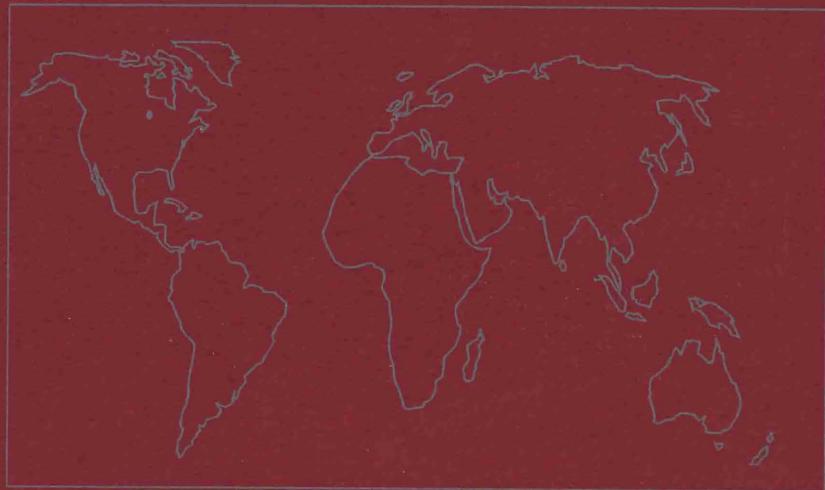




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1993 ANNUAL REPORT



MINNESOTA  
STATE BOARD  
OF INVESTMENT

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## 1993 ANNUAL REPORT

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# MINNESOTA STATE BOARD OF INVESTMENT

Governor Arne H. Carlson

State Auditor Mark B. Dayton

State Treasurer Michael A. McGrath

Secretary of State Joan Anderson Growe

Attorney General Hubert H. Humphrey III

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MINNESOTA  
STATE  
BOARD OF  
INVESTMENT



**Board Members:**

Governor  
Arne H. Carlson

State Auditor  
Mark B. Dayton

State Treasurer  
Michael A. McGrath

Secretary of State  
Joan Anderson Grawe

Attorney General  
Hubert H. Humphrey III

**Executive Director:**

Howard J. Bicker

Suite 105, MEA Bldg.  
55 Sherburne Avenue  
St. Paul, MN 55155  
(612)296-3328  
FAX (612)296-9572

**The Minnesota State Board of Investment is pleased to submit its 1993 Annual Report.**

Returns from the capital markets were very strong for fiscal year 1993. Both the stock and bond markets exceeded their historical averages over the twelve months ending June 30, 1993. The stock market performed well primarily due to lower interest rates and positive economic news. The bond market also performed well for the fiscal year due to the decline in interest rates. Returns on most financial assets exceeded the rate of inflation for the year.

**Several events should be highlighted for the year:**

- The Basic Retirement Funds, the largest group of funds managed by the Board, produced a total rate of return of 14.4% for fiscal year 1993. (Refer to page 7.)
- The Post Retirement Investment Fund will provide a life-time benefit increase of 6.0% for eligible retirees beginning January 1, 1994. This is the first post retirement benefit increase generated under the new formula enacted by the 1992 Legislature. (Refer to page 31.)
- The Basic Retirement Funds reached its 10% allocation target in international stocks. (Refer to page 7.)
- The Post Retirement Investment Fund moved from a 10% stock position at the end of fiscal year 1992 to its new target allocation of 50% stocks by the end of fiscal year 1993. (Refer to page 31.)
- The Board selected eight insurance companies to provide tax sheltered annuity contracts to teachers statewide under the 403(b) program. (Refer to page 79.)

**On June 30, 1993, assets under management totaled \$22.6 billion.** This total is the aggregate of several separate pension funds, trust funds and cash accounts, each with differing investment objectives. In establishing a comprehensive management program, the Board develops an investment strategy for each fund which reflects its unique needs. **The primary purpose of this annual report is to communicate the investment goals, policies, and performance of each fund managed by the Board.** Through the investment programs presented in this report, the Minnesota State Board of Investment will continue to enhance the management and investment performance of the funds under its control.

Sincerely,

A handwritten signature in black ink that reads "Howard J. Bicker".

