOL
 AVOCA SCHOOL
 AVON SCHOOL
 BAC REGIONAL VOCATIONAL SYSTEM
 BALL CHATHAM SCHL
 BANNOCKBURN SCHOOL
 BARRINGTON SCHOOL
 BARRY SCHL
 BARTELSO SCHOOL
 BARTONVILLE PUBLIC SCHOOL
 BASED
 BATAVIA SCHOOL
 BEACH PARK SCHOOL
 BEARDSTOWN SCHOOL
 BECK AREA VOCATIONAL CENTER
 BEECHER CITY SCHOOL
 BEECHER SCHOOL
 BELLE VALLEY SCHOOL
 BELLEVILLE SCHOOL
 BELLEVILLE TWP H S J
 BELVIDERE SCHOOL
 BEMENT SCHOOL
 BENJAMIN SCHOOL
 BENSENVILLE SCHOOL
 BENTON CONS HIGH SCHOOL
 BENTON SCHOOL

BERKELEY SCHOOL
 BERWYN N SCHOOL
 BETHALTO SCHOOL
 BETHANY SCHOOL
 BETHEL SCHOOL
 BI CO SPEC ED COOP
 BIG HOLLOW SCHOOL
 BISMARCK SCHL
 BLACKHAWK AREA SP ED
 BLOOM TWP HS
 BLOOMINGDALE SCHL DIST 13
 BLOOMINGTON SCHOOL
 BLUE ISLAND SCHOOL
 BLUE RIDGE SCHOOL
 BLUFFS COMMUNITY SCHOOL
 BLUFORD GRADE SCHOOL
 BMP TRI-COUNTY CO-OP
 BOND CO CU SCHL
 BOURBONNAIS SCHL
 BRACEVILLE SCHOOL
 BRADFORD COMM UNIT SCH
 BRADLEY BOURBONNAIS
 BRADLEY SCHL
 BREESE SCHOOL
 BREMEN COM H S
 BRIMFIELD SCHOOL
 BROOKWOOD SCHL
 BROWN C C U SCHL
 BROWN CASS MORGAN SCOTT ROE
 BROWNSTOWN SCHOOL
 BRUSSELS COMMUNITY UNIT SCHL
 BUNCOMBE SCHL
 BUNKER HILL C U SCHL
 BURBANK SCHOOL DIST 111
 BUREAU OF AGENCY SUPPORT SERV
 BUREAU VALLEY CUSD 340
 BURNHAM SCHL
 BUSHNELL PRAIRIE SCHL
 BUTLER SCHOOL
 BYRON C.U.S.D. #226
 CAHOKIA UNIT SCHOOL
 CAIRO SCHOOL
 CALHOUN GREENE JERSEY ESR
 CALHOUN SCHOOL
 CALUMET SCHL
 CAMBRIDGE SCHOOL
 CANTON UNION SCHOOL
 CAPITAL AREA VOC CTR
 CARBONDALE COMM H S
 CARBONDALE ELEM SCHL
 CAREER DEVELOPMENT SYSTEM
 CAREER PREPARATION NETWORK
 CARLINVILLE SCHL
 CARMi WHITE COUNTY
 CARRIER MILLS SCHL
 CARROLL-JO DAVIESS E.S.R.
 CARROLL/JO DAV/STPHNSN REG PRG
 CARROLLTON SCHL
 CARTERVILLE C U SCHL
 CARTHAGE C.U.D. #338
 CARY SCHOOL
 CASEY WESTFIELD COM U SCHL
 CASS SCHL
 CATLIN COMM UNIT SCHOOL
 CENTER CASS SCHOOL DIST. #66
 CENTRAL A&M CUSD #21
 CENTRAL CITY SCHOOL
 CENTRAL COMMUNITY HIGH SCHL
 CENTRAL COMMUNITY UNIT 4
 CENTRAL COMMUNITY UNIT SCHOOL
 CENTRAL IL ED SER CTR 14
 CENTRAL IL. VOC. EDUC. CO-OP
 CENTRAL SCHOOL

CENTRAL SCHOOL
 CENTRALIA SCHOOL
 CENTRALIA TWP H S
 CENTURY UNIT SCHOOL
 CERRO GORDO SCHOOL
 CHAMPAIGN FORD CO ROE
 CHAMPAIGN SCHL
 CHAMPAIGN/FORD VOCATIONAL SYS.
 CHANEY MONGE SCHOOLS
 CHANNAHON SCHOOL
 CHARLESTON SCHOOL
 CHENOA SCHL
 CHERRY SCHOOL
 CHESTER COM U SCHL
 CHESTER EAST LINCOLN
 CHESTER MENTAL HEALTH CTR
 CHICAGO HTS SCHL
 CHICAGO READ M H CTR
 CHICAGO RIDGE SCHOOL
 CHOATE MENTAL HEALTH CENTER
 CHRISTIAN-MONTGOMERY ROE
 CHRISTOPHER COMM HS
 CHRISTOPHER SCHL
 CICERO SCHOOL
 CISSNA PARK CUSD 6
 CLAY CITY COMM UNIT DIST #10
 CLIFF BARSTOW SCHOOL
 CLINTON SCHOOL
 CLINTON/MARION/WASHINGTON ROE
 COAL CITY SCHOOL
 COBDEN SCHOOL
 COLCHESTER CUSD 180
 COLLINSVILLE SCHOOL
 COLONA SCHOOL
 COLUMBIA UNIT SCHL
 COM CON SCHL
 COM U DIST 5
 COM UNIT SCHOOL
 COMM CONS SCHL DIST 180
 COMM CONS SCHOOL DISTRICT 93
 COMM H S DIST 218
 COMM H S DISTRICT 155
 COMM UNIT DIST
 COMM UNIT DIST #399
 COMM UNIT SCHL 3
 COMM UNIT SCHL DIST #200
 COMM UNIT SCHL DIST 300
 COMM UNIT SCHOOL DIST 11
 COMM UNIT SCHOOL DIST 4
 COMMUNITY CONS SCHOOL
 COMMUNITY CONS. SCH. DIST. 15
 COMMUNITY CONSOLIDATED SD #54
 COMMUNITY UNIT SCHL
 COMMUNITY UNIT SCHL DIST 6
 COMMUNITY UNIT SCHOOL
 COMMUNITY UNIT SD 201
 CONGERVIL EUREKA SCHL
 CONSOLIDATED H. S. DIST 230
 COOP FOR EMPLOYMENT EDUCATION
 CORNELL SCHOOL
 CORRECTIONS SCHL DIST 428
 COULTERVILLE SCHOOL
 COUNTRY CLUB HILLS SCHOOL
 COUNTY COMPTRROLLER/ROE
 COUNTY SUPT ESR
 COWDEN HERRICK HIGH SCHOOL
 COWDEN-HERRICK SCHOOLS
 CRAB ORCHARD SCHL
 CRESCENT CITY SCHOOL
 CRESCENT IROQUOIS CO
 CRESTON SCHOOL
 CRETE MONEE SCHL
 CREVE COEUR PUBLIC SCHOOLS

CRYSTAL LAKE SCHOOL
 CYPRESS SCHOOL
 DAKOTA SCHOOL
 DALLAS CITY COM UNIT
 DALZELL SCHOOL
 DAMIANSVILLE SCHL
 DANVILLE C C SCHL
 DARIEN PUBLIC SCHLS
 DAVEA
 DECATUR SCHL
 DEER CREEK - MACKINAW
 DEER PARK SCHOOL
 DEERFIELD SCHL
 DEKALB CTY SPEC ED
 DEKALB SCHL
 DELABAR VOC ED REG
 DELAND WELDON SCHL
 DELAVAN SCHOOL
 DEPT OF REHAB - 41-201
 DEPT OF REHAB - 41-202
 DEPT OF REHAB-CHILD HOSP.
 DEPT OF REHAB-VISUALLY IMPAIRED
 DEPT. OF REHAB-SCHL FOR DEAF
 DEPT. OF REHABILITATION
 DEPUE SCHOOL
 DES PLAINES SCHOOL
 DESOTO GRADE SCHOOL
 DIAMOND LAKE SCHL
 DIEC - DUPAGE INTERM ED COOP
 DIETERICH SCHOOL
 DIMMICK CONSOLIDATED SCHOOL
 DISTRICT 50 SCHOOLS
 DIVERNON SCHOOL
 DIXON PUBLIC SCHOOLS
 DODDS SCHOOL
 DOLTON SCHOOL
 DONGOLA SCHOOL
 DONOVAN CUSD 3
 DOWNERS GROVE COMM H S
 DOWNERS GROVE SCHOOL
 DUNLAP COMM UNIT SCHOOL
 DUPAGE HIGH SCHOOL
 DUPO SCHOOL
 DUQUOIN COMM UNIT
 DURAND SCHOOL
 DWIGHT COMMON SCHL DIST 232
 DWIGHT TWP HS
 E ALTON WOOD RIVER H S
 E CENTRAL IL ED SERV CTR
 E ST LOUIS SCHOOL
 EARLVILLE SCHOOL
 EAST ALTON SCHL
 EAST COLOMA SCHOOL
 EAST DUBUQUE SCHOOL
 EAST MAINE SCHOOL
 EAST MOLINE SCHOOL
 EAST PEORIA COM H S
 EAST PEORIA SCHOOL
 EAST PRAIRIE SCHOOL
 EAST RICHLAND C U SCHL
 EASTLAND COMMUNITY UNIT DIST
 EDGAR CTY COMM UNIT DIST #6
 EDINBURG COMM. UNIT #4
 EDMUND F LINDOP SCHL
 EDUCATION FOR EMPLOYMENT
 EDUCATION FOR EMPLOYMENT
 EDUCATIONAL GRANTS
 EDUCATIONAL DEVELP CTR
 EDUCATIONAL SERV CTR 12
 EDUCATIONAL SERVICE CTR 11
 EDUCATIONAL SERVICE CTR 17
 EDUCATIONAL SERVICE CTR 4
 EDUCATIONAL THERAPY CTR

SCHEDULE OF PARTICIPATING EMPLOYERS

EDWARDS CO CU SCHOOL	GERMANTOWN SCHOOL	IL STATEWIDE FACILITATOR CTR	LELAND SCHOOL
EDWARDSVILLE SCHOOL	GIANT CITY SCHOOL	IL VALLEY CENTRAL U SCHL	LEMONT SCHL
EFFINGHAM CU DIST #40	GIBSON CTY-MELVIN-SIBLEY CUSD	IL VALLEY ED SERV CTR 9	LEMONT TWP H S
EGYPTIAN COMM UNIT SC	GIFFORD SCHL	ILLINI BLUFFS UNIT	LENA WINSLOW SCHOOL
EGYPTIAN ED SERVICE CTR 18	GIFTED PROGRAM	ILLINI CENTRAL CUSD 189	LEROY COMMUNITY UNIT SCHOOLS
EISENHOWER COOPERATIVE	GILLESPIE SCHOOL	ILLINOIS ASSN. OF SCHL BOARDS	LEWISTOWN COMM H S
EL PASO SCHL	GIRARD SCHOOL	ILLIOPOLIS SCHOOL	LEWISTOWN SCHOOL
ELDORADO COMM UNIT	GLEN ELLYN SCHOOL	INA SCHOOL	LEXINGTON SCHL
ELEMENTARY SCHOOL DIST 159	GLENBARD TWP H S	INDIAN PRAIRIE C M SCHL	LEYDEN COM H S
ELGIN MENTAL HEALTH CTR	GLENCOE SCHL	INDIAN VALLEY VOCATIONAL CTR	LIBERTY SCHOOL
ELGIN SCHL	GLENVIEW SCHOOL	INDUSTRY SCHOOL	LIBERTYVILLE PUBLIC SCHLS
ELISABETH LUDEMAN CENTER	GOREVILLE COMMUNITY UNIT 1	IROQUOIS CO C U SCHL	LIBERTYVILLE H S
ELK GROVE SCHL	GOV PURCHASED CARE REVIEW	IROQUOIS WEST SCHL	LICK CREEK SCHL
ELMHURST CUSD	GOWER SCHOOLDIST 62	IRVINGTON CONSOLIDATED SCHOOL	LIMESTONE COMM HS DIST 310
ELMWOOD COM UNIT SCHL	GRAND PRAIRIE SCHOOL	ITASCA SCHOOL	LIMESTONE WALTERS SCHL
ELMWOOD PARK COMMUNITY SCHOOLS	GRAND RIDGE SCHL	IUKA COMM CONS SCHL 7	LINCOLN COMM H S
ELVERADO COM UNIT SCHL	GRANITE CITY SCHOOL	JACKSON PERRY EDUCATIONAL SERV	LINCOLN DEVEL CTR
ELWOOD SCHOOL	GRANT COM H S	JACKSONVILLE MH DEV CTR	LINCOLN ELEM SCHOOL
EMMONS SCHL	GRANT PARK SCHL	JACKSONVILLE SCHOOL	LINCOLN SCHOOL
ERIE COMM SCHOOL UNIT	GRANTS	JAMAICA COM U	LINCOLN WAY COMM H S
ESWOOD COMM CONS	GRASS LAKE SCHL	JAMP SPECIAL EDUCATION SERV.	LINCOLN-WAY AREA SPEC ED
EVANSTON TOWNSHIP HS	GRAYMONT COMM CONS SCHOOL	JASPER COMM U	LINCOLNSHIRE PRAIRIE VIEW SCHL
EVANSTON/SKOKIE SD	GRAYSLAKE COMM H S	JASPER SCHOOL	LINCOLNWOOD SCHL
EVERGREEN PARK COMM	GRAYSLAKE SCHOOL	JERSEYVILLE SCHOOL	LINDA BLACKMAN, REG. SUPT.
EVERGREEN PARK SCHOOL	GRAYVILLE SCHL	JO DAVIESS CARROLL AVC	LISBON GRADE SCHOOL
EWING NORTHERN SCHOOL	GREENFIELD SCHOOL	JOHNSBURG SCHL	LISLE PUBLIC SCHOOLS
FAIRFIELD COMM H S	GREENVIEW SCHL	JOHNSTON CITY CUSD 1	LITCHFIELD SCHOOL
FAIRFIELD SCHOOL	GRIDLEY SCHL	JOLIET SCHOOL	LIVINGSTON SCHOOL
FAIRMONT SCHL	GRIGGSVILLE CUSD #4	JOLIET TOWNSHIP H S	LOCKPORT AREA SPE ED COOP
FAIRVIEW SCHOOL	GRUNDY AREA VOC CTR	JONESBORO SCHOOL	LOCKPORT SCHOOL DIST 91
FARMINGTON CENTRAL UNIT SCHL	GURNEE SCHOOL DIST 56	JOPPA MAPLE GROVE UNIT	LOCKPORT TOWNSHIP H S
FARRINGTON SCHOOL	HALL TWP HS	KANE CO ROE	LOGAN CONSL SCHOOL
FENTON HIGH SCHOOL	HAMILTON CO C U	KANELAND C U S D 302	LOGAN-MASON-MENARD PUBLIC SCHL
FIELD SCHOOL	HAMILTON JEFFERSON COOP	KANKAKEE AREA CAREER CTR	LOMBARD SCHOOL
FIELDCREST CUSD #6	HAMILTON SCHL	KANKAKEE AREA SPEC COOP 850	LOSTANT CUSD #425
FINDLAY SCHOOL	HAMPTON SCHOOL	KANKAKEE SCHOOL	LOVEJOY SCHOOL
FISHER C U SCHL DIST #1	HARDIN CO COMM UNIT	KANSAS SCHL	LOVINGTON SCHOOL
FLANAGAN SCHOOL	HARLEM SCHOOL	KASKASKIA SPEC ED 801	LOW POINT WASHBURN #21
FLORA COM U SCHOOL	HARMONY EMGE SCHOOL	KEENEYVILLE SCHOOL	LUDLOW SCHL
FLOSSMOOR SCHL	HARRISBURG COMM UNIT	KELL SCHOOL DIST. C-2	LYONS H S
FORD HEIGHTS SCHL	HARRISON SCHL	KENDALL CO SP ED COOP	LYONS SCHOOL
FORD IROQUOIS CO SP ED	HARTSBURG EMDEN SCHOOL	KENILWORTH SCHOOL	MABLEY DEVELOPMENT CENTER
FOREST PARK SCHOOL	HARVARD SCHOOL	KEWANEE SCHL	MACOMB SCHL
FOREST RIDGE SCHOOL	HARVEY PUBLIC SCHOOL	KILDEER COUNTRYSIDE CCSD 96	MADDEN MENTAL HEALTH CENTER
FOUR RIVERS SPECIAL ED	HAVANA SCHOOL	KINGS CONS SCHOOL DIST 144	MADISON SCHOOL
FOX DEVELOPMENT CENTER	HAWTHORN SCHOOL DIST. 73	KINNICKINICK SCHOOL	MAERCKER SCHOOL
FOX LAKE SCHL	HAZEL CREST SCHOOL	KIRBY SCHOOL	MAHOMET SCHOOL
FOX RIVER GROVE SCHOOL	HENRY-SENACHWINE CU DIST 5	KNOXVILLE SCHL	MALDEN SCHOOL
FRANKFORT COMM UNIT	HERITAGE DISTRICT #8	KOMAREK SCHOOL	MALTA COMM UNIT
FRANKFORT SCHOOL	HERRIN COMM UNIT SCHL	L E A S E	MANHATTAN SCHOOL DIST. 114
FRANKLIN CUSD 1	HERSCHER SCHOOL	LA GRANGE AREA DEPT SPEC ED	MANNHEIM SCHOOL
FRANKLIN JEFFERSON CO SPEC ED	HEYWORTH SCHOOL	LA GRANGE SCHL DIST 102	MANTENO COMM UNIT DIST. 5
FRANKLIN PARK SCHL	HIAWATHA SCHOOL	LA GRANGE SOUTH SCHOOL	MARENGO COMM H S
FREEBURG COMM H S	HIGH MOUNT SCHOOL	LADD SCHOOL	MARENGO-UNION ELEMENTARY CONS
FREEBURG SCHOOL	HIGHLAND PARK TWP H S	LAHARPE COM UNIT SCHL	MARION SCHOOL
FREEPORT SCHOOL	HIGHLAND SCHOOL	LAKE BLUFF SCHOOL DIST #65	MARISSA C U
FREMONT SCHOOL	HIGHLANDS SCHL	LAKE CO AREA VOC SYSTEM	MAROA FORSYTH COM H S
FULTON CO CUBA SCHOOL	HILLSBORO SCHOOL	LAKE COUNTY EDUC SERV REG	MARQUARDT SCHOOL
GALATIA COMM UNIT SCHL	HILLSIDE SCHOOL	LAKE FOREST COMM H S 115	MARSELLES SCHOOLDIST 150
GALENA UNIT DISTRICT #120	HINCKLEY BIG ROCK	LAKE FOREST SCHOOL	MARSHALL SCHL
GALESBURG CUSD #205	HINSDALE SCHOOL	LAKE PARK COMM H S	MARTINSVILLE SCHL
GALLATIN COUNTY UNIT SD	HINSDALE TWP H S	LAKE VILLA C C SCHL	MASCOUTAH COMM UNIT
GALVA SCHL	HOLLIS CONS SCHL	LAKE ZURICH SCHOOL	MASSAC COUNTY UNIT SCHOOL
GARDNER S WILMINGTON	HOMER COMM CONS SCHOOL	LAMOILLE C U S	MATTESON SCHOOL
GARDNER SCHOOL	HOMWOOD FLOSSMOOR C	LANSING SCHOOL	MAYWOOD SCHL
GAVIN SCHOOL	HOMWOOD SCHOOL	LARAWAY SCHOOL	MASON-VERONA-KINSMAN COMM UNIT
GEFF SCHOOL	HONONEGAH COMMUNITY HS	LASALLE CO ROE	MACCLELLAN SCHL
GENESEO SCHL	HOOVER SCHRUM SCHOOL	LASALLE PERU TWP HS	MCFARLAND MENTAL HEALTH
GENEVA SCHL	HOYLETON CONS SD #29	LASALLE SCHOOL	MCHEMRY ELEM SCHOOL DIST #15
GENOA KINGSTON SCHL	HUNTLEY SCHOOL	LAWRENCEVILLE COMM U	MCHEMRY H S
GEO ZELLER ZONE CTR	HUTSONVILLE SCHOOL	LEBANON COMM UNIT SCHL	MCKINLEY SCHOOL
GEORGETOWN-RIDGE FARM CU 4	IL EDUCATION ASSOCIATION	LEE CENTER C U SCHL	MCLEAN CO UNIT DIST
GERMANTOWN HILLS SCHL	IL FEDERATION OF TEACHERS	LEE/OGLE ROE	MEDINAH ELEMENTARY SCHOOL
	IL STATE BOARD OF EDUC	LEERTOWN ELEM SCHL	MENDOTA GRADE SCHOOL

STATISTICAL SUMMARY

SCHEDULE OF PARTICIPATING EMPLOYERS

MENDOTA TWP HS	NORTH CENTRAL REG EDUC LAB	PEOTONE SCHOOL	RIVER TRAILS SCHL
MEREDOSIA SCHL	NORTH CHICAGO SCHOOL	PERU SCHOOL	RIVERDALE SCHOOL
MERIDIAN COMM UNIT	NORTH GREENE DIST 3	PHILIP J ROCK SCHL & SERV CTR	RIVERDALE SCHOOL
MERIDIAN C U SCHL	NORTH PALOS SCHL	PIKELAND SCHOOL	RIVERSIDE BROOKFIELD SCHOOL
MERIDIAN C.U.S.D #15	NORTH PEKIN-MARQUETTE HTS	PINCKNEYVILLE SCHL	RIVERSIDE SCHOOL
MERRIAM COMM CONS	NORTH SHORE SCHOOL DIST #112	PINCKNEYVL COMM HIGH SCHOOL	RIVERTON COMM UNIT
METAMORA SCHOOL	NORTH WAMAC SCHL	PLAINFIELD SCHL	RIVERVIEW SCHOOL
METAMORA TWP H S	NORTHBROOK SCHOOL	PLANO C U SCHOOL	ROANKE BENSON SCHOOL
METRO CNA SERVICES	NORTHBROOK SCHOOL	PLEASANT HILL SCHL	ROBEIN SCHOOL
MID COUNTY SCHL	NORTHFIELD TWP H S	PLEASANT HILL SCHOOL	ROCHELLE SCHOOL
MID ILLINOIS ESC 15	NORTHWEST SCHOOL	PLEASANT PLAINS SCHOOL	ROCHELLE TWP HS
MIDLAND	NORTHWEST SPECIAL ED. DIST.	PLEASANT VALLEY SCHOOL	ROCHESTER SCHL
MIDLOTHIAN SCHL	NORTHWESTERN IL ASSO	PLEASANTDALE SCHOOL	ROCK FALLS H S
MIDWEST CENTRAL DIST. 191	NORTHWESTERN SCHOOL	POLO COMMUNITY UNIT SCHOOL	ROCK FALLS SCHOOLS
MILFORD SCHL	NORWOOD SCHOOL	PONTIAC ESMEN SCHOOL	ROCK ISLAND COUNTY ROE
MILFORD TWP HS	NSSEO	PONTIAC SCHL DIST	ROCK ISLAND SCHOOL
MILLBURN SCHL	O FALLON TWP H S	PONTIAC SCHOOL	ROCKDALE SCHL
MILLER SCHOOL	OAK GROVE SCHOOL	PONTIAC TWP H S	ROCKFORD PUBLIC SCHOOLS
MILLSTADT SCHOOL	OAK GROVE SCHOOL	POPE CO COM UNIT SCHL	ROCKRIDGE COM U SCHL
MINOOKA COMM H S	OAK LAWN COMM H S DIST. #229	PORTA COMM UNIT	ROCKTON SCHL
MINOOKA SCHOOL	OAK LAWN HOMETOWN SCHOOL	POSEN ROBBINS SCHOOL	ROE PROFESSIONAL SERVICES #19
MOKENA SCHOOL	OAK PARK ELEM SCHOOL	POTOMAC COMM UNIT	ROME SCHOOL
MOLINE SCHOOL	OAK PARK RIVER FOREST HS	PRAIRIE CENTRAL SCHOOL	RONDOUT SCHOOL
MOMENCE COMM UNIT SCHL 1	OAKDALE SCHOOL	PRAIRIE DU ROCHER	ROSELLE SCHOOL
MONMOUTH PUBLIC SCHOOLS	OAKLAND SCHOOL	PRAIRIE GROVE SCHOOL	ROSEMONT SCHOOL
MONROE SCHOOL	OAKWOOD C U SCHL	PRAIRIE HILL SCHOOL	ROSEVILLE SCHL
MONTICELLO COM U SCHOOL	OBLONG COM UNIT SCHL	PRAIRIE HILLS ELEM SCHOOLDIST	ROSSVILLE COMMUNITY UNIT
MONTMORENCY SCHL	ODELL SCHL	PRAIRIEVIEW CC GR SCHL	ROUND LAKE COMM UNIT
MORRIS COMM H S	ODIN COMMUNITY HIGH SCHOOL	PRICHARD CLARK SCHL	ROXANA SCHL
MORRIS SCHOOL	ODIN SCHOOL	PRINCETON HIGH SCHOOL	RUTLAND SCHOOL
MORRISONVILLE SCHOOL	OFALLON SCHL	PRINCETON SCHL	SALEM COMM H S
MORTON GROVE SCHOOL	OGDEN COMMUNITY CONS. SCHOOL	PRINCEVILLE COMMUNITY UNIT	SALEM SCHOOL
MORTON GROVE SCHOOL	OGLESBY SCHOOL	PROPHETSTOWN-LYNDON	SALT CREEK SCHOOL
MORTON TOWNSHIP SCHOOL	OHIO AND WABASH VALLEY VOC SYS	PROSPECT HTS SCHL	SANDOVAL C U DIST #501
MORTON UNIT SCHOOL	OHIO COMMUNITY CONS	PROVISO TWP H S	SANDRIDGE SCHOOL
MT CARROLL C U S DIST	OHIO COMMUNITY H S	PUFFER-HEFTY SCHL DIST 69	SANDWICH SCHOOL
MT OLIVE SCHL	OLYMPIA SCHL	PUTNAM CO COM UNIT SCHL	SANGAMON AREA SPECIAL ED
MT PROSPECT SCHOOL	OPDYKE BELLE RIVE GR SCHL	QUEEN BEE SCHOOL	SANGAMON COUNTY ROE
MT PULASKI COM UNIT	OPHIR SCHOOL	QUINCY SCHOOL	SARATOGA SCHOOL
MT VERNON SCHOOL	ORANGEVILLE SCHOOL	R O W V A SCHOOL	SASED
MT VERNON TWP H S	OREGON SCHOOL	RACCOON SCHL	SAUK VILLAGE SCHOOL
MT ZION SCHOOL	ORION SCHOOL	RAMSEY COMMUNITY UNIT SCHOOL	SAUNEMIN ELEMENTARY
MULBERRY GROVE SCHL	ORLAND PARK SCHOOL	RANDOLPH CO SPEC ED	SAVANNA C U S DIST
MUNDELEIN CONS H S	OSWEGO SCHOOL	RANKIN SCHOOL	SAVER
MUNDELEIN SCHOOL DIST #75	OTTAWA SCHL	RANTOUL CITY SCHOOL	SCALES MOUND SCHOOL
MURPHYSBORO SCHL	OTTAWA TWP HS	RANTOUL TOWNSHIP H S	SCHILLER PK SCHL
N BOONE COMM UNIT SCHOOL	OTTER CREEK SCHOOL	REAVIS TWP H S	SCHL DIST 89
N CLAY COMM UNIT	OUT OF STATE	RED BUD SCHOOL	SCHOOL DIST 0880
N WAYNE COMM U SCHL	PALATINE TWP HS	RED HILL COMM UNIT	SCHOOL DIST 100
NAPERVILLE COMMUNITY SCHOOL	PALESTINE SCHOOL	REED CUSTER COM U SCHL	SCHOOL DIST 109
NASHVILLE COMM H S	PALOS HEIGHTS SCHOOL	REG DEL SYS VOC ED AND GIFTED	SCHOOL DIST 126
NASHVILLE SCHL DIST #49	PALOS SCHL	REG SUPT OF SCHOOLS	SCHOOL DIST NO 30
NAUVOO SCHOOL	PANA SCHOOL	REGIONAL FILM LIBRARY	SCHOOL DISTRICT #95
NDSEC - N DUPAGE SPEC ED COOP	PANHANDLE C U SCHL	REGIONAL OFFICE OF ED	SCHOOL DISTRICT 149
NELSON SCHOOL	PARIS SCHOOL	REGIONAL OFFICE OF EDUCATION	SCHOOL DISTRICT 151
NEOGA COM UNIT 3 SCHL	PARIS UNION SCHL	REGIONAL OFFICE OF EDUCATION	SCHUYLER CO C U SCHL
NEPONSET COM U SCHL	PARK FOREST SCHOOL	REGIONAL SUPT	SEDC57 100 0020 61 MARION
NETTLE CREEK SCHOOL	PARK RIDGE SCHOOL	REGIONAL SUPT OF SCHOOLS	SEDOM
NEW ATHENS SCHOOL	PASS/ADULT EDUCATION	REGIONAL SUPT SCHOOLS	SEJA 803 PAEC
NEW BERLIN SCHL	PATOKA C U SCHOOL	REGIONAL VOCATIONAL SYSTEM	SEJA 804 NSSED
NEW HOLLAND MIDDLETOWN 88	PATTON SCHOOL DIST. 133	RHODES SCHOOL	SELMAVILLE COMM SCHOOL
NEW HOPE CCSD	PAWNEE CUSD #11	RICH TWP HS	SENECA GRADE SCHOOL
NEW LENOX SCHOOL	PAXTON-BUCKLEY-LODA COMM UNIT	RICHLAND GRADE SCHOOL	SENECA TWP HIGH SCHOOL
NEW SIMPSON HILL SCHL	PAYSON SCHOOL	RICHMOND BURTON HS	SESSER VALIER COM UNIT
NEW TRIER TOWNSHIP HS DIST 203	PEARL CITY SCHL	RICHMOND SCHOOL	SHABONA SCHOOL
NEWARK C C GRADE SCHL	PECATONICA SCHOOL	RIDGELAND SCHL	SHAPIRO DEVELOPMENTAL CTR
NEWARK COMM H S	PEKIN COMMUNITY HIGH SCHOOL	RIDGEVIEW COMM UNIT SCHOOLS	SHAWNEE C U SCHOOL
NIANTIC-HARRISTOWN SCHOOLS	PEKIN SCHOOL	RIDGEWOOD COMM H S	SHELBYVILLE SCHOOL
NILES SCHOOL	PEMBROKE SCHOOL	RILEY SCHOOL	SHELDON COMMUNITY DIST. #5
NILES TOWNSHIP H S	PENNOYER SCHL	RIVER BEND COMM U SCHL	SHERRARD SCHOOL
NOKOMIS SCHL	PEORIA COUNTY ROE	RIVER FOREST SCHOOL	SHILOH SCHOOL DIST. #1
NORRIDGE SCHOOL	PEORIA HTS COMM UNIT SCHL	RIVER GRV SCHL	SHILOH VILLAGE SCHOOL
NORRIS CITY-OMAHA-ENFIELD	PEORIA SCHOOL	RIVER RIDGE C U SCHL	SHIRLAND SCHOOL

SCHEDULE OF PARTICIPATING EMPLOYERS

SIGNAL HILL
 SILVIS SCHOOL
 SINGER MENTAL HEALTH
 SKOKIE SCHOOL
 SKOKIE SCHOOL DIST. #69
 SKOKIE SCHOOL DIST. 73.5
 SMITHTON SCHOOL
 SO WILL CO COOP FOR SPEC ED
 SOMONAUK COMM UNIT SCHL
 SOUTH BELOIT PUB SCHL
 SOUTH CENTRAL COMM UNIT
 SOUTH COOK ESC #7
 SOUTH FORK SCHOOL
 SOUTH METROPOLITAN ASSO 801
 SOUTH PEKIN GRADE SCHOOL
 SOUTH WILMINGTON GRADE SCHOOL
 SOUTHEASTERN COMM UNIT
 SOUTHERN COMM UNIT
 SOUTHWEST COOK COOP
 SOUTHWESTERN SCHL
 SPARTA C U
 SPEC ED COOP
 SPEC ED SEJA 801
 SPEC ED TCHR
 SPEC. ED. DIST. OF LAKE CO.
 SPECIAL ED TEACHER
 SPECIAL ED. DIST. - REGION 3
 SPECIAL PROJECTS
 SPEED ED COOP
 SPOON RIVER VALLEY SCHOOL
 SPRING GRV ELEM SCHL
 SPRING LAKE C C SCHL
 SPRING VALLEY SCHOOL
 SPRINGFIELD SCHOOLS
 ST ANNE COMM H S
 ST ANNE SCHOOL
 ST DAVID SCHOOL
 ST ELMO SCHL
 ST GEORGE SCHOOL DIST 258
 ST JOSEPH OGDEN SCHL
 ST JOSEPH SCHOOL
 ST LIBORY SCHOOL
 ST ROSE SCHOOL
 ST. CHARLES SCHOOL
 STARK CTY CUSD #100
 STAUNTON SCHOOL
 STEELEVILLE SCHOOL
 STEGER SCHL DIST 194
 STEPHENSON AREA TECH ED SYS
 STEWARD SCHOOL
 STEWARDSON STRASBURG
 STICKNEY CENTRAL SCHOOL
 STOCKTON CUSD #206
 STREATOR ELEMENTARY SCHOOLS
 STREATOR TWP HIGH SCHOOL
 SULLIVAN SCHOOL
 SUMMERSVILLE SCHOOL
 SUMMIT HILL ADM OFF
 SUNNYBROOK S D 171
 SUNSET RIDGE SCHOOL
 SUPT ED SERV REG
 SUPT ESR
 SWANSEA SCHOOL
 SYCAMORE COM UNIT SCHL
 TAFT SCHOOL
 TAMAROA SCHL
 TAMPICO COMM UNIT
 TAOEP
 TAYLORVILLE SCHOOL
 TAZEWELL COUNTY ROE
 TEACHERS RETIREMENT SYSTEM
 TENCOSIRSEA REG ED PROG
 TEUTOPOLIS SCHOOL
 THOMASBORO SCHOOL
 THOMPSONVL COM H SCHL
 THOMPSONVL GR SCHL
 THOMSON SCHOOL
 THORNTON FRACTIONAL
 THORNTON SCHOOL
 THORNTON TWP HS
 TINLEY PARK MENTAL HLTH CTR
 TINLEY PARK SCHOOL
 TISKILWA SCHOOL
 TMCSEA
 TOLEDO SCHOOL
 TOLONO SCHOOL
 TONICA SCHOOL
 TOWER HILL COMM H S
 TOWER HILL SCHL
 TOWNSHIP H S DIST 214
 TOWNSHIP HIGH SCHOOL
 TREES
 TREMONT SCHOOL
 TRI CITY SCHL
 TRI COUNTY EDUCATION SERV CTR
 TRI COUNTY SPE ED ASSO
 TRI POINT COMM SCHOOL
 TRI VALLEY SCHL
 TRI-COUNTY SPEC ED CO-OP
 TRIAD COM SCHL
 TRICO COMM UNIT
 TRIPIA C U SCHL
 TROY SCHOOL DISTRICT 30-C
 TRUANCY ALT PROG RES OFF
 TRUANT ALTERNATIVE PROG
 TRUANTS ALT & OPT EDUC PROGRAM
 TUSCOLA SCHOOL
 TWIN RIVERS REG VOC DEL SYS
 UNION COMMUNITY UNIT SCH#115
 UNION RIDGE SCHOOL
 UNION SCHOOL
 UNIT SCHOOL DIST 221
 UNITED TWP H S
 UNITY POINT SCHOOL
 URBANA SCHOOL DISTRICT 116
 UTICA ELEM SCHL
 V I T SCHOOL
 VALLEY VIEW SCHOOL
 VALMEYER SCHOOL
 VANDALIA COMM SCHLS
 VENICE SCHOOL
 VERMILION ASSOC SPEC EDUCATION
 VIENNA SCHL
 VIENNA TWP H S
 VILLA GROVE SCHOOL
 VILLA PARK SCHOOL
 VIRDEN COMM UNIT DIST 4
 VIRGINIA SCHOOL
 VOCATIONAL ED PROJECT
 VOCATIONAL EDUCATION SYSTEM
 W CHICAGO COMM H S
 W NORTHFIELD SCHL
 W WASHINGTON C U SCHL
 W. LINCOLN-BROADWELL
 WABASH & OHIO VALLEY SE DIST
 WABASH COMM UNIT SCHL
 WALLACE
 WALTHAM SCHOOL
 WALTONVILLE SCHOOL
 WARREN G. MURRAY DEV. CENTER
 WARREN SCHL
 WARREN SCHOOL
 WARREN TWP HIGH SCHOOL
 WARRENSBURG LATHAM
 WARSAW SCHOOL
 WASHINGTON COM H S
 WASHINGTON ELEMENTARY SCHOOL
 WATERLOO SCHOOL
 WAUCONDA C U SCHL
 WAUKEGAN PUB SCHLS
 WAVERLY COMMUNITY UNIT SCHL
 WAYNE CITY COMM U
 WCICC/TAP/ESC 8
 WEBBER TWP HS
 WENTWORTH WILSON SCHL
 WESCLIN SCHOOL
 WEST CENTRAL IL SPEC ED COOP
 WEST CHICAGO ELEM SCHLS
 WEST HARVEY-DIXMOOR SCHOOLS
 WEST PIKE SCHOOL
 WEST RICHLAND C U SCHL
 WESTCHESTER SCHL
 WESTERN SPRGS SCHOOL
 WESTMER COMM UNIT
 WESTVILLE C U SCHL
 WETHERSFIELD SCHOOL
 WHEELING SCHOOL
 WHITESIDE SCHOOL
 WILCO AREA CAREER CENTER
 WILL CO SCHOOL DISTRICT
 WILLIAMSFIELD SCHOOL
 WILLIAMSON CO. SUPT. OF SCHLS
 WILLIAMSVILLE SCHL
 WILLOW GROVE SCHOOL
 WILLOW SPRINGS SCHOOL
 WILMETTE SCHOOL
 WILMINGTON COMM UNIT
 WINCHESTER CU SCHOOL
 WINDSOR SCHOOL
 WINFIELD SCHOOL
 WINNEBAGO SCHOOL
 WINNETKA SCHOOL
 WINTHROP HARBOR SCHL
 WITT SCHOOL
 WM HOWE DEVLP CTR
 WOOD DALE SCHOOL
 WOOD RIVER SCHOOL
 WOODFORD CO SPEC ED
 WOODLAND COMM CONS SCHL DIS 50
 WOODLAND STREATOR
 WOODLAWN COMM H S
 WOODLAWN SCHOOL
 WOODRIDGE SCHOOL
 WOODSTOCK COMM UNIT
 WORTH SCHOOL
 YORKVILLE CUSD #115
 YORKWOOD SCHL
 ZEIGLER ROYALTON C U
 ZION BENTON TWP H S
 ZION SCHOOL



Investment Summary

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois

For Fiscal Year Ended June 30, 1995

INTRODUCTION

The mission of the Teachers' Retirement System, to provide retirement security for members, is facilitated by management of the trust fund's investment portfolio, which totaled \$13.2 billion at market value on June 30, 1995. The System serves as fiduciary for the members' trust fund and is responsible for investment of the fund under authority of the prudent person rule which establishes a standard that fiduciaries shall prudently discharge their duties solely in the interests of fund participants and beneficiaries. By permitting optimal diversification of assets within the fund, the prudent person standard has enabled the System to enhance control over fund risk and return parameters. The prudent person standard also permits the System to establish an investment policy based solely upon member characteristics, plan characteristics, financial requirements of the trust fund and a particular risk/reward tradeoff.

The System has established a long-range Statement of Investment Objectives and Policies for managing and monitoring the fund. The investment policy establishes the fund's investment objective which is to provide the greatest possible long-term benefits to members of the System by maximizing the total rate of return on investments within prudent parameters of risk. The investment policy also defines the responsibilities of the fiduciaries with respect to the fund, the statutory investment authority under the prudent person rule, the level of acceptable risk, asset restrictions, investment performance objectives and the guidelines within which outside investment managers operate.

The System's investment performance objective is to achieve an annualized 3% total rate of return in excess of the rate of inflation over a long-term period of time. In addition, each asset class is expected to outperform various representative market indices.

The fund is managed by professional investment management firms based on statutory investment authority under the prudent person rule and investment policy guidelines adopted by the Board of Trustees. The System's staff coordinates and monitors the investments of the trust fund's assets and assists the Board of Trustees in the formulation and implementation of investment policy and long-term investment strategy.

ASSET CLASS/MANAGER COMPOSITION

Asset allocation is a risk management process designed to construct the optimal long-term asset mix which achieves a specific set of investment objectives. Of all the components of investment policy formulation, asset allocation on a secular basis will have the most impact on long-term total rate of return. Consequently, the establishment of allocations across the major asset classes is the most important decision in the pension investment management process.

Diversification is the key to effective risk management. Large institutional portfolios, such as the System's, tend to be well diversified within the asset classes utilized. Therefore, although most investment managers of specific asset classes focus on security selection, specific securities held will not have nearly as much impact on total performance as will the overall level of particular asset class commitments.

Management of asset class allocations and diversification of investment approaches (active core, active specialty, index funds, etc.) has enabled the System to more effectively control the fund's risk/reward parameters.

Diversification by asset class, investment approach, and investment manager style provides the System with a greater expected risk-adjusted rate of return while minimizing the risk of negative returns from adverse short-term changes in the capital markets.

At June 30, 1995, the System's asset class allocations and diversification by investment approach are summarized in the following chart:

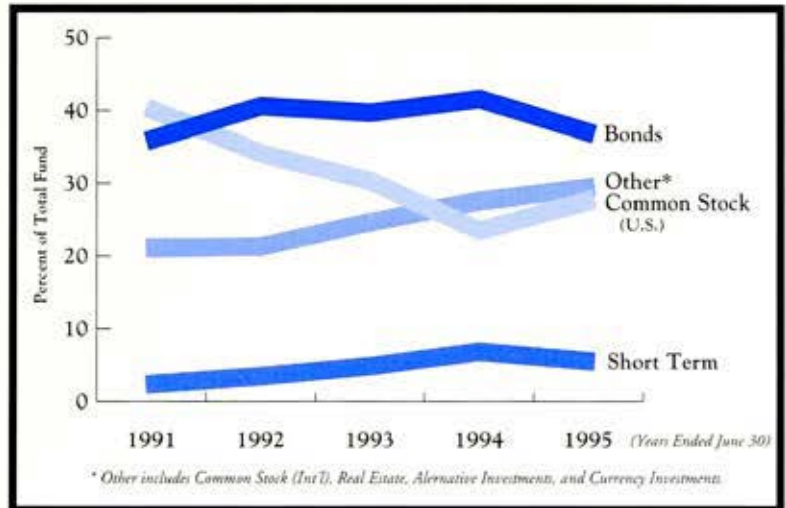
PERCENT OF TOTAL FUND			
Asset Class	Active	Index	Total
Common Stock - U.S.	27.7	0.0	27.7
Bond	35.2	1.9	37.1
Short Term Investments	5.7	0.0	5.7
Currency Investments	0.6	0.0	0.6
Common Stock - Intl.	11.2	0.0	11.2
Real Estate Equity	15.6	0.0	15.6
Alternative Investments	2.1	0.0	2.1
Total	98.1	1.9	100.0

During FY 1995, the System's U.S. common stock holdings increased to 27.7% of the total fund, from 23.6% a year earlier. International common stock allocations remained at 11.2% of the total fund, leaving fiscal year-end total common stock holdings at 38.9% of the total fund.

Bonds decreased to 37.1% of the total fund from 41.5% a year earlier. Real estate equities represented 15.6% of the total fund at fiscal year's end. This compares to 15.1% from the previous fiscal year's end. The fund's five-year asset class allocation history is represented by the graph at right.

The System has established relationships with investment management firms that utilize a diversity of management approaches. This policy tends to complement the diversification of asset classes. The managers have discretionary authority in the selection and retention of investments, subject to the provisions of the statutory investment authority and the Statement of Investment Objectives and Policies.

Asset Allocation History



The System achieved a higher level of risk management capability during FY 1995 by continuing implementation of a long-term strategic plan designed to achieve a specific set of investment objectives. A globally diversified, multiple asset class, balanced-fund portfolio was designed in order to construct the optimal long-term asset mix.

On June 30, 1995, the following external firms were employed by the System:

Fixed Income (Bonds)-U.S.

American National Bank of Chicago
Bear Stearns Asset Management
W.R. Huff Asset Management
Pacific Investment Management Co.
Weiss, Peck & Greer Investments
Zimmerman Investment Management Company

Fixed Income (Bonds) -International

Brinson Partners, Inc.
Bear Stearns Asset Management
Delaware International Advisors, Ltd.
Julius Baer Investment Management, Inc.
Pacific Investment Management Co.
Schroders Capital Management International, Inc.
Societe Generale Asset Management
Smith Barney

Equity (Common Stock) - U.S.

Ark Asset Management
Bank of America
Brandywine Asset Management, Inc.
Brinson Partners, Inc.
Cedar Hill Associates, Inc.
Fiduciary Management Associates
First of America Investment Corp.
Hotchkis and Wiley
Lazard Freres Asset Management
Liberty Investment Management, Inc.
Lincoln Capital Management Company
Morgan Stanley Asset Management (The Chicago Group)

MPI Investment Management
Munder Capital Management, Inc.
NCM Capital Management Group, Inc.
Oppenheimer Capital
Pacific Investment Management Co.
Pena Asset Management
RCM Capital Management
Sturdivant & Company
Valenzuela Capital Management, Inc.
Woodford Capital Management, Inc.
Zimmerman Investment Management Company

Equity (Common Stock) - International

Ark Asset Management, Inc.
Blairlogie International
Brandywine International
Brinson Partners, Inc.
Clay Finlay, Inc.
Daiwa International Capital Management Corp.
Delaware International Advisors, Ltd.
Hotchkis & Wiley International
IDS International Corporation
PCM International
Pyrford International Inc.
RCM International
Scudder, Stevens & Clark, Inc.

Real Estate Equity

Bear Stearns/Capital Associates Development Corp.
Capital Associates Realty Advisors
Commonwealth Realty Advisors Inc.
First Chicago Heitman/JMB First Apartment Fund
Heitman/JMB Advisory Corp.
Jones Lang Wootton Realty Advisors
K/B Realty Advisors
LaSalle Investment Advisors Corp.
Lincoln Property Company
TCW Realty Advisors
Stone-Levy

Alternative Investments

Cozad Asset Management
DLJ Merchant Banking, Inc.
Frontenac Company
Lincoln Park Associates Inc.
Penman Asset Management
Sandler Investment Advisors
Weiss, Peck & Greer

Tactical Asset Allocation

Brinson Partners, Inc.

Foreign Exchange Exposure Management

A.G. Bisset
Zimmerman Investment Management Company

Cash Management

Atlantic Asset Management, Inc.
Harris Investment Management Co., Inc.
Hotchkis & Wiley

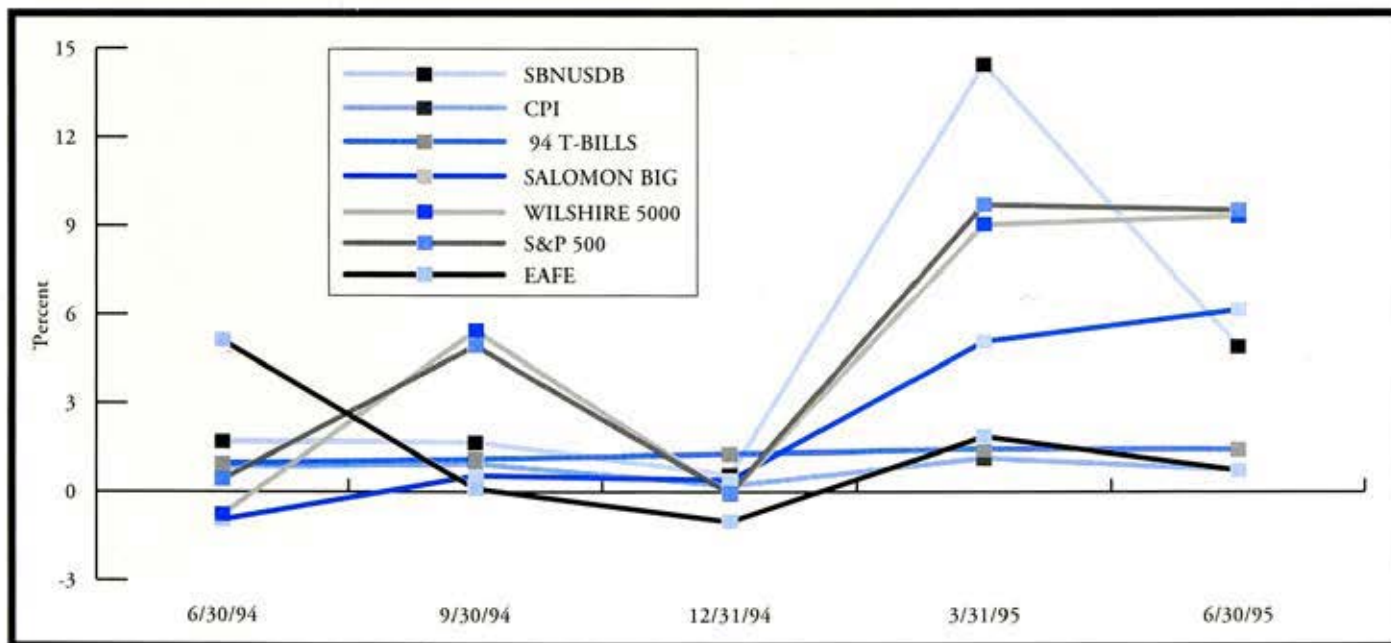
ASSET CLASS/MARKET INDICES RETURNS

During FY 1995, U.S. common stock was the best performing asset class as represented by the S&P 500 Index and the Wilshire 5000 Index, which returned 26.0% and 24.7%, respectively. Non-U.S. dollar bonds were the next best performing asset class, as represented by the Salomon Non-U.S. dollar bond index, returning 22.7%. Domestic bonds returned 12.6%, as represented by the Salomon Broad Investment Grade (Salomon BIG) Index. International common stocks, as represented by the Europe, Australia and Far East (EAFE) Index, returned 1.7%. Short-term investments, represented by 91-day Treasury Bills, returned 5.3%. The annual rate of inflation as represented by the Consumer Price Index (CPI) was at 3.0% for FY 1995.

U.S. EQUITY RESULTS AND PROFILE

U.S. equities are expected to achieve a total investment return 6% in excess of the rate of inflation over a long term horizon. TRS domestic equity managers are expected to add value in excess of the Standard & Poor's (S&P) 500 Stock Index on an annualized basis over a three- to five-year period or market cycle. In addition, the Wilshire 5000 Index is informally used as a total equity portfolio benchmark since it is more representative of the aggregate U.S. equity market. The 5,000 stocks within the Wilshire 5000 Index, more so than the 500 stocks within the S&P 500 Index, are highly diversified across the various equity market sectors and industries, and have highly diversified financial characteristics and risk factors which ultimately influence the total return.

Asset Class Quarterly Return by Representative Indices



TOTAL FUND RESULTS

The System's total time-weighted rate of return for FY 1995 of 13.4% was primarily attributable to the strength of its investments in real estate, international bond and U.S. stock markets. The System's total annualized three-year and five-year returns of 9.8% and 9.2%, respectively, continue to outperform the rate of inflation for these periods, 2.8% and 3.3%, respectively. The System's long-term objective, to exceed the rate of inflation by 3%, has been handily achieved for the three- and five-year periods.

During FY 1995, the System's portfolio of U.S. common stocks returned 20.6% compared to the S&P 500 return of 26.0% and the Wilshire 5000 return of 24.7%. For three- and five-years, U.S. common stocks generated annualized returns of 12.4% and 11.6%, respectively, comparable to the S&P 500 returns of 13.2% and 12.1% for the three-year and five-year periods, respectively. The portfolio's U.S. common stocks performed slightly less favorably than the three-year Wilshire 5000 return of 13.6% for the same period and underperformed the five-year Wilshire 5000 return of 12.3%.

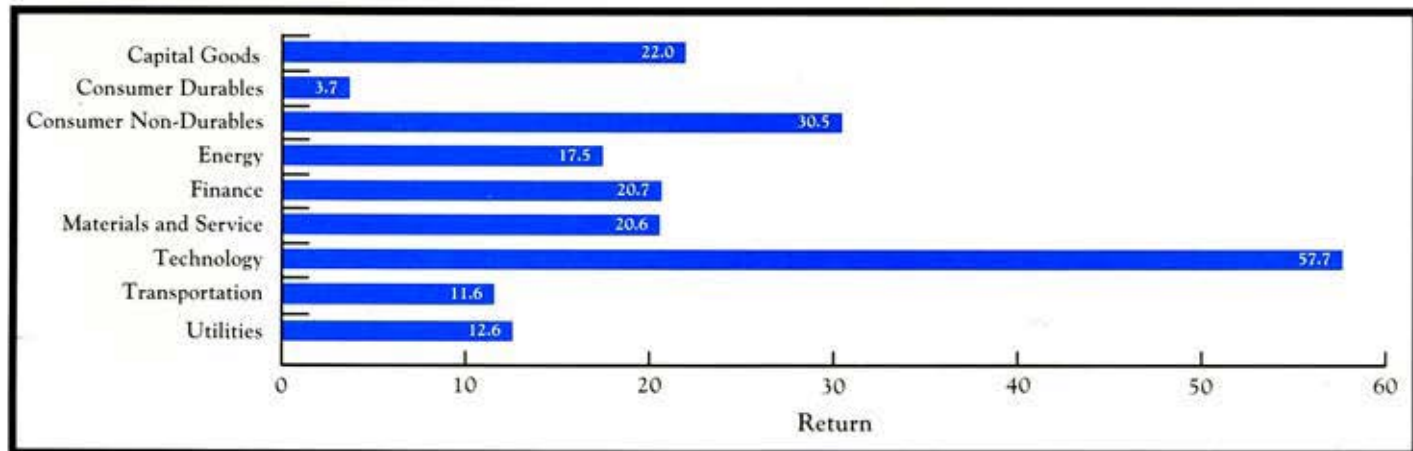
At fiscal year end, 37.9% of the System's investment portfolio was assigned to U.S. equity managers, including short-term investments, compared to 34.8% at the prior fiscal year end. During FY 1995, TRS completed its move away from passive management, employing equity managers using either fully active or enhanced index management strategies. During FY 1995, the market value of assets assigned to U.S. equity managers increased from \$4.107 billion to \$4.914 billion due to \$29 million in reallocation from the U.S. equity asset class to other asset classes and \$836 million of market value appreciation.

DIVERSIFICATION BY INDUSTRY SECTOR (%)

(As of June 30)

Sector	1995			1994		
	TRS	S&P 500	WIL 5000	TRS	S&P 500	WIL 5000
Consumer Non-Durables	29.2	32.8	29.4	30.1	31.7	29.2
Technology	13.5	14.0	15.4	14.4	11.3	11.6
Materials and Service	14.8	9.4	11.6	17.0	9.9	12.0
Utilities	8.0	12.3	11.3	6.0	13.4	12.6
Finance	14.9	11.3	15.7	13.5	11.6	16.3
Energy	5.3	10.5	7.1	9.0	11.1	7.7
Capital Goods	4.1	5.1	4.6	3.9	5.4	4.9
Consumer Durables	4.1	3.0	3.1	3.6	3.6	3.6
Transportation	6.1	1.6	1.8	2.5	2.0	2.1

S&P 500 Industry Returns



Major sector diversification changes took place during FY 1995 in the portfolio's U.S. common stocks. The listing (upper right) summarizes these changes and also provides a comparison with the S&P 500 and the Wilshire 5000 Indices.

All S&P 500 industry sectors provided positive rates of return during FY 1995. Technology was the best performer (57.7%), with consumer non-durables (30.5%) and capital goods (22.0%) as other notable sector performers as illustrated (center above).

U.S. equity managers made stock selection adjustments to their accounts during FY 1995, as evidenced by the comparison (bottom right) of equity portfolio characteristics with the S&P 500 and the Wilshire 5000 Indices.

U.S. EQUITY PORTFOLIO PROFILE

(As of June 30)

	1995			1994		
	TRS	S&P 500	WIL 5000	TRS	S&P 500	WIL 5000
Capitalization (\$Bil)	15.7	25.5	18.5	15.7	20.5	14.2
Price/Earnings Ratio	21.0	16.5	17.7	16.0	16.2	19.9
Dividend Yield (%)	2.5	2.9	2.4	2.5	2.9	2.7
Beta	1.0	1.0	1.1	1.0	1.0	1.1
Diversification (R-Squared)	1.0	1.0	1.0	1.0	1.0	1.0
Five-Year Earnings Growth Rate (%)	12.1	4.8	6.8	4.7	3.0	3.4
Market/Book Ratio	8.3	4.0	3.9	3.1	3.2	3.3

INTERNATIONAL EQUITY RESULTS

The international equity investment objective is to achieve a total annual investment return 6% in excess of the rate of inflation over a long-term time horizon. The System's international equity managers are expected to add return in excess of the EAFE Index over longer time periods.

During FY 1995, the benchmark EAFE Index returned 1.7%. Of this, 9% was attributable to currency appreciation as Japanese and German currencies appreciated 11% and 13%, respectively, versus the U.S. dollar. By comparison, the local-market equity component of EAFE returned -7.3%, providing a closer reflection of the -6.1% return contributed by the international common stocks in the TRS portfolio.

The TRS fund maintained its cautious view on Japanese equities, holding only 22.4% of its foreign equities in Japan, compared to that country's 42.2% relative weighting in the EAFE Index. During FY 1995, the market value of assets assigned to international equity decreased from \$1.488 billion to \$1.456 billion due to \$93.9 million of market value depreciation and \$61.9 million of reallocations from other asset classes.

ALTERNATIVE INVESTMENTS RESULTS

Alternative investments returned 30.3% during FY 1995. A representative alternative investments index is not available for relative performance comparison. Over the long term, however, and as a result of its higher risk orientation, alternative investments are expected to provide annualized returns over 10% in excess of the rate of inflation over a long term time horizon. On June 30, 1995, the System had a market value of \$321 million invested in six venture capital limited partnerships and one farmland partnership.

FIXED INCOME RESULTS AND PROFILE

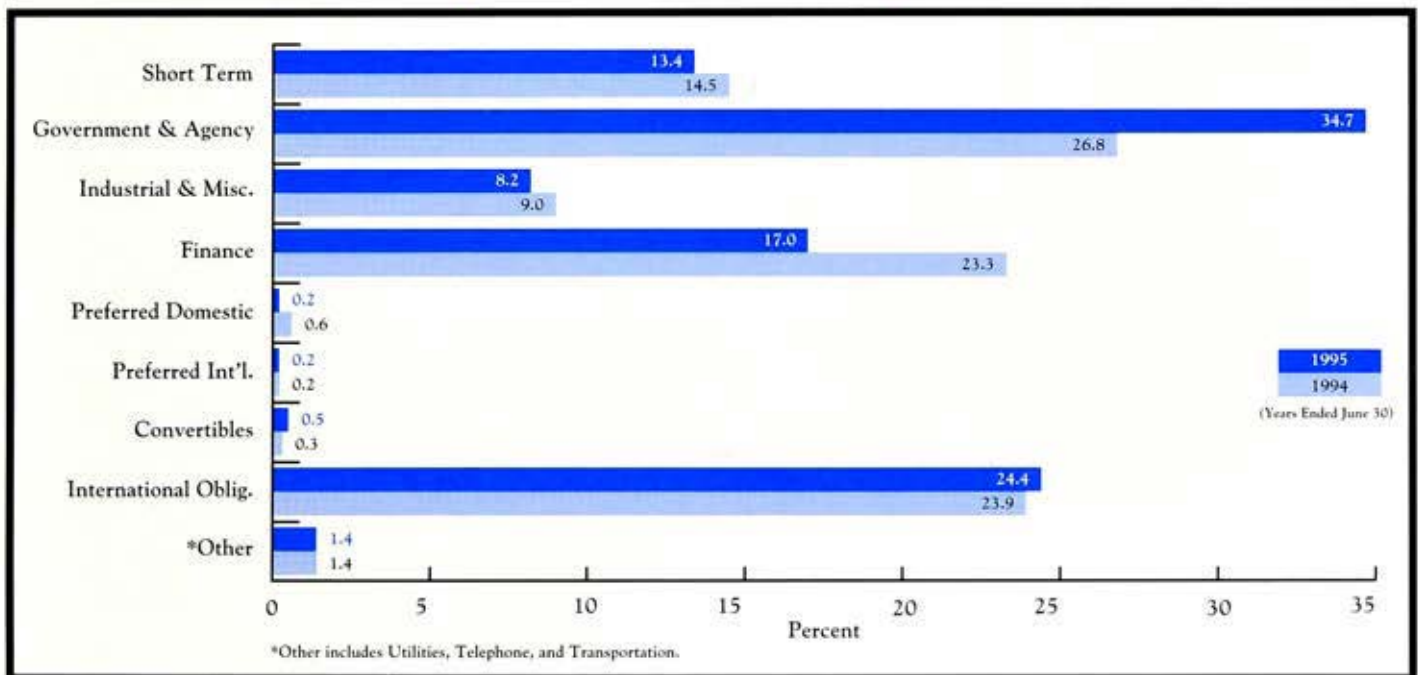
Fixed income investments are expected to achieve a total investment return of 2% in excess of the rate of inflation over a long time horizon. TRS fixed income managers are expected to add value in excess of the bond market, as measured by the Salomon Broad Investment Grade (Salomon BIG) Index, on an annualized basis over a three- to five-year period, or a market cycle. During FY 1995, the System's bond portfolio, including all fixed income instruments with maturities greater than one year, generated a 10.6% total return, compared to the 10.0% return of the Salomon BIG Index.

The total funds under management by fixed income managers, including short-term investments, generated a 12.4% total return during FY 1995. For a three- and five-year period, bonds generated 8.8% and 10.9% annualized returns, respectively, as compared to 7.6% and 9.5%, respectively for the BIG Index. During FY 1995, the market value of total assets assigned to fixed income managers, including short-term investments, increased from \$4.024 billion to \$4.541 billion due to \$22 million in reallocations from other asset classes and \$495 million of market value appreciation.

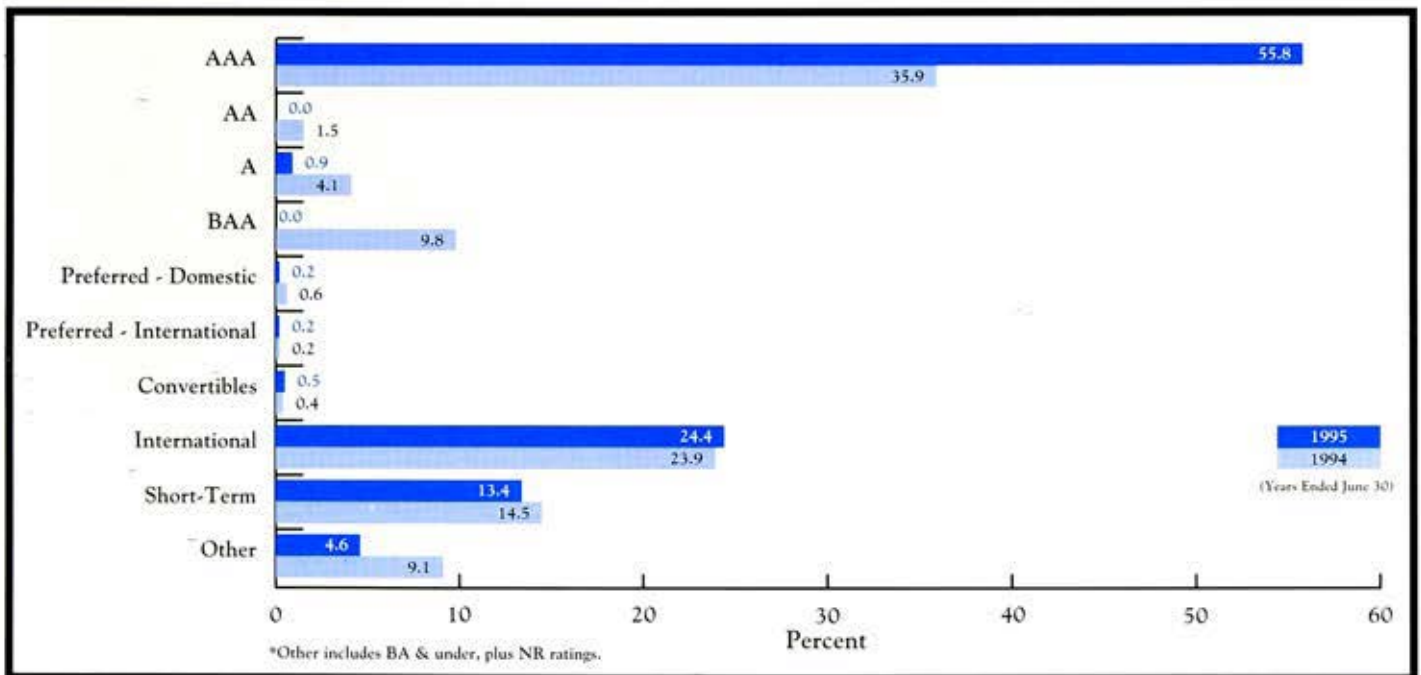
Fixed income assets invested in the international marketplace comprised \$1.535 billion of the \$4.541 billion market value of total assets assigned to fixed income managers at fiscal year end. The System's international fixed income managers returned 14.53% in fiscal 1995, versus the benchmark Salomon Brothers Non-U.S. Dollar Bond Index, which returned 22.7%. As with international equities, the greater part of international fixed income returns resulted from currency appreciation, which many of the System's managers had hedged away in anticipation of a depreciating U.S. dollar.

The following exhibits reflect changes made within fixed income manager portfolios during FY 1995 with regard to diversification by issuer type and quality ratings, as well as the underlying bond portfolio characteristics (excluding short-term investments) primarily affecting total return.

Diversification by Issuer Type for Fixed Income Managers



Diversification by Quality Rating for Fixed Income Manager Portfolio



BOND PORTFOLIO PROFILE

(As of June 30)

Characteristic	1995		1994	
	TRS	Salomon BIG	TRS	Salomon BIG
Maturity (years)	14.31	13.60	14.00	13.86
Duration (years)	5.02	4.76	6.81	4.78
Coupon (%)	8.94	7.61	8.69	7.55
Yield to Maturity (%)	6.95	6.57	7.48	7.39
Current Yield (%)	7.68	7.15	7.94	7.41

INVESTMENT SUMMARY

REAL ESTATE EQUITY INVESTMENT RESULTS

Real estate equity investments made by the System's four closed-end fund managers and seven separate account managers returned 13.2% during FY 1995. The income component of the total return was 10.7%, while capital appreciation accounted for 2.5%.

The closed-end funds' total return of 6.71% underperformed the 13.4% total return of the separate accounts. Over the long term, the real estate equity investment objective is to achieve a total investment return 7.0% in excess of the rate of inflation. During FY 1995, the market value of assets assigned to the System's real estate investment managers increased from \$1.832 billion to \$2.068 billion. This increase resulted from \$179.0 million in income/reinvested income, \$5.4 million of reallocations from other asset classes to the real estate asset class, and an increase of \$51.9 million for market value appreciation.

SHORT-TERM INVESTMENT RESULTS

The investment management firms use discretion in allocating funds to short-term investments as part of their asset allocation strategies within the respective asset classes. Managers confine portfolio investment to typical short-term investments, such as U.S. Treasury Bills, certificates of deposit, bankers acceptances and commercial paper, and commingled short-term investment funds.

As an asset class, the System's short-term investments generated a total return of 5.9%, during FY 1995. For the five years ended June 30, 1995, short-term investments returned 5.0%, underperforming the 12.1% return of U.S. common stocks and the 9.5% return of bonds as measured by the Salomon BIG index.

INVESTMENT PORTFOLIO SUMMARY

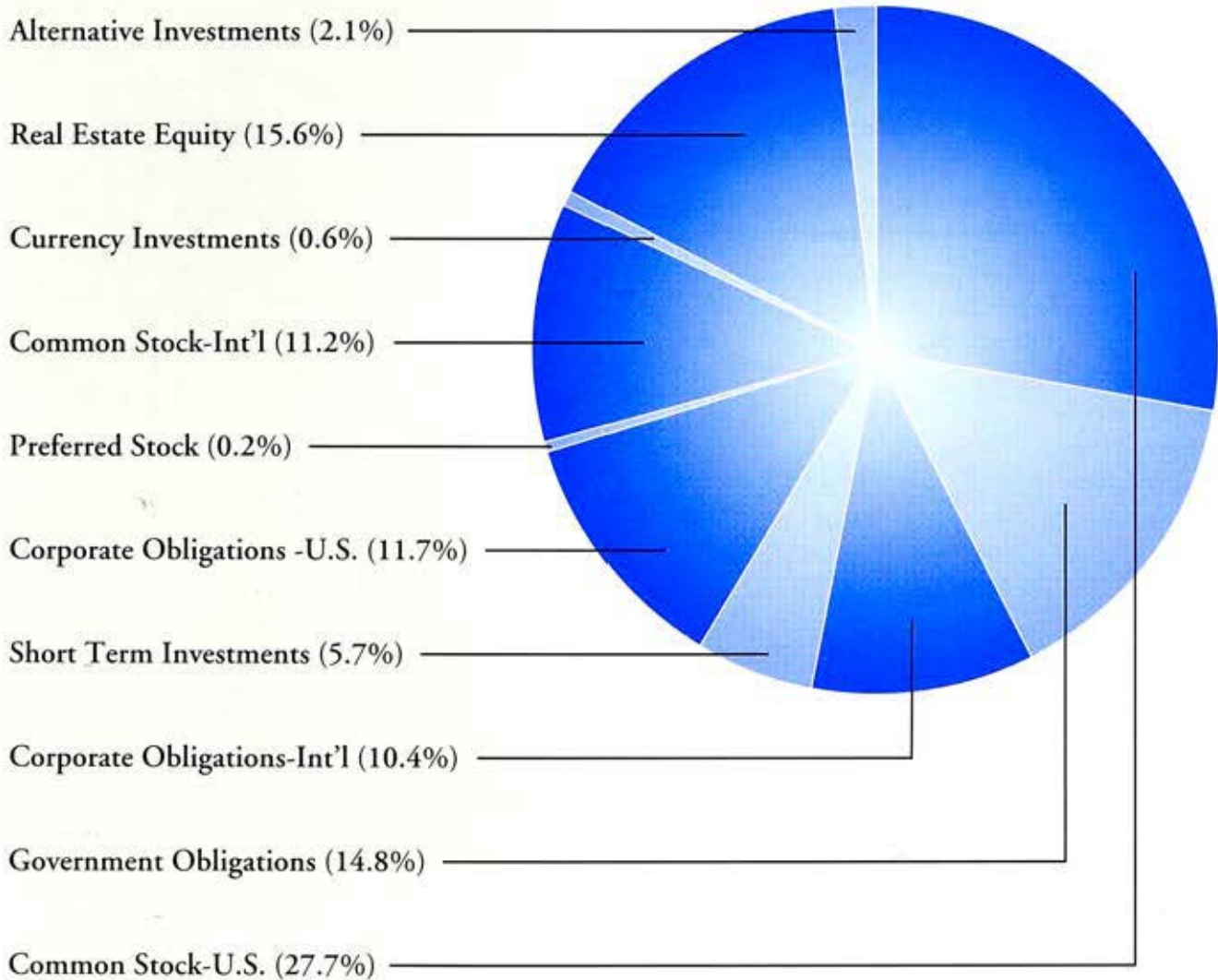
(June 30, 1995)

	BOOK VALUE	% OF TOTAL BOOK VALUE	MARKET VALUE	% OF TOTAL MARKET VALUE
BONDS, CORPORATE NOTES, PREFERRED STOCK, AND GOVERNMENT OBLIGATIONS				
U.S. Government	\$ 665,798,827	5.4 %	\$ 684,684,764	5.2 %
Federal Agency	1,230,617,062	9.8	1,275,929,583	9.6
Municipal Bonds	0	0.0	0	0.0
Total Government Obligations	1,896,415,889	15.2	1,960,614,347	14.8
Corporate Obligations				
Finance	955,699,205	7.7	959,333,237	7.4
Industrial and Misc.	455,611,113	3.6	461,960,695	3.5
Public Utilities	45,624,620	0.4	45,771,066	0.4
Transportation	30,361,346	0.2	32,126,420	0.2
Telephone	4,390,571	0.0	4,230,843	0.0
Convertible Issues	26,748,130	0.2	29,092,800	0.2
Total Corporate Obligation	1,518,434,985	12.1	1,532,515,061	11.7
International	1,360,522,989	10.9	1,380,226,758	10.4
Preferred Stock-U.S.	7,787,067	0.1	9,091,108	0.1
Preferred Stock-International	10,927,262	0.1	12,726,024	0.1
TOTAL BONDS, CORPORATE NOTES PREFERRED STOCK, AND GOVERNMENT OBLIGATIONS	4,794,088,192	38.4	4,895,173,298	37.1
COMMON STOCK - U.S.	2,988,476,249	23.9	3,666,439,311	27.7
COMMON STOCK - INTERNATIONAL	1,382,321,554	11.1	1,488,198,394	11.2
SHORT TERM INVESTMENTS*	776,901,583	6.2	757,748,544	5.7
REAL ESTATE EQUITY	2,223,887,753	17.7	2,057,542,844	15.6
ALTERNATIVE INVESTMENTS	246,049,077	2.0	282,071,115	2.1
CURRENCY INVESTMENT	87,343,764	0.7	83,587,732	0.6
TOTAL PORTFOLIO	\$12,499,068,172	100.0 %	\$13,230,761,238	100.0 %

* Includes accrued income and dividends totaling \$112,119,601

COMPOSITION OF INVESTMENTS AT MARKET VALUE

(June 30, 1995)



Alternative Investments (2.1%)

Real Estate Equity (15.6%)

Currency Investments (0.6%)

Common Stock-Int'l (11.2%)

Preferred Stock (0.2%)

Corporate Obligations -U.S. (11.7%)

- 7.4% Finance
- 3.5% Industrial
- 0.4% Utilities
- 0.2% Convertibles
- 0.2% Transportation
- 0.0% Telephone

Short Term Investments (5.7%)

- 3.1% Other
 - 2.6% Investment Reserve Fund
- (Percent of Total)

- 45.9% Commercial Paper
- 19.9% Variable Notes
- 16.5% Demand Notes
- 8.1% Medium Term Notes
- 7.0% Guaranteed Insurance
- 2.6% Other

Corporate Obligations-Int'l (10.4%)

Government Obligations (14.8%)

- 9.6% Federal Agency
- 5.2% U.S. Government
- 0.0% Municipal Bonds

Common Stock-U.S. (27.7%)

- (Percent of Total)
- 29.2% Consumer Non-Durables
 - 14.9% Finance
 - 14.8% Materials & Service
 - 13.5% Technology
 - 8.0% Utilities
 - 6.1% Transportation
 - 5.3% Energy
 - 4.1% Consumer Durables
 - 4.1% Capital Goods

INVESTMENT SUMMARY

SUMMARY STATISTICS

The following tables summarize the development and performance of the total investment portfolio, including accrued income and miscellaneous assets, during the last five years:

BOOK/MARKET VALUE RECONCILIATION						<i>(In Millions)</i>	
<i>(Years Ended June 30)</i>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1991-1995</u>	
Beginning Book Value	\$ 8,080	\$ 8,747	\$ 9,812	\$ 11,013	\$ 11,992	\$ 8,213**	
Net Contributions Added	5	(49)	(75)	(10)	(122)	(251)	
Investment Income	463	493	520	559	514	2,549	
Net Realized Gain	<u>199</u>	<u>621</u>	<u>622</u>	<u>430</u>	<u>258</u>	<u>2,131</u>	
Ending Book Value	8,747	9,812	10,880	11,992	12,642	12,642	
Unrealized Gain (Loss) -Beginning of Period	844	706	627	665	(95)	844	
Unrealized Gain (Loss) -During Period	(138)	(79)	38	(760)	591	(348)	
Ending Market Value*	\$9,453	\$10,439	\$11,545	\$11,897	\$13,138*	\$13,138*	

* = Includes miscellaneous liabilities of \$93 million. ** = Includes prior period adjustment of \$133 million.