Howard J. Bicker  
Executive Director

## INVESTMENT ADVISORY COUNCIL

---

The Legislature has established a 17-member Investment Advisory Council to advise the Board and its staff on investment-related matters.

- The Board appoints ten members experienced in finance and investment. These members traditionally have come from the Minneapolis and St. Paul corporate investment community.
- The Commissioner of Finance and the Executive Directors of the three statewide retirement systems are permanent members of the Council.
- Two active employee representatives and one retiree representative are appointed to the Council by the Governor.

The Council has formed three committees organized around broad investment subjects relevant to the Board's decision-making: Asset Allocation, Stock and Bond Managers and Alternative Investments.

All proposed investment policies are reviewed by the appropriate Committee and the full Council before they are presented to the Board for action.

### Members of the Council

Gary Austin	Executive Director	Teachers Retirement Association
David Bergstrom	Executive Director	Mn. State Retirement System
John E. Bohan	Vice President, Pension Investments	Grand Metropolitan - Pillsbury
James R. Eckmann	Assistant Treasurer	Dayton Hudson Corporation
Kenneth F. Gudorf	President	Gage Investments
John M. Gunyou	Commissioner	Mn. Department of Finance
Laurie Fiori Hacking	Executive Director	Public Employees Retirement Assoc.
David B. Jeffery	Vice President and Resident Manager	Shearson Lehman Bros.
Keith Johnson	Retiree Representative	
P. Jay Kiedrowski	Executive Vice President	Norwest Bank Minnesota
Han Chin Liu	Active Employee Representative	
Malcolm W. McDonald**	Director & Corporate Secretary	Space Center, Inc.
Gary R. Norstrem	Sr. Vice Pres., Institutional Marketing	Piper Capital Management
Barbara Schnoor	Active Employee Representative	
Michael L. Troutman	Sr. Manager, Investment Programs	Board of Pensions, ELCA
Deborah Veverka	Vice President, Pension Investments	Honeywell, Inc.
Jan Yeomans*	Director, Benefit Funds & Fin'l. Markets	3M Co.

\*Chair

\*\*Vice-Chair

### CONSULTANTS

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Richards & Tierney, Inc.  
Pension Consulting Alliance

General Consultant  
International Consultant

Chicago, Illinois  
Studio City, California

## **INVESTMENT BOARD STAFF**

---

Howard Bicker	Executive Director
Beth Lehman	Assistant Executive Director
James E. Heidelberg	Assistant to the Executive Director

### **Investment Management Staff\***

Michael J. Menssen	Manager, Domestic Equity Investments
Lois Buermann	Investment Analyst, External Equities
Roger W. Henry	Index Portfolio Manager
A. Arthur Kaese	Investment Analyst, Internal Equities
James H. Lukens	Manager, Fixed Income Investments
Mansco Perry III	Investment Analyst, External Fixed Income
N. Robert Barman	Investment Analyst, Internal Fixed Income
John N. Griebenow	Manager, Alternative Investments
Daniel L. Egeland	Investment Analyst, Alternative Investments
John T. Kinne	Manager, Short-Term Accounts
Harold L. Syverson	Security Trader, Short-Term
Arthur M. Blauzda	Investment Analyst, Shareholder Services
Deborah F. Griebenow	Investment Analyst, Management Reporting

### **Administrative Staff**

L. Michael Schmitt	Administrative Director
Mable E. Patrick	Accounting Supervisor
Thomas L. Delmont	Accounting Officer, Intermediate
Nancy L. Wold	Accounting Officer
Kathy Sears	Computer Operator
Charlene Olson	Secretary to the Executive Director
Lin Nadeau	Secretary, External Programs
Carol Nelson	Secretary, Internal Programs
Lavern Jagg	Receptionist

\* as of January 1994

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PART TWO of the Minnesota State Board of Investment's 1993 Annual Report contains financial statements, asset listings and accounting data.

## **INTRODUCTION**

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**A**ll investments undertaken by the Minnesota State Board of Investment (SBI) are governed by the common law prudent person rule and other standards codified in *Minnesota Statutes*, Chapter 11A and Chapter 356A.

### **Prudent Person Rule**

The prudent person rule, as codified in *Minnesota Statutes* 11A.09, requires all members of the Board, Investment Advisory Council, and SBI staff to “*...act in good faith and ...exercise that degree of judgment and care, under circumstances then prevailing which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived therefrom.*” *Minnesota Statutes* 356A.04 contains similar codification of the prudent person rule applicable to the investment of pension fund assets.

### **Authorized Investments**

In addition to the prudent person rule, the *Minnesota Statutes* contain a specific list of asset classes available for investment, including common stocks, bonds, short term securities, real estate, venture capital, and resource funds. The statutes prescribe the maximum percentage of fund assets that may be invested in each asset class and contain specific restrictions to ensure the quality of the investments.

### **Investment Policies**

Within the requirements defined by state law, the State Board of Investment, in conjunction with SBI staff and the Investment Advisory Council, establishes investment policies for all funds under its management. These investment policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure, and specific performance standards.

The Board’s policy concerning investment in companies with direct investment in South Africa is described in the Major Policy Initiatives section of this report. The Board’s prohibition on holding the stock of any company which generates more than fifty percent of its revenues from the sale of liquor or tobacco was lifted as of April 1, 1993. Its prohibition on investing in the stock of American Home Products remained in effect throughout fiscal year 1993.

In recent years, the Board, its staff, and the Investment Advisory Council have conducted detailed analyses of each of the funds under the SBI’s control that address investment objectives, asset allocation policy and management structure. The results of these

## **INTRODUCTION**

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studies guide the on-going management of these funds and will be updated periodically.

### **Report Format**

All SBI returns shown in this report are net of transactions costs and management fees. **The annual report is published in two volumes.** This volume, **Part One**, contains the text describing the investment policies and performance for each of the funds managed by the SBI. It also contains statistical data on the Board's managers. The second volume, **Part Two**, contains audited financial statements, asset listings and accounting data.

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## **FUNDS UNDER MANAGEMENT**