PERFORMANCE SUMMARY						<i>(Annualized Percent for Periods Ending June 30, 1995*)</i>	
<i>(Years Ended June 30)</i>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>Annualized</u>	
						<u>3 Years</u>	<u>5 Years</u>
Total Time-Weighted Return							
TRS	5.9	10.8	11.6	4.7	13.4	9.8	9.2
CPI	4.6	3.1	3.0	3.3	3.0	2.8	3.3
Common Stock - US							
TRS	7.4	13.5	14.7	2.7	20.6	12.4	11.6
S&P 500	7.4	13.5	13.6	1.4	26.0	13.2	12.1
Wilshire 5000	7.0	13.9	16.2	1.2	24.7	13.6	12.3
Bonds - US							
TRS	11.5	16.2	13.7	-0.6	12.0	7.8	10.2
SLG/C	10.9	14.2	12.0	-1.5	12.8	7.9	9.6
Common Stock-International							
TRS	-8.5	3.2	7.5	12.6	-6.1	5.1	2.0
EAFE Index	-11.5	-0.3	20.5	17.0	1.7	12.7	4.7
Real Estate	-2.0	-7.3	-0.5	9.7	13.2	7.2	2.1
Alternative Investments	1.2	8.8	5.7	1.6	30.3	11.6	8.9
Short Term							
TRS	6.2	3.8	4.3	3.7	5.9	5.2	5.0
91 Day Treasury Bill	-6.8	4.6	3.2	3.3	5.3	3.9	4.6
ASSET ALLOCATION (ANNUAL AVERAGE)							
Bonds	27.8	25.5	25.1	24.1	23.2	24.1	25.1
Common Stock - US	39.7	41.8	40.4	36.8	35.5	37.6	38.8
Short Term	5.6	4.7	6.2	7.6	5.3	6.4	6.0
Other	26.9	28.0	28.3	31.5	36.0	31.9	30.1

*Performance calculations provided by Harris Trust and Savings Bank

Investment Listing

TEACHERS' RETIREMENT SYSTEM
A Component Unit of the State of Illinois

For Fiscal Year Ended June 30, 1995

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
U.S. GOVERNMENT						
UNITED STATES TREASURY BILLS						
	AAA	0.000	11-16-95	10,050,000	9,639,659	9,842,367
	AAA	0.000	10-26-95	9,245,000	9,002,555	9,084,969
	AAA	0.000	2-8-96	1,500,000	1,403,503	1,450,410
	AAA	0.000	8-24-95	13,210,000	12,587,523	13,106,962
	AAA	0.000	9-21-95	51,040,000	50,315,152	50,422,928
	AAA	0.000	7-13-95	13,095,000	12,923,629	13,076,667
	AAA	0.000	8-3-95	30,930,000	30,499,394	30,790,198
	AAA	0.000	8-31-95	44,985,000	44,352,780	44,585,532
	AAA	0.000	10-5-95	830,000	818,025	818,231
	AAA	0.000	7-27-95	5,275,000	5,111,690	5,254,164
	AAA	0.000	10-5-95	10,000,000	9,861,477	9,858,200
	AAA	0.000	10-26-95	970,000	946,154	952,734
	AAA	0.000	11-16-95	735,000	699,216	719,536
UNITED STATES TREASURY BONDS						
	AAA	7.500	11-15-16	13,250,000	12,553,096	14,425,938
	AAA	8.125	8-15-21	37,230,000	40,299,560	43,518,520
	AAA	10.375	11-15-09	1,000,000	1,194,901	1,278,590
	AAA	11.750	2-15-01	1,000,000	1,355,000	1,269,530
	AAA	10.750	5-15-03	1,175,000	1,552,515	1,501,979
	AAA	12.000	8-15-13	1,200,000	1,681,500	1,770,000
	AAA	11.250	2-15-15	770,000	1,007,799	1,155,239
	AAA	12.000	5-15-05	400,000	537,250	566,064
	AAA	10.750	8-15-05	850,000	1,034,590	1,128,639
	AAA	8.875	8-15-17	500,000	596,328	622,500
	AAA	8.125	8-15-19	2,000,000	2,057,188	2,326,880
	AAA	8.500	2-15-20	4,980,000	5,377,018	6,022,663
	AAA	7.625	11-15-22	800,000	950,750	892,248
	AAA	13.750	8-15-04	820,000	1,216,803	1,241,144
	AAA	7.500	11-15-24	1,660,000	1,832,744	1,836,641
	AAA	8.000	11-15-21	2,500,000	2,606,250	2,886,325
	AAA	7.250	5-15-16	3,500,000	3,251,594	3,709,440
	AAA	7.125	2-15-23	2,500,000	2,251,563	2,635,150
UNITED STATES TREASURY NOTES						
	AAA	7.625	2-15-25	3,000,000	3,083,438	3,386,250
	AAA	8.000	10-15-96	2,300,000	2,311,500	2,361,088
	AAA	7.875	11-15-99	1,000,000	1,049,375	1,071,090
	AAA	8.875	5-15-00	1,100,000	1,216,999	1,232,858
	AAA	7.500	11-15-01	11,000,000	11,015,653	11,807,840
	AAA	7.750	1-31-00	5,775,000	5,858,969	6,170,241
	AAA	5.750	10-31-97	295,000	287,648	294,171
	AAA	8.875	11-15-98	650,000	753,695	706,674
	AAA	8.000	5-15-01	400,000	422,313	438,376
	AAA	7.875	7-31-96	250,000	271,328	255,353
	AAA	6.500	11-30-96	1,000,000	1,052,500	1,009,220
	AAA	6.125	12-31-96	1,200,000	1,200,961	1,205,628
	AAA	6.375	1-15-99	1,900,000	1,982,531	1,924,643
	AAA	6.875	3-31-97	1,000,000	1,040,815	1,016,870
	AAA	6.875	4-30-97	900,000	913,078	916,029
	AAA	7.500	5-15-02	700,000	750,750	753,592
	AAA	6.375	6-30-97	1,200,000	1,220,165	1,212,372
	AAA	5.500	7-31-97	1,800,000	1,748,156	1,787,904
	AAA	6.375	8-15-02	1,100,000	1,059,953	1,113,057
	AAA	5.625	8-31-97	1,000,000	951,719	995,160
	AAA	6.000	10-15-99	1,000,000	965,781	1,000,780
	AAA	5.125	4-30-98	1,900,000	1,919,594	1,862,304
	AAA	5.375	5-31-98	1,350,000	1,323,891	1,330,803
	AAA	5.250	7-31-98	950,000	968,109	932,036
	AAA	5.750	8-15-03	330,000	316,566	319,945
	AAA	4.750	8-31-98	1,000,000	987,656	965,620
	AAA	4.750	10-31-98	1,000,000	982,969	964,220
	AAA	4.750	2-15-97	2,100,000	2,025,036	2,063,901
	AAA	5.875	2-15-04	4,300,000	3,885,813	4,194,521
	AAA	6.750	6-30-99	1,000,000	979,531	1,025,780
	AAA	6.125	7-31-96	500,000	490,933	501,720
	AAA	6.875	7-31-99	3,350,000	3,406,573	3,454,688
	AAA	6.250	8-31-96	1,900,000	1,894,063	1,908,607
	AAA	6.500	9-30-96	1,000,000	998,438	1,007,970
	AAA	7.875	11-15-04	2,400,000	2,461,492	2,673,000
	AAA	7.250	11-30-96	19,100,000	19,230,688	19,461,182
	AAA	6.125	5-31-97	22,000,000	22,097,344	22,113,520
	AAA	8.625	8-15-97	500,000	555,703	527,110
	AAA	8.875	11-15-97	2,600,000	2,713,500	2,769,806
	AAA	4.625	2-15-96	1,460,000	1,450,647	1,450,189
	AAA	4.250	7-31-95	3,510,000	3,462,835	3,506,174
	AAA	5.500	4-30-96	2,200,000	2,186,710	2,195,182
	AAA	9.125	5-15-99	1,005,000	1,150,043	1,112,404
	AAA	7.875	7-15-96	675,000	699,047	688,919
	AAA	8.500	2-15-00	1,000,000	1,078,906	1,100,310
	AAA	8.875	2-15-99	1,000,000	1,062,188	1,093,750
	AAA	5.125	11-30-98	6,000,000	5,471,250	5,846,220

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
U.S. GOVERNMENT (Cont.)						
UNITED STATES TREASURY NOTES (Cont.)						
	AAA	7.750	12-31-99	2,500,000	2,483,594	2,669,150
	AAA	7.750	2-15-01	2,000,000	2,002,500	2,162,180
	AAA	8.000	8-15-99	1,700,000	1,818,875	1,824,049
	AAA	8.750	8-15-00	400,000	446,500	448,000
	AAA	3.875	10-31-95	7,820,000	7,619,002	7,775,974
	AAA	4.375	8-15-96	52,500,000	51,056,328	51,696,224
	AAA	7.500	1-31-97	6,750,000	6,826,856	6,917,670
	AAA	8.125	2-15-98	2,700,000	2,801,229	2,844,693
	AAA	6.250	2-15-03	4,600,000	4,276,749	4,612,236
	AAA	6.625	3-31-97	16,000,000	16,057,501	16,207,520
	AAA	6.500	4-30-97	11,500,000	11,489,219	11,631,215
	AAA	6.125	5-15-98	17,900,000	18,069,828	18,017,424
	AAA	6.875	2-28-97	12,000,000	12,038,437	12,195,000
	AAA	3.875	8-31-95	33,020,000	32,408,114	32,921,932
	AAA	6.125	5-31-97	2,000,000	2,017,656	2,010,620
	AAA	6.875	4-30-97	3,000,000	2,970,469	3,053,430
	AAA	6.125	7-31-96	5,000,000	4,904,688	5,015,600
	AAA	6.500	4-30-99	7,500,000	7,252,344	7,635,900
	AAA	7.875	11-15-04	9,500,000	10,087,031	10,580,625
	AAA	7.750	11-30-99	15,000,000	15,049,219	16,003,050
	AAA	7.750	1-31-00	16,900,000	17,587,876	18,061,876
	AAA	3.875	8-31-95	490,000	480,430	488,466
	AAA	4.750	2-15-97	9,000,000	8,859,375	8,848,080
	AAA	8.000	11-15-21	3,000,000	3,179,700	3,468,750
	AAA	5.875	2-15-04	3,000,000	2,622,188	2,929,680
	AAA	6.375	8-15-02	5,000,000	4,603,907	5,059,350
	AAA	7.375	11-15-97	8,000,000	7,923,750	8,260,000
	AAA	6.250	8-31-96	10,000,000	9,818,750	10,046,900
	AAA	8.500	11-15-00	950,000	1,018,875	1,057,616
US TREASURY BONDS	AAA	0.000	11-15-04	6,735,000	3,632,152	3,733,076
US TREASURY SECURITIES	AAA	0.000	2-15-19	10,340,000	1,921,636	2,029,018
TOTAL U.S. GOVERNMENT				677,505,000	665,798,827	684,684,764
FEDERAL AGENCY						
FEDERAL FARM CREDIT BANK						
	N/A	0.000	7-14-95	5,930,000	5,896,562	5,896,562
	N/A	0.000	7-20-95	2,010,000	1,995,377	1,995,377
FEDERAL HOME LOAN BANKS						
	N/A	0.000	7-11-95	5,770,000	5,739,164	5,739,164
	AAA	6.990	4-25-97	200,000	207,438	203,282
	AAA	7.650	10-28-99	500,000	493,438	526,485
	AAA	7.490	11-17-97	1,000,000	994,023	1,032,660
	AAA	5.800	9-26-95	8,000,000	7,966,250	8,003,760
	AAA	7.940	10-14-99	1,000,000	984,063	1,005,540
	N/A	0.000	7-12-95	4,020,000	4,001,397	4,001,397
FEDERAL HOME LOAN MORTGAGE						
	AAA	0.000	7-13-95	3,330,000	3,313,254	3,313,254
	AAA	5.650	7-17-95	47,500,000	47,290,524	47,290,524
	AAA	5.600	7-19-91	6,200,000	6,166,696	6,166,696
	AAA	0.000	7-20-95	6,775,000	6,743,334	6,743,334
	AAA	6.750	1-1-09	547,745	484,669	535,075
	AAA	6.383	4-1-24	29,494,732	29,052,312	30,079,908
	AAA	8.500	8-1-05	5,807	5,547	5,970
	AAA	8.500	1-1-08	11,351	10,843	11,718
	AAA	8.500	5-1-08	694,279	663,253	717,079
	AAA	10.000	7-1-09	163,558	174,036	175,699
	AAA	10.000	9-1-09	7,743	7,027	8,318
	AAA	9.500	9-1-19	50,854	53,285	52,983
	AAA	9.500	5-1-16	121,062	126,850	127,345
	AAA	9.500	9-1-16	15,213	15,940	16,002
	AAA	9.500	10-1-16	147,747	154,811	155,415
	AAA	9.500	11-1-16	219,932	230,447	231,346
	AAA	8.500	5-1-17	731,439	699,018	756,688
	AAA	8.250	6-1-01	374,668	360,032	383,191
	AAA	8.500	10-1-09	19,765	18,881	20,361
	AAA	10.000	10-1-10	99,998	106,404	107,610
	AAA	10.000	1-1-11	22,726	24,182	24,490
	AAA	10.500	4-1-11	109,387	97,628	118,314
	AAA	8.500	12-1-08	235,413	224,893	243,040
	AAA	8.500	12-1-09	5,514	5,268	5,680
	AAA	8.500	8-1-10	276,610	264,249	284,958
	AAA	8.500	2-1-11	24,366	23,278	25,179
	AAA	8.500	4-1-09	64,607	61,720	66,700
	AAA	8.500	5-1-09	924,185	882,885	953,371
	AAA	8.500	4-1-10	14,819	14,157	15,299
	AAA	8.500	1-1-10	96,421	92,112	99,466
	AAA	8.500	11-1-08	198,950	190,060	205,233
	AAA	8.500	12-1-09	145,922	139,401	150,530
	AAA	8.500	9-1-10	116,290	111,093	120,058
	AAA	8.500	9-1-08	6,812	6,507	6,987
	AAA	8.500	9-1-08	16,959	16,201	17,309

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FEDERAL AGENCY (Cont.)						
FEDERAL HOME LOAN MORTGAGE (Cont.)						
	AAA	8.500	2-1-08	35,705	34,109	36,782
	AAA	8.500	7-1-03	6,787	6,484	6,942
	AAA	8.500	10-1-07	449,399	429,317	464,158
	AAA	8.500	9-1-08	168,107	160,595	173,712
	AAA	8.500	10-1-04	88,571	84,613	91,244
	AAA	8.500	1-1-09	23,713	22,653	24,462
	AAA	10.000	12-1-09	18,791	19,994	20,221
	AAA	8.500	12-1-07	10,429	9,963	10,758
	AAA	8.500	2-1-08	166,748	159,296	172,014
	AAA	8.500	12-1-07	42,842	40,928	44,135
	AAA	8.250	10-1-07	82,990	79,333	84,934
	AAA	6.750	9-1-04	271,018	247,854	265,212
	AAA	8.500	12-1-08	153,811	146,937	158,939
	AAA	8.500	12-1-05	187,074	178,715	192,720
	AAA	8.500	8-1-08	7,512	7,177	7,756
	AAA	8.500	4-1-08	18,979	18,130	19,466
	AAA	6.750	12-1-08	443,839	395,156	433,573
	AAA	6.750	11-1-08	358,579	318,911	350,285
	AAA	7.250	5-1-08	386,776	356,801	384,846
	AAA	8.500	8-1-10	183,933	175,714	189,484
	AAA	8.500	7-1-09	122,060	116,606	126,015
	AAA	8.500	1-1-13	102,939	98,339	106,320
	AAA	11.000	12-1-00	142,839	144,625	150,427
	AAA	6.250	2-1-07	254,596	227,346	248,341
	AAA	6.250	6-1-08	350,267	309,876	337,986
	AAA	8.500	12-1-09	21,928	20,948	22,620
	AAA	10.000	1-1-16	654,866	656,912	697,452
	AAA	8.500	6-1-15	126,243	120,601	130,452
	AAA	8.500	3-1-08	16,715	15,968	17,264
	AAA	8.500	6-1-17	800,974	765,180	826,269
	AAA	8.000	1-1-17	21,323	21,553	21,717
	AAA	8.000	5-1-17	250,919	253,624	255,152
	AAA	8.500	10-1-10	287,485	274,638	296,926
	AAA	10.000	2-1-10	152,371	162,133	164,195
	AAA	7.000	4-1-17	1,033,071	934,284	1,019,920
	AAA	8.000	6-1-09	1,747,371	1,616,318	1,782,721
	AAA	8.500	9-1-08	238,538	227,878	245,262
	AAA	8.500	4-1-09	1,273,026	1,216,137	1,314,272
FEDERAL HOME LOAN MORTGAGE CORPORATION	NR	0.000	1-1-00	542,700	20,588,016	37,310,624
	AAA	8.850	3-15-08	1,276,989	1,271,477	1,318,491
	AAA	9.000	9-15-08	2,010,872	2,007,532	2,096,334
	AAA	6.830	4-13-99	150,000	148,336	149,718
	AAA	7.750	11-7-01	1,000,000	997,188	1,072,810
FEDERAL HOME LOAN MORTGAGE GOLD	AAA	6.500	4-1-09	1,341,823	1,298,633	1,323,373
	AAA	7.000	10-1-09	24,797	23,550	24,852
	AAA	8.000	5-1-25	22,905,396	22,823,080	23,334,872
	AAA	7.000	4-1-08	12,712	12,446	12,740
	AAA	6.000	5-1-98	127,096	129,836	125,904
	AAA	7.000	4-1-98	347,671	362,230	351,148
	AAA	6.000	5-1-98	285,832	291,102	283,150
	AAA	5.500	2-1-99	238,934	242,891	233,558
	AAA	6.500	9-1-99	590	586	591
	AAA	6.500	4-1-24	789	722	759
	AAA	6.500	2-1-24	486,887	488,028	468,322
	AAA	7.000	6-1-24	495,559	461,644	487,194
	AAA	8.000	3-1-07	3,032	3,100	3,115
	AAA	7.000	1-1-08	560,315	575,023	561,536
	AAA	8.500	2-1-18	260,639	272,775	271,432
	AAA	8.500	6-1-21	1,418	1,429	1,477
	AAA	8.500	11-15-18	1,645	1,657	1,713
	AAA	9.500	3-1-21	341,958	357,880	361,924
	AAA	8.000	4-1-17	168	170	173
	AAA	9.000	2-1-21	146,914	156,188	154,151
	AAA	7.000	3-1-23	201,836	199,818	198,429
	AAA	5.500	-12-1-00	2,508	2,490	2,429
	AAA	5.500	10-1-00	272,885	275,444	264,270
	AAA	6.500	6-1-01	379,667	369,345	379,546
	AAA	6.000	5-1-99	182,413	178,308	180,702
	AAA	7.000	3-1-24	369	379	363
	AAA	6.500	4-1-24	215,718	197,416	207,493
	AAA	8.500	11-1-24	203	202	210
	AAA	8.500	8-1-06	1,306	1,358	1,353
	AAA	8.000	11-1-06	372,070	374,046	382,302
	AAA	7.500	6-1-07	261,417	261,662	265,581
	AAA	7.500	2-1-08	274,617	283,713	278,991
	AAA	7.500	2-1-08	162,707	168,097	165,299
	AAA	7.000	9-1-08	480,835	498,416	481,883
	AAA	6.000	12-1-08	465,754	468,665	451,781

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FEDERAL AGENCY (Cont.)						
FEDERAL HOME LOAN MORTGAGE GOLD (Cont.)						
	AAA	6.000	1-1-09	526,022	523,310	510,241
	AAA	6.500	2-1-09	74,338	70,180	73,316
	AAA	6.000	3-1-09	3,658	3,671	3,548
	AAA	8.500	2-1-21	10,270	10,748	10,692
	AAA	8.000	5-1-21	1,283,923	1,239,788	1,314,211
	AAA	8.500	9-1-21	178,464	176,903	185,342
	AAA	8.500	9-1-21	378,519	375,207	394,243
	AAA	8.000	6-1-22	146,288	148,208	149,031
	AAA	7.500	8-1-22	156,549	163,251	157,037
	AAA	8.500	11-1-21	565	591	588
	AAA	7.500	3-1-23	170,374	172,930	170,906
	AAA	7.500	3-1-23	590,508	599,366	592,351
	AAA	7.000	6-1-23	623,202	625,344	612,683
	AAA	7.500	7-1-23	422,570	438,812	423,888
	AAA	7.500	6-1-23	258,764	269,842	259,571
	AAA	7.000	8-1-23	649	664	638
	AAA	7.000	10-1-23	22,097	22,583	21,724
	AAA	6.500	11-1-23	532,056	537,294	511,769
	AAA	7.000	11-1-23	748,326	765,397	735,694
	AAA	7.000	11-1-23	346,880	350,783	341,025
	AAA	6.500	11-1-23	436,359	431,450	419,721
	AAA	6.500	1-1-24	420,168	417,870	404,147
	AAA	6.500	1-1-24	868	846	835
FEDERAL HOME LOAN MORTGAGE MULTICLASS						
	AAA	8.000	10-15-19	16,895,014	17,634,644	17,127,320
	AAA	7.750	1-15-20	4,894,284	4,739,044	4,966,132
	AAA	7.500	9-15-18	1,144,613	1,166,969	1,152,832
	AAA	8.500	1-15-19	6,825,751	6,983,596	6,876,944
	AAA	0.000	8-15-07	91,484	2,697,639	2,334,191
	AAA	0.000	7-15-06	298,165	3,861,237	2,648,451
	AAA	7.000	7-15-18	3,279,014	491,852	412,238
	AAA	4.386	11-15-22	1,206,104	187,923	131,924
	AAA	5.250	9-15-13	5,000,000	4,912,500	4,854,650
	AAA	6.500	10-15-04	6,403,800	1,052,625	751,422
	AAA	0.000	5-15-98	55,253	897,862	698,393
	AAA	0.000	4-15-01	14,018,824	1,888,160	912,065
	AAA	4.950	3-15-04	3,000,000	2,910,000	2,912,790
	AAA	6.500	3-15-19	26,172,258	4,404,301	3,248,763
	AAA	4.750	7-25-11	4,500,000	4,289,063	4,355,145
	AAA	2.425	12-15-23	93,548,312	5,597,326	5,612,899
	AAA	6.000	1-15-06	15,637,498	2,042,648	1,483,217
	AAA	5.250	11-15-16	3,718,240	3,580,549	3,598,550
	AAA	6.000	4-15-06	14,933,094	2,027,634	1,557,522
	AAA	6.000	7-15-11	7,206,632	710,529	710,502
	AAA	6.500	4-15-20	12,000,000	2,379,375	1,814,400
	AAA	7.500	11-15-20	3,113,855	393,124	353,236
	AAA	10.750	11-30-05	1,539,013	1,665,020	1,610,670
	AAA	9.500	1-15-21	10,300,740	10,611,091	10,931,661
	AAA	9.125	6-15-20	12,592,978	13,045,538	13,132,083
FEDERAL HOME LOAN MORTGAGE STRIPPED						
FEDERAL HOUSING AUTHORITY						
	AAA	8.000	10-15-18	18,402,430	2,656,851	4,036,941
	AAA	7.430	6-1-19	7,052,817	6,934,902	7,123,345
	AAA	7.430	12-1-21	1,521,870	1,562,885	1,558,684
	AAA	7.430	6-1-24	35,456,980	35,545,616	36,210,440
	AAA	7.440	8-1-22	28,053,542	28,448,044	28,474,344
	AAA	7.430	9-1-22	911,039	936,183	929,259
FEDERAL HOUSING AUTHORITY ALDUS GREEN PROJECT						
FEDERAL NATIONAL MORTGAGE						
	N/A	0.000	7-17-95	52,370,000	52,132,176	52,132,176
	N/A	0.000	7-19-95	2,735,000	2,719,941	2,719,941
	N/A	0.000	7-20-95	3,300,000	3,283,291	3,283,291
FEDERAL NATIONAL MORTGAGE ASSOCIATION						
	A-	0.000	1-1-00	535,200	34,091,208	50,576,400
	AAA	7.850	9-10-98	600,000	598,542	630,282
	AAA	7.300	7-10-02	900,000	960,188	907,731
	AAA	0.000	7-5-14	1,000,000	189,531	260,310
	AAA	8.800	7-25-97	235,000	257,480	247,631
	AAA	0.000	8-25-20	45,032	923,885	955,815
	AAA	10.000	6-25-20	8,226,545	7,650,701	8,873,151
	AAA	7.000	6-25-19	4,549,869	4,589,680	4,558,377
	AAA	7.000	9-25-20	1,600,000	1,650,250	1,594,000
	AAA	7.500	6-25-07	10,840,154	11,141,645	11,063,678
	AAA	8.000	12-25-20	900,000	937,467	939,654
	AAA	7.500	6-25-21	1,100,000	1,131,944	1,115,466
	AAA	7.000	6-25-13	6,641,637	704,636	533,390
	AAA	0.000	6-25-23	691,711	625,998	299,594
	AAA	7.000	11-25-16	15,179,404	2,390,756	1,886,648
	AAA	6.750	1-25-14	14,000,000	1,671,250	742,980
	AAA	0.000	2-25-17	60,040	1,212,209	1,077,869
	AAA	4.875	10-15-98	2,000,000	1,868,594	1,924,220
	AAA	0.000	9-25-08	136,870	4,366,144	3,371,400
	AAA	6.064	9-25-23	1,974,609	1,853,664	1,859,825

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FEDERAL AGENCY (Cont.)						
FEDERAL NATIONAL MORTGAGE ASSOCIATION (Cont.)	AAA	5.300	4-25-07	3,000,000	2,859,375	2,891,250
	AAA	2.506	11-25-23	17,021,028	965,411	1,106,367
	AAA	6.500	3-25-09	7,701,484	1,391,081	1,260,271
	AAA	5.250	3-25-12	3,300,000	3,175,219	3,212,319
	AAA	5.000	3-25-12	5,000,000	4,782,032	4,837,500
	AAA	7.500	12-25-19	2,310,195	290,399	258,673
	AAA	6.500	3-25-18	12,872,071	2,144,004	1,587,255
	AAA	6.500	10-17-24	5,400,000	4,573,969	4,912,272
	AAA	9.250	7-25-19	16,355,673	15,292,569	17,239,860
	AAA	8.500	1-25-20	1,536,151	1,568,794	1,545,260
	AAA	8.500	3-1-11	46,139	45,088	48,051
	AAA	13.250	9-1-11	103,287	109,969	115,358
	AAA	12.750	10-1-11	982,856	1,059,949	1,086,056
	AAA	8.500	3-1-12	4,036	3,972	4,202
	AAA	16.000	9-1-12	19,611	20,656	22,442
	AAA	16.000	9-1-12	221,445	235,562	253,415
	AAA	16.000	9-1-12	251,716	266,819	288,056
	AAA	15.750	12-1-11	402,303	422,921	460,383
	AAA	10.000	8-1-10	54,272	54,709	58,943
	AAA	14.750	8-1-12	1,209,224	1,332,845	1,371,708
	AAA	15.750	8-1-12	576,479	611,518	659,705
	AAA	8.250	10-1-08	227,852	218,809	233,755
	AAA	11.000	12-1-15	1,876,623	2,069,563	2,045,256
	AAA	8.250	9-1-09	275,282	262,894	284,011
	AAA	8.500	9-1-09	16,829	16,351	17,527
	AAA	8.500	6-1-09	160,402	155,840	167,140
	AAA	8.250	6-1-05	723,224	692,939	742,989
	AAA	9.000	10-1-05	24,225	25,747	25,293
	AAA	9.000	10-1-21	706,890	723,899	736,268
	AAA	8.500	12-1-98	39,655	40,807	40,721
	AAA	8.500	1-1-99	19,359	19,922	19,880
	AAA	7.500	4-1-23	730,791	753,400	732,844
	AAA	7.000	11-1-08	169,805	175,642	170,229
	AAA	7.500	12-1-23	51,574	53,016	51,719
	AAA	8.000	6-1-02	150,884	155,128	155,034
	AAA	10.500	11-1-13	70,478	77,372	77,178
	AAA	10.500	3-1-14	51,199	56,207	55,770
	AAA	8.250	7-1-08	519,752	495,876	534,554
	AAA	10.000	4-1-16	212,773	225,673	232,517
	AAA	11.500	5-1-19	315,987	337,119	346,597
	AAA	11.500	4-1-19	222,955	237,865	244,552
	AAA	11.500	6-1-19	168,370	179,630	184,680
	AAA	11.500	6-1-19	30,812	32,873	33,797
	AAA	11.000	6-1-19	187,934	192,574	205,318
	AAA	10.000	12-1-17	62,055	62,481	67,656
	AAA	11.500	1-1-15	293,925	313,581	322,398
	AAA	7.000	5-1-09	1,710,290	1,577,743	1,713,659
	AAA	7.500	9-1-02	758,995	717,251	771,564
	AAA	8.750	4-1-07	583,460	569,785	608,274
	AAA	8.750	8-1-18	370,929	361,540	387,540
	AAA	11.500	9-1-19	17,704	18,887	19,418
	AAA	10.500	1-1-16	176,831	194,128	193,740
	AAA	11.500	3-1-11	28,516	30,423	31,253
	AAA	8.500	5-1-03	20,886	22,003	21,637
	AAA	9.000	11-1-04	305,048	324,209	318,488
	AAA	9.000	11-1-97	3,631,313	3,809,475	3,737,965
	AAA	10.000	11-1-17	89,825	90,443	97,837
	AAA	11.500	10-1-15	55,580	59,297	60,992
	AAA	11.500	1-1-16	101,641	108,438	111,554
	AAA	11.500	7-1-14	26,771	28,561	29,188
	AAA	11.500	2-1-15	64,168	68,459	70,384
	AAA	11.500	11-1-15	67,797	72,331	74,401
	AAA	11.500	1-1-16	71,987	76,801	79,000
	AAA	6.227	10-1-19	9,065,751	8,521,806	9,248,517
	AAA	11.500	8-1-11	112,682	120,218	123,349
	AAA	11.500	1-1-20	41,528	44,305	45,578
	AAA	11.500	10-1-15	356,394	380,228	391,093
	AAA	10.000	6-1-20	212,849	225,753	231,073
	AAA	8.280	1-10-25	500,000	525,625	567,100
	AAA	5.200	7-10-98	2,300,000	2,230,287	2,287,419
	AAA	5.230	11-25-98	1,700,000	1,603,049	1,657,075
	AAA	6.380	6-25-03	300,000	300,000	300,153
	AAA	6.770	4-14-97	2,500,000	2,495,703	2,530,575
	AAA	9.500	8-1-19	69,860	73,680	73,586
	AAA	8.500	4-1-98	24,563	25,277	25,223
	AAA	8.500	6-1-98	3,375	3,473	3,465
	AAA	7.500	5-1-07	228,843	239,070	232,633
	AAA	6.500	6-1-00	476,529	457,915	475,338

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FEDERAL AGENCY (Cont.)						
FEDERAL NATIONAL MORTGAGE ASSOCIATION (Cont.)						
	AAA	9.500	1-1-19	52,886	55,779	55,707
	AAA	8.000	8-1-19	1,994,324	2,075,343	2,052,239
	AAA	9.500	9-1-16	33,404	35,231	35,324
	AAA	9.000	6-1-20	52,363	54,556	55,050
	AAA	7.500	3-1-22	34,215	33,253	34,311
	AAA	9.000	6-1-17	140,634	146,523	147,534
	AAA	7.500	2-1-22	259,887	252,578	260,618
	AAA	8.000	6-1-22	622,352	622,157	633,822
	AAA	8.000	7-1-22	212,294	214,085	216,207
	AAA	7.500	6-1-07	451,597	451,103	459,076
	AAA	10.500	8-1-15	372,223	408,631	407,410
	AAA	8.500	6-1-22	132,400	137,034	136,537
	AAA	10.500	5-1-12	512,298	562,408	560,347
	AAA	10.500	6-1-12	516,259	566,755	564,173
	AAA	10.500	5-1-12	413,520	453,967	452,304
	AAA	7.500	11-1-07	235,755	238,113	239,659
	AAA	7.000	4-1-00	150,566	156,588	151,695
	AAA	5.869	1-1-24	10,824,012	10,722,537	11,052,291
	AAA	8.000	11-1-22	111,125	116,855	113,173
	AAA	8.500	9-1-06	14,132	14,887	14,640
	AAA	7.000	12-1-07	554,946	553,385	556,333
	AAA	8.000	1-1-23	201,425	206,020	205,137
	AAA	8.000	1-1-23	434,053	444,837	443,694
	AAA	7.500	1-1-23	204,321	203,843	204,896
	AAA	7.000	12-1-23	470,344	474,900	462,259
	AAA	7.500	6-1-23	351,710	360,943	352,699
	AAA	7.500	8-1-23	256,148	266,154	256,868
	AAA	6.000	8-1-23	493,876	485,619	462,545
	AAA	6.500	6-1-08	622,136	591,418	613,581
	AAA	7.000	8-1-23	363,599	370,814	357,349
	AAA	6.500	7-1-08	252,391	256,532	248,920
	AAA	7.000	9-1-08	459,330	475,980	460,478
	AAA	5.500	9-1-00	422,281	424,525	408,291
	AAA	7.000	10-1-23	460,713	473,958	452,793
	AAA	6.000	10-1-08	25,858	25,927	25,066
	AAA	9.000	3-1-25	3,758,287	3,815,835	3,914,481
	AAA	8.000	5-1-24	773,042	763,983	787,289
	AAA	8.000	7-1-24	505,909	502,352	515,233
	AAA	8.000	10-1-24	3,270,206	3,236,482	3,330,476
	AAA	6.000	2-1-09	631,208	632,885	611,874
	AAA	6.000	12-1-08	39,632	39,378	38,418
	AAA	7.000	4-1-24	439,265	420,871	431,714
	AAA	7.000	4-1-24	163,959	157,093	161,140
	AAA	6.500	2-1-24	901,897	904,434	866,949
	AAA	6.500	1-1-24	539,295	493,034	518,397
	AAA	6.000	1-1-09	641,663	637,553	622,009
	AAA	6.500	2-1-24	26,943	25,028	25,899
	AAA	6.500	3-1-09	45,871	43,728	45,241
	AAA	6.500	5-1-09	28,392	26,990	28,001
	AAA	6.000	3-1-24	297	257	278
	AAA	6.500	4-1-24	386,938	353,927	371,944
	AAA	7.000	5-1-24	440,541	416,173	432,968
	AAA	7.000	6-1-24	593,026	560,039	582,832
	AAA	8.500	12-1-24	29,022	28,532	29,929
	AAA	8.500	9-1-24	404,660	411,679	417,306
	AAA	7.500	10-1-24	197,952	186,941	198,508
	AAA	8.000	9-1-24	708,235	699,935	721,288
	AAA	9.000	2-1-25	76,796	77,972	79,987
	AAA	9.000	6-1-25	18,000,000	18,714,376	18,748,080
	AAA	6.000	9-1-24	4,667,803	4,290,732	4,371,678
	AAA	8.500	1-1-25	523,257	514,427	539,609
	AAA	8.000	6-15-25	41,000,000	42,069,844	41,768,752
	AAA	8.500	5-15-25	41,000,000	42,467,020	42,293,960
	AAA	7.500	8-25-23	3,540,000	3,557,700	3,551,045
	AAA	8.000	5-15-08	2,735,000	2,808,503	2,810,213
FEDERAL HOME LOAN MORTGAGE MULTICLASS	AAA	6.500	10-15-22	9,095,192	1,648,504	1,455,231
FEDERAL NATIONAL MORTGAGE ASSOCIATION	AAA	0.000	8-10-95	6,700,000	6,638,472	6,638,472
FEDERAL HOME LOAN MORTGAGE MULTICLASS	AAA	8.600	6-15-21	12,810,665	10,830,095	13,297,470
	AAA	9.000	11-15-19	773,233	800,307	794,010
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	AAA	13.500	3-15-12	1,385	1,498	1,565
	AAA	8.000	5-20-22	643,004	630,747	653,453
	AAA	5.500	8-20-22	1,799,679	1,770,434	1,830,327
	AAA	6.000	10-20-23	9,354,644	8,752,439	9,405,814
	AAA	5.500	12-20-23	27,322,080	28,216,452	27,659,234
	AAA	5.500	1-20-24	4,608,945	4,463,476	4,650,702
	AAA	6.500	8-20-24	63,521,576	63,304,348	64,643,368
	AAA	6.500	9-20-24	36,062,368	35,622,356	36,699,228
	AAA	7.000	9-20-24	19,607,040	19,873,574	19,968,594

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FEDERAL AGENCY (Cont.)						
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (Cont.)						
	AAA	7.000	3-20-25	31,205,886	31,552,376	31,751,988
	AAA	13.250	10-20-14	33,464	36,161	36,747
	AAA	13.250	5-20-15	20,643	21,603	22,669
	AAA	8.000	8-15-06	260,514	250,195	268,439
	AAA	8.000	9-15-06	30,625	29,412	31,557
	AAA	8.000	10-15-06	56,453	54,217	58,198
	AAA	8.000	11-15-06	174,372	167,466	179,677
	AAA	6.500	1-15-24	484,542	428,669	465,461
	AAA	7.000	10-15-23	212,962	219,018	209,568
	AAA	7.000	12-15-23	142,577	145,251	140,305
	AAA	8.000	9-15-23	692,949	736,475	709,406
	AAA	7.500	5-15-23	228,122	236,035	229,263
	AAA	7.500	5-15-23	575,907	594,714	578,787
	AAA	7.500	6-15-23	686,852	705,955	690,286
	AAA	7.000	7-15-23	11,484,963	10,449,522	11,301,893
	AAA	7.000	10-15-23	2,665,417	2,585,454	2,622,930
	AAA	7.000	2-15-24	1,778,388	1,600,271	1,750,040
	AAA	6.500	5-15-24	25,460,398	23,439,478	24,457,766
	AAA	7.000	6-15-23	2,994,085	2,904,262	2,946,359
	AAA	7.000	11-15-23	486,808	500,652	479,049
	AAA	7.000	8-15-24	582,662	547,520	573,374
	AAA	7.500	9-15-23	69,575	71,847	69,923
	AAA	7.000	4-15-24	2,914,336	2,619,259	2,867,881
	AAA	7.500	10-15-23	356,920	344,651	358,705
	AAA	8.000	1-15-24	5,372,139	5,684,394	5,499,727
	AAA	7.000	3-15-24	623,532	582,808	613,593
	AAA	7.500	10-15-23	488,241	501,667	490,682
	AAA	6.000	11-15-23	249,917	247,183	233,672
	AAA	7.500	3-15-24	137,849	143,170	138,539
	AAA	7.500	3-15-24	30,689	31,874	30,843
	AAA	6.500	2-15-24	472,721	432,909	454,105
	AAA	9.000	9-15-08	62,295	61,195	66,083
	AAA	7.000	5-15-24	452,401	416,209	445,189
	AAA	7.500	7-15-24	250,738	243,373	251,992
	AAA	9.000	9-15-24	4,892,014	5,015,843	5,138,132
	AAA	9.000	3-15-09	5,666	5,566	6,011
	AAA	9.500	7-15-09	50,863	51,626	54,209
	AAA	10.000	11-15-09	385,562	410,021	420,383
	AAA	8.000	2-15-25	1,196,746	1,163,835	1,225,168
	AAA	13.500	6-15-10	800	870	905
	AAA	13.500	5-15-11	828	901	936
	AAA	10.500	12-15-97	54,755	56,449	57,749
	AAA	11.500	2-15-13	72,136	76,870	80,815
	AAA	10.500	7-15-98	7,514	7,746	7,924
	AAA	10.500	5-15-98	31,238	32,204	32,946
	AAA	13.500	5-15-10	25,356	25,965	28,018
	AAA	13.500	5-15-10	17,879	17,922	19,756
	AAA	13.000	12-15-10	23,578	25,243	25,950
	AAA	13.500	6-15-10	5,617	6,077	6,207
	AAA	13.500	5-15-10	8,599	9,303	9,502
	AAA	13.500	5-15-10	2,387	2,583	2,638
	AAA	13.000	12-15-10	75,060	80,361	82,613
	AAA	13.500	3-15-11	77,282	83,610	85,397
	AAA	13.500	2-15-11	21,981	23,781	24,289
	AAA	13.500	3-15-11	20,004	21,642	22,105
	AAA	13.500	3-15-11	16,863	18,244	18,634
	AAA	13.500	2-15-11	50,155	54,168	55,421
	AAA	13.500	3-15-11	64,949	70,145	71,768
	AAA	13.500	4-15-11	12,520	12,520	13,835
	AAA	13.500	4-15-11	3,475	3,759	3,840
	AAA	13.500	4-15-11	82,377	89,121	91,026
	AAA	13.000	7-15-11	44,519	47,663	48,998
	AAA	10.000	3-15-13	257,958	236,229	280,609
	AAA	13.000	11-15-12	21,500	23,005	23,663
	AAA	13.000	10-15-12	17,575	18,813	19,343
	AAA	11.250	7-15-13	52,200	54,304	57,420
	AAA	10.000	3-15-13	174,887	160,177	190,244
	AAA	11.250	7-15-13	90,631	94,284	99,694
	AAA	11.250	7-15-13	126,653	131,759	139,319
	AAA	11.250	7-15-13	49,400	51,392	54,340
	AAA	13.500	7-15-14	3,107	3,376	3,511
	AAA	12.000	1-15-14	4,376	4,508	4,925
	AAA	12.000	4-15-14	7,483	7,399	8,423
	AAA	9.000	5-15-16	597,435	568,683	633,036
	AAA	11.000	1-15-16	6,507	6,829	7,225
	AAA	11.500	11-15-15	57,161	60,913	64,038
	AAA	9.500	8-15-16	182,715	183,914	195,732
	AAA	8.000	4-15-17	421,915	436,485	445,218

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Government Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FEDERAL AGENCY (Cont.)						
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (Cont.)						
	AAA	9.500	7-15-17	193,549	192,158	206,590
	AAA	8.000	7-15-17	598,084	618,737	616,129
	AAA	8.000	3-15-17	609,609	590,940	628,001
	AAA	8.500	2-15-17	1,136,256	1,076,248	1,188,297
	AAA	8.000	4-15-17	422,884	437,487	436,218
	AAA	8.000	3-15-17	699,115	723,256	720,207
	AAA	7.500	6-15-23	24,594	25,270	24,717
	AAA	9.000	8-15-17	347,399	321,453	366,805
	AAA	9.000	3-15-18	263,600	243,913	278,325
	AAA	9.000	10-15-17	531,887	488,173	561,598
	AAA	11.500	5-15-19	86,959	90,383	97,422
	AAA	11.000	8-15-19	30,264	31,759	33,603
	AAA	11.000	7-15-19	28,254	29,650	31,371
	AAA	11.500	9-15-15	230,681	239,764	258,434
	AAA	11.000	9-15-19	68,854	72,251	76,449
	AAA	10.500	6-15-19	90,330	93,631	99,504
	AAA	11.000	8-15-19	46,864	49,178	52,033
	AAA	7.000	12-15-07	161,906	166,814	162,664
	AAA	11.250	10-15-15	41,714	43,395	45,885
	AAA	11.250	8-15-15	55,642	57,876	61,206
	AAA	11.250	11-15-15	49,973	51,986	54,970
	AAA	11.250	11-15-15	22,922	23,845	25,214
	AAA	11.250	9-15-15	103,713	107,893	114,084
	AAA	11.250	9-15-15	41,869	43,556	46,056
	AAA	11.250	8-15-15	77,321	79,873	85,053
	AAA	11.250	9-15-15	16,973	17,657	18,670
	AAA	11.250	1-15-16	22,773	23,691	25,050
	AAA	11.250	11-15-15	31,990	33,276	35,188
	AAA	11.250	9-15-15	59,084	61,466	64,993
	AAA	11.250	9-15-15	27,374	28,477	30,112
	AAA	11.250	10-15-15	38,950	40,520	42,845
	AAA	11.250	10-15-15	54,531	56,728	59,984
	AAA	9.500	7-15-21	500,993	520,328	531,052
	AAA	8.000	5-15-07	474,969	481,203	490,106
	AAA	7.000	10-15-08	252,603	263,339	253,786
	AAA	7.500	9-15-22	282,777	295,855	284,190
	AAA	7.000	2-15-09	269,488	281,868	270,749
	AAA	8.000	3-15-25	76,391	0	78,205
	AAA	7.000	11-15-24	19,519,444	18,502,298	19,208,304
	AAA	7.000	6-15-24	27,233,454	25,752,636	26,799,354
	AAA	8.500	8-21-25	14,000,000	14,560,000	14,511,840
	AAA	8.000	8-21-25	10,000,000	10,315,625	10,221,800
	AAA	6.000	8-24-25	8,000,000	8,010,000	8,010,000
	AAA	5.500	8-24-25	10,000,000	9,871,875	9,871,800
	AAA	8.500	3-15-25	13,450,000	13,992,753	14,000,509
	AAA	9.000	7-15-25	5,220,000	5,472,844	5,467,950
	AAA	7.500	7-15-25	9,950,000	10,047,781	10,139,647
	AAA	6.500	5-20-23	39,475,312	39,574,000	40,215,472
	AAA	6.500	7-20-24	865,944	864,320	881,236
	AAA	7.000	1-20-25	29,450,618	29,810,062	29,966,006
	AAA	7.000	2-20-25	13,257,123	13,420,811	13,489,124
TENNESSEE VALLEY AUTHORITY	AAA	6.125	7-15-03	350,000	355,359	338,517
	AAA	8.250	11-15-96	1,500,000	1,500,234	1,542,900
	AAA	8.250	4-15-42	500,000	484,675	540,010
TOTAL FEDERAL AGENCY				1,436,203,440	1,230,617,062	1,275,929,583
TOTAL GOVERNMENT OBLIGATIONS				2,113,708,440	1,896,415,889	1,960,614,347