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**Basic Retirement Funds**

**Post Retirement Investment Fund**

**Supplemental Investment Fund**

**Permanent School Trust Fund**

**Assigned Risk Plan**

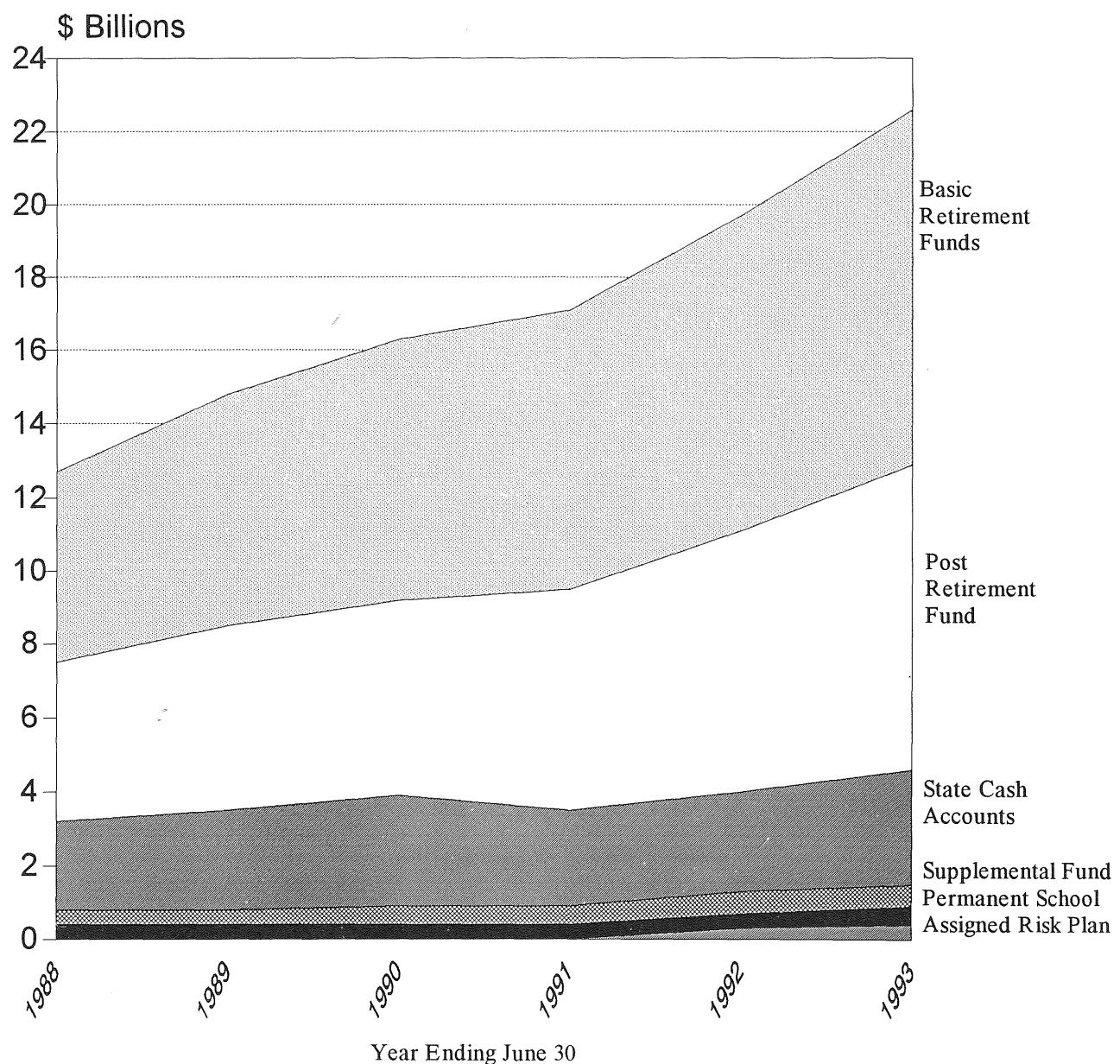
**Environmental Trust Fund**

**State Cash Accounts**

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## Growth in Assets

Fiscal Years 1989 - 1993



## FUNDS UNDER MANAGEMENT

---

### Basic Retirement Funds

The Basic Retirement Funds contain the pension assets of the currently working participants in eight major statewide retirement plans:

• Teachers Retirement Fund	\$ 4,230 million
• Public Employees Retirement Fund	2,216 million
• State Employees Retirement Fund	1,951 million
• Public Employees Police and Fire Fund	913 million
• Highway Patrol Retirement Fund	144 million
• Correctional Employees Fund	102 million
• Police and Fire Consolidation Fund	159 million
• Judges Retirement Fund	7 million

**Market Value  
June 30, 1993  
\$ 9.7 billion**

### Post Retirement Investment Fund

The Post Retirement Investment Fund is composed of the reserves for retirement benefits to be paid to retired employees. Life-time retirement benefit increases are permitted based on both inflation and investment performance.

**\$ 8.3 billion**

### Supplemental Investment Fund

The Supplemental Investment Fund includes assets of the state deferred compensation plan, supplemental benefit arrangements, various retirement programs for local police and firefighters, and the unclassified employees of the state. Participants may choose among six separate accounts with different investment emphases designed to meet a wide range of investor needs and objectives.

**\$ 0.6 billion**

• Income Share Account	stocks and bonds	\$ 307 million
• Growth Share Account	actively managed stocks	98 million
• Common Stock Index Account	passively managed stocks	36 million
• Bond Market Account	actively managed bonds	19 million
• Money Market Account	short-term debt securities	67 million
• Fixed Interest Account	guaranteed investment contracts	71 million

### Permanent School Trust Fund

The Permanent School Trust Fund is a trust established for the benefit of Minnesota public schools.

**\$0.5 billion**

### Assigned Risk Plan

The Minnesota Workers Compensation Assigned Risk Plan is the insurance company of last resort for companies unable to obtain private worker compensation insurance. The SBI is the investment manager for the fund's portfolio.

**\$ 0.4 billion**

### Environmental Trust Fund

The Environmental Trust Fund is a trust established for the protection and enhancement of Minnesota's environment. It is funded with a portion of the proceeds from the state's lottery. The fund was \$47 million on June 30, 1993.