Corporate Obligations

FINANCE

ADVANTA CREDIT CARD MASTER TRUST	AAA	6.592	12-15-98	3,000,000	3,000,938	3,000,930
AETNA LIFE & CASUALTY COMPANY	AAA	7.250	8-15-23	150,000	129,140	136,790
ALLSTATE CORPORATION	AAA	6.750	6-15-03	250,000	224,225	246,830
AMERICAN AIRLINES PASS THRU	AAA	7.450	11-26-96	1,186,000	1,186,000	1,198,690
AMERICAN EXPRESS TRUST	AAA	6.600	5-15-00	400,000	398,480	401,872
AMERICAN GENERAL FINANCE	AAA	7.000	10-1-97	8,500,000	8,579,600	8,626,905
AMR CORPORATION	AAA	7.600	1-27-97	9,500,000	9,788,895	9,618,560
	AAA	7.480	1-29-97	3,000,000	3,079,140	3,032,250
ASSOCIATES CORP. OF NORTH AMERICA	AAA	6.750	7-15-97	1,860,000	1,852,653	1,875,643
	AAA	6.750	10-15-99	3,000,000	2,805,390	3,023,370
	AAA	5.875	8-15-97	500,000	497,935	495,575
AUBURN HILLS TRUST	AAA	12.000	5-1-20	1,510,000	2,243,288	2,209,055
AVCO FINANCIAL SERVICES INC.	AAA	5.500	4-1-00	250,000	227,035	238,755
BANC ONE CORPORATION	AAA	7.250	8-1-02	360,000	357,152	366,412
BANC ONE CREDIT CARD MASTER TRUST	AAA	7.550	11-15-97	4,500,000	4,662,000	4,615,290
BANK OF BOSTON CORPORATION	AAA	10.300	9-1-00	3,227,000	3,255,075	3,245,652

BONDS, CORPORATE NOTES & PREFERRED STOCK

Corporate Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FINANCE (Cont.)						
BANKAMERICA CORPORATION	AAA	9.700	8-1-00	500,000	574,190	561,395
BANKERS TRUST CO. OF NEW YORK	AAA	4.700	7-1-96	6,000,000	5,826,060	5,915,040
BEAR STEARNS MORTGAGE CAPITAL	AAA	9.000	1-25-21	20,588	19,945	21,257
CASE EQUIPMENT LOAN TRUST	AAA	4.400	11-15-98	3,950,218	3,928,616	3,925,964
CFAC REMIC TRUST MANUFACTURED HOUSING	AAA	9.250	5-15-98	602,798	644,861	624,456
CHASE MANHATTAN CREDIT CARD	AAA	8.750	8-15-99	5,000,000	4,995,750	5,107,800
CHASE MORTGAGE FINANCE CORP.	AAA	7.000	7-25-24	749,918	760,229	746,468
CHEMICAL MORTGAGE SECURITIES	AAA	6.250	2-25-23	8,560,377	8,585,776	8,501,482
CHRYSLER FINANCIAL CORP.	AAA	8.125	12-15-96	1,120,000	1,119,070	1,144,158
	AAA	6.625	8-15-00	300,000	309,108	298,914
CIGNA CORPORATION	AAA	8.750	10-1-01	160,000	172,386	171,763
CIRCUIT CITY CREDIT CARD	AAA	8.000	11-15-99	300,000	302,484	314,811
CITIBANK NEW YORK	AAA	9.000	1-1-17	9,976,699	10,163,763	10,076,466
	AAA	9.500	11-1-16	8,776,714	9,349,943	9,083,899
CITICORP	AAA	9.500	2-1-02	250,000	296,425	283,438
CITICORP BANKING CORP.	AAA	6.125	7-10-97	7,000,000	6,205,000	6,967,170
CITICORP EURO	AAA	6.300	11-26-97	1,000,000	853,500	960,900
CITICORP MORTGAGE SECURITIES INC. REMIC	AAA	10.500	6-1-19	1,261,140	1,271,781	1,350,404
	AAA	7.000	11-1-12	2,788,831	2,813,234	2,777,815
	AAA	7.163	11-25-18	2,872,902	2,872,902	2,872,902
	AAA	7.410	5-25-19	2,062,674	2,051,716	2,051,701
	AAA	9.500	7-25-18	9,454,394	9,643,482	9,808,934
	AAA	9.500	11-1-04	6,003,679	5,892,986	6,045,464
COLLATERALIZED MORTGAGE OBLIGATION	AAA	7.250	4-23-17	288,790	296,551	288,247
	AAA	9.400	8-1-16	5,440,138	5,827,573	5,724,005
	AAA	9.400	9-20-17	7,055,629	7,559,450	7,437,057
	AAA	9.400	1-20-17	27,186,336	27,959,448	27,925,262
	AAA	10.200	2-1-16	7,625,059	7,691,473	8,168,344
	AAA	8.050	4-20-17	3,421,487	3,430,383	3,432,162
COLLATERALIZED MORTGAGE SECURITIES CO.	AAA	11.450	9-1-15	4,094,110	4,369,034	4,339,757
COMMERCIAL CREDIT COMPANY	AAA	10.000	5-15-09	300,000	349,890	375,657
CONTINENTAL BANK CORPORATION	AAA	9.875	6-15-96	2,300,000	2,489,405	2,363,319
CONTINENTAL CORPORATION	AAA	8.250	4-15-99	250,000	249,673	260,095
CWMBS INDEPENDENT NATIONAL MORTGAGE	AAA	6.746	11-25-24	3,831,173	3,873,675	3,920,937
DAIMLER-BENZ VEHICLE TRUST	AAA	5.950	12-15-00	4,298,094	4,286,006	4,292,120
DAIWA MORTGAGE ACCEPTANCE CORP.	AAA	7.875	9-25-06	5,245,733	5,324,419	5,355,526
DBL MORTGAGE FUNDING CORP.	AAA	9.500	8-25-19	368,936	357,580	385,708
DEAN WITTER DISCOVER & CO.	AAA	7.760	6-22-04	7,000,000	6,992,300	7,405,230
	AAA	6.000	3-1-98	150,000	154,374	148,745
DISCOVER CREDIT CORPORATION	AAA	6.548	7-21-95	3,900,000	3,761,063	3,898,362
	AAA	7.810	3-18-97	2,500,000	2,710,925	2,552,550
DLJ MORTGAGE ACCEPTANCE CORP.	AAA	7.185	7-25-22	1,205,302	1,242,214	1,214,341
	AAA	4.583	3-25-24	4,125,408	4,023,562	3,977,141
DLJ MORTGAGE ACCEPTANCE CORP. MORTGAGE PASS THRU	AAA	7.797	9-1-21	1,316,389	1,354,235	1,325,841
DLJ MORTGAGE ACCEPTANCE CORP. MORTGAGE	AAA	7.776	12-25-23	3,625,702	3,736,413	3,643,830
	AAA	7.501	6-25-22	4,318,027	4,350,413	4,358,487
DLJ MORTGAGE ACCEPTANCE CORPORATION REMIC	AAA	7.937	12-22-02	1,929,279	1,995,598	1,995,588
DLJ MORTGAGE ACCEPTANCE CORPORATION STRIPPED	AAA	0.000	9-25-22	5,837,735	5,896,113	5,866,924
	AAA	0.000	3-25-23	6,035,748	6,243,227	6,096,106
	AAA	0.000	5-25-23	4,719,130	4,881,350	4,754,523
DLJ MORTGAGE ACCEPTANCE CORP. VARIABLE RATE	AAA	7.401	11-25-22	3,077,085	3,155,935	3,084,777
DREXEL BURNHAM LAMBERT	AAA	8.950	4-20-18	303,743	298,427	302,412
EQCC HOME EQUITY LOAN	AAA	7.900	9-15-07	2,000,000	2,029,063	2,061,180
FIRST BANK SYSTEM EURO	AAA	5.250	11-13-96	3,200,000	3,029,250	3,190,720
FIRST BOSTON MORTGAGE SECURITIES CO.	AAA	6.557	1-25-19	3,467,123	3,554,882	3,415,463
FIRST CHICAGO CORPORATION	AAA	8.200	11-15-96	5,000,000	5,077,000	5,137,500
FIRST CHICAGO MASTER TRUST	AAA	6.250	4-16-01	2,520,000	2,521,181	2,520,781
FIRST DEPOSIT MASTER TRUST	AAA	6.900	8-15-01	1,635,000	1,633,723	1,654,914
FIRST INTERSTATE BANCORP	AAA	8.700	7-18-95	3,000,000	3,091,620	3,002,340
FLEET FINANCIAL GROUP INC.	AAA	8.125	7-1-04	335,000	341,221	359,552
FORD CREDIT AUTO LEASE	AAA	6.350	10-15-98	4,500,000	4,524,610	4,509,810
FORD HOLDINGS INC.	AAA	9.250	3-1-00	189,000	213,060	207,607
FORD MOTOR CREDIT	AAA	5.320	9-15-98	2,500,000	2,342,875	2,419,275
	AAA	6.595	4-5-99	5,000,000	4,911,500	5,013,450
FORD MOTOR CREDIT COMPANY	AAA	8.875	8-1-96	300,000	331,125	308,151
	AAA	8.875	6-15-99	500,000	537,930	539,725
GE CAPITAL MORTGAGE SERVICES INC.	AAA	9.000	8-25-21	795,282	796,276	835,293
GENERAL ELECTRIC CAPITAL	AAA	8.300	9-20-09	1,325,000	1,485,837	1,489,830
GENERAL MOTORS ACCEPTANCE	AAA	6.750	5-20-96	20,000,000	19,979,600	20,114,200
	AAA	6.300	6-15-99	1,170,600	1,148,651	1,172,426
	AAA	5.500	12-15-01	250,000	212,035	230,870
	AAA	8.800	7-3-96	3,000,000	3,084,690	3,079,080
	AAA	8.800	7-8-96	1,500,000	1,542,405	1,540,065
	AAA	8.700	4-11-96	6,000,000	6,483,720	6,113,100
	AAA	8.700	5-1-96	2,375,000	2,433,758	2,423,640
	AAA	8.000	4-10-97	3,500,000	3,555,860	3,597,720
	AAA	7.500	5-19-97	3,175,000	3,198,241	3,240,024
	AAA	7.500	6-4-97	5,000,000	5,036,450	5,103,650

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Corporate Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FINANCE (Cont.)						
GENERAL MOTORS ACCEPTANCE (Cont.)	AAA	5.150	9-21-95	5,000,000	4,966,350	4,986,100
	AAA	6.050	4-19-96	21,000,000	20,597,700	20,989,290
	AAA	6.750	4-25-97	5,775,000	5,738,098	5,818,140
	AAA	7.750	7-18-96	32,000,000	31,909,440	32,529,600
	AAA	7.250	3-14-97	10,000,000	10,053,700	10,153,100
	AAA	5.700	12-22-97	1,000,000	996,310	983,400
	AAA	8.900	3-13-96	2,000,000	2,163,780	2,036,300
	AAA	7.750	1-28-97	1,000,000	1,028,790	1,022,050
	AAA	7.250	2-15-96	1,300,000	1,361,542	1,307,865
	AAA	6.500	4-22-96	10,000,000	10,004,660	10,009,400
	AAA	8.750	2-1-96	5,850,000	6,272,640	5,926,694
GREEN TREE FINANCIAL CORPORATION	AAA	5.600	4-15-19	1,541,920	1,527,674	1,532,283
GREENWICH CAPITAL ACCEPTANCE	AAA	7.389	1-25-23	4,352,064	4,417,345	4,371,083
	AAA	7.419	4-25-23	1,374,289	1,401,346	1,383,731
	AAA	7.647	1-25-22	2,076,010	2,134,397	2,081,200
	AAA	7.428	10-25-22	15,781,688	16,107,290	15,830,927
	AAA	7.171	4-25-24	12,806,500	13,078,638	13,014,606
GUARANTEED MORTGAGE CORP.	AAA	11.000	12-1-15	1,865,717	1,895,459	1,869,915
GUARDIAN S & L HUNTINGTON	AAA	7.235	2-25-20	300,619	297,988	213,439
	AAA	6.578	1-25-19	1,568,457	1,591,984	1,348,873
	AAA	7.657	5-25-20	1,078,875	1,082,920	766,001
	AAA	6.485	7-25-18	2,955,615	2,987,019	2,630,498
	AAA	7.468	2-25-20	304,078	305,599	215,896
	AAA	7.637	3-25-20	1,240,396	1,249,699	880,681
	AAA	7.813	1-25-21	780,448	792,154	600,945
	AAA	8.449	8-25-19	826,594	642,676	832,793
HOME EQUITY LOAN TRUST CLOSE END FUND	AAA	6.650	11-20-12	68,533	70,203	67,719
HOME LOAN INVESTMENTS ASSOCIATION	AAA	6.650	4-15-12	2,613,800	2,613,800	2,573,756
HOUSEHOLD FINANCE CORP.	AAA	6.700	6-15-02	10,000,000	10,000,000	9,934,600
HOUSING SECURITIES INC.	AAA	7.671	5-25-25	4,495,488	4,501,107	4,501,107
	AAA	7.500	4-26-21	7,015,455	7,030,942	7,043,938
IMPERIAL SAVINGS & LOAN ASSOCIATION	AAA	8.800	1-25-17	1,268,007	1,232,839	1,272,762
IRELAND REPUBLIC EURO	AAA	8.625	4-15-01	250,000	247,413	274,558
KIDDER PEABODY ACCEPTANCE CORP.	AAA	6.577	3-25-24	17,761,902	17,384,460	17,933,836
LB MORTGAGE TR MULTICLASS	AAA	7.364	11-25-01	2,880	2,826	2,927
LEHMAN BROTHERS HOLDINGS	AAA	8.375	4-1-97	250,000	267,160	256,570
LEHMAN BROTHERS INC.	AAA	5.040	12-15-03	5,000,000	4,787,350	4,911,450
MANUFACTURERS HANOVER TRUST	AAA	5.250	4-30-97	3,000,000	2,959,500	2,976,000
MARITRANS CAPITAL CORP.	AAA	9.250	4-1-07	4,000,000	4,000,000	3,642,480
MERRILL LYNCH & COMPANY	AAA	8.000	6-1-07	200,000	196,274	213,188
MERRILL LYNCH MORTGAGE INVESTORS INC.	AAA	8.164	4-25-23	8,000,000	8,056,250	8,240,000
	AAA	8.139	4-25-23	3,000,000	2,976,094	3,075,930
MIDLAND BANK	AAA	6.100	6-29-49	4,900,000	3,874,750	3,868,060
MORGAN GUARANTY TRUST CO.	AAA	7.375	2-1-02	150,000	142,202	154,728
MORGAN J P ACCEPTANCE TRUST	AAA	9.000	10-20-07	4,857,831	4,991,422	4,942,844
MORTGAGE BANKERS FINANCIAL CORP.	AAA	9.900	3-1-18	10,159,908	9,792,042	10,991,700
	AAA	9.500	7-1-18	12,033,793	11,850,388	12,635,482
MORTGAGE OBLIGATION STRIPPED TRUST	AAA	6.350	10-25-18	2,764,023	2,791,663	2,719,108
MORTGAGE SECURITIES III TRUST	AAA	9.000	4-1-18	8,150,276	7,747,565	8,738,563
MUNICIPAL FINANCE AUTHORITY	AAA	13.750	12-1-05	314,000	338,728	337,895
NAFIN FINANCE TRUST II	AAA	8.481	3-31-99	5,277,623	5,238,414	4,637,712
NBD BANCORP INC.	AAA	8.100	3-1-02	100,000	99,911	106,415
NCNB CORPORATION	AAA	9.375	9-15-09	360,000	405,644	419,674
NORWEST FINANCIAL INC.	AAA	8.500	8-15-98	500,000	496,765	528,295
P-B CMO TRUST FOUR REMIC	AAA	6.175	9-1-18	568,819	584,017	563,842
PACIFIC MUTUAL LIFE INSURANCE	AAA	7.900	12-30-23	8,000,000	7,069,360	7,692,880
PAINE WEBBER GROUP INC.	AAA	6.250	6-15-98	300,000	302,283	293,754
PATTEN CORPORATION REMIC TRUST	AAA	8.437	11-1-00	4,195,557	4,234,890	4,251,903
PREMIER AUTO TRUST	AAA	4.650	2-2-99	1,075,977	1,053,785	1,058,493
	AAA	6.500	11-2-97	8,000,000	7,989,610	8,044,960
	AAA	4.750	2-2-00	550,000	528,859	540,716
PRIME CREDIT CARD MASTER TRUST	AAA	7.450	12-15-99	730,000	739,239	756,689
PRUDENTIAL HOME FIFTEEN-YEAR MORTGAGE	AAA	7.400	5-25-07	12,049,032	12,233,533	12,030,115
PRUDENTIAL HOME MORTGAGE SECURITIES	AAA	8.310	5-25-23	4,494,825	4,632,479	4,632,456
REPUBLIC NEW YORK CORP.	AAA	7.750	5-15-09	100,000	94,633	106,210
RESIDENTIAL FUNDING MORTGAGE SECURITIES	AAA	6.100	3-25-19	4,846,071	4,678,730	4,678,687
	AAA	8.114	2-25-07	1,736,346	1,786,808	1,757,547
	AAA	6.434	3-25-25	54,447,040	55,289,268	55,604,040
RESOLUTION FUNDING CORP.	AAA	8.625	1-15-21	700,000	759,172	846,013
RESOLUTION TRUST CORP. INC.	AAA	7.787	2-25-20	2,140,247	2,160,642	1,498,173
RESOLUTION TRUST CORPORATION MORTGAGE MULTICLASS	AAA	7.407	5-25-19	2,819,572	2,819,572	2,726,160
RESOLUTION TRUST CORPORATION MORTGAGE PASS THRU	AAA	0.000	1-25-26	4,000,884	4,040,893	4,000,884
	AAA	9.450	5-25-24	9,099,053	9,872,472	9,372,024
	AAA	5.448	1-25-21	1,102,491	1,106,626	1,058,392
RESOLUTION TRUST CORPORATION REMIC	AAA	6.675	4-25-21	537,223	537,811	540,581
	AAA	6.764	12-25-20	6,776,679	6,842,446	6,782,951
RESOLUTION TRUST CORPORATION	AAA	6.600	5-25-24	57,458	0	57,458
	AAA	7.500	8-25-23	489,299	502,526	482,111

BONDS, CORPORATE NOTES & PREFERRED STOCK

Corporate Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
FINANCE (Cont.)						
RESOLUTION TRUST CORPORATION (Cont.)	AAA	7.225	5-25-24	21,865,276	21,865,276	22,070,152
RESOLUTION TRUST CORPORATION MORTGAGE	AAA	7.275	3-25-20	1,202,410	1,208,790	1,212,173
RESORTS INTERNATIONAL FINANCING INC.	AAA	16.625	9-1-04	5,000,000	0	0
RURAL ELECTRIC COOP GRANTOR TRUST	AAA	9.580	12-15-19	8,000,000	8,252,240	8,932,080
RYLAND ACCEPTANCE CORP.	AAA	9.850	2-1-19	9,815,925	10,292,137	10,573,616
RYLAND MORTGAGE SECURITIES CORP.	AAA	6.921	3-25-22	1,828,137	1,850,418	1,848,704
	AAA	7.490	12-29-31	185	162	188
	AAA	7.129	12-25-21	3,194,152	3,224,097	3,219,098
SALOMON BROTHERS MORTGAGE SECURITIES VII	AAA	6.586	1-25-18	972,168	973,383	966,695
SALOMON BROTHERS	AAA	4.970	2-15-96	7,000,000	6,846,770	6,936,020
SALOMON BROTHERS MORTGAGE SECURITIES	AAA	7.197	11-25-24	4,589,618	4,675,673	4,681,410
	AAA	11.500	9-1-15	1,525,032	1,672,332	1,666,998
	AAA	7.000	2-1-17	442,206	384,996	439,102
	AAA	8.347	6-25-22	4,096,557	4,168,247	4,168,247
	AAA	6.343	3-25-24	6,180,025	6,212,857	6,265,001
SALOMON INC.	AAA	8.950	8-1-95	1,000,000	1,093,740	1,001,400
	AAA	6.550	12-26-95	13,000,000	12,885,270	13,003,380
	AAA	6.010	8-7-95	50,000,000	50,000,000	49,962,000
	AAA	7.400	3-28-96	20,000,000	20,097,400	20,136,000
	AAA	6.375	2-5-96	6,000,000	6,000,000	5,994,300
	AAA	5.260	2-10-99	1,000,000	947,690	989,340
	AAA	6.100	8-12-98	1,000,000	939,410	976,970
	AAA	5.750	11-18-97	1,500,000	1,417,005	1,462,560
	AAA	8.770	2-23-98	1,000,000	1,016,410	1,043,680
	AAA	5.750	3-31-98	1,000,000	948,490	971,220
SEARS CREDIT ACCOUNT TRUST	AAA	7.750	9-15-96	8,000,000	8,218,750	8,134,960
SEARS MORTGAGE SECURITIES CORPORATION REMIC	AAA	8.150	3-25-22	2,324,630	2,378,750	2,380,560
SEARS MORTGAGE SECURITIES CORP.	AAA	7.940	6-25-22	1,803,192	1,827,986	1,805,446
SEC PACIFIC NATIONAL BANK	AAA	10.500	1-1-18	848,770	856,525	899,696
SECURED FINANCE INC.	AAA	9.050	12-15-04	12,000,000	13,193,650	13,667,640
SECURITY PACIFIC NATIONAL BANK	AAA	5.689	3-1-18	977,121	898,951	898,951
SHEARSON LEHMAN BROTHERS	AAA	6.350	10-16-96	8,000,000	7,956,800	7,933,600
SHEARSON-LEHMAN SECURITIES INC.	AAA	6.601	1-1-19	2,214,567	2,262,318	2,196,562
SIGNET CREDIT CARD MASTER TRUST	AAA	4.850	4-15-00	1,615,000	1,585,034	1,585,720
SOUTHWEST SAVINGS ASSOCIATION	AAA	5.825	12-31-18	294,448	295,984	293,803
SPIEGEL CHARGE ACCOUNT TRUST	AAA	6.950	12-17-01	600,000	636,000	606,186
STANDARD CREDIT CARD MASTER TRUST	AAA	8.000	8-7-96	5,000,000	5,351,563	5,092,150
	AAA	6.750	6-7-00	1,450,000	1,447,970	1,467,212
SUNTRUST BANKS INC.	AAA	7.375	7-1-02	110,000	110,409	113,995
TEXACO CAPITAL INC.	AAA	9.000	11-15-96	400,000	441,738	414,236
TMS HOME EQUITY LOAN TRUST	AAA	8.400	2-15-24	2,000,000	2,013,438	2,102,500
TOLEDO EDISON COMPANY	AAA	9.300	4-1-98	3,500,000	3,807,405	3,580,535
TOYOTA MOTORS CREDIT CORP.	AAA	6.800	4-15-98	2,500,000	2,499,025	2,545,850
UBS MORTGAGE TRUST	AAA	0.000	6-1-20	33,929	483,484	427,650
UCC INVESTORS HOLDINGS INC.	AAA	10.500	5-1-02	3,050,000	3,114,075	3,111,000
	AAA	11.000	5-1-03	1,200,000	1,226,250	1,225,500
UNION FEDERAL SAVINGS BANK	AAA	4.875	2-15-00	2,842,312	2,752,157	2,781,003
WESTERN FEDERAL SAVINGS & LOAN	AAA	5.925	1-1-21	5,581,420	5,353,762	5,164,544
	AAA	6.724	3-1-19	2,443,171	2,411,962	2,423,308
	AAA	6.031	5-1-18	131,495	134,453	128,535
TOTAL FINANCE				953,110,066	955,699,205	959,333,237
INDUSTRIAL AND MISCELLANEOUS						
ADELPHIA COMMUNICATIONS	AAA	12.500	5-15-02	500,000	498,125	497,500
AGRICULTURAL MINERALS	AAA	10.750	9-30-03	2,250,000	2,261,250	2,311,875
AMERICAN SOUTHWEST FINANCIAL	N/A	5.100	6-2-99	5,588,237	5,291,362	5,366,440
AMR CORPORATION	AAA	9.880	6-15-20	200,000	220,800	228,746
ATLANTIC RICHFIELD COMPANY	AAA	8.250	2-1-22	200,000	188,248	217,490
BP NORTH AMERICA INC.	AAA	9.875	3-15-04	200,000	231,892	241,946
CATERPILLAR INC.	AAA	9.375	7-15-01	250,000	287,313	283,163
CENTURY COMMUNICATIONS CO.	AAA	0.000	3-15-03	975,000	399,219	458,250
CHAMPION HEALTHCARE CORP.	AAA	11.000	12-31-03	10,000,000	10,000,000	10,000,000
CHARTER MEDICAL CORPORATION	AAA	11.250	4-15-04	2,950,000	2,973,625	3,141,750
COASTAL CORPORATION	AAA	11.750	6-15-06	5,500,000	6,496,875	5,940,000
COCA COLA ENTERPRISES INC.	AAA	7.000	11-15-99	250,000	255,363	255,588
COLLATERALIZED MORTGAGE SECURITIES CO.	AAA	8.000	8-25-17	1,340,238	1,202,864	1,368,289
COLUMBIA/HCA HEALTHCARE	AAA	7.690	6-15-25	9,550,000	9,421,063	9,576,740
COMCAST CORPORATION	AAA	10.625	7-15-12	2,200,000	2,242,625	2,354,000
CONTAINER CORPORATION OF AMERICA	AAA	11.250	5-1-04	2,000,000	2,000,000	2,080,000
	AAA	9.750	4-1-03	500,000	477,500	495,000
	AAA	10.750	5-1-02	2,000,000	2,000,000	2,070,000
CONTINENTAL CABLEVISION INC.	AAA	9.000	9-1-08	3,195,000	2,961,244	3,210,975
	AAA	8.500	9-15-01	1,150,000	1,063,063	1,158,625
DAYTON HUDSON CORPORATION	AAA	9.700	6-15-21	250,000	270,035	306,953
DIAMOND SHAMROCK INC.	AAA	8.000	4-1-23	150,000	147,014	148,877
DOLE FOOD INC.	AAA	7.000	5-15-03	200,000	202,906	194,558
DOW CHEMICAL COMPANY	AAA	9.000	4-1-21	500,000	522,040	581,760
DU PONT E I DE NEMOURS	AAA	8.125	3-15-04	250,000	249,253	272,873

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Corporate Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
INDUSTRIAL AND MISCELLANEOUS (Cont.)						
EASTMAN CHEMICAL	AAA	7.250	1-15-24	8,500,000	7,165,925	8,286,140
EMERSON CAPITAL CORPORATION	N/A	10.500	7-1-08	770,000	770,000	978,254
ENRON CORPORATION	AAA	6.750	7-1-05	250,000	250,598	245,040
EXXON CAPITAL CORPORATION	AAA	7.875	8-15-97	165,000	179,302	170,282
FBC MORTGAGE SECURITIES	N/A	8.000	9-1-16	1,693,160	1,543,366	1,703,743
FEDERAL EXPRESS CORPORATION	AAA	10.000	9-1-98	250,000	268,303	274,238
FIRST PV FUNDING CORPORATION	AAA	10.150	1-15-16	4,800,000	4,020,000	4,938,000
FLEET NORSTAR FINANCIAL GROUP INC.	N/A	9.800	10-30-95	5,400,000	5,813,370	5,752,674
FORD CAPITAL	AAA	10.125	11-15-00	200,000	236,108	229,254
FORD HOLDINGS INC.	AAA	9.250	7-15-97	241,000	268,961	254,296
	N/A	9.090	5-1-96	10,000,000	10,384,000	10,217,800
FORD MOTOR COMPANY	AAA	9.000	9-15-01	150,000	161,831	166,538
FORT HOWARD CORPORATION	AAA	9.250	3-15-01	300,000	283,125	295,500
FORT HOWARD CORPORATION	AAA	9.000	2-1-06	5,755,000	4,973,652	5,237,050
FPL FUELS INC.	N/A	8.800	4-1-96	6,720,000	6,834,643	6,858,567
	N/A	8.800	4-1-96	5,280,000	5,370,077	5,388,874
GENERAL ELECTRIC CAPITAL	N/A	7.650	8-26-96	11,200,000	11,191,600	11,196,416
	AAA	8.650	5-1-18	3,000,000	3,063,090	3,057,240
GENERAL ELECTRIC CREDIT	N/A	8.000	3-1-02	2,499,133	2,477,124	2,530,373
GENERAL MEDICAL CORPORATION	AAA	10.875	8-15-03	1,200,000	1,182,000	1,242,000
GENERAL MOTORS ACCEPTANCE	AAA	8.875	6-1-10	8,500,000	9,151,250	9,782,735
GENERAL MOTORS CORPORATION	AAA	8.800	3-1-21	200,000	212,025	226,536
	AAA	7.625	2-15-97	2,500,000	2,516,000	2,546,150
GEORGIA PACIFIC CORP.	AAA	9.850	6-15-97	2,000,000	2,112,100	2,119,520
	AAA	9.625	3-15-22	300,000	300,660	333,927
GMAC MORTGAGE KGKOG MORTGAGE POOL	N/A	5.018	12-1-97	23,697	14,976	23,489
HANNA MA COMPANY	AAA	9.000	9-15-98	2,300,000	2,421,440	2,456,561
HARCOURT GENERAL INC.	AAA	8.250	6-1-02	250,000	248,570	264,343
HARRIS CHEMICAL NORTH AMERICA	AAA	10.750	10-15-03	5,000,000	4,819,746	4,675,000
HERTZ CORPORATION	AAA	6.625	7-15-00	250,000	249,518	249,165
HUNTSMAN CORPORATION	AAA	11.000	4-15-04	1,600,000	1,600,000	1,748,000
INTERNATIONAL CABLETEL	AAA	0.000	10-15-03	1,600,000	998,500	1,048,000
ITALY REPUBLIC	AAA	6.875	9-27-23	645,000	519,173	572,528
JENKINS EMPIRE ASSOCIATES	N/A	6.840	8-1-08	11,102,926	10,991,896	10,654,367
K-MART CORPORATION	AAA	8.125	12-1-06	250,000	260,755	257,755
KELLOGG COMPANY	AAA	5.900	7-15-97	360,000	359,100	358,506
LITTON INDUSTRIES INC.	AAA	12.625	7-1-05	4,950,000	5,446,287	5,157,900
LOUISIANA POWER & LIGHT	N/A	10.320	1-31-99	1,250,000	1,250,000	1,391,013
MARKS BROTHERS JEWELERS INC.	N/A	0.000	5-31-02	10,000,000	10,000,000	8,000,000
MARTIN MARIETTA CORP.	AAA	9.000	3-1-03	250,000	268,043	279,048
MAXUS ENERGY CORPORATION	AAA	9.375	11-1-03	750,000	690,000	693,750
	AAA	9.375	11-1-03	660,000	608,850	610,500
	AAA	9.875	10-15-02	300,000	282,375	286,500
MAYFAIR SUPER MARKETS INC.	AAA	11.750	3-30-03	1,150,000	1,024,313	1,288,000
MERRILL LYNCH & COMPANY	AAA	7.500	12-18-95	10,000,000	9,985,375	10,070,200
MFS COMMUNICATIONS INC.	AAA	0.000	1-15-04	3,805,000	2,218,556	2,644,475
MID-AMERICAN WASTE SYSTEM	AAA	12.250	2-15-03	300,000	303,750	306,750
NABISCO INC.	AAA	8.300	4-15-99	500,000	528,400	524,370
	AAA	6.850	6-15-05	2,300,000	2,259,980	2,266,512
NATIONWIDE CSN TRUST	N/A	12.220	2-15-25	3,000,000	2,961,210	3,221,250
NERCO INC.	AAA	9.650	6-1-99	5,000,000	5,097,000	5,486,000
NEWS AMERICA HOLDINGS INC.	AAA	8.250	8-10-18	1,970,000	1,717,032	2,022,993
	AAA	12.000	12-15-01	9,085,000	11,065,530	10,247,335
OCCIDENTAL PETROLEUM CORP.	AAA	5.950	11-9-98	4,500,000	4,430,070	4,405,050
	AAA	6.812	11-4-99	2,000,000	2,000,000	1,998,940
	AAA	11.750	3-15-11	17,400,000	19,255,486	18,808,530
OLYMPIA & YORK 237 PARK AVENUE	N/A	7.635	3-20-99	9,362,405	9,287,642	5,617,443
OSI SPECIALTIES HOLDINGS	AAA	0.000	4-15-04	950,000	543,828	674,500
PAGING NETWORK INC.	AAA	8.875	2-1-06	500,000	437,500	455,000
PENN CENTRAL CORPORATION	AAA	10.875	5-1-11	13,500,000	15,652,215	13,706,415
PENNEY J. C. COMPANY INC.	AAA	6.000	5-1-06	222,000	198,794	206,431
PEPSICO INC.	AAA	7.000	11-15-96	300,000	306,894	303,258
PETRO CANADA	AAA	8.600	10-15-01	150,000	160,565	163,506
PHILIP MORRIS COMPANIES INC.	AAA	8.875	7-1-96	5,000,000	5,175,800	5,121,100
	AAA	8.250	10-15-03	250,000	251,175	268,303
	AAA	7.125	8-15-02	7,000,000	6,806,060	7,076,510
PHILIP MORRIS CREDIT CORP.	N/A	10.500	7-1-08	2,785,110	2,785,110	3,538,371
	N/A	10.500	7-1-08	294,890	294,890	374,646
PHILIPS ELECTRONICS	AAA	8.375	9-15-06	500,000	488,395	552,265
PHILLIPS PETROLEUM COMPANY	AAA	8.490	1-1-23	10,832,700	10,832,700	10,296,500
RALSTON PURINA COMPANY	AAA	9.300	5-1-21	140,000	162,869	161,623
ROCKWELL INTERNATIONAL CO.	AAA	7.875	2-15-05	250,000	274,990	271,695
ROGERS CABLESYSTEMS LIMITED	AAA	10.125	9-1-12	1,150,000	1,176,188	1,170,125
SAFERCO PRODUCTS	AAA	9.630	5-31-00	4,000,000	3,995,760	4,520,720
	AAA	9.460	5-31-99	7,000,000	6,992,160	7,722,540
SALOMON INC.	AAA	9.000	8-6-96	500,000	508,870	512,225
SEAGRAM JOSEPH E. & SONS	AAA	7.000	4-15-08	250,000	229,145	246,223
SEARS ROEBUCK & COMPANY	AAA	9.375	11-1-11	250,000	257,413	295,800
	AAA	9.250	8-1-97	4,050,000	4,504,694	4,276,476

BONDS, CORPORATE NOTES & PREFERRED STOCK

Corporate Obligations	Moody's Quality Rating	Coupon Rate	Maturity Date	Par Value	Book Value	Market Value
INDUSTRIAL AND MISCELLANEOUS (Cont.)						
SEARS ROEBUCK & COMPANY (Cont.)	AAA	9.250	4-15-98	26,860,000	29,988,384	28,789,086
SHELL OIL COMPANY	AAA	6.950	12-15-98	250,000	249,578	254,623
SKW REAL ESTATE LIMITED PARTNERSHIP	AAA	7.050	4-15-02	4,000,000	3,999,720	3,993,720
STONE CONTAINER CORP.	AAA	10.750	10-1-02	2,180,000	2,162,256	2,283,550
	AAA	12.625	7-15-98	200,000	207,250	217,000
	AAA	9.875	2-1-01	750,000	697,656	743,438
	AAA	11.500	10-1-04	395,000	392,164	417,713
	AAA	11.875	12-1-98	250,000	252,813	269,375
TEACHERS INSURANCE & ANNUITY	N/A	7.050	8-20-14	13,423,915	13,497,747	12,954,078
TELECOMMUNICATIONS INC.	AAA	9.800	2-1-12	1,375,000	1,484,986	1,511,895
TENNECO INC.	AAA	10.000	3-15-08	250,000	279,843	309,143
THRIFTY PAYLESS INC.	AAA	11.750	4-15-03	800,000	800,000	844,000
	AAA	12.250	4-15-04	1,400,000	1,459,500	1,438,500
TIME WARNER INC.	AAA	11.000	8-15-02	52,600,000	46,117,064	51,811,000
TOTAL RENAL CARE INC.	AAA	0.000	8-15-04	750	534,780	683
UNION CARBIDE CHEMICALS	AAA	8.750	8-1-22	300,000	304,665	324,000
UNIROYAL CHEMICAL INC.	AAA	9.000	9-1-00	300,000	282,375	295,500
UNITED AIR LINES INC.	N/A	11.560	5-27-06	17,707,628	18,951,944	21,107,492
	N/A	11.560	5-27-06	16,795,048	17,979,436	20,091,917
WAL MART STORES INC.	AAA	5.875	10-15-05	250,000	249,163	233,705
WILMINGTON TRUST COMPANY CHRYSLER CAPITAL	N/A	10.732	1-1-13	984,697	984,697	960,079
	N/A	10.732	1-1-13	329,297	329,297	321,065
WILMINGTON TRUST COMPANY CILCORP LEASE	N/A	10.732	1-1-13	639,498	639,498	623,510
WILMINGTON TRUST COMPANY MWR CAPITAL	N/A	10.732	1-1-13	633,428	633,428	617,592
WILMINGTON TRUST COMPANY NORTHERN LEASE	N/A	10.732	1-1-13	950,142	950,142	926,389
WILMINGTON TRUST COMPANY PHILIP MORRIS	N/A	10.732	1-1-13	3,156,213	3,156,213	3,077,307
WILMINGTON TRUST COMPANY U. S. WEST	N/A	10.732	1-1-13	1,234,149	1,234,149	1,203,295
TOTAL INDUSTRIALS AND MISCELLANEOUS				452,992,561	455,611,113	461,960,695
PUBLIC UTILITIES						
BALTIMORE GAS & ELECTRIC	AAA	6.125	7-1-03	300,000	294,702	286,125
BOSTON EDISON COMPANY	AAA	9.375	8-15-21	270,000	307,584	296,301
*COMMONWEALTH EDISON CO.	AAA	9.170	10-15-02	10,000,000	11,118,500	11,035,700
CONSOLIDATED EDISON CO.	AAA	7.625	3-1-04	500,000	541,650	526,125
CONSUMERS POWER COMPANY	AAA	8.750	2-15-98	250,000	275,438	262,043
CTC MANSFIELD FUNDING CORP.	AAA	10.250	3-30-03	6,250,000	6,693,313	6,375,000
DUKE POWER COMPANY	AAA	6.250	5-1-04	300,000	292,125	291,357
HOUSTON LIGHT & POWER CO.	AAA	7.625	3-1-97	250,000	249,878	254,730
JERSEY CENTRAL POWER	AAA	6.375	5-1-03	100,000	99,160	97,585
MOUNTAIN STATES TELEPHONE	AAA	9.500	5-1-00	200,000	238,351	224,446
NATIONAL AUSTRALIA BANK	AAA	6.587	10-29-49	6,000,000	4,882,500	4,920,000
	AAA	9.700	10-15-98	1,850,000	2,010,247	2,025,158
OHIO EDISON COMPANY	AAA	8.750	6-15-22	250,000	243,625	254,415
RURAL ELECTRIC COOP GRANTOR LEASE	AAA	9.730	12-15-17	4,000,000	4,214,770	4,404,320
SOUTHERN CALIFORNIA EDISON	AAA	7.500	4-15-99	250,000	247,110	258,140
SOUTHERN CALIFORNIA GAS CO.	AAA	8.750	10-1-21	350,000	359,709	377,797
TEXAS UTILITIES ELECTRIC	AAA	8.125	2-1-02	250,000	245,740	266,898
TRANSCONTINENTAL GAS PIPE	AAA	9.000	11-15-96	702,000	723,657	725,707
UNION OIL COMPANY	AAA	9.750	12-1-00	7,200,000	8,008,502	8,192,520
UNITED ILLUMINATING COMPANY	AAA	7.375	1-15-98	350,000	348,289	353,931
WESTPAC BANKING CORPORATION	AAA	7.875	10-15-02	250,000	239,773	263,490
WISCONSIN GAS COMPANY	AAA	9.125	12-1-97	4,000,000	3,990,000	4,079,280
TOTAL PUBLIC UTILITIES				43,872,000	45,624,620	45,771,066
TELEPHONE						
BELL TELEPHONE COMPANY OF PENNSYLVANIA	AAA	7.700	1-15-23	400,000	420,429	407,024
DIAL CALL COMMUNICATIONS	AAA	0.000	4-15-04	3,200,000	1,771,776	1,536,000
GTE CORPORATION	AAA	8.850	3-1-98	150,000	160,938	158,279
PACIFIC BELL	AAA	6.625	10-15-34	400,000	330,708	356,616
SOUTHERN BELL TELEPHONE & TELEGRAPH	AAA	8.125	5-1-17	250,000	239,160	259,325
SOUTHWESTERN BELL TELEPHONE	AAA	6.625	4-1-05	500,000	503,870	493,295
U.S. WEST COMMUNICATIONS	AAA	8.875	6-1-31	500,000	507,625	549,670
	AAA	7.125	11-15-43	500,000	456,065	470,634
TOTAL TELEPHONE				5,900,000	4,390,571	4,230,843
TRANSPORTATION						
AMR CORPORATION	AAA	7.750	12-1-97	10,000,000	9,918,770	10,190,900
	AAA	6.250	7-1-95	5,000,000	5,054,090	5,000,000
BURLINGTON NORTHERN INC.	AAA	8.750	2-25-22	250,000	275,783	277,395
DELTA AIR LINES INC.	AAA	9.375	9-11-07	4,704,103	4,704,103	5,058,463
	AAA	9.490	1-2-03	3,818,000	3,908,601	4,111,337
UNITED AIR LINES INC.	AAA	10.670	5-1-04	6,500,000	6,500,000	7,488,325
TOTAL TRANSPORTATION				30,272,103	30,361,346	32,126,420
CONVERTIBLE ISSUES						
AMR CORPORATION	AAA	6.125	11-1-24	5,195,000	4,631,568	5,402,800
USX CORPORATION	AAA	0.000	8-9-05	51,500,000	22,116,562	23,690,000
TOTAL CONVERTIBLE ISSUES				56,695,000	26,748,130	29,092,800
TOTAL CORPORATE OBLIGATIONS				1,542,841,729	1,518,434,985	1,532,515,061

INVESTMENT LISTING

BONDS, CORPORATE NOTES & PREFERRED STOCK

Preferred Stocks	Par Value	Book Value	Market Value
PREFERRED STOCKS - DOMESTIC			
CELLULAR COMMUNICATION	90,000	2,866,179	4,095,000
GRANITE BROADCASTING CORPORATION	25,000	625,000	1,037,500
TOLEDO EDISON COMPANY	80,000	2,017,280	1,680,000
CHALK LINE HOLDINGS INC.	1,000	0	0
CHALK LINE HOLDINGS INC.	177,226	0	0
COUNTY SEAT STORES INC.	15,207	380,175	380,175
COUNTY SEAT HOLDINGS INC.	48,521	398,439	398,439
CHAMPION HEALTHCARE CORP.	83,333	1,499,994	1,499,994
TOTAL PREFERRED STOCKS - DOMESTIC	520,287	7,787,067	9,091,108
PREFERRED STOCKS - INTERNATIONAL			
BOSS AG HUGO	150	112,909	107,832
CENTRAIS ELETR. BRA-ELETR. BRAS	2,566,000	745,753	682,373
CESP - CIA ENERGETICA	6,097,000	248,316	240,889
CIA ENERGETICA DE MINAS	10,119,000	252,328	197,701
COMPANIA VALE DO RIO DOCE	5,000,000	912,318	754,369
CREDITANSTALT BANK	5,830	346,672	336,011
GROHE (FRIEDRICH)	2,500	858,689	840,799
HEILIT AND WOERNER	3,400	993,660	761,506
HORNBACK HOLDINGS	1,800	1,029,651	2,418,900
JAGENBERG AKTIENGESELLSCHAFT	8,100	903,900	874,901
NOKIA	13,200	249,606	771,479
ROCHE HOLDING BASEL GENUSSSCHEINE	505	2,617,671	3,252,409
SAMSUNG ELECTRONIC	692	261,040	57,038
SAP	300	167,375	379,958
TELEBRAS	22,300,000	926,189	733,409
WELLA	400	301,185	316,451
TOTAL PREFERRED STOCKS INTERNATIONAL	46,118,877	10,927,262	12,726,024

FOREIGN OBLIGATIONS

Foreign Government Obligations

	Coupon Rate	Maturity Date	Book Value	Market Value
AUSTRALIA (COMMONWEALTH OF)	13.000	7-15-00	3,409,915	3,149,700
	12.000	11-15-01	15,019,050	14,282,120
AUSTRALIA (GOVERNMENT OF)	6.750	11-15-06	14,672,248	13,743,799
AUSTRALIA TREASURY BILL	0.000	9-27-95	4,735,631	4,611,645
AUSTRIA GOVERNMENT BOND	6.250	10-16-03	6,810,689	11,009,310
BELGIUM (GOVERNMENT OF)	8.750	6-25-02	12,645,228	14,752,433
BELGIUM (KINGDOM OF)	8.500	10-1-07	1,232,598	1,474,479
	8.000	12-24-12	2,723,669	2,736,093
	9.000	7-30-98	2,820,994	3,408,660
	7.250	4-29-04	1,790,068	2,093,647
BRITISH PROVINCE OF COLUMBIA	6.070	10-10-95	1,940,649	1,940,649
BRITISH TREASURY 7% STOCK	7.000	11-6-01	39,196,956	39,471,452
BUNDESREPUBLIK (GERMANY REPUBLIC OF)	6.875	5-12-05	10,373,822	10,316,945
	6.500	7-15-03	18,827,138	20,168,946
	7.375	1-3-05	23,324,116	23,725,380
	6.250	1-4-24	43,263,912	42,622,312
	7.500	11-11-04	53,934,364	53,037,260
CANADA (GOVERNMENT BONDS)	5.750	3-1-99	1,341,055	1,379,722
	8.500	3-1-00	2,294,261	2,265,449
CANADA (GOVERNMENT OF)	7.500	7-1-97	2,459,878	2,493,267
	10.500	7-1-00	1,995,096	2,104,003
	7.750	9-1-99	1,818,677	1,924,594
	6.500	6-1-04	6,819,088	6,943,191
	9.000	12-1-04	10,280,735	11,033,191
	9.750	6-1-01	1,543,811	1,598,079
	8.250	3-1-97	2,248,619	2,223,088
CANADA VARIABLE FLOATING RATE BONDS	6.000	2-10-99	4,971,000	4,970,500
CANADIAN TREASURY BILL	0.000	9-21-95	5,912,795	5,961,377
CERTIFICADOS DE LA TESOBONOS	0.000	7-27-95	1,844,924	1,984,400
	0.000	1-18-96	2,418,913	2,720,490
COMMONWEALTH BANK OF AUSTRALIA	13.750	9-21-99	1,713,575	1,649,965
DENMARK (DANISH GOVERNMENT OF)	8.000	5-15-03	19,851,736	20,260,080
DENMARK (KINGDOM OF)	8.000	3-15-06	532,718	634,283
	9.000	11-15-98	2,345,138	2,683,355
	7.000	12-15-04	20,491,826	21,066,826
	9.000	11-15-00	28,127,932	30,013,770
DEUTSCHELAND BUNDESREPUBLIK	8.000	1-21-02	766,762	766,924
	8.250	9-20-01	20,076,160	23,300,338
	7.125	12-20-99	5,655,519	7,485,008
	8.000	7-22-02	27,636,786	31,907,058
DUTCH STATE LOAN (NETHERLAND)	7.250	10-1-04	2,281,962	2,626,250
FRANCE (GOVERNMENT OF)	8.500	11-25-02	5,260,566	5,354,874
	8.500	4-25-23	4,352,613	4,482,022
	4.750	4-12-99	3,017,139	3,491,124
	7.750	4-12-00	3,877,988	3,903,033
	6.750	10-25-04	13,278,544	15,064,348
	6.750	10-25-03	6,699,546	6,762,909
	6.000	10-25-25	5,557,065	5,478,701
	8.500	10-25-08	18,644,532	18,709,768
	8.250	2-27-04	5,384,180	7,105,127
	8.500	12-26-12	10,847,102	11,897,473
FRANCE (GOVERNMENT OF) OAT STRIPS	0.000	10-25-19	810,190	777,473
FRANCE (OATS)	9.500	6-25-98	12,278,152	13,932,130
FRANCE BTAN	7.000	11-12-99	5,403,809	6,062,486
	8.500	11-12-97	289,533	321,042
FRANCE OAT COUPON STRIPS	0.000	4-25-98	3,910,479	5,132,955
FRANCE TREASURY BILL	0.000	12-21-95	4,323,347	4,404,085
GERMANY (FEDERAL REPUBLIC OF)	6.000	2-20-98	5,866,556	6,134,470
HOLLAND NIEDERLANDE (NEDERLAND)	7.500	6-15-99	2,642,179	2,981,103
	8.500	3-15-01	9,171,748	11,218,703
	9.000	7-1-00	3,786,405	4,526,411
	8.500	8-1-04	4,294,037	4,265,753
ISRAEL GOVERNMENT	6.500	12-1-01	4,000,000	4,000,000
	6.750	7-1-01	1,000,000	1,000,000
ISRAEL STATE	6.500	12-1-95	2,000,000	2,000,000
	6.500	3-1-98	1,000,000	1,000,000
ISRAEL STATE DOLLAR BONDS	6.500	6-30-04	5,000,000	5,000,000
ITALY (REPUBLIC OF)	9.000	10-1-98	18,106,392	16,806,538
	12.000	5-18-99	1,497,463	1,404,368
	8.500	8-1-99	7,028,049	6,944,333
	9.500	12-1-99	9,791,341	9,527,108
ITALY (REPUBLIC OF) BUONI POLIE	12.000	1-1-03	937,500	912,685
	9.000	10-1-96	4,670,348	4,618,954
	8.500	1-1-99	11,299,880	11,024,302
	8.500	8-1-97	4,391,269	4,486,743
	9.500	1-1-05	8,521,554	8,341,005
	9.000	10-1-03	10,524,697	8,740,122
ITALY (REPUBLIC OF) BUONI TESORO	8.500	1-1-04	3,451,234	3,774,904

INVESTMENT LISTING

FOREIGN OBLIGATIONS

Foreign Government Obligations

	Coupon Rate	Maturity Date	Book Value	Market Value
JAPAN (GOVERNMENT OF)	6.700	6-20-00	17,583,118	18,582,862
	5.700	6-20-02	3,510,275	3,723,121
	5.500	3-20-02	19,978,186	20,746,728
	3.600	6-20-05	15,795,946	16,160,015
	6.400	3-20-00	19,348,956	21,809,610
	6.600	6-20-01	9,265,207	9,854,024
	5.000	12-20-02	3,496,271	3,730,165
	4.800	12-20-02	32,824,424	33,644,160
	6.500	10-19-05	9,027,000	8,953,200
MALAYSIA				
MONTREAL (CITY OF)	11.500	9-20-00	4,313,258	4,154,960
NETHERLANDS (GOVERNMENT OF)	8.500	6-1-06	7,809,644	9,235,407
NETHERLANDS (GOVERNMENT OF)	7.000	6-15-05	12,082,938	12,076,794
NETHERLANDS (DUTCH GOVERNMENT OF)	7.750	3-1-05	2,655,064	3,043,051
NETHERLANDS (DUTCH STATE LOAN)	6.250	7-15-98	4,856,007	5,883,521
NETHERLANDS (GOVERNMENT OF)	8.250	9-15-07	21,742,118	23,613,028
NEW ZEALAND (GOVERNMENT OF)	9.000	11-15-96	3,965,326	4,099,138
NEW ZEALAND (GOVERNMENT OF) DISC NOTE	5.920	7-20-95	994,244	994,244
NOVA SCOTIA PROVINCE CANADA	9.375	7-15-02	289,945	283,763
ONTARIO PROVINCE CANADA	5.700	10-1-97	430,298	430,215
	7.375	1-27-03	394,080	388,766
PORTUGAL REPUBLIC	5.750	10-8-03	420,580	471,250
QUEBEC PROVINCE CANADA	6.250	10-16-01	3,368,750	3,418,100
SASKATCHEWAN PROVINCE CANADA	9.125	2-15-21	198,270	236,366
SWEDEN (GOVERNMENT OF)	10.250	5-5-03	2,056,898	2,125,138
	11.000	1-21-99	3,065,496	3,036,665
SWEDEN (KINGDOM OF)	13.000	6-15-01	2,579,366	2,527,153
SPANISH GOVERNMENT	11.450	8-30-98	7,484,927	7,210,000
SPAIN (GOVERNMENT OF)	10.500	10-30-03	7,436,883	7,500,717
	8.000	5-30-04	10,263,987	10,571,946
	10.300	6-15-02	7,191,255	7,684,348
SPAIN (KINGDOM OF)	12.250	3-25-00	10,599,930	10,998,572
	8.200	2-28-09	1,645,602	1,685,684
	10.000	2-28-05	3,516,352	3,337,179
	7.400	7-30-99	7,624,972	8,596,890
	8.300	12-15-98	12,992,808	13,285,933
STATE BANK OF NEW SOUTH WALES	9.000	9-17-02	2,088,775	2,100,116
SWEDEN (KINGDOM OF)	10.250	5-5-00	1,350,493	1,351,407
	9.000	4-20-09	6,845,673	6,778,698
UNITED KINGDOM	8.750	9-1-97	42,840,096	41,079,610
UNITED KINGDOM CONVERSION	9.500	4-18-05	5,712,557	5,701,443
UNITED KINGDOM CONVERSION STOCK	9.500	10-25-04	16,601,024	16,386,568
UNITED KINGDOM CONVERSION STOCK	10.250	11-22-99	2,733,950	2,732,371
UNITED KINGDOM GREAT BRITAIN	9.750	1-19-98	3,182,042	3,317,027
UNITED KINGDOM TREASURY	8.500	7-16-07	3,184,043	3,184,783
UNITED KINGDOM TREASURY	6.750	11-26-04	5,868,062	5,934,256
UNITED KINGDOM TREASURY STOCK	8.000	6-10-03	10,216,022	10,540,906
	8.000	12-7-00	6,786,108	6,781,013
	8.000	9-25-09	9,394,157	9,459,790
UNITED KINGDOM TREASURY (INDEX)	2.500	7-26-16	14,534,625	14,763,552
TOTAL FOREIGN GOVERNMENT OBLIGATIONS			1,057,211,445	1,098,331,331
INTERNATIONAL CORPORATE OBLIGATIONS				
ABBEY NATIONAL TREASURY	6.750	2-25-04	1,188,781	1,291,943
ABN-AMRO TOKYO 48 HOUR CALL	0.000		9,788,394	9,778,597
AMERICAN TELEPHONE & TELEGRAPH	0.000	8-31-95	2,910,021	2,910,021
AMERITECH CORPORATION DISCOUNT NOTES	5.960	9-30-95	697,219	697,219
	6.400	7-8-95	2,905,600	2,905,600
ANZ-AUSTRALIA & NEW ZEALAND 48 HOUR CALL	6.750		1,419,870	1,341,347
ARGYLL GROUP	8.125	3-10-00	1,542,427	1,549,139
ASSOCIATES CORP. OF NORTH AMERICA	4.500	2-15-96	2,892,180	2,970,030
AUTOBAHNEN-UND SCHNELLSTER FINANCIAL	8.500	3-3-03	1,219,334	1,323,240
BANCA COMMERCIAL MILAN 48 HOUR CALL	10.000		1,300,076	1,321,569
BANCO NACIONAL DE COMERCIO	8.000	5-6-98	2,062,354	2,523,662
BANK OF MONTREAL 48 HOUR CALL	4.750		1,790,759	1,765,239
BANESTO FINANCE LIMITED	7.900	12-28-95	4,912,500	5,031,250
BANQUE INDOSUEZ PARIS TIME DEPOSIT 1	7.063	7-4-95	2,783,828	2,807,127
BAYERISCHE VEREINS	15.500	5-19-97	973,131	1,106,809
BELL CANADA EURO	10.875	10-11-04	1,156,718	1,233,714
BRINSON PARTNERS JAPAN ONLY			3,305,797	4,329,454
CAISSE NATIONALE DES TELECOMM	5.980	7-31-95	985,050	985,050
CANADIAN NATIONAL RAILROAD	13.000	11-15-04	3,596,063	3,071,512
	7.625	5-15-23	244,668	249,640
CANADIAN WHEAT BOARD DISC NOTE	5.790	10-3-95	2,263,378	2,263,378
	6.000	7-17-95	2,364,400	2,364,400
CAPITAL ONE BANK	8.700	2-7-97	3,007,920	3,056,880
	8.050	1-18-96	2,000,620	2,016,540
CARTER HOLT HARVEY LIMITED	8.875	12-1-04	252,668	282,808
CERTIFICADOS DE LA TESORO	0.000	10-26-95	4,549,763	4,826,000
	0.000	7-13-95	8,640,892	8,865,184

FOREIGN OBLIGATIONS

International Corporate Obligations

	Coupon Rate	Maturity Date	Book Value	Market Value
CITICORP	6.187	5-29-98	4,800,100	4,963,500
	6.200	1-30-98	2,850,600	2,980,200
COCA COLA COMMERCIAL PAPER	0.000	10-11-95	4,845,721	4,845,721
COMMONWEALTH BANK OF AUSTRALIA	5.920	8-29-95	1,980,267	1,980,267
CURRENCY REALIZED GAIN			34,283,583	0
CREDIT LYONNAIS	6.687	7-10-00	5,752,054	5,655,680
DEUTSCHE BANK GENUSS SCHERN	8.750	6-30-04	28,775	38,025
DIAMOND CABLE COMMUNICATION	13.250	9-30-04	604,541	792,000
DRESDNER BANK	4.375	1-1-00	1,626,490	1,938,382
EUROFINA	9.875	1-17-07	1,647,176	1,446,156
EUROFINA BONDS	7.700	2-2-04	1,485,796	1,434,088
EUROPEAN INVESTMENT BANK	13.900	3-22-00	1,100,981	1,152,756
EUROPEAN INVESTMENT BANK	9.125	6-1-02	307,645	285,938
EXPORT IMPORT BANK OF JAPAN	4.375	10-1-03	1,528,793	1,705,394
FIRST BANK SYSTEM INC.	6.250	11-26-10	915,000	992,170
GENERAL ELECTRIC CAPITAL CORP.	5.950	7-20-95	1,385,423	1,385,423
GENERAL MOTORS ACCEPTANCE CORP.	6.750	5-20-96	999,465	1,005,710
	6.250	11-20-95	1,494,420	1,499,580
	6.050	4-19-96	2,452,300	2,498,725
	7.750	2-25-97	3,037,200	3,068,190
	6.500	5-15-97	3,004,560	3,004,500
	8.750	2-1-96	1,016,940	1,013,110
GMAC CANADA	9.900	9-27-95	2,493,390	2,183,565
	9.350	11-1-95	1,812,244	1,601,281
GREENWICH CAPITAL	6.750	4-25-25	2,952,377	2,959,560
HEWLETT PACKARD CO. DISCOUNT NOTES	5.870	7-28-95	991,684	991,684
HYDRO QUEBEC	8.050	7-7-24	200,346	207,657
	8.000	2-1-13	261,733	260,423
	9.500	11-15-30	2,876,832	2,966,406
INDUSTRIES FINANCIAL CORP.	9.025	5-14-96	400,199	405,104
INTERNATIONAL BANK FOR RECON & DEVELOPMENT	5.687	12-20-04	3,146,406	3,540,942
	5.250	3-20-02	31,334,016	35,402,940
INTERNATIONAL FINANCE CORP.	15.250	5-11-99	936,723	1,087,367
KANSALLIS-OSAKE-PANKKI	8.437	9-22-43	22,359,880	22,603,200
KFW INTERNATIONAL FINANCE	9.500	5-13-02	1,097,043	1,160,019
KOREA ELECTRIC POWER CORP.	6.375	12-1-03	221,925	240,678
LAIDLAW INC.	7.875	4-15-05	1,494,315	1,568,235
	8.750	4-15-25	994,690	1,094,120
MANITOBA PROVINCE CANADA	8.875	9-15-21	249,060	293,385
MIDLAND BANK	7.650	5-1-25	586,619	581,367
NACIONAL FINANCIERA	11.750	8-2-95	606,697	590,000
NACIONAL FINANCIERA	8.481	3-31-99	1,434,269	1,354,441
NEW SOUTH WALES TREASURY CORP.	5.930	7-28-95	3,463,102	3,463,102
NEW SOUTH WALES TREASURY CORP. DISCOUNT	6.000	7-20-95	1,969,000	1,969,000
NORDIC INVESTMENT BANK	10.800	5-24-03	2,386,252	2,309,202
NORSK HYDRO	7.750	6-15-23	9,050,304	9,697,118
NORTHERN TELECOM LIMITED	6.875	9-1-23	211,185	231,188
NORTHUMBRIAN WATER	9.250	2-1-02	1,612,287	1,606,809
OKOBANK	7.700	10-14-49	4,990,500	5,029,500
PITNEY BOWES CREDIT	5.890	8-15-95	2,179,843	2,179,843
PROCTOR & GAMBLE DISCOUNT NOTES	0.000	8-21-95	2,078,391	2,078,370
QUEENSLAND TREASURY CORP.	8.000	5-14-03	1,645,585	1,654,839
	8.000	5-14-97	2,437,573	2,380,752
RAYTHEON DISCOUNT NOTES	5.940	7-11-95	1,592,344	1,592,344
RJR NABISCO INC. MEDIUM TERM NOTES	5.250	9-15-95	1,968,660	1,993,880
RTC 1992-15 CLASS A-2A REMIC	7.500	7-25-27	205,352	206,516
SAXON	7.459	1-25-23	1,821,713	1,821,713
SKANDINAVISKA ENSKILDA	6.875	2-15-09	216,828	239,258
	12.500	12-1-08	17,070,836	19,960,704
SWEDBANK	8.125	10-20-49	1,010,500	1,004,000
SWEDBANK SPARBANKEN	8.125	10-20-49	5,735,511	5,739,159
SWEDISH EXPORT CREDIT CORP.	9.875	3-15-38	266,228	279,368
SWEDISH EXPORT CREDIT CORP.	6.500	6-5-01	1,612,106	1,663,440
TREASURY CORPORATION OF VICTORIA	7.250	11-24-03	926,618	1,004,440
TREUHANDANSTALT	6.250	7-29-99	9,211,914	10,918,647
UNION BANK OF NORWAY	7.656	12-22-49	5,296,229	5,227,005
TOTAL INTERNATIONAL CORPORATE OBLIGATIONS			303,311,544	281,895,427
TOTAL FOREIGN OBLIGATIONS			1,360,522,989	1,380,226,758

INVESTMENT LISTING

Short Term Investments	Par Value	Book Value	Market Value	Currency Investments	Book Value	Market Value
ABBOTT LABORATORIES	6,500,000	6,304,025	6,304,025	AUSTRALIAN DOLLAR	3,829,133	3,747,366
ACCRUED INTEREST AND DIVIDENDS	1	112,119,601	112,119,601	AUSTRIAN SCHILLING	311,254	313,584
ALBERTA PROVINCE	1,000,000	990,869	990,869	BELGIUM FRANC	2,003,477	2,019,898
AMERITECH CORP	9,300,000	9,152,829	9,152,829	BRAZILIAN CRUZEIRO	6,269	6,181
AT&T COMPANY	2,700,000	2,662,650	2,662,650	BRITISH POUND	11,447,336	11,402,426
	12,000,000	11,713,189	11,713,189	CANADIAN DOLLAR	1,119,607	1,115,929
	3,200,000	3,110,877	3,110,877	DANISH KRONE	237,996	244,902
	2,600,000	2,534,203	2,534,203	EUROPEAN CURRENCY UNIT	158	177
BELLSOUTH TELECOMMUNICATIONS	5,600,000	5,458,597	5,458,597	FINNISH MARKA	16,000	16,517
BRINSON PARTNERS INTERNATIONAL	632,163	37,926,108	38,539,792	FRENCH FRANC	21,492,767	21,855,279
BRITISH PROVINCE OF COLUMBIA	6,300,000	6,201,537	6,201,537	GERMAN DEUTSCHE MARK	17,930,159	18,154,875
	5,000,000	4,843,750	4,843,750	HONG KONG DOLLAR	5,569,586	5,567,215
	3,300,000	3,202,071	3,202,071	ILLINOIS TEACHERS CUSTOM CASH	11,629,425	11,629,425
	4,900,000	4,670,797	4,670,797	INDONESIAN RUPIAH	9,550	9,340
	22,500,000	21,726,126	21,726,126	INTERNATIONAL PARTICIPATING UNITS	-7,760,869	-8,480,694
CANADIAN TREASURY BILLS	10,000,000	9,740,000	9,740,000	IRISH POUND	1,633,733	1,634,232
	8,300,000	8,135,135	8,135,135	ITALIAN LIRA	9,111,945	9,320,727
CANADIAN WHEAT BOARD	3,900,000	3,814,453	3,814,453	JAPANESE YEN	10,935,828	11,509,044
CERTIFICADOS DE LA TESORO	2,825	2,701,267	2,802,965	MALAYSIAN RINGGIT	2,885,563	2,981,884
	6,000	5,854,135	5,941,200	MEXICAN PESO	1,701	939
	6,000	5,212,355	5,929,200	NETHERLANDS GUILDER	1,509,382	1,531,346
	2,023	1,914,813	1,999,129	NEW ZEALAND DOLLAR	3,131,180	3,131,210
CHEVRON OIL FINANCE COMPANY	4,000,000	3,981,520	3,981,520	NORWEGIAN KRONE	141,309	142,288
COCA-COLA COMPANY	4,200,000	4,070,406	4,070,406	OPEN FORWARD EXCHANGE CONTRACTS	0	-13,773,544
COMMONWEALTH BANK OF AUSTRIA	12,000,000	11,813,690	11,813,690	PORTUGUESE ESCUDO	3,883	4,057
	7,000,000	6,930,934	6,930,934	SINGAPORE DOLLAR	204,441	208,568
DUPONT EI DENEMOURS & COMPANY	1,700,000	1,627,314	1,627,314	SPANISH PESETA	1,052,740	1,058,519
	2,500,000	2,426,476	2,426,476	SWEDISH KRONE	-5,019	-2,788
	4,500,000	4,366,900	4,366,900	SWISS FRANC	132,506	134,377
	3,200,000	3,154,591	3,154,591	THAILAND BAHT	42,173	42,093
ELECTRICITE DE FRANCE	3,700,000	3,640,084	3,640,084	VARIOUS OPTION CONTRACTS	-11,279,446	-1,938,139
EMERSON ELECTRIC COMPANY	600,000	595,190	595,190	TOTAL CURRENCY INVESTMENTS	87,343,764	83,587,732
EXPORT DEVELOPMENT CORP.	4,200,000	4,185,423	4,185,423			
FORD MOTOR CREDIT COMPANY	7,000,000	6,950,419	6,950,419			
GENERAL ELECTRIC CAPITAL	2,000,000	1,969,950	1,969,950			
	3,400,000	3,375,837	3,375,837			
	5,000,000	4,766,722	4,766,722			
HEWLETT PACKARD COMPANY	5,900,000	5,824,662	5,824,662			
	2,200,000	2,170,009	2,170,009			
	5,000,000	4,938,847	4,938,847			
ILLINOIS CENTRAL RAILROAD	4,000,000	3,977,145	3,977,145			
KFW INTERNATIONAL FINANCE	8,000,000	7,954,345	7,954,345			
KIMBERLY CLARK CORPORATION	4,125,000	4,077,245	4,077,245			
LILLY ELI & COMPANY	7,000,000	6,684,347	6,684,347			
	7,200,000	7,157,304	7,157,304			
MOTOROLA INC.	5,000,000	4,924,041	4,924,041			
	1,000,000	995,710	995,710			
NATIONAL RURAL UTILITIES CORPORATE FINANCE	21,000,000	20,698,294	20,698,294			
	2,600,000	2,573,787	2,573,787			
	2,500,000	2,463,063	2,463,063			
NEW SOUTH WALES TREASURY	1,300,000	1,278,105	1,278,105			
	8,000,000	7,915,662	7,915,662			
	800,000	779,666	779,666			
ONTARIO HYDRO	7,000,000	6,893,303	6,893,303			
PITNEY BOWES CREDIT CORP.	7,500,000	7,387,500	7,387,500			
PROCTER & GAMBLE COMPANY	1,000,000	988,180	988,180			
	1,500,000	1,484,565	1,484,565			
	11,800,000	11,697,340	11,697,340			
PROVINCE OF ONTARIO	6,100,000	6,054,379	6,054,379			
ROCKWELL INTERNATIONAL COMPANY	3,500,000	3,475,061	3,475,061			
SPRINT CAPITAL CORP.	5,000,000	4,947,300	4,947,300			
UNION OIL COMPANY OF CALIFORNIA	5,000,000	4,867,603	4,867,603			
UNIVERSAL OIL PRODUCTS	5,000,000	4,968,070	4,968,070			
U.S. WEST COMMUNICATIONS	6,900,000	6,803,722	6,803,722			
	7,900,000	7,763,980	7,763,980			
	7,100,000	7,014,438	7,014,438			
WARNER LAMBERT COMPANY	1,900,000	1,886,392	1,886,392			
	4,000,000	3,925,877	3,925,877			
WESTERN AUSTRALIA TREASURY	6,000,000	5,911,297	5,911,297			
HARRIS BANK COLLECTIVE INVEST.	336,925,568	336,925,568	336,925,568			
UNITED STATES TREASURY NOTES (SALE)	-5,100,000	-5,176,337	-5,163,750			
UNITED STATES TREASURY NOTES (SALE)	-26,350,000	-30,461,313	-30,392,544			
VARIOUS OPTION CONTRACTS	-2,010	-28,712,404	-49,550,407			
TOTAL SHORT TERM INVESTMENTS	651,047,570	776,901,583	757,748,544			

COMMON STOCK

Domestic

	Shares	Book Value	Market Value
AEROSPACE AND DEFENSE			
BOEING COMPANY	120,800	5,949,903	7,565,100
ELECTROMAGNETIC SCIENCES	156,100	1,022,341	2,400,038
KAMAN CORPORATION	77,200	951,478	984,300
LORAL CORPORATION	162,402	4,283,252	8,404,304
MCDONNELL DOUGLAS CORP.	23,400	1,235,617	1,795,950
NORTHROP GRUMMAN CORP.	100,726	4,144,725	5,250,343
RAYTHEON COMPANY	69,700	3,187,779	5,410,463
ROCKWELL INTERNATIONAL	179,300	5,145,334	8,202,975
ROHR INC.	15,800	205,578	227,125
TEXTRON INC.	130,717	7,109,571	7,597,926
UNITED TECHNOLOGIES CORP.	77,800	4,324,637	6,078,125

AUTOMOBILES AND AUTO PARTS

AUTOLIV	29,000	888,259	1,549,247
AUTOMOTIVE INDUSTRIES HOLDINGS INC.	17,000	421,817	461,125
AUTOZONE INC.	47,000	1,075,635	1,180,875
BEVERLY ENTERPRISES INC.	280,500	3,695,648	3,471,188
CAPCO AUTOMOTIVE PRODUCTS	116,600	1,269,287	903,650
CHRYSLER CORPORATION	4,800	212,688	229,800
COACHMEN INDUSTRIES INC.	160,500	1,867,037	2,447,625
DANA CORPORATION	110,000	2,593,704	3,148,750
DORSEY TRAILERS INC.	43,900	486,173	351,200
EATON CORPORATION	32,000	1,747,459	1,860,000
ECHLIN CORPORATION	4,500	160,012	156,375
FEDERAL-MOGUL CORPORATION	152,800	2,782,764	2,788,600
FORD MOTOR COMPANY	608,100	15,250,375	18,090,976
GENERAL MOTORS CORPORATION	463,300	20,292,526	21,717,188
GENUINE PARTS COMPANY	90,000	3,351,250	3,408,750
LEAR SEATING CORPORATION	100,700	1,739,261	2,303,513
SPX CORPORATION	19,100	257,449	217,263
STANDARD MOTOR PRODUCTS	126,800	2,096,134	2,567,700
TBC CORPORATION	225,000	2,613,044	2,418,750
WABASH NATIONAL CORP.	112,800	3,202,784	3,510,900

BANKING AND FINANCE

AFLAC INC.	157,700	5,418,459	6,899,375
ALEXANDER & ALEXANDER SERVICES	86,300	1,243,643	2,060,413
AMERICAN EXPRESS COMPANY	386,300	10,235,795	13,617,075
	50,000	1,837,500	2,425,000
AMERICAN INTERNATIONAL GROUP	371,400	26,341,556	42,339,600
BANC ONE CORPORATION	112,000	2,949,799	3,612,000
BANK OF BOSTON CORPORATION	64,500	2,200,803	2,418,750
BANK OF NEW YORK COMPANY	126,700	3,628,722	5,115,513
BANKAMERICA CORPORATION	214,103	6,996,962	11,267,171
BANKERS TRUST NEW YORK	155,000	9,143,161	9,610,000
BARNETT BANKS INC.	28,000	1,287,579	1,438,500
BAYBANKS INC.	34,100	1,566,688	2,702,425
BEAR STEARNS COMPANIES INC.	108,552	1,903,463	2,320,299
BENEFICIAL CORPORATION	9,400	414,070	413,600
BOATMANS BANCSHARES INC.	10,700	325,294	377,175
BRINSON PARTNERS EX-DEX	951,741	169,192,352	230,015,728
CAPITAL GUARANTY CORP.	171,200	3,243,136	3,081,600
CHASE MANHATTAN CORP.	125,600	4,273,101	5,903,200
CHEMICAL BANKING CORP.	158,600	6,398,889	7,493,850
CITICORP	276,900	11,911,561	16,025,588
CMAC INVESTMENT CORP.	76,800	1,997,620	3,331,200
COLLECTIVE BANCORP INC.	5,000	97,842	101,250
COMERICA INC.	110,000	3,439,877	3,533,750
CONCORD EFS INC.	6,050	100,750	161,838
CORESTATES FINANCIAL CORP.	2,700	86,562	93,488
CREDIT ACCEPTANCE CORP.	11,600	215,294	237,800
CRESTAR FINANCIAL CORPORATION	22,000	914,275	1,078,000
DEAN WITTER DISCOVER & CO.	86,538	3,167,280	4,067,286
DIME BANCORP INC.	227,197	2,044,966	2,271,970
EDWARDS A. G. INC.	20,000	436,279	450,000
FAIR ISSAC & CO.	1,800	38,003	53,550
FIRST AMERICAN CORPORATION OF TENNESSEE	185,300	5,659,197	6,647,638
FIRST BANK SYSTEM INC.	3,200	133,072	131,200
FIRST CHICAGO CORPORATION	71,900	2,554,688	4,305,013
FIRST COMMERCE CORP.	5,700	147,300	168,150
FIRST FEDERAL FINANCIAL CORP.	53,400	756,457	780,975
FIRST FIDELITY BANCORP	40,001	1,643,161	2,360,059
FIRST INTERSTATE BANCORP	24,300	1,936,826	1,950,075
FIRST OF AMERICA BANK CORP.	123,900	4,408,851	4,599,788
FIRST TENNESSEE NATIONAL	11,000	496,654	510,125
FIRST UNION CORP.	77,100	3,157,687	3,488,725
FLEET FINANCIAL GROUP INC.	66,000	2,058,999	2,450,250

Domestic

	Shares	Book Value	Market Value
FOOTHILL GROUP INC.	16,600	238,959	423,300
GATX CORPORATION	69,200	2,738,400	3,261,050
GENERAL ACCEPTANCE CORP.	1,900	42,671	51,775
GLENDALE FEDERAL BANK	175,662	1,901,436	2,195,775
GOLDEN WEST FINANCIAL CORP.	1,300	60,658	61,263
GREAT WESTERN FINANCIAL	211,500	4,081,239	4,362,188
GREEN TREE FINANCIAL CORP.	133,200	4,589,760	5,910,750
GREENPOINT FINANCIAL CORP.	6,500	155,131	153,363
GTECH HOLDINGS CORP.	134,800	2,586,323	3,942,900
HOUSEHOLD INTERNATIONAL	122,600	3,568,647	6,068,700
INTEGRA FINANCIAL CORP.	80,400	3,649,980	3,909,450
KEY CORP.	4,800	144,744	150,600
LEHMAN BROTHERS HOLDINGS	12,600	247,905	275,625
MARSH & MCLENNAN COMPANIES	4,800	379,440	389,400
MBNA CORP.	35,000	1,187,419	1,181,250
MELLON BANK CORPORATION	189,900	6,562,655	7,654,838
MERRILL LYNCH & CO. INC.	78,900	3,806,106	4,142,250
MGIC INVESTMENT CORP.	15,400	707,245	721,875
MORGAN J. P. & COMPANY INC.	8,600	600,635	603,075
N S BANCORP INC.	2,700	85,212	83,700
NATIONAL RE CORPORATION	3,400	95,200	113,900
NATIONSBANK CORPORATION	85,100	4,253,733	4,563,488
NBD BANCORP INC.	280,800	8,596,816	8,985,600
NORTH AMERICA MORTGAGE CO.	60,500	1,177,784	1,406,625
NORTH FORK BANCORPORATION	121,600	1,602,073	2,204,000
NORWEST CORPORATION	296,900	7,407,895	8,535,875
OLD KENT FINANCIAL CORP.	31,300	1,006,680	1,064,200
PAINE WEBBER GROUP INC.	75,000	1,234,486	1,415,625
PNC BANK CORPORATION	3,200	86,496	84,400
REGIONAL ACCEPTANCE CORP.	11,400	132,389	202,350
REGIONS FINANCIAL CORP.	7,600	281,675	281,150
SALOMON INC.	23,000	837,124	922,875
SECURITY CAPITAL PACIFIC	135,000	2,387,475	2,345,625
SEI CORPORATION	76,000	1,607,509	1,710,000
SHAWMUT NATIONAL CORP.	113,700	2,200,757	3,624,188
SIGNET BANKING CORP.	143,400	1,843,897	3,136,875
SILICON VALLEY BANCSHARES	163,000	1,650,663	2,934,000
SOUTHERN NATIONAL CORP.	96,768	2,074,127	2,322,432
SOUTHTRUST CORPORATION	88,855	1,500,335	2,054,772
STANDARD FEDERAL BANCORP	46,776	575,461	1,572,843
STUDENT LOAN MARKETING ASSOCIATION	118,100	4,706,432	5,735,938
SUNAMERICA INC.	92,500	4,734,849	4,717,500
SUNTRUST BANKS INC.	86,700	3,366,163	5,050,275
TRAVELERS GROUP INC.	266,200	6,042,199	11,646,250
U S BANCORP	178,000	4,429,654	4,283,036
UJB FINANCIAL CORPORATION	33,300	800,898	1,011,468
UNION BANK SAN FRANCISCO	1,800	53,862	76,050
US INDUSTRIES INC.	16,990	336,677	231,489
WACHOVIA CORPORATION	10,000	358,550	357,500
WELLS FARGO & COMPANY	6,000	920,267	1,081,500

BEVERAGES

ANHEUSER BUSCH COMPANIES	355,700	19,394,818	20,230,440
COCA-COLA COMPANY	676,900	29,115,624	43,152,376
PEPSICO INC.	676,200	21,011,732	30,767,100

CHEMICALS AND SYNTHETIC FIBERS

AIR PRODUCTS & CHEMICALS	79,000	3,837,328	4,404,250
AIRGAS INC.	2,000	48,410	53,750
AMRE INC.	330,700	1,988,824	1,488,150
ARCHER DANIELS MIDLAND CO.	6,400	119,744	119,200
AVERY DENNISON CORP.	158,900	5,331,044	6,356,000
BURLINGTON RESOURCES INC.	130,300	5,304,111	4,804,813
CABOT CORP.	74,016	1,655,768	3,904,344
CROMPTON & KNOWLES CORP.	201,789	3,169,956	2,850,270
DOW CHEMICAL COMPANY	116,200	7,964,690	8,351,875
DU PONT E I DE NEMOURS	119,200	7,921,997	8,195,000
EASTMAN CHEMICAL COMPANY	56,900	2,628,423	3,385,550
ECOLAB INC.	40,000	902,395	980,000
ETHYL CORPORATION	41,400	451,882	439,875
FULLER H. B. CO.	85,900	2,960,851	3,178,300
GENCORP INC.	131,787	1,918,333	1,416,710
GEON COMPANY	44,100	1,215,730	1,267,875
GOODRICH B. F. COMPANY	15,000	661,370	804,175
GOODYEAR TIRE AND RUBBER	23,600	809,485	970,550
GRACE W. R. & COMPANY	23,500	1,489,320	1,442,313
GREAT LAKES CHEMICAL CORP.	14,000	836,477	843,500
HERCULES INC.	263,200	4,941,211	12,831,000
LYONDELL PETROCHEMICAL CO.	34,000	871,200	871,250