**\***  
(less than 0.1 billion)

### State Cash Accounts

These accounts are the cash balances of state government funds, including the Invested Treasurers Cash Fund, transportation funds, and other miscellaneous cash accounts. All assets are invested in high quality, liquid short-term debt securities.

**\$ 3.1 billion**

### Total Assets

**\$22.6 billion**



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## **BASIC RETIREMENT FUNDS**

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**Investment Objectives**

**Asset Allocation**

**Investment Management**

**Investment Performance**

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## **BASIC RETIREMENT FUNDS**

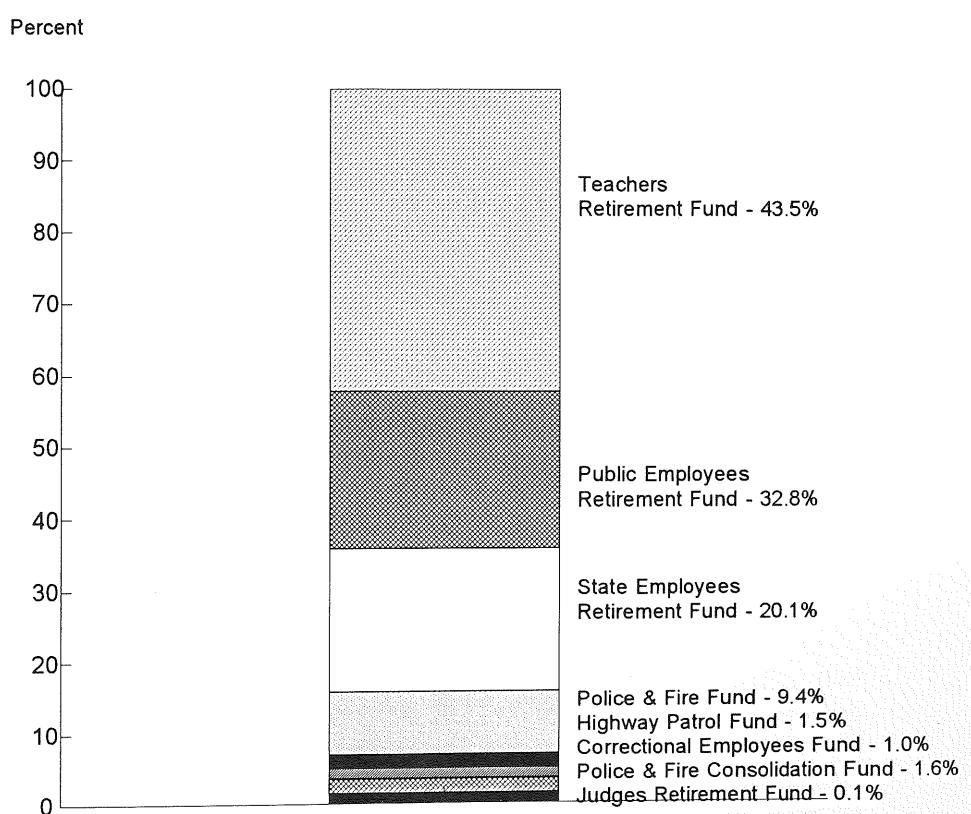
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**T**he Basic Retirement Funds are composed of the retirement assets for currently working participants in eight statewide retirement funds.

Figure 1 identifies the individual retirement funds which comprise the Basic Funds. The Funds serve as accumulation pools for the pension contributions of public employees and their employers during the employees' years of active service. Approximately 250,000 public employees participate in the Basic Funds. On June 30, 1993 the market value of the Funds was \$9.7 billion.

---

*Figure 1.*  
*Participating*  
*Funds*  
*FY 1993*



### INVESTMENT OBJECTIVES

The State Board of Investment (SBI) has one overriding responsibility with respect to its management of the Basic Funds: to ensure that sufficient funds are available to finance promised retirement benefits.

**Actuarial  
Assumed  
Return**

The Basic Funds invest the pension contributions of most public employees in the State of Minnesota during their working years. Employee and employer contribution rates are specified in state law as a percentage of an employee's salary. The rates are set so that contributions plus expected investment earnings will cover the projected cost of promised pension benefits. In order to meet these projected pension costs, the Basic Retirement Funds must generate investment returns of at least 8.5% on an annualized basis, over time.

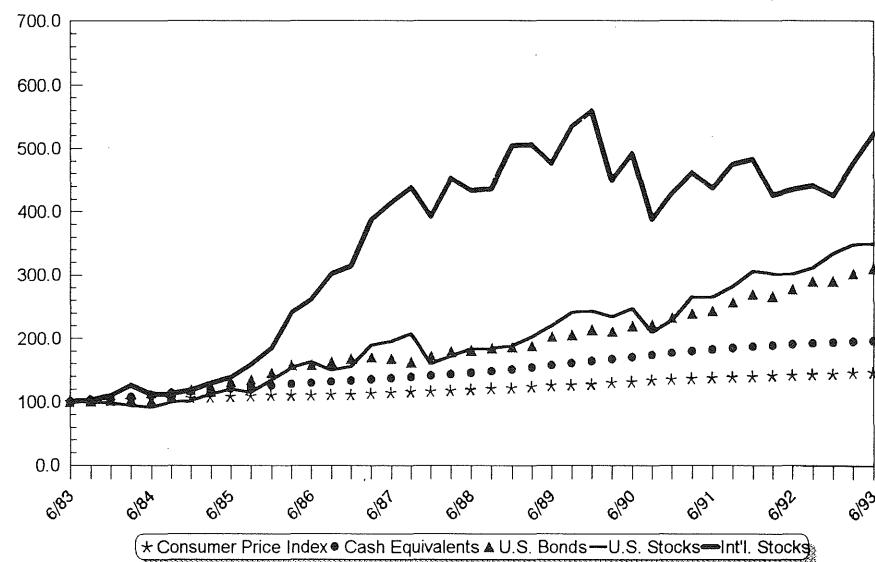
**Time  
Horizon**

Normally, pension assets will accumulate in the Basic Retirement Funds for thirty to forty years during an employee's years of active service. This provides the Basic Funds with a long investment time horizon and permits the Board to take advantage of the long run

*Figure 2.  
Performance of  
Capital Markets  
FY 1984-1993*

### PERFORMANCE OF CAPITAL MARKETS

Cumulative Returns



Indices used are: Morgan Stanley's Index of Europe, Australia and the Far East; Wilshire 5000 Index; Salomon Broad Investment Grade Bond Index; 91 Day Treasury Bills; and the Consumer Price Index.

return opportunities offered by the capital markets in order to meet its actuarial return target.

As illustrated in Figure 2, historical evidence strongly indicates that common stocks (both domestic and international) will provide the greatest opportunity to maximize investment returns over the long-term. As a result, the Board has chosen to incorporate a large commitment to common stocks in its asset allocation policy for the Basic Funds. In order to limit the short run volatility of returns exhibited by common stocks, the Board includes other asset classes such as bonds and real estate in the total portfolio. These assets diversify the Basic Funds and reduce wide fluctuations in investment returns on a year to year basis. This diversification should not impair the Basic Funds' ability to meet or exceed their actuarial return target over the long-term.

### **Long-Term Objectives**

Within this context, the Board has established several long-term investment objectives for the Basic Retirement Funds. Monitoring actual performance against these return objectives helps the Board to ensure that the Basic Funds will meet their long-term funding obligations:

- **Provide Real Returns.** Over a ten year period, the Basic Funds are expected to generate total returns that are 3-5 percentage points greater than the rate of inflation.
- **Exceed Market Returns.** Over a five year period, the Basic Funds are expected to outperform a composite of market indices weighted in a manner that reflects their long-term asset allocation policy.
- **Exceed Median Fund Returns.** Over a five year period, the Basic Funds are expected to outperform the median fund from a representative universe of public and private funds with a balanced asset mix of stocks and bonds.

## **ASSET ALLOCATION**

The allocation of assets among common stocks, bonds, and alternative investments can have a dramatic impact on investment results. In fact, asset allocation decisions overwhelm the impact of individual security selection within a total portfolio. Consequently, the Board has focused considerable attention on the selection of an appropriate long-term asset allocation policy for the Basic Funds.