INVESTMENT LISTING

COMMON STOCK

Domestic

	Shares	Book Value	Market Value
MALLINCKRODT GROUP INC.	21,300	746,565	756,150
MONSANTO COMPANY	186,000	10,922,356	16,763,250
MORTON INTERNATIONAL INC.	233,100	6,806,066	6,818,175
OLIN CORPORATION	44,600	1,936,340	2,296,900
OM GROUP INC.	81,400	1,715,204	2,319,900
OSI SPECIALTIES HOLDINGS	950	0	10
PALL CORPORATION	30,800	684,633	685,300
SHERWIN WILLIAMS COMPANY	140,400	4,190,752	5,001,750
UNION CARBIDE CORPORATION	30,600	999,780	1,025,100
UNIROYAL CHEMICAL CORP.	32,150	381,753	353,650
VERSA TECHNOLOGIES INC.	133,700	1,741,884	1,938,650

CONGLOMERATES

AIRTOUCH COMMUNICATIONS	152,400	4,022,679	4,343,400
ALLIED SIGNAL INC.	430,000	15,585,715	19,135,000
AMERADA HESS CORPORATION	77,400	3,664,792	3,782,925
AMERICA ONLINE INC.	3,700	103,243	162,800
ARMSTRONG WORLD INDUSTRIES	123,900	5,100,765	6,210,488
BEST PRODUCTS COMPANY INC.	171,600	1,105,020	1,383,439
BON TON STORES INC.	146,200	1,307,614	1,525,889
BROOKTREE CORPORATION	48,348	381,066	834,003
BWP HOLDINGS INC.	132,300	2,360,975	2,447,550
C. BREWER HOMES INC.	99,100	1,183,715	545,050
C. R. BARD INC.	17,100	496,755	513,000
CALDOR CORPORATION	19,000	342,950	339,625
CAMBRIDGE TECH PARTNERS	2,100	53,025	69,300
CHALK LINE HOLDINGS	2,856	0	0
CORNING INCORPORATED	120,000	3,938,577	3,930,000
COUNTY SEAT HOLDINGS INC.	90,273	601,820	1,606,547
COVENTRY CORP.	107,400	1,177,970	1,517,025
DAMES & MOORE INC.	229,900	3,263,889	2,988,700
DIAL CORPORATION	18,100	439,830	447,975
EMCOR GROUP INC.	375	0	0
ETHAN ALLEN INTERIORS INC.	138,000	3,223,605	2,449,500
FIRST DATA CORP.	86,000	3,296,562	4,891,250
H & R BLOCK INC.	132,431	4,905,908	5,429,671
ITT CORPORATION	57,600	5,160,807	6,768,000
KOHL'S CORP.	3,400	165,104	155,125
LEGGETT & PLATT INC.	172,800	6,008,647	7,603,200
LOCKHEED MARTIN CORP.	146,300	6,073,388	9,235,188
LOEWS CORPORATION	53,200	5,031,168	6,437,200
MANPOWER INC.	12,200	318,103	311,100
MASCO CORP.	18,300	511,028	494,100
MEDPARTNERS INC.	42,500	851,819	818,125
MINERALS TECHNOLOGIES INC.	77,180	2,240,736	2,778,480
MINNESOTA MINING & MANUFACTURING CO.	275,000	12,953,755	15,778,126
NEWELL COMPANIES INC.	60,500	1,491,873	1,474,688
OGDEN CORPORATION	114,100	2,178,905	2,495,938
OMNICOM GROUP	83,000	3,568,224	5,031,875
OWENS CORNING FIBERGLASS	79,606	2,825,639	2,935,471
PARKER & PARSLEY PETE CO.	77,864	1,438,822	1,528,081
PEAK TECHNOLOGIES GROUP	1,100	22,755	30,250
PHH CORPORATION	50,300	1,989,670	2,238,350
PMI GROUP INC.	22,700	851,449	984,613
PROMUS HOTEL CORPORATION	-6,000	0	-132,000
QLOGIC CORPORATION	119,000	747,690	580,125
RIVAL COMPANY	129,000	2,421,463	1,902,750
ROBERT HALF INTERNATIONAL	50,000	1,011,060	1,281,250
SEALY HOLDINGS INC.	70,515	140,890	15,513
SERVICE CORPORATION INTERNATIONAL	140,000	3,731,700	4,427,500
SHAW INDUSTRIES INC.	350,000	4,879,643	5,950,000
SHELBY WILLIAMS INDUSTRIES	129,600	1,201,694	1,474,200
SITHE ENERGIES INC.	90,000	1,170,000	877,500
STANLEY FURNITURE INC.	109,985	1,043,305	838,636
SUNBEAM CORP.	252,342	4,391,552	3,564,331
TERRA INDUSTRIES INC.	301,137	2,144,297	3,651,286
TRINOVA CORPORATION	102,600	2,892,483	3,591,000
TRW INC.	11,500	899,548	918,563
U. S. DELIVERY SYSTEMS INC.	3,000	52,325	78,750
USA WASTE SERVICES INC.	169,351	1,934,857	2,624,941
USG CORPORATION	9,100	206,324	216,125
WACKENHUT CORRECTIONS CORP.	1,700	43,660	38,675
WHOLESALE CELLULAR USA INC.	1,700	31,375	36,550
WMX TECHNOLOGIES INC.	149,900	4,781,305	4,253,413

CONSTRUCTION

ADVANTA CORPORATION	62,000	1,874,098	2,584,594
ANDREW CORPORATION	110,850	5,202,889	6,415,444
APPLIED MATERIALS INC.	8,300	476,130	718,988

Domestic

	Shares	Book Value	Market Value
APPLIED POWER INC.	194,100	3,552,514	5,604,638
BLACK & DECKER CORPORATION	32,000	933,034	988,000
CENTEX CONSTRUCTION	30,000	413,841	386,250
CONGOLEUM CORPORATION	158,000	2,054,000	2,113,250
CRANE COMPANY	15,300	418,624	554,625
KAUFMAN & BROAD HOME CORP.	123,100	1,612,492	1,784,950
LAFARGE CORPORATION	10,500	210,454	196,875
NATIONAL GYPSUM COMPANY	41,468	1,103,372	2,166,703
P P G INDUSTRIES INC.	121,600	2,543,955	5,213,600
PULTE CORPORATION	86,300	2,205,733	2,416,400
REDMAN INDUSTRIES INC.	60,000	1,221,880	1,305,000
STANLEY WORKS	23,000	853,102	871,125

ELECTRICAL AND ELECTRONIC

ADT LIMITED	111,784	1,127,367	1,313,462
ADVANCED MICRO DEVICES	15,900	585,630	580,350
AFC CABLE SYSTEM INC.	55,500	852,038	1,082,250
ALPHA MICROSYSTEMS	166,000	458,730	202,354
	83,000	0	20,750
AMP INC.	353,700	11,667,883	14,943,825
ANALOG DEVICES INC.	33,000	539,098	1,122,000
APPLE COMPUTER INC.	84,500	3,435,944	3,923,927
AUTOMATIC DATA PROCESSING	387,500	11,367,965	24,364,064
AVID TECHNOLOGY INC.	2,500	74,201	93,750
AVNET INC.	19,000	865,640	916,750
BANCTEC INC.	45,550	521,892	711,719
BEI ELECTRONICS INC.	150,000	1,081,604	1,087,500
BELDEN INC.	123,500	2,066,885	3,334,500
BMC SOFTWARE INCORPORATED	65,000	4,114,036	5,021,250
BRODERBUND SOFTWARE INC.	44,300	2,424,320	2,824,125
C. P. CLARE CORPORATION	1,200	27,700	24,000
CABLETRON SYSTEM INC.	532,950	24,395,572	28,379,590
CDW COMPUTER CENTERS INC.	1,900	63,376	95,950
CIRRUS LOGIC INC.	88,800	4,159,937	5,566,606
COMPAQ COMPUTER CORP.	88,900	3,248,096	4,022,725
COMPUTER ASSOCIATES	134,700	9,131,312	9,092,250
COMPUTER PRODUCTS INC.	518,400	1,406,397	3,240,000
COMPUTER SCIENCES CORP.	94,800	2,111,334	5,391,750
COMPUTER TASK GROUP INC.	183,700	1,572,571	2,571,800
CREATIVE COMPUTERS INC.	3,400	74,444	90,100
CYRIX CORPORATION	37,000	939,127	892,625
DH TECHNOLOGY INC.	97,442	1,037,712	2,679,655
DIAMOND MULTIMEDIA SYSTEM	2,500	46,956	51,250
DIGITAL EQUIPMENT CORP.	55,900	2,580,075	2,277,925
DISCREET LOGIC INC.	1,100	28,817	36,300
DOVER CORPORATION	13,000	815,615	945,750
EAGLE POINT SOFTWARE CORP.	1,800	28,997	30,600
ELECTROGLAS INC.	1,200	35,400	68,700
ELECTRONICA FOR IMAGING	1,800	64,479	94,050
EMERSON ELECTRIC COMPANY	127,500	6,969,230	9,116,250
EQUIFAX INC.	140,000	4,172,475	4,655,000
EVANS & SUTHERLAND COMPUTERS	121,700	1,824,514	1,855,925
FEDERAL SIGNAL CORPORATION	133,333	1,917,047	2,883,326
FIRST FINANCIAL MANAGEMENT	128,300	5,402,331	10,969,650
FTP SOFTWARE INC.	4,000	112,791	120,000
GATEWAY 2000 INC.	150,000	3,036,207	3,412,500
GENERAL ELECTRIC COMPANY	1,117,400	37,682,120	62,993,424
GENERAL INSTRUMENT CORP.	157,700	5,048,714	6,032,025
GENERAL MOTORS CORPORATION	442,700	12,988,694	19,257,450
GLOBAL VILLAGE COMMUNICATIONS	2,000	21,293	31,250
GRAINGER W. W. INC.	15,000	704,427	881,250
HADCO CORPORATION	66,600	377,675	1,656,675
HEWLETT PACKARD COMPANY	386,300	17,103,964	28,794,250
HONEYWELL INC.	85,700	2,981,598	3,695,813
INNO CORPORATION	1,300	55,025	77,675
INTEGRATED DEVICE TECHNOLOGY	56,200	1,483,611	2,599,250
INTEL CORPORATION	769,800	27,606,354	48,737,576
INTERNATIONAL BUSINESS MACHINES	169,400	13,174,545	16,262,400
JOHNSON CONTROLS INC.	95,100	4,938,786	5,373,150
KENT ELECTRONICS CORP.	85,800	492,953	3,238,950
LEGENT CORPORATION	34,900	1,506,216	1,526,875
LINEAR TECHNOLOGY CORP.	91,000	3,227,011	6,006,000
LOGICON INC.	40,900	405,077	1,820,050
LSI LOGIC CORPORATION	151,900	4,097,856	5,943,088
MACNEAL SCHWENDLER CORP.	-230,000	2,379,201	5,220,000
MACROMEDIA INC.	2,400	61,056	103,800
MARK IV HOMES INC.	315,372	5,107,224	6,819,920
MCAFFEE ASSOCIATES INC.	2,900	68,126	87,905
MDT CORPORATION	103,700	679,870	635,163
MEASUREX CORPORATION	107,500	2,406,964	3,143,813

COMMON STOCK

Domestic	Shares	Book Value	Market Value
MERISEL INC.	157,400	848,236	1,200,175
METHODE ELECTRONICS INC.	111,500	310,137	2,174,250
MICRO LINEAR CORPORATION	2,700	39,338	43,875
MICRO WAREHOUSE INC.	5,300	145,350	243,800
MICRON TECHNOLOGY INC.	25,000	1,184,000	1,375,000
MICROSEMI CORPORATION	205,000	447,425	1,793,750
MICROSOFT CORPORATION	81,000	2,649,303	7,320,375
MOLEX INC.	28,000	791,958	1,085,000
MOTOROLA INC.	447,800	23,167,454	30,058,576
NATIONAL COMPUTER SYSTEM	101,700	1,445,780	2,110,275
NATIONAL SEMICONDUCTOR CO.	1,900	53,020	52,725
NETMANAGE INC.	7,000	137,330	119,000
NEWPORT CORP.	152,300	1,372,960	1,427,813
NICHOLS RESEARCH CORP.	130,100	1,536,953	2,227,963
NORAND CORPORATION	1,800	66,025	73,350
NOVELL INC.	68,900	1,343,230	1,373,659
OAK INDUSTRIES INC.	118,800	3,045,589	3,059,100
PERKIN-ELMER CORPORATION	6,000	207,300	212,250
PERFORMANCE SYSTEMS INTERNATIONAL	600	8,400	9,112
QUANTUM CORPORATION	110,300	1,800,106	2,523,113
QUIXOTE CORPORATION	101,600	1,231,228	1,270,000
RADIUS INC.	100,000	1,170,144	1,100,000
RAYCHEM CORPORATION	7,200	255,960	275,400
RECOTON CORPORATION	3,500	58,625	68,250
SANMINA CORPORATION	2,100	56,015	79,800
SANTA CRUZ OPERATION INC.	100,000	582,363	837,500
SEAGATE TECHNOLOGY	2,900	116,087	114,550
SIERRA ON-LINE INC.	85,900	1,617,392	2,147,500
SILICON GRAPHICS INC.	122,600	4,146,315	4,888,675
SILICON VALLEY GROUP INC.	21,502	187,514	779,448
SOFTKEY INTERNATIONAL INC.	3,500	94,977	111,563
STERLING SOFTWARE INC.	55,900	1,079,242	2,152,150
STORAGE TECHNOLOGY CORP.	129,100	3,347,267	3,179,088
SUN MICROSYSTEMS INC.	58,300	1,859,211	2,827,550
SYSTEMS & COMPUTER TECHNOLOGIES	2,700	48,275	54,000
SYSTEMSOFT CORPORATION	2,100	28,578	30,450
TANDEM COMPUTERS INC.	4,000	67,120	64,500
TEAM INCORPORATED	101,600	873,694	171,399
TEKTRONIX INC.	110,000	5,008,714	5,417,500
TERADYNE INC.	13,800	680,197	902,175
TEXAS INSTRUMENTS INC.	42,400	4,227,770	5,676,300
THOMAS & BETTS CORPORATION	2,100	139,713	143,588
TRIAD SYSTEMS CORPORATION	134,000	709,133	963,058
TRIPOS INC.	38,000	200,528	237,500
TYCO INTERNATIONAL LIMITED	90,300	4,794,285	4,876,200
UNISYS CORPORATION	503,800	5,224,572	5,478,825
VLSI TECHNOLOGY INC.	143,000	1,909,482	4,307,875
VMARK SOFTWARE INC.	2,800	45,400	49,700
WANG LABORATORIES INC.	267,000	3,169,220	4,372,125
WATKINS JOHNSON COMPANY	5,600	206,888	249,200
WONDERWARE CORPORATION	1,800	54,425	72,450
WYLE ELECTRONICS	6,000	161,664	168,750
XEROX CORPORATION	38,700	3,760,123	4,537,575

FOOD, SOAP, AND TOBACCO

ALEXANDER & BALDWIN INC.	64,400	1,613,307	1,432,900
AVON PRODUCTS INC.	142,100	6,757,090	9,520,700
BAUSCH & LOMB INC.	65,500	2,542,127	2,718,250
CAMPBELL SOUP COMPANY	91,500	4,212,379	4,483,500
COLGATE-PALMOLIVE COMPANY	253,500	16,220,383	18,537,188
CONAGRA INCORPORATED	21,500	710,575	749,813
CPC INTERNATIONAL INC.	89,300	5,020,484	5,514,275
DEAN FOODS COMPANY	18,300	513,890	512,400
DOLE FOOD COMPANY	256,703	8,496,893	7,476,475
DREYERS GRAND ICE CREAM INC.	30,000	692,291	1,098,750
DURACELL INTERNATIONAL	330,000	12,764,660	14,272,500
ESKIMO PIE CORPORATION	62,800	1,129,442	1,036,200
FLEMING COMPANIES INC.	106,900	2,750,420	2,832,850
GENERAL MILLS INC.	2,700	713,975	138,713
GILLETTE COMPANY	617,000	17,159,460	27,456,500
HEINZ H J COMPANY	44,700	1,552,618	1,983,563
IBP INC.	96,474	3,431,966	4,196,619
INTERSTATE BAKERIES CORP.	91,882	1,517,861	1,516,053
KELLOGG COMPANY	59,800	3,383,284	4,268,225
MAYBELLINE INC.	117,600	2,028,610	2,410,800
MCDONALDS CORPORATION	952,600	19,983,908	37,270,476
MCCORMICK & CO INC.	30,100	632,925	647,150
NABISCO HOLDINGS CORPORATION	40,000	1,078,583	1,080,000
NASH FINCH COMPANY	50,141	998,308	814,791

Domestic	Shares	Book Value	Market Value
PENN TRAFFIC COMPANY	57,500	2,103,916	2,034,063
PHILIP MORRIS COMPANIES	447,700	28,695,862	33,297,690
PIONEER HI BRED INTERNATIONAL	41,400	1,335,944	1,738,800
PREMARK INTERNATIONAL INC.	32,100	1,506,795	1,665,188
PROCTER & GAMBLE COMPANY	600,800	30,506,320	43,182,500
RALSTON-RALSTON PURINA	32,500	1,368,078	1,657,500
RJR NABISCO HOLDINGS CORP.	255,560	7,520,595	7,091,790
SARA LEE CORPORATION	311,300	7,308,781	8,872,050
SYSCO CORPORATION	110,000	3,161,750	3,245,000
TAMBRANDS INC.	1,900	78,432	81,225
TYSON FOODS INC.	100,000	2,425,000	2,312,500
UNIVERSAL FOODS CORP.	7,800	250,047	252,525
UST INC.	152,400	2,893,106	4,533,900

HEALTHCARE AND COSMETICS

ABBOTT LABORATORIES	493,000	14,790,550	19,966,500
ACT MANUFACTURING INC.	400	5,122	5,200
ALLERGAN INC.	79,167	1,886,418	2,147,405
AMBAC CORP.	219,300	6,435,816	8,799,413
AMERICAN MEDICAL RESPONSE	4,300	116,837	120,400
AMGEN INC.	25,600	1,392,870	2,059,187
APPS DENTAL INC.	1,300	20,938	27,300
BAXTER INTERNATIONAL INC.	181,700	4,913,855	6,609,338
BIOCRAFT LABS INC.	97,300	1,554,809	1,836,538
BRISTOL-MYERS SQUIBB CO.	238,200	14,344,420	16,227,377
CAREMARK INTERNATIONAL	95,839	1,632,548	1,916,780
CERNER CORPORATION	13,000	633,440	796,250
CHAMPION HEALTHCARE CORP.	1	0	0
CHARTER MEDICAL CORP.	14,500	247,225	235,625
CHIRON CORPORATION	51,300	3,356,000	3,334,500
COLUMBIA/HCA HEALTHCARE	464,100	18,989,504	20,072,326
COMMUNITY PSYCHIATRIC CENTERS	190,100	1,906,560	2,138,625
COMMUNITY HEALTH SYSTEMS INC.	3,700	104,480	125,338
DRUG EMPORIUM INC.	115,800	547,557	492,150
DURA PHARMACEUTICALS INC.	2,500	38,636	47,030
FOREST LABORATORIES INC.	50,700	2,173,010	2,249,813
GENENTECH INC.	40,000	1,970,077	1,945,000
GENZYME CORPORATION	142,900	5,523,119	5,716,000
GULF SOUTH MEDICAL SUPPLY	4,200	81,225	100,800
HBO & COMPANY	215,800	9,383,897	11,761,100
HEALTHSOURCE INC.	29,900	1,174,766	1,042,763
HORIZON HEALTHCARE CORP.	4,900	128,268	88,200
HUMANA INC.	61,000	1,222,494	1,082,750
HYCOR BIOMEDICAL INC.	149,200	688,676	708,700
INVACARE CORE	37,746	978,609	1,566,459
JOHNSON & JOHNSON	481,700	26,348,832	32,514,750
LABORATORY AMERICAN CORP.	105,000	1,461,131	1,391,250
LILLY ELI & COMPANY	388,700	24,883,948	30,512,950
LYNX THERAPEUTICS	130,074	87,680	26,015
MANOR CARE INC.	160,000	3,274,079	4,660,000
MARSAM PHARMACEUTICALS INC.	33,900	382,966	644,100
MEDA INC.	125	0	39
MEDTRONIC INC.	64,000	2,496,280	4,936,000
MERCK & COMPANY INC.	508,800	17,504,318	24,994,802
MYLAN LABORATORIES INC.	21,400	600,270	658,050
NATIONAL HEALTH INVESTMENTS INC.	6,000	163,294	163,500
NORTH AMERN VACCINE INC.	22,400	296,780	222,589
NOVACARE INC.	68,400	589,953	555,750
OMNICARE INC.	65,100	1,564,764	1,765,838
ORTHODONTIC CENTERS OF AMERICA	2,400	55,528	58,200
OXFORD HEALTH PLANS INC.	2,900	126,223	137,025
PACIFICARE HEALTH SYSTEM	29,000	1,973,122	1,479,000
PFIZER INC.	100,900	7,579,989	9,295,413
PHYCOR INC.	17,500	569,255	614,688
PROCYTE CORP.	193,700	2,332,899	455,825
QUINTILES TRANSNATIONAL	1,200	46,675	54,000
RAMSAY HEALTH CARE INC.	171,400	1,934,854	728,450
RAMSAY MANAGED CARE INC.	11	22	25
REGENCY HEALTH SERVICES	115,000	1,175,450	1,207,500
RHONE-POULENC RORER INC.	52,000	1,883,244	2,125,500
SAFEGUARD HEALTH ENTERPRISES	119,300	804,263	1,312,300
SCHERING PLOUGH CORPORATION	199,400	6,450,683	8,798,525
STRYKER CORPORATION	100,000	2,575,832	3,837,500
SUN HEALTHCARE GROUP INC.	149,800	2,309,148	2,359,350
TENET HEALTHCARE CORPORATION	738,100	11,344,440	10,610,188
THERATX INC.	3,800	76,438	50,825
U. S. HEALTHCARE INC.	16,400	525,393	502,250
UNITED HEALTHCARE CORPORATION	78,000	3,480,948	3,227,250
UNIVERSAL STANDARD MED LABS	20,500	152,722	125,563

INVESTMENT LISTING

COMMON STOCK

Domestic				Domestic			
	Shares	Book Value	Market Value		Shares	Book Value	Market Value
UPJOHN COMPANY	264,300	8,956,539	9,944,288	REGAL CINEMAS INC.	3,400	80,531	108,800
WARNER LAMBERT COMPANY	96,600	6,795,846	8,343,825	RIO HOTEL & CASINO INC.	2,300	17,025	31,625
WELLPOINT HEALTH NETWORKS	30,000	852,550	847,500	ROCK BOTTOM RESTAURANTS	1,200	27,488	35,100
INSURANCE				SHONEYS INC.	17,200	202,543	202,100
20TH CENTURY INDUSTRIES	105,900	1,267,029	1,323,750	SINCLAIR BROADCAST GROUP	10,800	239,298	302,400
ACE LIMITED	21,900	560,016	635,100	SIZZLER INTERNATIONAL INC.	156,600	1,247,749	998,325
AETNA LIFE & CASUALTY CO.	6,200	379,657	389,825	TCA CABLE TV INC.	56,704	1,059,025	1,531,008
ALLIED LIFE FINANCIAL CO.	86,000	1,093,375	1,483,500	TELECOMMUNICATIONS INC.	245,000	4,594,679	5,742,065
ALLSTATE CORPORATION	4,000	118,440	118,500	TRIARC COMPANIES INC.	93,500	1,514,492	1,460,938
AMERICAN NATIONAL INSURANCE	1,300	82,173	79,300	TURNER BROADCASTING SYSTEMS	35,000	754,898	700,000
AMERICAN TRAVELERS CORP.	202,100	2,176,579	3,562,013	WALT DISNEY COMPANY	357,700	17,161,038	19,852,350
AON CORPORATION	205,000	5,675,907	7,636,250	YOUNG BROADCASTING INC.	116,100	2,062,533	3,221,775
CHANDLER INSURANCE LIMITED	160,000	1,058,712	760,000	MACHINERY AND EQUIPMENT			
CHUBB CORPORATION	6,700	551,914	536,838	AGCO CORPORATION	19,750	567,298	740,625
CIGNA CORPORATION	4,800	356,746	372,600	AHMANSON H. F. & COMPANY	161,900	3,332,135	3,561,800
CONSECO INC.	35,429	2,019,116	1,607,591	ALLIANCE SEMICONDUCTOR CO.	15,000	726,922	735,000
EQUITABLE IOWA COMPANIES	55,600	1,721,130	1,827,850	BERGEN BRUNSWIG CORPORATION	22,800	511,039	518,700
EXEL LIMITED	265,100	10,024,290	13,785,200	BRIOS & STRATTON CORPORATION	138,200	4,787,371	4,767,900
FIRST COLONY CORPORATION	36,300	864,482	871,200	BROADBAND TECHNOLOGIES INC.	69,000	1,834,430	1,707,750
GENERAL RE CORPORATION	91,400	10,099,663	12,236,175	CATERPILLAR INC.	39,800	2,125,706	2,557,150
JOHN ALDEN FINANCIAL CORP.	120,950	2,786,531	2,071,269	CELLULAR COMMUNICATIONS	121,075	2,200,703	3,707,922
LIFE RE CORPORATION	132,200	3,308,598	2,462,225	COMMUNICATIONS CENTRAL INC.	76,400	635,670	668,500
LINCOLN NATIONAL CORPORATION	140,700	5,292,753	6,155,625	COMSAT CORPORATION	24,000	454,933	471,000
MID OCEAN LIMITED	149,500	4,166,016	4,727,938	CUMMINS ENGINE COMPANY INC.	39,000	1,707,031	1,701,375
NATIONAL INSURANCE GROUP	120,900	1,495,475	816,075	DEERE & COMPANY	133,600	9,224,026	11,439,501
OHIO CASUALTY CORP.	67,569	2,069,301	2,128,424	DIAL PAGE INC.	3,200	0	4,000
PARTNERRE HOLDINGS LIMITED	86,991	1,829,249	2,272,640	DSC COMMUNICATIONS CORP.	560,800	21,957,906	26,077,200
PAUL REVERE CORPORATION	43,900	1,099,643	746,300	FLUOR CORPORATION	5,700	285,285	296,400
PROGRESSIVE CORPORATION	125,000	2,499,453	4,796,875	GENERAL SIGNAL CORPORATION	30,000	1,071,064	1,192,500
PXRE CORPORATION	95,402	2,344,325	2,241,947	HARMONIC LIGHTWAVES INC.	2,100	29,778	35,175
RELIANCE GROUP HOLDINGS	219,500	1,706,252	1,426,750	HARRIS CORPORATION	58,900	2,207,019	3,040,713
SAFECO CORPORATION	16,000	837,684	918,992	ILLINOIS TOOL WORKS INC.	104,200	4,654,587	5,731,000
ST. PAUL COMPANIES	102,700	4,266,591	5,057,975	INGERSOLL-RAND COMPANY	123,200	4,536,900	4,712,400
TIG HOLDINGS INC.	193,000	4,601,711	4,439,000	KENNAMETAL INC.	17,900	585,836	617,550
TRANSAMERICA CORPORATION	226,900	8,861,989	13,216,925	LCI INTERNATIONAL INC.	4,700	106,056	143,938
TRANSATLANTIC HOLDINGS INC.	15,000	406,744	975,000	MAYTAG COMPANY	74,000	1,219,370	1,184,000
TRIAD GUARANTY INC.	9,200	165,425	193,200	MFS COMMUNICATIONS COMPANY INC.	43,900	1,386,319	1,415,775
USLIFE CORPORATION	150,000	5,378,784	6,037,500	NAVISTAR INTERNATIONAL CO.	40,000	642,000	605,000
WESTERN NATIONAL CORPORATION	366,400	4,585,844	4,534,200	NEWHALL LAND & FARMING CO.	100,000	1,484,684	1,387,500
LEISURE AND ENTERTAINMENT				NEWMARK & LEWIS INC.	2,000	17,640	0
AMERICAN CLASSIC VOYAGES	67,800	1,043,928	661,050	NEXTEL COMMUNICATIONS INC.	67,000	996,957	946,375
ASSOCIATED GROUP INC.	110,750	1,990,371	1,910,438	PARKER-HANNIFIN CORPORATION	26,250	795,428	951,563
	19,350	263,723	357,975	QUALCOMM INC.	134,900	4,354,052	4,662,414
BAY NETWORKS INC.	294,700	11,201,780	12,193,213	REGAL BELOIT CORP.	120,900	884,722	1,873,950
BELL CABLEMEDIA	183,900	3,458,907	3,494,100	SCIENTIFIC ATLANTA INC.	60,000	1,010,025	1,320,000
BRUNSWICK CORPORATION	40,000	747,000	680,000	SCOTSMAN INDUSTRIES INC.	100,000	859,887	1,850,000
CABLEVISION SYSTEM CORPORATION	112,900	6,525,663	7,197,375	SNAP ON INC.	22,500	779,776	871,875
CAPITAL CITIES ABC INC.	109,600	9,067,824	11,836,800	SPECTRIAN CORPORATION	62,700	1,940,143	2,492,325
CARMIKE CINEMAS INC.	128,300	2,267,618	3,111,275	SUNDSTRAND CORPORATION	85,200	4,214,857	5,090,700
CARNIVAL CORPORATION	378,300	6,516,283	8,795,475	TELTREND INC.	22,000	378,975	434,500
CBS INC.	38,000	2,167,788	2,546,000	THERMO ELECTRON CORPORATION	83,250	2,247,830	3,350,813
CINERGI PICTURES ENTERTAINMENT	40,200	267,632	271,350	TRANSACTION NETWORK SERVICES	2,000	32,960	32,000
CIRCUS CIRCUS ENTERPRISES	215,000	6,354,356	7,578,750	US ROBOTICS CORPORATION	900	46,707	98,100
CML GROUP INC.	177,600	1,353,627	1,398,600	XPEDITE SYSTEMS INC.	3,000	61,453	42,000
CUC INTERNATIONAL INC.	61,100	2,219,743	2,573,838	MINING AND METALS			
GAYLORD ENTERTAINMENT CO.	115,500	1,897,090	2,916,375	AK STEEL HOLDING CORPORATION	18,300	494,127	498,675
GRIFFIN GAMING & ENTERTAINMENT	5	0	69	ALCAN ALUMINUM LIMITED	87,900	1,839,929	2,669,963
HARCOURT GENERAL INC.	15,300	641,776	650,250	ALUMINUM COMPANY OF AMERICA	168,000	6,978,550	8,421,000
HASBRO INC.	264,450	7,219,473	8,396,288	ASARCO INC.	291,800	7,107,809	8,899,900
HOSPITALITY FRANCHISE SYSTEMS	64,900	1,968,286	2,247,163	BETHLEHEM STEEL CORPORATION	52,800	792,225	858,000
HOST MARRIOTT CORPORATION	100,000	1,078,743	1,062,500	CBI INDUSTRIES INC.	4,100	104,729	103,013
HUFFY CORPORATION	150,450	1,807,338	1,955,850	CYPRUS AMAX MINERALS CO.	209,487	5,739,851	5,970,380
INFINITY BROADCASTING CORP.	26,600	522,169	887,775	ENGELHARD CORPORATION	120,000	3,103,928	5,145,000
INTERNATIONAL GAME TECHNOLOGIES	67,000	1,101,824	1,030,125	FREEMPT MCMORAN INC.	340,000	6,450,765	5,992,500
LANDRYS SEAFOOD RESTAURANT	3,800	57,272	76,000	FREEMPT-MCMORAN COPPER	12,750	270,141	262,969
LIN BROADCASTING CORPORATION	47,000	4,646,469	5,945,500	GENEVA STEEL CO.	82,400	960,220	679,800
LIN TELEVISION CORPORATION	22,000	666,235	739,750	GIDDINGS AND LEWIS INC.	105,904	1,804,042	1,893,034
LONGHORN STEAKS INC.	114,600	1,038,484	1,633,050	HARSCO CORPORATION	50,000	1,225,244	2,637,500
MARRIOTT INTERNATIONAL INC.	360,900	10,272,233	12,947,288	INLAND STEEL INDUSTRIES	29,000	832,240	884,500
MATTEL INC.	127,500	2,414,573	3,346,875	JTV SPECIALTY STEEL INC.	217,300	3,873,771	4,183,025
MEDALIST INDUSTRIES INC.	84,600	955,270	528,750	LTV CORPORATION	224,200	3,778,830	3,278,925
MIKOHN GAMING CORPORATION	37,600	316,537	202,100	LUKENS INC.	85,700	2,706,225	2,763,825
MIRAGE RESORTS INC.	75,000	807,459	2,296,875	MICHAEL ANTHONY JEWELERS	199,000	1,404,744	597,000
MORRISON RESTAURANTS INC.	78,348	1,855,672	1,880,352	OLYMPIC STEEL INC.	76,700	1,093,218	709,475
MULTIMEDIA INC.	35,600	1,074,879	1,379,500	PHILIPS DODGE CORPORATION	69,900	3,570,781	4,124,100
OUTBOARD MARINE CORPORATION	19,000	406,977	372,875	PITTSFORD SERVICES GROUP	180,500	4,312,435	4,332,000
PICCADILLY CAFETERIAS INC.	119,400	1,114,462	1,044,750	PRECISION CASTPARTS CORPORATION	16,200	466,032	569,025
PROMUS COS INC.	127,900	4,665,269	4,988,100	REYNOLDS METALS COMPANY	57,100	3,383,112	2,965,275

COMMON STOCK

Domestic	Shares	Book Value	Market Value
SANTA FE PACIFIC GOLD CORPORATION	156,491	2,043,773	1,897,453
USX US STEEL GROUP INC.	96,600	2,730,794	3,320,625
WEIRTON STEEL CORPORATION	206,845	1,891,030	1,447,915
WORTHINGTON INDUSTRIES	200,000	4,046,773	4,087,400

OFFICE EQUIPMENT

ACXIOM CORPORATION	5,000	81,140	119,375
ALTERNATIVE RESOURCES CORP.	5,400	100,764	143,100
AMERICAN BUSINESS PRODUCTS	118,200	1,734,348	2,245,800
AMERICAN SOFTWARE INC.	324,600	1,942,654	1,663,575
AUTODESK INC.	19,400	732,350	834,200
BECTON DICKINSON & COMPANY	110,000	3,707,381	6,407,500
BOWNE & COMPANY INC.	83,204	1,845,046	1,424,869
BROWNING FERRIS INDUSTRIES	354,291	10,753,210	12,754,476
CERIDIAN CORP.	20,500	664,827	755,938
CHECKPOINT SYSTEM INC.	2,100	47,681	46,725
CISCO SYSTEMS INC.	302,200	8,819,767	15,279,836
CLEAN HARBORS INC.	209,300	1,507,215	824,014
CORRECTIONS CORPORATION	500	13,565	17,188
DUPLEX PRODUCTS INC.	157,300	1,966,200	1,307,478
EXPEDITORS INTERNATIONAL	4,600	88,358	103,500
FEDERAL EXPRESS CORPORATION	87,400	5,343,051	5,309,550
FRANKLIN QUEST COMPANY	3,700	119,915	88,800
FUTURE NOW INC.	106,000	1,367,958	795,000
GREINER ENGINEERING INC.	100,400	1,292,542	1,154,600
INTELLIGENT ELECTRONICS	259,000	2,617,416	3,528,875
INTERPUBLIC GROUP OF COMPANIES	95,000	2,354,693	3,562,500
M A R C INC.	86,000	779,055	1,118,000
MID-AMERICAN WASTE SYSTEM	230,200	2,515,477	1,122,225
MILLER HERMAN INC.	144,130	3,175,950	3,567,218
OFFICE DEPOT INC.	308,700	7,639,659	8,682,188
OLSTEN CORP.	105,000	3,115,914	3,438,750
ORACLE CORPORATION	282,650	7,693,367	10,917,357
OXFORD RESOURCES CORP.	4,800	60,072	85,200
ROTECH MEDICAL CORP.	2,100	65,180	58,275
SENSORMATIC ELECTRONICS	65,000	2,007,487	2,307,500
SYBASE INC.	35,000	990,128	1,028,125
WALLACE COMPUTER SERVICES	36,000	1,030,437	1,381,500
WHEELABRATOR TECHNOLOGIES	300,000	5,443,565	4,612,500

OIL AND GAS

AMOCO CORPORATION	95,100	6,278,339	6,336,038
ANADARKO PETROLEUM CORP.	9,400	400,758	406,550
ARCO CHEMICAL COMPANY	13,300	596,411	603,488
ASHLAND INC.	185,100	5,518,191	6,501,638
ATLANTIC RICHFIELD COMPANY	70,900	7,833,488	7,781,275
CASTLE ENERGY CORPORATION	78,300	1,042,357	812,363
CHEVRON CORPORATION	6,200	299,212	287,525
CODA ENERGY INC.	240,700	1,427,536	1,654,813
DEVON ENERGY CORPORATION	98,500	1,803,535	2,117,750
EL PASO NATURAL GAS CO.	14,500	417,634	413,250
EXXON CORPORATION	73,300	4,906,577	5,176,813
GLENAYRE TECHNOLOGIES INC.	299,650	10,307,749	15,282,150
MITCHELL ENERGY & DEVELOPMENT CORP.	109,668	2,365,898	1,987,733
MOBIL CORPORATION	120,400	8,674,251	11,558,400
MURPHY OIL CORPORATION	135,300	5,878,535	5,547,300
NOBLE AFFILIATES INCORPORATED	90,000	2,423,401	2,295,000
OCCIDENTAL PETROLEUM CORP.	114,900	2,134,891	2,628,338
ORyx ENERGY COMPANY	4,000	56,120	55,000
PENNZOIL COMPANY	14,000	701,838	659,750
PHILLIPS PETROLEUM COMPANY	313,200	8,874,175	10,453,050
PRIDE PETROLEUM SERVICES	221,400	1,023,427	1,660,500
SUN COMPANY INC.	76,300	2,176,045	2,088,713
TENNECO INC.	203,500	8,333,272	9,361,000
TEXACO INC.	101,900	6,477,324	6,687,188
ULTRAMAR CORPORATION	212,574	3,619,272	3,367,494
UNOCAL CORPORATION	30,700	895,286	848,088
USX MARATHON GROUP INC.	370,700	6,658,899	7,321,325
VALERO ENERGY CORPORATION	172,500	4,042,093	3,493,125

OIL SUPPORT SERVICES

BANDAG INCORPORATED	1,600	102,896	100,000
DIGICON INC.	108,033	960,805	634,694
DRESSER INDUSTRIES INC.	2,400	54,444	53,400
ENTERRA CORPORATION	145,500	2,581,639	3,055,500
GLOBAL MARINE INC.	10,200	55,335	59,925
HALLIBURTON COMPANY	32,100	1,209,898	1,147,575
HELMERICH & PAYNE INC.	114,600	3,172,105	3,380,700
MCDERMOTT INTERNATIONAL	2,100	54,726	50,663
POOL ENERGY SERVICES CO.	220,400	1,741,035	1,818,100

Domestic	Shares	Book Value	Market Value
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PAPER AND FOREST PRODUCTS

BELO A. H. CORPORATION	28,000	652,980	857,500
BOISE CASCADE CORPORATION	64,278	1,997,407	2,603,259
BOWATER INC.	173,900	4,797,870	7,803,763
CARALSTAR INDUSTRIES INC.	130,000	2,396,250	2,340,000
CHAMPION INTERNATIONAL CO.	134,100	3,713,087	6,989,963
CHESAPEAKE CORPORATION	15,600	542,681	485,550
CONSOLIDATED PAPERS INC.	48,800	2,361,666	2,812,100
CROWN CORK AND SEAL CO.	190,300	6,821,585	9,538,788
FEDERAL PAPER BOARD COMPANY	119,200	3,589,386	4,216,700
GEORGIA PACIFIC CORPORATION	13,300	1,036,268	1,150,450
INTERNATIONAL PAPER COMPANY	104,000	7,440,658	8,918,000
JAMES RIVER CORPORATION	185,000	3,839,747	5,110,625
KIMBERLY CLARK CORPORATION	16,500	861,917	987,938
LOUISIANA PACIFIC CORPORATION	30,000	692,814	783,750
MEAD CORPORATION	60,000	1,857,969	3,562,500
PENTAIR INC.	52,100	1,912,662	2,266,350
ROCK-TENN COMPANY	78,000	1,296,375	1,384,500
SCOTT PAPER COMPANY	144,800	5,964,848	7,167,600
SHOREWOOD PACKAGING CORPORATION	67,300	654,185	984,261
STONE CONTAINER CORPORATION	205,800	3,765,440	4,373,250
TEMPLE INLAND INC.	64,200	2,908,111	3,057,525
UNION CAMP CORPORATION	3,500	184,293	202,563
WEYERHAEUSER COMPANY	103,100	4,090,910	4,858,588