## **BASIC RETIREMENT FUNDS**

---

### **Long-Term Allocation Policy**

Based on the Basic Funds' investment objectives and the expected long run performance of the capital markets, the Board has adopted the following long-term asset allocation policy for the Basic Funds:

• Domestic Stocks	50.0%
• International Stocks	10.0
• Domestic Bonds	24.0
• Alternative Investments	15.0
• Unallocated Cash	1.0

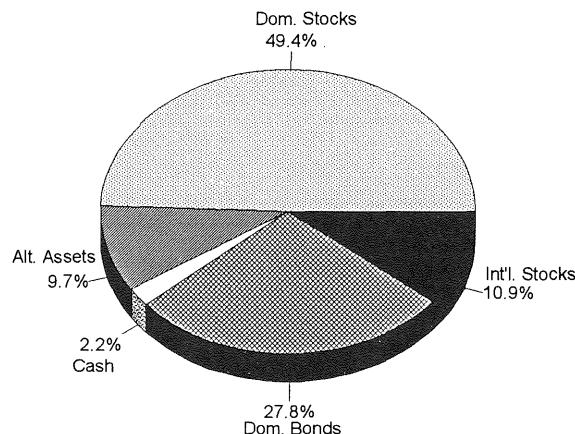
During fiscal year 1993, the SBI funded the international stock allocation. The international stock segment received initial funding on October 1, 1992 and reached its 10% target shortly before the end of the fiscal year.

Figure 3 presents the actual asset mix of the Basic Funds at the end of fiscal year 1993. Historical data on the Basic Funds' actual asset mix over the last five years are displayed in Figure 4.

### **Total Return Vehicles**

The SBI invests the majority of the Basic Funds' assets in common stocks (both domestic and international). A large allocation is consistent with the investment time horizon of the Basic Funds and the advantageous long-term risk-return characteristics of common

*Figure 3.*  
*Asset Mix*  
*June 30, 1993*



	Market Value \$Millions	Actual Asset Mix	Policy Target
Domestic Stocks	\$4,804	49.4%	50.0%
International Stocks	1,060	10.9	10.0
Domestic Bonds	2,706	27.8	24.0
Alternative Assets*	943	9.7	15.0
Unallocated Cash	210	2.2	1.0
<b>Total</b>	<b>\$9,723</b>	<b>100.0%</b>	<b>100.0%</b>

\* The alternative assets allocation is invested in bonds until deployed.

stocks. Including international stocks in the asset mix allows the SBI to diversify its holdings across world markets and offers the opportunity to enhance returns and reduce the risk/volatility of the total portfolio. The rationale underlying the inclusion of venture capital is similar. However, the relatively small size of the venture capital market presents a practical limit to the amount that may be invested in this asset class.

The Board recognizes that this sizable policy allocation to common stock and venture capital likely will produce more volatile portfolio returns than a more conservative policy focused on fixed income securities. It is understood that this policy may result in quarters or even years of disappointing results. Nevertheless, the long run return benefits of this policy are expected to compensate for the additional volatility.

### **Diversification Vehicles**

The Board includes other asset classes in the Basic Funds both to provide some insulation against highly inflationary or deflationary environments and to diversify the portfolio sufficiently to avoid excessive return volatility.

Real estate and resource (oil and gas) investments provide an inflation hedge that other financial assets cannot offer. In periods of rapidly rising prices, these “hard” assets have appreciated in value at a rate at least equal to the inflation rate. Further, even under more normal financial conditions such as low to moderate inflation, the returns on these assets are not highly correlated with common stocks. Thus, their inclusion in the Basic Funds serves to dampen return volatility.

The bond component of the Basic Funds acts as a hedge against a deflationary economic environment. In the event of a major deflation, high quality fixed income assets, particularly long-term bonds, are expected to protect principal and generate significant capital gains. And, like real estate and resource funds, under normal financial conditions, bonds help to diversify the Basic Funds, thereby controlling return volatility.

## **INVESTMENT MANAGEMENT**

All assets in the Basic Retirement Funds are managed externally by private money management firms under contracts or agreements with the SBI.