PHOTOGRAPHIC AND RELATED

CPI CORPORATION	29,500	558,903	564,188
EASTMAN KODAK COMPANY	202,500	8,659,883	12,276,564

PRINTING AND PUBLISHING

ALCO STANDARD CORPORATION	56,800	3,471,710	4,536,900
DELUXE CORPORATION	84,600	2,562,778	2,802,375
DONNELLEY R. R. & SONS	200,000	6,278,631	7,200,000
DOW JONES & COMPANY INC.	36,100	1,267,299	1,331,188
DUN & BRADSTREET CORPORATION	12,900	680,379	677,250
GANNETT COMPANY INC.	173,800	8,602,498	9,428,650
HOUGHTON MIFFLIN COMPANY	85,800	3,735,248	4,525,950
INTERNATIONAL IMAGING	1,100	32,077	28,050
MC GRAW-HILL COMPANIES INC.	9,200	677,170	698,050
MEREDITH CORPORATION	4,400	112,636	111,650
NEW YORK TIMES COMPANY	50,000	1,306,928	1,175,000
SCHOLASTIC CORPORATION	102,500	5,523,031	5,560,625
SCRIPPS E. W. COMPANY	185,000	4,872,742	5,966,250
TIME WARNER INC.	145,400	4,773,613	5,997,750
TIMES MIRROR COMPANY	5,300	122,059	126,538
TRIBUNE COMPANY	77,800	3,908,730	4,774,975
VALASSIS COMMUNICATIONS	115,000	1,914,730	1,926,250

RETAIL TRADE

AMERICAN BRANDS INC.	289,600	10,447,849	11,511,600
AMERICAN GREETINGS CORP.	214,750	5,599,290	6,308,282
AMERICAN HOME PRODUCTS CO.	79,900	5,094,118	6,182,263
ANN TAYLOR STORES CORP.	47,900	1,156,442	1,113,675
BABY SUPERSTORE INC.	36,500	1,423,934	1,720,063
BARNES & NOBLE INC.	35,000	1,120,953	1,190,000
BOOKS A MILLION INC.	4,500	63,675	70,313
CARSON PIRIE SCOTT & COMPANY	179,100	3,103,866	2,932,763
CIRCLE K CORPORATION	185,700	3,019,871	3,133,688
CIRCUIT CITY STORES INC.	34,900	943,542	1,103,713
CKE RESTAURANTS INC.	268,500	2,236,161	2,416,500
CLAIRES STORES INC.	127,000	1,442,560	2,301,875
CONSOLIDATED STORES CORP.	79,300	1,488,778	1,655,388
DAYTON-HUDSON CORPORATION	90,800	6,324,946	6,514,900
DILLARD DEPARTMENT STORES	48,800	1,375,475	1,433,500
DOLLAR GENERAL CORP.	125,000	2,450,363	3,953,125
DRESS BARN INC.	173,400	2,006,729	1,690,650
ECKERD JACK CORPORATION	18,600	607,200	595,200
FAMILY DOLLAR STORES INC.	11,100	163,004	163,725
FEDERATED DEPARTMENT STORES	240,300	5,151,909	6,187,725
FINGERHUT COMPANIES INC.	237,100	4,397,722	3,704,688
FRED'S INC.	41,800	510,792	418,000
GAP INC.	14,400	505,548	502,200
HELIG MEYERS COMPANY	4,100	109,696	104,038
HOLLYWOOD ENTERTAINMENT	26,400	1,036,913	1,188,000
HOME DEPOT INC.	379,100	15,666,895	15,448,525
HOME FASHIONS	2	0	0
HOME FASHIONS INC.	1,586	0	0
INTERTAN INC.	190,900	1,949,314	1,431,750
K MART CORPORATION	863,000	14,387,991	12,621,376
KROGER COMPANY	80,251	1,909,593	2,156,740

INVESTMENT LISTING

COMMON STOCK

Domestic	Shares	Book Value	Market Value
LOWES COMPANIES INC.	276,900	9,261,632	8,272,388
MARKS BROTHERS JEWELERS	2,362	600,000	1
	3,794	1,000,000	0
MAY DEPARTMENT STORES CO.	563,400	20,550,160	23,451,526
MEDICINE SHOPPE INTL. INC.	74,500	1,642,695	2,616,813
MELVILLE CORPORATION	199,700	6,517,855	6,839,725
MEYER FRED INC.	75,800	2,373,773	2,056,075
MICHAELS STORES INC.	160,960	5,328,563	3,221,585
NORDSTROM INC.	92,000	3,725,151	3,806,500
OFFICEMAX INC.	138,600	3,453,173	3,863,475
PENNEY J C COMPANY	261,700	11,247,359	12,561,600
REVCO D S INC.	133,468	1,993,320	3,203,232
RHODES INC.	141,900	1,352,148	1,223,888
RITE AID CORPORATION	101,623	2,485,250	2,604,090
SAFeway INC.	18,500	663,824	691,438
SANFILIPPO JOHN B. & SON INC.	172,200	2,280,980	1,765,050
SEARS ROEBUCK & COMPANY	101,700	5,461,618	6,051,150
TJX COMPANIES INC.	39,400	509,423	522,050
TOYS R US	18,200	453,635	532,350
TUESDAY MORNING CORP.	90,000	495,531	495,000
VONS COMPANIES INC.	10,000	203,170	201,250
WABAN INC.	61,000	921,637	907,375
WAL-MART STORES INC.	1,223,400	19,911,452	32,725,950
WALGREEN COMPANY	139,500	5,411,216	6,992,438
WEST MARINE INC.	3,100	76,835	79,438
WOOLWORTH CORPORATION	188,900	4,178,686	2,857,113

SPECIAL INVESTMENT FUNDS

AVALON PROPERTIES INC.	86,800	1,722,256	1,725,150
BRINSON PARTNERS	358	3,676,349	4,063,850
BRINSON SMALL CAP TAA FUND	612,462	55,920,872	73,239,456
CARR REALTY CORPORATION	55,500	988,482	957,375
CENTERPOINT PROPERTIES CO.	108,200	2,042,727	2,231,625
CHELSEA GCA REALTY INC.	11,600	301,764	313,200
COLNIAL PROPERTIES TRUST	110,400	2,512,158	2,539,200
CRESCENT REAL ESTATE	90,300	2,404,812	2,878,313
CWM MORTGAGE HOLDINGS INC.	148,600	1,557,242	1,894,650
DEBARTOLO REALTY CORP.	6,200	90,117	90,675
IRVINE APARTMENT COMMUNITIES INC.	75,800	1,287,265	1,307,550
LIBERTY PROPERTY TRUST	63,900	1,289,146	1,254,038
LTC PROPERTIES INC.	177,500	2,442,108	2,329,688
MACERICH COMPANY	106,400	2,044,502	2,088,100
MANUFACTURED HOME COMMUNITIES	80,000	1,638,123	1,230,000
MERRY LAND & INVESTMENT	5,200	108,862	105,950
NATIONWIDE HEALTH PROPERTIES	4,400	163,990	171,600
PRIME RESIDENTIAL INC.	118,510	1,896,160	1,792,464
RFS HOTEL INVESTORS INC.	140,700	1,867,417	2,145,675
ROC COMMUNITIES INC.	65,700	1,301,465	1,453,613
ROUSE COMPANY	125,000	2,385,702	2,453,125
SECURITY CAPITAL INDUSTRIES	111,900	1,733,715	1,818,375
SIMON PROPERTY GROUP INC.	2,026,747	45,107,636	50,922,020
STORAGE USA INC.	76,000	1,906,361	2,156,500

TEXTILES AND APPARELS

AMERICAN GENERAL CORPORATION	100,100	2,110,929	3,378,375
BANTA CORPORATION	116,400	3,757,305	3,870,300
BROWN GROUP INC.	100,800	2,511,344	2,293,200
BURLINGTON INDUSTRIES INC.	86,300	943,615	992,450
CROWN CRAFTS INC.	24,000	414,842	396,000
FIELDCREST CANNON INC.	77,390	1,849,103	1,673,559
GENESCO INC.	70,300	406,285	219,688
HARTMARX CORPORATION	238,400	1,422,415	1,192,000
JONES APPAREL GROUP INC.	180,400	4,324,455	5,389,450
KELLWOOD COMPANY	188,300	2,911,721	3,201,100
LIZ CLAIRBORNE INC.	338,200	7,569,292	7,186,750
MEN'S WEARHOUSE INC.	3,300	73,571	90,750
NIKE INC.	4,700	341,289	394,800
PROFFITS INC.	108,400	2,115,003	3,224,900
QUICKSILVER INC.	23,100	128,590	606,375
V F CORPORATION	41,000	1,750,698	2,203,750
WARNACO GROUP INC.	250,000	4,055,344	5,000,000
WESTPOINT STEVENS INC.	13,800	248,460	246,675

TRANSPORTATION

AIRBORNE FREIGHT CORPORATION	20,000	401,000	405,000
ALLIED HOLDINGS INC.	106,500	1,592,916	931,875
AMR CORPORATION	14,800	921,793	1,104,450
BURLINGTON NORTHERN INC.	67,600	3,199,025	4,284,150
COMAIR HOLDINGS INC.	26,000	514,301	984,750
CONRAIL INC.	75,800	4,042,323	4,216,375
CSX CORPORATION	57,600	4,217,485	4,327,200

Domestic	Shares	Book Value	Market Value
ILLINOIS CENTRAL CORP.	208,893	6,858,810	7,206,809
KANSAS CITY SOUTHERN INDUSTRIES	3,900	152,061	145,275
KLLM TRANSPORT SERVICES INC.	101,400	1,131,912	1,216,800
LANDSTAR SYSTEM INC.	77,700	1,506,705	2,000,775
M S CARRIERS INC.	58,300	1,336,601	1,107,700
NORFOLK SOUTHERN CORPORATION	123,700	8,180,928	8,334,288
ROLLINS TRUCK LEASING CORP.	260,700	3,059,683	2,802,525
RYDER SYSTEM INC.	323,700	7,207,091	7,728,338
STOLT-NIELSEN	123,500	2,470,032	3,550,625
UAL CORPORATION	1,100	143,479	154,413
UNION PACIFIC CORPORATION	17,000	851,670	941,375

UTILITIES

AES CORPORATION	165,000	2,891,427	3,135,000
ALLEGHENY POWER SYSTEM INC.	69,300	1,528,086	1,628,550
ALLTEL CORPORATION	11,700	304,453	296,888
AMERITECH CORPORATION	92,300	3,864,334	4,061,200
AT&T CORPORATION	742,200	37,272,784	39,336,600
ATMOS ENERGY CORPORATION	113,900	1,404,561	2,306,475
BELL ATLANTIC CORPORATION	36,100	1,919,620	2,021,600
BELLSOUTH CORPORATION	67,700	3,802,044	4,298,950
BOSTON EDISON COMPANY	18,800	492,446	491,150
CENTURY TELEPHONE	154,000	4,647,784	4,369,750
CINERGY CORPORATION	2,700	69,687	70,875
CMS ENERGY CORPORATION	125,000	2,968,097	3,062,500
COLUMBIA GAS SYSTEM INC.	177,500	3,857,688	5,635,625
CONNECTICUT ENERGY CORP.	115,900	2,482,548	2,274,538
CONSOLIDATED EDISON CO.	31,400	857,204	926,300
CONSOLIDATED NATURAL GAS	13,500	487,074	506,250
DETROIT EDISON COMPANY	198,200	5,559,975	5,846,900
DOMINION RESOURCES INC.	14,600	539,565	532,900
EASTERN ENTERPRISES	76,200	1,973,697	2,276,475
ENRON CORPORATION	174,300	4,208,376	6,122,288
ENRON OIL & GAS COMPANY	43,000	1,018,038	935,250
ENSERCH CORPORATION	4,300	77,121	73,638
ENTERGY CORPORATION	351,800	9,136,742	8,487,176
EQUITABLE RESOURCES INC.	105,400	3,073,492	3,043,425
FPL GROUP INC.	39,500	1,535,530	1,525,688
FRONTIER CORPORAION	100,463	2,040,404	2,398,554
GENERAL PHYSICS CORPORATION	139,000	737,319	364,875
GENERAL PUBLIC UTILITIES	139,000	3,460,952	4,135,250
GTE CORPORATION	234,800	7,446,892	8,012,550
ILLINOVA CORPORATION	21,100	523,280	535,413
LONG ISLAND LIGHTING COMPANY	38,500	610,890	596,750
M C I COMMUNICATIONS CORP.	535,300	11,481,079	11,776,600
MINNESOTA POWER AND LIGHT	20,500	536,604	558,625
NEW ENGLAND ELECTRIC	34,434	1,133,491	1,187,973
NEW YORK STATE ELECTRIC	242,900	5,219,376	5,677,788
NICOR INCORPORATED	19,600	519,778	526,750
NIPSCO INDUSTRIES INC.	94,100	2,889,130	3,199,400
NORTHEAST UTILITIES	114,377	2,509,439	2,573,483
NYNEX CORPORATION	306,000	11,883,538	12,316,500
OKLAHOMA GAS AND ELECTRIC	3,500	121,835	122,938
P P & L RESOURCES INC.	34,500	708,735	672,750
PACIFIC GAS & ELECTRIC CO.	24,400	696,620	707,600
PACIFIC TELESIS GROUP	218,100	5,976,823	5,834,175
PANHANDLE EASTERN CORP.	59,868	1,187,294	1,459,283
PECO ENERGY COMPANY	19,000	523,450	524,875
PENNSYLVANIA ENTERPRISES	44,800	1,194,511	1,388,800
PINNACLE WEST CAPITAL CORP.	241,939	5,248,076	5,927,500
PUBLIC SERVICE ENTERPRISE	197,500	5,440,188	5,480,625
ROCHESTER GAS AND ELECTRIC	75,400	1,654,283	1,602,250
SBC COMMUNICATIONS INC.	210,000	8,032,256	10,001,250
SCE CORPORATION	61,100	926,313	1,046,338
SEAGULL ENERGY CORPORATION	41,000	1,105,135	676,500
SOUTHERN NEW ENGLAND TELEPHONE	12,000	407,898	423,000
SPRINT CORPORATION	478,600	13,669,438	16,092,926
TALISMAN ENERGY INC.	261,500	5,368,224	4,857,886
TELEPHONE & DATA SYSTEM	135,000	4,478,597	4,910,625
TEXAS UTILITIES COMPANY	291,200	11,348,958	10,010,000
U S WEST INC.	45,900	1,690,176	1,910,588
UGI CORPORATION	50,000	927,448	1,056,250
UNICOM CORPORATION	5,900	159,477	157,088
UNION ELECTRIC COMPANY	1,600	58,448	59,600
UTILICORP UNITED INC.	106,400	3,103,850	2,992,500
WILLIAMS COMPANIES INC.	61,000	1,838,450	2,127,375

TOTAL COMMON STOCK U.S. 101,425,822 2,988,476,249 3,666,439,311

COMMON STOCK

International	Shares	Book Value	Market Value	International	Shares	Book Value	Market Value
ABBEY NATIONAL	586,100	3,642,102	4,363,756	BORSUMIJ WEHRY	150,000	0	0
ABN-AMRO BANK HOLDINGS	32,025	1,121,838	1,235,147		145,000	2,391,877	2,945,824
ACACIA RESOURCES LIMITED	1,000,000	1,605,051	1,758,072	BRAMBLES INDUSTRIES	16,000	136,577	151,308
ACCOR	20,000	2,331,194	2,665,291	BRAZIL FUND	50,000	524,782	1,256,250
ACERINOX	24,018	1,743,221	2,949,433	BREMER VULKAN VERBUND	16,725	1,033,284	972,735
ADVANCE BANK AUSTRALIA	116,900	0	111,046	BRIDGESTONE CORP	170,000	2,167,472	2,502,953
ADVANCE BANK PLACEMENT	167,000	1,076,148	0	BRINSON PARTNERS INTL	7	12,290	12,290
ADVANTEST CORP	4,000	159,098	150,766	BRINSON PARTNERS	1,254,958	138,900,320	146,463,616
AEGON	107,890	2,055,318	3,729,703	BRINSON PARTNERS	240,731	26,086,392	28,427,250
AGIV AG FUER INDUSTRIE & VERK	6,750	2,305,997	2,184,813	BRINSON PARTNERS JAPAN ONLY	235,817	23,466,896	23,428,680
AHOLD NV ZAANDAM	41,177	1,213,192	1,473,927	BRITISH AIRPORT AUTHORITIES	531,800	3,585,778	4,162,520
AIR LIQUIDE	2,100	299,189	335,740	BRITISH AIRWAYS	193,050	796,085	1,265,348
AIR NEW ZEALAND	510,647	729,716	1,484,505	BRITISH COLUMBIA TELEPHONE CO	142,115	2,210,820	2,443,232
AKZO NOBEL	21,024	2,358,619	2,511,219	BRITISH GAS	1,139,000	5,328,819	5,245,842
ALCATEL ALSTHOM COMPAGNIE	30,620	2,735,411	2,759,116	BRITISH PETROLEUM CO	3,200	254,192	274,000
ALLDERS	77,300	192,648	264,400		674,560	4,398,329	4,834,575
ALLGON	135,000	1,205,338	3,207,401		33,068	2,156,012	2,831,448
ALLIANZ AKTIENGESSEL HOLDINGS	627	0	47,856	BRITISH SKY BROADCASTING	10,000	265,600	261,250
ALLIANZ AKTIENGESSELLSCHAFT HOLDINGS	777	1,391,437	1,391,650		233,400	992,708	1,019,263
ALLIED IRISH BANK	82,700	378,308	389,894	BRITISH STEEL	588,400	990,825	1,607,727
ALUSUISSE -LONZAHLDG	416	244,566	260,700		37,000	905,228	1,026,750
	2,000	664,218	1,258,571	BRITISH TELECOMMUNICATIONS	278,000	1,781,053	1,233,699
AMANO CORP	216,000	2,632,061	2,544,178	BROKEN HILL PROPRIETARY	494,760	4,948,586	6,074,737
AMCOR LIMITED	315,594	2,396,787	2,322,261	BTR	246,600	1,259,271	1,253,449
AMERICAN STANDARD SANITARYWARES	34,800	1,039,406	578,002		3,273	0	1,406
AMOY PROPERTIES LIMITED	4,000,000	5,140,487	3,515,347	BUDERUS	300	155,631	147,388
AMPOLEX LIMITED	496,800	1,595,691	1,126,981	BURNS PHILP & CO	219,058	748,056	456,553
ARES-SERONO SA COINSINS	2,000	1,028,878	1,171,773	C.I. KASEI COMPANY	128,200	1,810,540	1,241,234
ARGENTARIA CORP BANCARIA DE ES	12,420	485,307	458,992	CABIN COMPANY LIMITED	100,000	863,127	632,511
ARGYLL GROUP	109,000	247,341	582,651	CABLE & WIRELESS	69,000	404,419	472,020
ARJO	84,000	1,160,115	738,300	CADBURY SCHWEPES	158,700	1,089,957	1,158,864
ARJO WIGGINS APPLE	280,000	1,044,362	1,144,812	CANADIAN IMPERIAL BANK	48,000	1,004,752	1,153,968
ARN MONDADORI EDITORE	130,000	1,245,506	830,702	CANADIAN PACIFIC	104,222	1,727,612	1,810,857
ASAHI BANK LIMITED	225,000	2,300,242	2,398,418	CANON INC	616,000	7,678,776	10,012,753
ASAHI DIAMOND INDUSTRIAL	135,040	1,863,982	1,654,205	CANON SALE CO. INC	114,000	2,902,319	3,155,487
ASEA AB SERIES B FREE	3,150	335,524	267,345	CAPCOM	3,300	222,405	49,753
ASICS CORP	130,000	474,646	359,836	CARLTON COMMUNICATIONS	175,000	2,030,457	2,653,224
ASSICURAZIONI GENERALI	100,000	2,502,803	2,348,911	CARREFOUR	11,200	3,940,109	5,741,516
ASSOCIATED BRITISH FOODS	520,000	3,898,747	5,493,060	CARTER HOLT HARVEY LIMITED	2,206,610	5,003,029	5,397,320
ASTRA AB SERIES A FREE	114,200	2,358,386	3,520,917	CARTIERE BURGO	174,600	1,055,922	1,151,962
ATLAS COPCO AB SER A FREE	30,728	373,969	430,435	CASTORAMA DUBOIS	24,200	2,957,885	4,013,781
AUGAT INC	55,000	1,007,920	1,127,500	CBR CEMENTERIES	9,500	2,546,436	3,889,131
AUMAR (AUTOPISTAS DEL MAR	106,940	1,235,915	1,280,557	CBR CEMENTERIES PUT WARRANTS	9,500	0	87,130
AUSTRALIA & NEW ZEALAND BANKING	1,038,901	2,474,858	3,682,385	CELSIUS INDUSTRIER	112,000	2,877,700	1,699,627
AUSTRALIA GAS LIGHT	723,447	1,736,762	2,292,447	CEMENTOS DE MEXICO	198,125	1,239,908	716,305
AUTOLIV	43,900	1,373,292	2,345,241	CEMEX	23,900	507,599	170,288
AVA-ALLGEMEINE HANDELS'DER	8,925	3,934,543	3,578,770	CENTRALE SUIKER	70,000	2,432,943	3,083,521
AXA COMPAGNIE DE MIDI	70,385	3,388,169	3,804,202	CENTROS COMMERCIALES	121,014	1,370,115	1,248,582
BAER HOLDINGS	2,496	2,335,899	2,924,746	CEP COMMUNICATIONS	2,900	261,265	292,543
BANCO BILBOA VISCAYA	16,200	408,574	467,577	CEREBOS PACIFIC	45,900	270,600	269,324
BANCO CENTRAL HISPANO AMERICAN	97,033	2,177,043	2,055,405	CHA - CHEMIE HOLDINGS	3,308	881,614	705,050
BANCO DE SANTANDER	50,200	1,829,682	1,979,556	CHARGEURS	4,890	839,675	953,285
BANCO POPULAR ESPANOL	12,720	1,577,769	1,890,820	CHEUNG KONG HOLDINGS	305,000	483,146	1,509,725
BANK OF IRELAND	528,730	2,453,283	3,028,164	CHIBA BANK	30,000	251,190	272,086
BANK OF NOVA SCOTIA	50,598	1,170,069	1,092,006	CHINA LIGHT & POWER CO	288,000	1,020,137	1,481,409
BANK OF TOKYO LIMITED	41,000	598,087	656,775	CHINA NORTH INDUSTRIES	5,000,000	5,218,648	4,572,791
BANKGESELLSCHAFT SCHWEIZ	2,263	2,185,052	2,343,338	CHINA RESOURCES	10,000,000	4,121,900	3,295,638
BANQUE NATIONALE DE PARIS	26,660	1,245,753	1,286,940	CHIYODA FIRE & MARINE INSRANCE CO	151,000	970,851	848,377
BANQUE PAAARIBAS CERTS D'INVES	7,000	454,449	447,653	CHRISTIANIA BANK	340,000	628,521	768,646
BANYU PHARMACEUTICAL CO	59,000	587,021	694,242	CHUBU ELECTRIC POWER CO	26,600	700,594	726,881
BARCLAYS	42,000	287,247	451,354	CHUGAI PHARMACEUTICAL CO	85,000	764,023	859,013
BARRICK GOLD CORPORATION	48,000	1,193,525	1,212,000	CHUGOKU ELECTRIC POWER CO	30,000	860,120	819,791
BASF	800	174,190	170,624	CHUO TRUST AND BANKING CO	71,000	970,202	802,829
BASS	450,000	3,242,963	4,306,169	CIBA-GEIGY AG BASEL	5,280	2,936,942	3,863,413
BAT INDUSTRIES	355,800	2,363,949	2,722,663		3,772	1,727,620	2,763,274
BAYER	28,911	5,283,741	7,179,185	CIE FINANCIERE PARIBAS	5,500	422,929	330,851
BAYERISCHE MUENCHEN MOTORENWER	550	296,944	301,604	CITY DEVELOPMENTS LIMITED	1,377,400	3,344,109	8,427,027
BAYERISCHE VEREINSBANK	4,500	1,393,088	1,362,257	CLARINS	2,500	243,425	235,889
BBC BROWN BOVERI	3,077	-1,730,697	3,183,564	CLUB MEDITERRANEE	2,500	249,097	255,028
BCE INC	130,900	4,092,398	4,205,163	COATS VIVELLA	100,000	305,610	295,907
BCE MOBIL COMMUNICATIONS INC	14,040	166,473	467,523	COBEPA (CIE BELGE)	13,000	469,151	484,231
BEIERSDORF	3,300	1,574,231	2,615,490	COCA-COLA AMATIL LIMITED	139,043	581,526	857,538
BELTECO CORPORATION	29,000	750,544	536,280	COCO'S JAPAN COMPANY	40,000	506,769	461,723
BERLINER HANDELS & FRANKFURTER	1,000	264,560	262,987	COMMERCIAL UNION ASSURANCE CO	245,151	2,019,860	2,281,563
BERTRAND FAURE	11,000	476,623	453,842	COMMERZBANK	5,760	1,147,812	1,379,553
BEST DENKI (ELECTRIC)	16,000	256,741	237,457	COMPAGNIE BANCAIRE	1,760	190,263	210,583
BIC STE	20,000	2,412,231	3,300,671	COMPAGNIE FINANCIERE DE SUEZO	7,520	386,349	418,700
BIOCHEM PHARMA INC	8,000	129,576	175,000	CONSERV CAMPOFRIO	22,100	1,121,003	1,036,648
BLUE CIRCLE INDUSTRIES	895,000	2,994,840	4,001,034	CONTINENTAL	8,050	1,082,441	1,181,241
BOOTS CO	100,680	814,924	815,275	CORPORACION FINANCIERA REUNIDA	380,000	1,192,210	1,377,650

INVESTMENT LISTING

COMMON STOCK

International	Shares	Book Value	Market Value	International	Shares	Book Value	Market Value
COURTS COMMON STOCK	170,000	255,387	253,023	FRASER & NEAVE WARRANTS	50,000	45,087	241,503
CRA LTD.	89,800	1,343,082	1,218,438	FUJI BANK LTD. TOKYO	22,000	126,686	443,111
CREDIT COMMERCIALE DE FRANCE	15,460	679,670	692,391	FUJI MACHINE			
CREDIT LOCAL DE FRANCE	12,400	929,390	1,151,109	MANUFACTURING CO. LTD.	113,000	2,355,900	3,447,243
CREDIT LYONNAIS CERT D'INVEST	13,100	1,458,439	755,057	FUJI PHOTO FILM CO. LTD.	58,000	1,284,346	1,373,149
CREDITANSTALT-BANKVEREIN	16,470	1,063,419	971,243	FUJISAWA PHARMACEUTICAL CO.	177,000	1,890,068	1,851,313
CREDITO ITALIANO	444,000	490,894	514,542	FUJITSU LTD.	188,000	1,693,226	1,871,148
CRH				FURUKAWA CO.	200,000	1,245,843	895,174
(CEMENT ROADSTORE HOLDINGS)	62,000	348,591	420,189	GALERIES LAFAYETTE	3,200	1,023,382	1,227,849
CRH PLC (IEP) COMMON STOCK	88,700	554,098	592,424	GAS NATURAL	4,200	342,727	501,543
CSR LTD.	247,998	793,983	773,545	GB-INNO-BM	7,630	328,296	361,961
CURRENCY REALIZED GAIN	0	80,877,933	0	GEHE	9,600	1,821,822	4,425,114
CYCLE & CARRIAGE LIMITED	43,000	372,529	384,615	GENERALE DE BANQUE	2,400	758,566	1,106,278
DAI NIPPON PRINTING CO. LTD.	227,000	2,912,755	3,609,552	GETING INDUSTRIES	1,300	372,934	417,535
DAIICHI CORP.	16,000	265,538	326,032	GETRONICS	50,000	1,341,049	1,579,324
DAIICHI PHARMACEUTICAL CO. LTD.	170,000	2,329,542	2,482,929		7,300	374,052	0
DAIWA HOUSE INDUSTRIES LTD.	75,000	984,734	1,148,414		7,334	0	359,014
DAIWA SECURITIES CO. LTD.	436,000	4,865,796	4,591,110	GIO AUSTRALIA HOLDINGS	485,957	917,010	912,912
DALGETY	662,500	4,648,414	4,626,934	GIST-BROCADES	25,000	632,111	648,178
DANIELI & C OFFICINE	202,900	661,249	616,659	GKN	326,700	2,295,181	3,331,579
DANONE GROUPE	7,640	973,874	1,286,073	GLAXO HOLDINGS	79,000	562,669	969,630
DAO HENG BANK GROUP LTD.	1,435,210	3,866,438	4,377,506	GLAXO WELLCOME	118,800	2,682,902	2,895,750
DBS LAND LTD.	163,000	513,789	510,869	GOLDWIN INC.	99,000	878,375	705,479
DDI CORP.	239	1,602,284	1,914,258	GREAT EAGLES HOLDING	1,000,000	3,227,003	2,132,472
DE BEERS CONS MINES LIMITED	33,500	800,500	866,813	GROLSH	12,400	260,362	435,060
DE LA RUE	17,500	259,616	260,589	GROUPE BRUXELLES LAMBERT	23,000	2,821,716	3,079,327
DEN DANSKE BANK	21,100	1,113,368	1,324,366		166	20,937	22,254
	242,800	663,056	657,706	GUINNESS	173,400	1,167,260	1,304,828
DESCENTE LTD.	77,000	468,693	370,943	HAFSLUND NYCOMED	105,800	1,946,538	2,445,499
DEUTSCHE BANK	75,570	3,490,508	3,674,490	HAGEMEYER	34,000	1,012,318	1,515,253
DEVELOPMENT BANK OF SINGAPORE	407,000	2,701,786	4,630,626	HANG LUNG DEVELOPMENT CO. LTD.	300,000	607,250	476,898
DICKSON CONCEPTS INT. LTD.	550,000	423,055	328,756	HANG SENG BANK LTD.	441,200	3,304,825	3,364,239
DONGFANG ELECTRIC MACHINES	1,780,000	801,006	667,140	HANSON	980,907	3,842,486	3,433,155
DSM	20,000	1,027,934	1,722,025	HANSON	403,700	7,154,112	7,064,750
DT PFAND & HYP.	5,500	2,523,372	2,783,578	HARRISONS AND CROSFIELD	70	0	158
	1,100	402,874	556,716	HAVAS	11,125	890,992	881,279
DUNLOP ESTATES	1,300,000	5,882,489	3,465,956	HELEN OF TROY LIMITED	108,850	1,082,387	2,285,850
EAST JAPAN RAILWAY	100	465,180	512,369	HEILIT AND WOERNER	3,400	1,293,828	835,200
EAXX (COMPAGNIE GENERALE DES)	15,100	1,587,913	1,682,104	HEINEKEN	11,687	1,520,477	1,767,560
ECCO	4,625	450,963	726,070	HENDERSON INVESTMENT LIMITED	4,000,000	3,330,000	3,282,714
EISAI CO. LTD.	140,000	2,385,598	2,391,056	HENDERSON LAND DEVELOPMENTS CO.	902,000	5,679,850	4,942,785
ELAN	57,000	1,869,330	2,329,875	HENNES & MAURITZ	2,900	257,994	169,661
ELECTRABEL	27,780	5,185,596	5,866,914	HILLSDOWN HOLDINGS	270,000	574,430	773,177
ELECTROLUX	8,400	400,449	381,839	HIROSE ELECTRIC CO. LTD.	5,000	299,788	309,188
ELF AQUITAINE SNEA	102,624	7,186,786	7,589,624	HITACHI LTD.	802,000	6,614,592	7,982,240
	41,900	1,441,854	1,560,775	HITACHI METALS LTD.	101,000	1,175,554	1,131,346
	14,200	563,806	528,950	HOECHST	4,206	913,733	907,081
ELKEM	38,100	526,098	540,754	HOKKAIDO TAKUSHOKU BANK LTD.	160,000	629,630	437,222
ELSEVIER	1,015,550	7,612,301	11,986,175	HOKURIKU ELECTRIC POWER CO.	47,000	936,686	1,245,587
EMAIL LTD.	153,200	386,821	371,424	HOLLANDSCHE BETON GROEP	7,277	1,024,977	1,253,118
				HONG KONG ELECTRIC HOLDINGS	2,273,000	6,539,389	7,725,996
EMPRESAS ICA				HONG KONG TELECOMMUNICATIONS	2,500,000	5,269,491	4,943,457
SOCIEDAD CONTROLADORA	6,000	276,326	61,500	HONG LEONG CREDIT	1,500,000	3,648,680	7,567,679
ENDESA	27,834	1,306,144	1,374,572	HONG LEONG PROPERTIES	4,000,000	5,235,479	5,414,275
ENSO-GUTZEIT	86,200	753,654	779,881	HONSHU PAPER COMPANY	37,000	254,020	216,597
ENTERPRISE OIL	327,000	2,133,276	2,062,689	HOPEWELL HOLDINGS LIMITED	135,000	112,477	114,281
ERICSSON TELEFONE CO.	168,000	2,260,188	3,360,000	HORNBAACH BAUMARKT	675	354,653	455,982
	580,700	3,633,714	11,614,000	HOYA CORP.	95,000	1,354,602	2,797,418
	26,800	618,354	533,674	HSBC HOLDINGS	694,999	5,446,051	8,914,850
ESPIRITO SANTO FINANCIAL HOLDINGS	80,000	866,412	940,000		78,700	951,406	1,016,029
EVN ENERGIE VERSORENN	4,100	506,558	573,277	HUANENG POWER INTERNATIONAL	76,400	1,528,000	1,403,850
FAMILY MART CO. LTD.	4,000	164,269	200,236	HUARTE Y CIA	30,000	412,639	270,046
FANUC LTD.	9,000	409,083	387,987	HUME INDUSTRIES	1,000,000	3,478,653	5,455,292
FAR EAST-LEVINGTON	54,000	229,910	258,891	HUTCHISON WHAMPOA LTD.	1,825,000	6,259,559	8,821,324
FIAT SPA	109,300	401,549	385,271	IBERDROLA	65,000	464,627	489,552
FILTRONIC COMTEK	350,000	1,126,681	1,553,514	ICI AUSTRALIA LTD.	160,000	736,702	1,243,501
FINANZA AND FUTURO HOLDINGS	330,000	1,293,755	1,286,592	IMASCO	30,000	930,693	532,710
FINEMORE HOLDINGS LIMITED	525,000	1,108,304	762,954		30,000	0	357,736
FINMECCANICA SPA	1,100,000	1,073,463	692,150	IMMUNO INTERNATIONAL	2,000	1,082,872	940,891
FINNAIR	96,200	676,810	636,461	IMPERIAL CHEMICAL INDUSTRIES	2,400	120,324	117,000
FIRST OLSEN TANKERS	17,400	328,705	127,007	INCENTIVE AB SERIES FREE	8,300	309,450	333,979
FISHER GROUP	1,050,000	1,070,974	760,053	INDAH KIAT PAPER AND PULP	182,000	138,002	269,669
FLETCHER CHALLENGE LTD.	2,955,500	6,103,963	8,295,675	INDEPENDENT NEWSPAPER	181,000	775,704	562,475
FLUGHAFEN WIEN	6,140	317,326	326,754	INDUSTRIE NATUZZI	4,000	137,240	132,500
FOMENTO DE OBRAS	8,100	946,326	688,321	INSTITUT MOBILARE ITALIANO SPA	18,500	355,940	342,250
FORBO AG WARRANTS	1,200	0	2,083	INSTITUTO NAZ DELLE ASSICURAZI	2,001,500	3,204,069	2,660,631
FORBO AG ZUERICH REGD	2,400	794,594	1,170,732	INT'L UNP HOLDINGS			
FORMOSA FUND	160	1,064,000	1,367,200	LTD. WARRANTS TO PURCHASE	610,000	151,973	0
FORTIS AMEV	37,000	1,652,294	2,016,555	INTERNATIONAL UNP HOLDINGS	1,220,000	169,509	462,380
FRASER & NEAVE LTD.	378,400	2,599,766	4,359,385	INTERSHOP HOLDINGS	1,750	773,094	884,038

COMMON STOCK

International	Shares	Book Value	Market Value	International	Shares	Book Value	Market Value
INTERNATIONAL NEDERLANDEN	75,576	2,358,283	4,177,274	MITSUBISHI ELECTRIC CORP.	52,000	344,400	365,042
ISETAN CO. LTD.	26,000	467,690	352,180	MITSUBISHI ESTATE CO. LTD.	20,000	205,749	224,971
ITALCEMENTI	109,600	809,782	754,914	MITSUBISHI HEAVY INDUSTRIES	396,000	1,959,644	2,686,652
ITO-YOKADO CO. LTD.	30,000	1,398,407	1,579,510	MITSUBISHI MOTORS CORP.	156,000	1,377,983	1,284,386
ITOCHU CORP.	257,000	1,494,078	1,498,415	MITSUBISHI TRUST & BANKING CORP.	10,000	151,391	141,343
ITOCHU WAREHOUSE	88,000	717,840	414,607	MITSUI ENGINEERING & SHIPBUILDING	449,000	1,523,829	973,101
JAFCO	9,000	1,333,650	820,497	MITSUI FUDOSAN	427,000	4,329,564	4,883,608
JARDINE MATHESON	284,400	2,269,256	2,090,340	MITSUI HOME CO.	5,000	260,051	71,261
JARDINE STRATEGIC	81,000	292,252	260,820	MITSUI TRUST & BANKING LTD.	65,000	625,243	597,175
JGC CORPORATION	58,900	888,747	572,352	MIURA COMPANY LTD.	153,000	1,838,753	2,378,806
JOYO BANK LTD.	195,000	1,271,423	1,649,122	MIZUNO CORP.	127,000	1,249,147	1,151,829
JUROKU BANK	156,000	960,209	1,006,929	MO OCH DOMSJO	41,500	1,559,018	2,390,856
KAGA ELECTRONICS CO.	61,000	1,066,310	714,902	MOLSON COMPANIES LTD.	97,755	2,039,249	1,591,658
KAO CORP.	282,000	2,625,421	3,387,997	MONTEDISON	12,500	8,383	7,781
KARDEX	1,025	121,370	266,904	MOORE CORP.	100,115	2,065,219	2,215,045
KARSTADT	4,800	1,881,006	2,101,582	MOULINEX	55,500	959,234	1,342,991
KATOKICHI CO. LTD.	68,000	1,161,913	1,401,653	MUENCHENER RUECKVER	249	503,086	545,098
KAWASAKI STEEL CORP.	274,000	1,120,734	897,200	MULTI PURPOSE HOLDINGS	2,000,000	2,804,456	3,527,482
KAWASHO CORP.	187,000	712,803	770,909	MURATA MANUFACTURING CO. LTD.	25,000	946,963	945,233
KEDAH CEMENT HOLDINGS	300,000	366,762	477,441	N.G.K. SPARK PLUG CO. LTD.	104,000	1,368,007	1,151,476
KEPPEL CORPORATION LTD.	818,000	4,189,215	6,672,773	NATIONAL AUSTRALIA BANK LTD.	540,086	3,792,789	4,257,481
KERRY GROUP	21,000	122,120	138,647	NATIONAL FOODS LTD.	1,313,172	1,384,926	1,191,562
KEYENCE CORP.	15,800	1,683,172	1,767,968	NATIONAL WESTMINSTER BANK	321,730	2,396,320	2,794,648
KIM HIN INDUSTRY	212,500	861,875	993,642	NAVIGATION MIXTE	1,600	320,187	330,067
KIM HIN INDUSTRY WARRANTS	42,500	10,311	0	NEC CORP.	313,000	3,186,577	3,424,946
KINGFISHER	142,500	1,016,867	963,489	NESTLE	5,383	4,065,194	5,602,133
KISSEI PHARM COMMON STOCK	10,700	248,443	339,023	NEW STRAITS TIMES PRESS	139,000	436,833	430,455
KLM ROYAL DUTCH AIRLINES	7,300	197,516	236,820	NEWBRIDGE NETWORKS CORPORATION	93,701	3,023,814	3,302,960
KOMATSU LTD.	28,000	251,931	213,381	NEW WORLD CHINA FUND	64,000	665,600	678,400
KON KNP	131,700	3,244,043	3,958,220	NEW WORLD DEVELOPMENT CO. LTD.	354,000	858,032	1,178,094
KONE CORP.	20,240	2,248,235	2,280,697	NEWS CORP.	156,230	967,202	870,506
KONINKLIJKE TEN CATE	31,500	1,399,081	1,574,492	NEXT	130,600	313,831	709,540
KONINKLIJKE-PTT NEDERLAND	40,800	1,253,077	1,465,695	NICHIDO FIRE & MARINE INSURANCE CO.	585,000	4,264,819	4,719,980
KOREA ASIA FUND	100	660,000	1,000,000	NICHIEI CO. LTD.	48,400	2,809,496	2,981,541
KOWLOON MOTOR	115,000	216,065	206,591	NICHIMEN	222,000	880,980	933,501
KRUNG THAI BANK	125,000	227,871	506,380	NIFCO INC.	109,000	945,216	1,360,900
	1,250,000	2,682,171	5,063,800	NINTENDO CO. LTD.	54,000	3,877,829	3,097,536
KUMAGAI GUMI LTD.	2,000,000	2,618,433	1,705,977	NIPPON COMSYS CORP.	400	5,578	4,853
KVAERNER INDUSTRIER	41,850	2,187,706	1,900,730	NIPPON CREDIT BANK LTD.	81,000	453,199	400,708
	4,850	221,586	231,290	NIPPON DENSO	16,000	169,921	290,225
KYOCERA CORP.	76,000	4,493,121	6,248,313	NIPPON EXPRESS CO. LTD.	50,000	165,845	459,365
KYUSHU ELECTRIC POWER CO. INC.	70,100	1,734,613	1,890,807	NIPPON KOEI CO. LTD.	279,800	2,167,003	3,097,913
LOREAL	1,400	290,515	351,480	NIPPON PAPER INDUSTRIES CO. LTD.	30,000	538,127	194,347
LAFARGE	23,640	1,737,226	1,839,507	NIPPON SEIKO	198,000	1,274,960	1,140,428
LAIRD GROUP	56,000	327,962	313,598	NIPPON SHINPAN LTD.	119,000	953,511	762,499
LAND AND GENERAL	146,500	246,177	489,735	NIPPON SHOKUBAI CO.	255,000	2,074,611	2,249,654
LEGRAND SA	24,000	2,395,357	3,812,274	NIPPON STEEL CORP.	727,000	2,824,413	2,363,400
LIGHT SERVICOS DE ELECTRICIDAD	618,000	230,122	193,859	NIPPON TELEGRAPH & TELEGRAPH	305	2,416,868	2,550,656
LINTEC CORP.	50,000	825,704	683,159	NIPPON TRUST & BANKING CO. LTD.	231,000	982,183	780,886
LLOYDS ARBEY LIFE GROUP	186,000	980,917	1,156,998	NISHIMATSU CONSTRUCTION CO.	120,000	1,362,225	1,413,432
LLOYDS BANK	102,700	1,017,244	1,019,525	NISSAN CHEMICAL INDUSTRIES	230,000	1,613,725	1,297,648
LVHM MOET HENNESSY LOUIS VUITTON	13,266	2,479,245	2,389,112	NISSAN MOTOR CO. LTD.	210,000	1,603,191	1,340,640
LYONNAISEDES EAUX	17,370	1,527,078	1,644,014	NISSIN STEEL CO. LTD.	324,000	1,566,279	1,186,859
MABUCHI MOTORS	53,700	2,957,685	3,693,863	NITTO DENKO	92,000	1,120,205	1,430,393
MAEDA ROAD CONSTRUCTION CO.	7,000	130,784	135,218	NKK CORP.	1,130,000	2,879,456	2,648,654
MAEZAWA KASEI INDUSTRIES CO.	5,000	313,144	222,027	NOKIA	120,000	1,179,734	7,013,442
MALAYAN BANKING BERHAD	809,350	3,449,637	6,407,078		232,800	9,033,915	13,938,900
MALAYSIAN HELICOPTER SERVICES	160	0	199	NOMURA SECURITIES CO. LTD.	130,000	2,535,676	2,266,203
MALAYSIAN INTERNATIONAL SHIPPING	173,333	413,589	508,339	NORANDA INC.	58,000	915,337	1,140,860
MALAYSIAN RESOURCES CORP.	500	362	905	NORTHERN TELECOM LTD.	8,700	162,247	317,550
	1,774,000	1,583,981	3,128,876	NORWEB	50,700	644,605	548,479
	300,000	38,068	327,318	NOVUS PETROLEUM LTD.	170,000	186,941	191,616
MANNESMANN	14,451	3,272,340	4,411,204	OCE VAN GRINTEN	15,600	695,645	879,355
MANWEB	77,000	824,713	808,495	OEST EL WIRTSCH	4,480	327,064	328,623
MARUBENI CORP.	165,000	911,735	837,635	OHYAYASHI GUMI CORP.	377,000	2,835,784	2,895,237
MARUETSU INC.	81,000	773,341	682,158	OHSHO FOOD SERVICE CORP.	36,000	819,454	805,656
MARUI CO. LTD.	18,000	172,917	286,220	OITA BANK LTD.	122,850	990,328	1,056,311
MATSUSHITA ELECTRIC INDUSTRIES	501,000	6,687,592	7,789,424	OJI PAPER CO. LTD.	151,000	1,711,597	1,449,533
MATSUSHITA ELECTRIC WORKS LTD.	314,000	3,315,637	3,380,411	OMRON CORPORATION	20,000	304,806	381,627
MAYNE NICKLESS LTD.	285,994	1,661,008	1,173,871	ONWARD KASHIYAMA CO. LTD.	57,000	703,525	772,087
MAYR MELNHOF KARTON	5,620	333,022	325,063	ORIENTAL PRESS GROUP LTD.	2,279,000	1,582,952	920,436
MAZDA MOTOR CORP.	441,000	1,901,176	1,547,920	ORIX CORP.	22,000	839,628	730,744
METRA	31,700	1,046,389	1,393,244	OUTOKUMPU	94,200	1,595,529	1,563,577
MICHELIN SA CIE GENERALE	28,400	1,227,770	1,259,033	OVERSEAS UNION BANK LTD.	146,500	862,307	922,505
MIM HOLDINGS LTD.	45,079	86,526	55,924	OVERSEAS-CHINESE BANKING CORP.	733,000	3,738,823	8,129,875
MIRAAI INDUSTRY CO.	43,500	617,511	1,009,367	PACIFIC DUNLOP LTD.	1,807,564	5,499,802	3,792,891
MITSUBISHI BANK LTD.	24,000	367,598	517,316	PACIFIC MAGAZINE & PRINTING LTD.	477,936	1,077,049	880,903
MITSUBISHI CABLE INDUSTRIES	95,000	804,443	547,175	PASMINCO LIMITED	146,000	108,818	140,759
MITSUBISHI CHEMICAL CORPORATION	483,000	2,155,569	2,065,130	PATERSON ZOCHONIS	300,000	1,727,447	1,808,853
MITSUBISHI CORPORATION	19,000	248,619	215,961	PECHINEY CERT D'INVEST	14,400	829,822	830,878

INVESTMENT LISTING

COMMON STOCK

International	Shares	Book Value	Market Value	International	Shares	Book Value	Market Value
PECHINEY INTERNATIONAL	30,000	882,191	758,123	SCHMALBACH-LUBECA	31,800	1,928,933	1,975,575
PEREGRINE INVESTMENTS HOLDINGS LTD.	2,817,000	5,208,467	4,004,782	SCHNEIDER	4,100	818,805	817,571
PEREZ NAVIERA	41,300	128,014	173,512	SCHWEIZ BANKVEREIN	13,590	1,039,524	1,075,706
PETROLEOS	19,400	437,607	530,299	SCHWEIZ RUECKVER WARRANTS	2,360	179,995	417,880
PEUGEOT	22,780	3,191,280	3,162,649	SCHWEIZ RUECKVERSICHERUNG	5,240	0	76,183
PHARMACIA	70,000	1,090,303	1,518,898	SCOTTISH & NEWCASTLE BREWERIES	4,069	1,794,772	3,132,717
PHILIPS ELECTRONICS	99,920	3,148,440	4,227,509	SCOTTISH POWER	12,500	72,192	109,971
	38,500	1,255,267	1,645,875	SEARS	197,500	1,074,151	1,018,017
PHILLIPINE LONG DISTANCE				SECOM	1,320,000	2,001,282	2,089,488
TELEPHONE CO.	24,500	1,548,449	1,757,875	SEGA ENTERPRISES	68,000	3,794,201	4,269,036
PIGEON CORP.	32,000	503,844	727,446	SEITA	6,500	500,225	230,448
PILKINGTON	363,900	1,034,332	1,010,230	SEKISUI CHEMICAL CO. LTD.	33,600	932,248	1,010,599
PINAULT PRINTEMPS REDOÛTE	12,687	2,081,393	2,721,914	SEKISUI HOUSE LTD.	176,000	1,256,218	2,073,034
PIONEER INTERNATIONAL LTD.	1,379,700	3,129,736	3,423,243	SEMBAWANG CORPORATION LTD.	134,000	1,551,396	1,657,249
PLUTONIC RESOURCES	365,000	2,013,493	1,500,741	SENKO CO.	331,930	2,662,998	2,018,895
POLYGRAM	64,460	2,454,413	3,803,992	SEOL TRUST	244,000	1,512,751	1,480,099
PORTUGAL TELECOM	9,900	285,394	189,280	SEVEN-ELEVEN JAPAN CO. LTD.	20	680,000	590,000
POWERGEN	20,000	250,650	242,500	SEVENTY-SEVEN (77TH) BANK LTD.	3,000	218,620	214,488
	201,000	1,691,461	1,546,092	SGS THOMPSON MICRO ELECTRONICS	88,000	885,355	983,654
PRUDENTIAL CORPORATION	68,000	329,278	362,407	SHIN-ETSU CHEMICAL CO. LTD.	15,100	387,174	613,438
PT ASTRA INTERNATIONAL	900,000	0	1,596,195	SHIZUOKA BANK LTD.	24,000	532,713	975,000
PT BANK DAGANG NAS INDONESIA	670,000	1,118,536	1,173,237	SHO BOND CORP.	125,000	1,725,951	2,193,764
PT BANK NIAGA	600,000	2,539,211	1,751,100	SIAM COMMERCIAL BANK	157,000	2,104,250	1,960,195
PT HANJAYA MANDALA SAMPOERNA	44,000	26,483	345,730	PUBLIC CO. LTD.	10,000	554,883	329,801
PT MAYORA INDAH	32,000	286,450	146,554	SIDEL	17,900	173,121	181,284
QBE INSURANCE GROUP	829,749	2,538,274	3,293,971	SIEMENS	1,300	250,317	455,637
QF CORPORATION	36,300	422,292	332,644	SIEBE	78,000	78,130	776,805
QFL INTERNATIONAL	5,000,000	3,148,257	1,954,766	SIME DARBY BERHAD	9,800	4,068,974	4,852,207
QFL INTERNATIONAL WARRANTS	1,000,000	0	21,971	SINGAPORE INTL AIRLINES	1,522,600	3,279,366	4,246,793
RANK ORGANISATION	88,700	284,040	560,218	SINGAPORE PRESS HOLDINGS	768,800	5,838,593	7,096,616
RANSTAND	4,500	371,801	318,091		7,000	0	104,687
REDLAND	178,900	1,337,245	1,172,602	SKANDIA GROUP	35,000	594,427	523,435
REED INTERNATIONAL	30,700	383,070	431,263	SKF FRUEHER	107,400	1,971,088	2,079,681
RENAISSANCE ENERGY LTD.	65,700	1,296,153	1,358,085	SKF CORP.	155,000	1,775,535	3,129,121
	266,700	5,890,488	5,512,956	SMH SCHWEIZER GESELLSCHAFT	29,200	1,451,986	1,674,964
RENONG BERHAD	3,629,000	4,528,439	6,757,859	SMITH & NEPHEW	4,400	3,296,139	2,826,144
REPOLA	126,500	2,291,591	2,661,601	SMITH (HOWARD)	82,000	200,077	232,860
REPSOL	25,000	687,000	790,625	SMITHKLINE BEECHAM	465,872	2,265,506	2,107,038
	104,800	2,893,935	3,297,440		422,350	3,184,512	3,823,206
RESORT WORLD	85,000	837,551	498,564		7,000	255,920	316,750
REUTERS HOLDINGS	721,000	4,248,808	6,010,484	SMURFIT (JEFFERSON) GROUP	103,500	4,078,839	4,683,375
	213,600	5,996,369	10,706,700		97,800	291,532	294,581
RHEINISCH-WESTFAELISCHES ELEK	13,425	3,785,703	4,660,583		170,000	538,990	511,156
RHONE POULENC	53,000	1,269,985	1,195,028	SOCIEDAD ANONIMA	231,700	4,325,446	4,373,338
RIKEN VINYL INDUSTRIES CO. LTD.	10,000	105,929	83,628	SOCIETE GENERALE DE SURVEILLANCE	3,073	3,516,910	5,334,607
RINASCENTE PER L'ESERCIZIODI	90,100	486,443	511,616		3,500	985,846	1,124,034
RINNAI CORP.	65,800	1,565,433	1,457,060	SOCIETE GENERALE	7,360	827,659	860,881
ROAD BUILDERS	94,200	322,823	312,970	SOKKIA CO. LTD.	53,000	759,369	561,839
ROHM CO. LTD.	71,000	2,420,939	3,662,909	SOLVAY & CIE	3,970	1,541,769	2,197,223
ROTHMANS HOLDINGS LTD.	431,800	1,673,557	1,484,600	SOMMER - ALLIBERT	4,000	1,592,724	1,472,924
ROTHMANS PALL MALL	55,000	384,844	428,630	SONY CORP.	59,300	2,810,288	2,842,777
ROUSSEL UCLAF	7,080	995,307	1,105,634	SONY MUSIC ENTERTAINMENT	23,700	1,340,471	1,002,159
ROYAL O&J LTD.	16,000	244,779	222,380	SOPHUS BERENDSEN	32,500	2,192,614	3,062,859
ROYAL DUTCH PETROLEUM CO.	37,240	3,679,754	4,544,217	SOUTH CHINA MORNING	1,000,000	592,594	600,969
ROYAL DUTCH PETROLEUM CO.	36,400	3,619,324	4,436,250	SSANGYONG INVESTMENT			
ROYALE BELGE	4,000	656,706	753,404	AND SECURITIES	3,235	0	55,036
RTZ	692,861	7,317,999	9,038,635	ST. JAMES PLACE CAPITAL	1,376,300	2,696,239	2,671,258
RYOYO ELECTRIC CORP.	118,000	2,967,134	2,821,446	STAD ROTTERDAN	6,500	172,778	176,911
SAGA PETROLEUM	289,700	3,534,865	4,111,720	STET STA FINANZIARIA	806,200	2,024,210	2,228,597
SAINT GOBAIN	45,743	4,651,474	5,529,737	STOREHOUSE	47,000	106,399	199,642
SALOMON	650	250,507	294,327	STORK	6,290	279,659	169,978
SAMSUNG ELECTRIC	3,426	89,958	245,816	STRAITS STEAMSHIP CO. LTD.	65,000	0	225,116
SAMSUNG ELECTRONICS	586	0	31,498	SULZER	2,200	1,360,169	1,489,454
	4,294	0	228,140		2,230	1,039,283	1,442,019
	678	0	36,022	SUMITOMO BANK LTD.	247,000	4,546,308	4,276,692
	3,500	0	564,051	SUMITOMO CORP.	138,000	1,372,649	1,254,845
	25,900	1,203,269	1,392,125	SUMITOMO ELECTRIC INDUSTRIES	203,000	2,383,231	2,414,967
SAN MIGUEL CORP.	32,500	127,036	134,887	SUMITOMO FORESTRY CO. LTD.	70,000	1,061,928	1,162,548
SANDOZ	5,360	2,887,374	3,693,985	SUMITOMO MARINE & FIRE INSURANCE	36,000	63,594	285,372
SANDVIK	140,000	2,347,972	2,537,905	SUMITOMO METAL INDUSTRIES LTD.	965,000	3,126,459	2,511,963
SANGETSU CO. LTD.	47,000	1,114,876	1,245,587	SUMITOMO METAL MINING CO. LTD.	208,000	1,633,865	1,533,668
SANKI ENGINEERING CO. LTD.	43,000	447,707	392,522	SUMITOMO PRECISION PRODUCTS	24,000	124,145	140,212
SANKYO COMPANY LTD.	26,800	705,181	621,863	SUMITOMO RUBBER INDUSTRIES LTD.	520	5,015	3,859
SANTOS LTD.	1,046,830	2,682,502	2,508,291	SUMITOMO TRUST & BANKING CO.	423,000	5,607,224	5,131,819
SANWA BANK LTD.	169,000	3,251,317	3,184,934	SUN ALLIANCE GROUP	442,100	2,460,050	2,356,179
SANWA SHUTTER CORP.	109,000	994,008	817,824	SUN HUNG KAI PROPERTIES LTD.	388,600	2,355,781	2,875,263
SAP AG SYSTEME ANWEDUNGEN				SUN INTERNATIONAL HOTELS	3	89	135
PRODUKTE	3,300	1,351,007	4,384,582	SUZUKI MOTOR CO. LTD.	126,000	1,208,977	1,402,478
SCHERING	62,100	3,661,718	4,338,610	SVENSKA CELLULOSEA	4,000	372,077	74,160
SCHLUMBERGER LTD.	24,500	1,388,612	1,522,063				

COMMON STOCK

International	Shares	Book Value	Market Value
SWIRE PACIFIC LTD.	1,426,000	7,181,196	10,873,536
TAIHEI DENGYO KAISHA LTD.	6,600	239,256	100,283
TAIWAN FUND INC.	8,500	247,010	185,938
TAIYO YUDEN CO. LTD.	39,000	492,127	385,867
TAKASHIMAYA CO. LTD.	199,000	2,656,890	2,672,093
TAKEDA CHEMICAL INDUSTRIES	57,000	696,669	751,946
TAMPILLA	309,000	1,058,103	780,175
TATE & LYLE	65,000	442,050	439,486
TAYLOR WOODROW	1,450,000	1,976,320	2,652,826
TDK CORP.	121,000	4,622,238	5,501,313
TECHNOLOGY RESOURCES INDUSTRIES	575,000	1,955,129	1,650,944
TECK	24,000	374,336	474,264
TEIKOKU OIL COMPANY LTD.	108,000	805,694	636,044
TELEBRAS	776,957	0	0
TELECOM CORP. OF NEW ZEALAND	2,607,440	5,426,960	9,758,292
TELECOM ITALIA	118,000	343,954	319,702
TELEFONICA NACIONAL DE ESPANA	307,200	3,564,004	3,957,642
TELEFONICAS DE ESPANA	7,000	281,085	271,250
TELEFONOS DE MEXICO	26,000	1,515,584	770,250
	33,900	1,315,963	1,004,288
TELEKOM MALAYSIA	219,518	871,259	1,665,744
TELEVISION BROADCASTS LTD.	107,000	499,023	376,142
TESCO	545,800	2,150,679	2,518,109
TESSENDERLO CHEMIE	900	314,931	340,771
TEVA PHARMACEUTICAL	49,598	1,177,757	1,859,925
THK CO. LTD.	23,000	533,319	422,616
THORN EMI	114,718	1,502,395	2,381,689
TIPHOOK	56,100	632,932	105,188
TOKATSU FOODS CO. LTD.	11,000	233,706	137,338
TOKIO MARINE & FIRE INSURANCE CO.	186,000	2,120,348	2,129,477
TOKYO BROADCASTING SYSTEM INC.	16,000	264,684	228,034
TOKYO ELECTRIC POWER CO. INC.	34,300	1,038,522	1,050,416
TOKYO ELECTRON LTD.	11,000	352,211	375,737
TOKYO OHKA KOGYO CO. LTD.	68,000	1,714,175	1,850,183
TOKYO STEEL MANUFACTURING	180,000	3,513,188	3,074,215
TOKYU CORPORATION TOKYO	233,000	1,482,086	1,492,961
TOMKINS	112,000	382,601	400,907
TOSHIBA CORPORATION	410,000	2,580,135	2,593,294
TOSTEM CORPORATION	78,000	2,566,199	2,397,888
TOTAL CIE FRAN ^Q DES PETROLES	45,711	2,703,718	2,753,505
TOYO INK MANUFACTURING CO. LTD.	50,000	176,332	276,797
TOYO SEIKAN KAISHA LTD.	24,000	794,056	701,062
TOYO TRUST & BANKING	146,000	1,450,806	1,220,970
TOYOTA MOTOR CORP.	60,000	662,571	1,187,283
TRANSCANADA PIPELINES LIMITED	231,600	3,497,344	3,097,650
TRELLEBORG	110,000	1,332,859	1,284,059
TV FRANCAISE	7,000	689,581	689,531
U.S. INDUSTRIES INC.	9,309	364,424	176,454
UNILEVER	19,670	2,396,233	2,557,544
	16,200	1,667,079	2,108,025
UNION ASSURANCES FEDERALES	14,000	1,280,452	1,724,188
UNIPAPAL	49,400	1,170,984	1,329,950
UNITED ENGINEERS LTD.	49,000	314,936	311,526
UNITED OVERSEAS BANK FOREIGN	162,240	1,319,780	1,532,428
UNY CO. LTD.	51,000	662,484	816,964
URALITA	48,000	515,377	578,742
USIMINAS-USINAS	99,000	1,314,720	1,100,880
VA TECHNOLOGIES	1,900	224,490	237,947
VALMET	29,200	710,309	658,749
	91,000	1,548,306	2,052,942
VEBA	10,795	3,418,317	4,235,016
VENTURE MANUFACTURING	55,000	0	144,830
VIAG	4,170	1,434,218	1,637,450
VITRO SOCIEDAD ANONIMA	126,940	1,259,694	1,078,990
VNU	3,480	386,000	416,343
VODAFONE GROUP	925,300	2,671,575	3,437,260
	10,000	256,456	378,750
VODAFONE GROUP	204,000	1,532,310	7,726,500

International	Shares	Book Value	Market Value
VOLVO	243,600	4,938,179	4,633,407
WATERFORD GLASS GROUP	425,000	383,983	371,873
WELSH WATER	32,000	255,832	338,544
WERNER SODERSTROM	5,700	453,059	533,022
WESTERN MINING CORP. HOLDINGS	892,954	5,105,985	4,893,207
WESTFIELD TRUST	940,000	1,630,690	1,639,260
WESTMONT PROPERTIES	1,117,000	3,927,664	5,543,766
WESTPAC BANKING CORP.	300,700	836,573	1,085,016
WHARF HOLDINGS	1,388,000	4,676,401	4,529,499
WHITCOULLS GROUP LTD.	170,428	338,858	257,407
WIENERBERGER BAUSTOFFINDUSTRIE	1,000	374,676	384,232
WILLIS CORRON GROUP	231,400	2,836,084	2,776,800
WING LUNG BANK LTD.	46,000	245,669	259,800
WINTERHUR SCHWEIZ	588	594,545	353,178
WMX TECHNOLOGY	206,000	1,860,763	960,235
WOLTERS KLUWER	65,750	3,475,518	5,796,856
WOODSIDE PETROLEUM LTD.	1,349,000	3,655,413	4,496,185
WOOLWORTHS LIMITED	922,490	2,214,444	1,909,543
WPP GROUP	85,600	630,067	164,779
WUNSCH	7,900	748,029	850,444
XEBIO CO. LTD.	66,700	1,148,161	2,278,335
YAMAGUCHI BANK	21,000	412,266	400,708
YAMAHA CORPORATION	154,000	1,575,061	1,677,862
YAMAICHI SECURITIES CO.	124,000	843,473	663,088
YAMAMURA GLASS CO.	53,000	393,158	343,970
YAMATO KOGYO CO. LTD.	17,000	176,529	133,157
YAMATO TRANSPORT CO. LTD.	231,000	2,596,922	2,454,213
YASUDA TRUST & BANKING CO. LTD.	125,000	959,570	817,140
YOKOHAMA REITO CO.	172,000	1,714,595	2,066,438
SOCIEDAD ANONIMA	59,000	1,205,462	1,113,625
YTL CORP.	500,000	2,421,897	2,440,525
YURTECT CORPORATION	21,000	368,793	460,072
ZENECA GROUP	150,100	2,192,067	2,555,993
ZUERICH VERISCHERUNGS	1,300	1,318,653	1,632,758
TOTAL COMMON STOCK			
INTERNATIONAL	191,937,118	1,382,321,554	1,488,198,394

INVESTMENT LISTING

COMMON STOCK

Real Estate	Units	Book Value	Market Value
Closed End Funds			
LASALLE ADVISORS PROFILE	1	14,650,348	14,650,348
BEAR STEARNS REALTY PARTNERSHIP	1	101,289,152	106,278,592
JMB GROUP TRUST III	1	17,684,244	17,684,244
TCW REALTY FUND II	1	16,965,696	16,965,696
TOTAL CLOSED END FUNDS		150,589,440	155,578,880

Properties	Units	Book Value	Market Value
1015 LOCUST ST		15,106,453	1,885,000
1090 GEMINI ROAD		1,883,867	1,700,000
1500 LOCUST		60,329,993	53,000,000
1600 DOWNS DRIVE		2,696,556	2,255,000
1670 FRONTENAC		3,087,775	3,220,000
1674 FRONTENAC		2,701,625	3,550,000
1700 DOWNS DRIVE		5,161,477	4,880,000
230 GERRY DRIVE		3,087,536	3,025,000
2301 WINDOR CT		8,293,640	7,225,000
330 SOUTH EXECUTIVE DRIVE		8,824,994	6,140,000
3605 SWENSON AVENUE		3,784,342	3,250,000
3900 NORTHWOODS		9,523,220	6,400,000
4200 COMMERCE COURT		3,406,535	0
451 KINGSTON CT		2,866,183	2,100,000
6240 CARMEN		6,458,293	6,265,000
865 XENIUM LANE		2,972,806	3,950,000
800 WEST THORNDALE		4,087,195	2,630,000
ARAPAHOE VILLAGE		6,538,063	5,680,200
ASHLAND II LAND & OUTPARCELS		150,000	160,000
AUTUMN CHASE		9,953,624	10,260,000
BAYTECH		1,067,983	1,067,983
BIRCH		1,668,733	1,668,733
BRECKENRIDGE PLACE		36,698,352	22,500,000
BRELL AUSTIN CORPORATION		1,920,647	2,713,650
BRELL BIXBY CORPORATION		117,308	913,691
BRELL BRIDGES CORPORATION		1,066,392	1,473,869
BRELL CREEKSIDE CORPORATION		3,081,007	2,889,943
BRELL GRAND PRAIRIE CORPORATION		4,007,384	5,871,741
BRELL ICC CORPORATION		737,611	731,702
BRELL KENT CORPORATION		4,721,513	4,721,555
BRELL OAKLEAF CORPORATION		1,469,067	1,457,865
BRELL RICHARDSON CORPORATION		2,718,340	3,428,737
BRELL SILVER HILLS CORPORATION		713,539	620,342
BRELL TORANCE CORPORATION		1,229,877	1,439,151
BRELLI CANYON PLAZA CORPORATION		910,298	798,095
BRELLI LONGWOOD CORPORATION		953,276	1,154,132
CALIFORNIA MORTGAGE PORTFOLIO I		8,524,361	9,704,349
CALIFORNIA MORTGAGE PORTFOLIO II		45,338,815	49,504,673
CALIFORNIA MORTGAGE PORTFOLIO III		8,883,840	9,490,544
CAMERON COURT		2,763,035	2,763,035
CAPITAL BUSINESS CENTER		2,752,576	2,752,576
CANTERWOOD		7,957,632	9,633,583
CENTRE POINT PLAZA		1,335,218	1,335,218
CLACKAMAS TOWN CENTER		104,953,098	104,572,104
COBBLESTONE COURT		18,871,762	16,355,014
CORPORATE CAMPUS EAST III		26,307,034	16,509,578
COSTA MESA		40,478,502	22,880,000
CROSSROADS I		7,439,050	7,100,000
CRYSTAL COURT		8,058,851	7,524,351
CYPRESS TRACE		30,980,246	17,000,000
DATA GENERAL		7,539,081	5,200,000
DORAL FINANCIAL PLAZA		6,515,031	6,515,031
ELMWOOD INDUSTRIAL CENTER		2,833,315	1,900,000
FACTORY STORES AT HERSHEY		15,833,056	22,733,056
FARIFAX COURT		16,561,077	18,654,120
FOREST PARK MALL		7,400,000	7,400,000
FRANKLIN LAKE SELF PARK		27,956,405	15,525,000
FREMONT		1,324,425	1,324,425
GAITWAY PLAZA		17,247,041	14,003,653
GATEWAY OAKS PLAZA LAND		3,295,414	3,530,000
GM - EL PASO		11,816,021	11,816,021
GMO LAND		22,343,717	16,050,000
GOODLUCK LAND		447,060	410,000
HAMPTON ROADS PORTFOLIO		28,235,898	28,235,898
HARRISON SQUARE		3,817,500	3,020,000
HARTFORD INDUSTRIALS		14,100,000	14,100,000
HERRON OFFICE BUILDING		4,607,104	4,607,104
HYTEK		877,558	877,558
IMG PARHAM OFFICE & LAND		721,147	1,690,000
INTERSTATE CROSSINGS		9,844,645	4,913,189
ITC/LUNDY		3,585,700	3,585,700
KINGSTON COURT LAND		2,938,730	2,440,000

Real Estate	Book Value	Market Value
LAGUNA HILLS	7,318,272	8,230,000
LAKES OF BELLEVUE	24,842,310	24,610,000
MATTHEESUSSEN HOUSE	311,191	615,000
MAYHEW TECH CENTER	15,440,754	16,050,000
MENDOTA HEIGHTS	18,323,207	10,550,000
METROPLEX MIRAMAR	9,799,834	9,799,834
METROPOLITAN I & II	35,133,424	35,133,424
MISCELLANEOUS ASSETS	269,424,316	270,561,270
MIZNER	9,644,653	9,644,653
MONTBELLO INDUSTRIAL PARK	13,075,287	11,337,330
MONTGOMERY LANE	480,000	663,000
NEW MARKET	10,200,000	10,200,000
NORTH LAKE BUSINESS PARK	26,763,871	14,916,163
NORTHILL	1,683,885	1,683,885
OAKBROOK CENTER LAND	75,616,704	75,700,000
OAKS OF EAGLE CREEK	22,298,898	27,960,000
OAKS OF OAKBROOK	12,923,233	14,700,000
OLYMPUS	824,408	824,408
ORLANDO MARRIOTT AIRPORT HOTEL	26,835,285	16,728,789
ORLANDO MARRIOTT INT'L HOTEL	50,602,823	20,719,289
PACIFIC SHORES LIMITED PARTNERSHIP	6,270,243	6,270,243
PARKWAY CROSSING	1,155,064	1,662,200
PEMBROOKE LAND	1,893,130	5,000,000
PLAZA AT BUCKLAND HILLS	18,945,557	33,859,580
POTOMAC LOANS	54,485,968	65,762,000
QUAIL LAKES EXECUTIVE PARK	3,250,000	3,250,000
RESIDENZ	16,404,587	18,880,000
RIDGE PLAZA	7,736,297	3,729,690
RIDGEWOOD COURT	11,494,859	11,746,348
RIVA 400 LAND	1,841,640	3,175,000
RIVER ROAD BUSINESS CENTER	11,835,558	7,525,000
ROYAL EAGLE PLAZA	17,782,408	11,255,175
SAN JUAN CORPORATE PARK	3,400,000	3,400,000
SAN MARCO APARTMENTS	20,024,354	21,729,614
SAN REMO	91,347	91,347
SEEQ1 1846	1,895,097	1,895,097
SEEQ1 1847	1,427,622	1,427,622
SEMINOLE TOWNE PLAZA	60,000,000	60,000,000
SOMERSET	34,141,459	29,200,000
SOUTHPARK SQUARE	4,926,284	5,851,379
ST CHARLES #12	6,168,650	5,950,000
ST CHARLES LAND	12,678,895	9,500,000
STONE MOUNTAIN FESTIVAL	27,554,290	22,400,000
SUNFOREST APARTMENTS	25,671,997	28,250,000
SUPER 8 MOTELS	15,070,000	15,070,000
SWAN CREEK	548,366	641,165
TECH WEST I	9,704,720	6,855,000
TETCOM OFFICE BUILDING	3,776,172	4,200,000
THE AVENUES	63,999,586	73,000,000
THE YARDS PLAZA	18,370,699	15,571,227
THUNDERBIRD INDUSTRIAL CENTER	1,610,000	1,610,000
TIMBER HOLLOW	12,223,282	13,000,000
TIME & LIFE BUILDING	66,999,285	33,100,000
TR KOLL HOTEL CIRCLE CORPORATION	2,360,516	2,836,637
TR KOLL IMPERIAL CORPORATION	860,343	1,277,801
TR KOLL KL CORPORATION	1,394,432	1,439,025
TR KOLL LOT 7 CORPORATION	660,394	761,967
TR KOLL PHASE III CORPORATION	462,140	502,543
TR KOLL TUSTIN CORPORATION	2,019,172	2,301,665
TR KOLL VOSS CORONA CORPORATION	3,156,163	2,255,401
TR KOLL WESTCHESTER CORPORATION	2,599,474	3,500,827
TROY TRADE CENTER	2,590,000	2,590,000
VERMONT SHOPPING CENTER	3,742,195	10,644,750
VILLAGE PARK PLAZA	23,107,811	28,362,623
VIRGINIA BEACH TOWNHOMES	234,240	500,000
WEDGEWOOD I	10,477,954	7,750,000
WEST CHAPMAN	1,402,911	1,402,911
WEST TOWN CORNERS	23,417,108	19,270,699
WESTLAND PARK PLAZA	11,408,186	7,210,837
WHITE OAKS MALL	5,000	5,000
WILDWOOD	10,476,850	8,390,000
WILLIAMS PLAZA I	28,349,788	14,400,000
WILLIAMS PLAZA II	28,264,553	15,690,000
WILLOW KNOLLS COURT	14,635,140	18,706,373
REAL ESTATE RESERVES	-21,725,278	0
TOTAL PROPERTIES	2,073,298,313	1,901,963,964
TOTAL REAL ESTATE	2,223,887,753	2,057,542,844

COMMON STOCK

Alternative Investments				Alternative Investments			
	Units	Book Value	Market Value		Units	Book Value	Market Value
A. MCCALLISTER	0	294,769	376,949	MARINE	0	378,858	509,274
AGLE	0	296,167	468,514	MARKS BROS. JEWELERS INC.	600,000	600,000	600,000
ALEXANDER	0	426,880	521,086	MCKAY	0	157,723	219,308
ANDERSON	0	218,360	296,773	MCMAHON	0	222,107	285,925
BAGG	0	263,546	350,755	MELVIN	0	187,574	224,775
BARKLEY	0	2,698,993	2,849,709	MERIDIAN	0	8,637,466	8,743,328
BARLING	0	290,886	320,720	MIDDAY	0	373,742	489,600
BARTEL	0	647,184	702,427	MIDDLESWORTH	0	252,557	276,834
BATTS	0	364,222	454,681	MILLER	0	228,766	301,233
BECKNER	0	349,034	381,347	MOYER	0	178,905	223,200
BEMENT	0	1,246,576	1,266,760	NAFZIGER	0	163,587	185,661
BESECKER	0	235,927	276,248	NEESE	0	286,366	370,778
BETHANY	0	1,446,990	1,491,023	NICKERSON	0	1,158,017	1,161,300
BLACK BAYOU	0	1,062,474	1,061,024	NICKERSON 10A	0	57,192	57,350
BLISS	0	560,506	712,227	NUGENT	0	771,314	739,825
BLUE RIDGE	0	680,675	680,675	NW MUTUAL	0	3,410,245	4,138,200
BOYER	0	84,326	106,645	O. REESER	0	324,898	422,928
BRADEN	0	1,015,050	1,063,233	ODUM TRUST	0	359,414	448,000
BRADEN 2	0	2,388,201	2,484,960	P. ALMONDS IV	0	4,361,909	4,800,000
BUCK LAKE	0	823,878	906,390	PANKEY	0	159,843	221,910
CALLAWAY	0	465,638	598,838	PENMAN PRIVATE EQUITY	1	45,682	45,682
CENTERVILLE	0	492,667	492,099	PEOPLES STREET	0	470,465	601,409
CHILD ESTATE	0	262,971	360,899	PETERSON	0	169,343	232,557
CISCO	0	1,280,102	1,438,995	PHOENIX	0	788,771	976,298
CLAYBAUGH	0	1,073,892	1,103,000	PHOENIX MUTUAL	0	1,644,470	1,943,567
COLOBRAS	0	1,271,572	1,587,670	PORTAGE CREEK	0	1,284,500	1,825,000
CORNER GROVE	0	312,717	419,000	PREM. VINEYARDS 1	0	1,617,718	1,344,000
COTTONWOOD (PA7)	0	341,244	336,000	PRESS	0	491,581	676,775
COURT CREEK	0	853,859	932,223	RE RESOURCES	0	163,827	160,000
DAHMS	0	997,768	1,006,990	REDLIN TRUST	0	281,699	350,265
DARR	0	960,421	1,170,950	REESE	0	366,965	431,475
DAVIS	0	540,220	780,526	RIVER LAKE	0	262,961	277,225
DELAND	0	1,401,083	1,403,747	RIVERSIDE	0	423,435	425,984
DICK	0	283,949	349,164	ROSE	0	91,220	128,154
DLJ MERCHANTING BANKING	1	22,400,336	23,452,108	RUSSELL	0	748,127	997,321
DONALDSON	0	140,065	149,777	RUSSELL (IN)	0	1,065,611	1,215,650
EASON TRUST	0	2,946,974	3,275,429	SAVERDA	0	242,938	231,000
EDWARDS	0	183,012	231,028	SACHS	0	639,974	668,000
ERB	0	450,371	582,506	SACK	0	603,840	642,175
ESPE	0	154,168	204,296	SAE CORPORATION	0	999,873	536,400
FELLMY	0	131,311	176,056	SANDLER CAPITAL MANAGEMENT	1	6,548,505	6,548,505
FENCHURCH BETA FUND	1	5,000,000	3,958,030	SAXE TRUST	0	546,513	541,673
FILLERS	0	157,478	168,231	SAYBROOK	0	1,958,565	2,247,624
FISCHER	0	326,937	368,950	SCHABLE	0	182,440	223,590
FOSHAY	0	1,262,156	2,091,034	SCHUMACHER	0	136,320	172,292
FRONTENAC VENTURE IV	10,000,000	612,353	1,934,889	SERENOA CITRUS	0	2,399,628	2,262,652
FRONTENAC VENTURE V	1	7,442,006	6,638,410	SERENOA GROVE	0	2,981,466	3,217,773
FRONTENAC VI LIMITED PARTNERSHIP	1	8,210,390	9,247,080	SERENOA VEGETABLES	0	4,663,110	4,970,000
FRYBARGER	0	272,754	316,222	SEYMOUR	0	929,350	930,000
GALESVILLE	0	947,950	947,652	SHAWBACK	0	330,997	432,000
GREEN	0	179,745	237,200	SMITH	0	102,493	144,425
HAACK	0	545,731	550,200	STEINMAN	0	939,967	1,038,000
HAGEMEISTER	0	237,586	282,878	STONE KING	0	186,740	210,000
HAMMOND	0	916,486	923,680	SUDDUTH	0	556,714	581,760
HARLOW	0	403,237	453,903	SUNWORLD	0	8,048,358	8,760,000
HEAD	0	221,087	322,050	TENNECO	0	2,478,928	2,818,354
HOESMAN	0	269,156	329,035	TENNECO WEST	0	8,083,582	12,830,738
HOLLY LANE	0	809,411	1,002,763	TERRA FARMS	0	153,528	188,846
HUNT	0	164,987	208,602	THOMPSON	0	170,403	234,573
HURLOCK	0	218,388	272,364	THOMPSON	0	294,370	351,000
HUSTED	0	265,163	299,776	TWB/F/B LIMITED			
HYATT	0	188,351	213,288	PARTNERSHIP	4,600,000	1,500,000	100,000
IDC-COLES	0	1,260,773	1,722,753	WPG ENTERPRISE FUND L.P.	1	29,541,054	47,483,856
IDC-MACON	0	2,016,100	2,265,888	WPG ENTERPRISE FUND II	1	14,011,916	16,309,769
IDC-MCDONOUGH	0	612,382	771,225	WALL ESTATE	0	396,928	497,619
IDC-PIATT	0	2,386,234	2,828,000	WATSON	0	331,867	375,360
IND. UNIVERSITY	0	171,272	224,000	WHITE	0	289,479	382,708
JAMES	0	154,091	153,892	WHITSON	0	174,224	222,353
JEFFERIES	0	1,434,265	1,249,150	WILLOW BRANCH	0	1,251,104	1,255,608
KEJBER	0	8,384,422	9,087,120	WINROCK	0	695,891	726,143
KLEMMER	0	270,384	304,640	WRIGHT	0	972,691	1,265,901
KNEDLER	0	211,195	283,746	WYFFEL	0	148,732	171,419
KUHLMAN	0	188,332	238,500	YAZOO RIVER	0	476,350	482,956
LAKE CITY	0	1,308,416	1,335,852	YOUNGER	0	318,283	400,973
LEHMAN	0	200,568	226,440	ZARTMAN	0	394,821	476,502
LEVY RESTAURANT	596	1,436,800	1,436,800	ZEWADSKI	0	353,187	388,398
LINDSEY	0	7,550,969	4,255,483	TOTAL ALTERNATIVE			
LOSASSO	0	148,051	182,424	INVESTMENTS	15,200,604	246,049,077	262,071,315
LYTLE	0	1,621,882	2,052,183	TOTAL FUND		12,499,068,172	13,210,761,238
MADDOX	0	8,480,658	8,486,599				

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