### **Domestic Stock Segment**

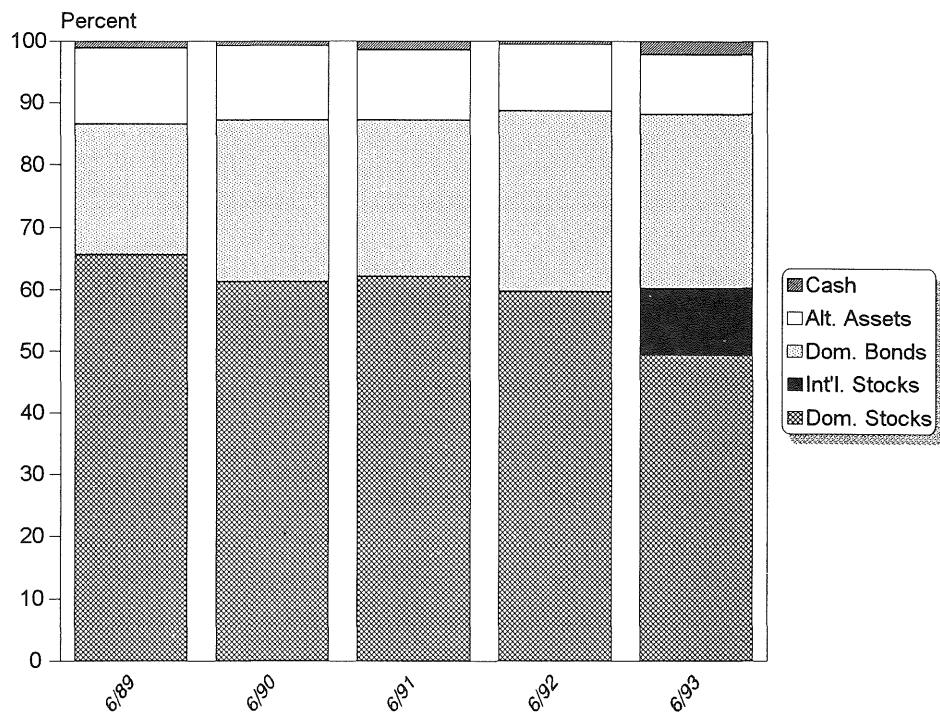
The Board allocates 50% of the Basic Funds to domestic common stocks. The SBI utilizes a two-part approach to the management of this segment:

- **Active Management.** No more than one-half of the stock segment will be actively managed. At the end of fiscal year 1993, approximately 42% of the stock segment was actively managed by a group of nine external money managers.
- **Passive Management.** On an on-going basis, at least one-half of the stock segment will be passively managed, i.e. invested in an index fund. At the end of fiscal year 1993, approximately 58% of the stock segment was indexed.

The actively managed segment of the Basic Funds' domestic common stock portfolio is designed to add value. Each active manager is expected to add incremental value over the long run relative to a customized benchmark which reflects its unique investment approach or style.

---

*Figure 4.*  
*Historical*  
*Asset Mix*  
*FY 1989-1993*



## BASIC RETIREMENT FUNDS

This type of active manager structure can result in misfit or style bias. "Misfit" can be defined as the difference between the aggregate benchmarks of the active managers and the asset class target (i.e. the Wilshire 5000). Historically, the SBI experienced three major areas of misfit in its active manager group:

- persistent over-exposure to small capitalization stocks
- persistent over-exposure to growth oriented stocks
- persistent under-exposure to yield oriented stocks

The SBI uses the **passively managed segment** of the domestic stock portfolio to compensate for misfit. Because of its large size, the index fund can be a powerful lever in managing the characteristics of the entire domestic stock segment. By making relatively minor changes in its holdings, the index fund is modified or "tilted" to compensate for the existing misfit in the active manager group. This strategy should result in a decrease in the volatility of total segment returns and allow the value added through active management to benefit the total domestic common stock segment returns. The tilt strategy was phased-in during fiscal

*Figure 4 (con't).*

*Historical  
Asset Mix  
FY 1989-1993*

		Market Value June 30,				
		1989	1990	1991	1992	1993
	<b>Dom. Common Stocks</b>					
	\$Million	4,154.0	4,358.0	4,727.0	5,143.0	4,804.0
	Percent	65.7	61.3	62.1	59.7	49.4
	<b>Int'l. Common Stocks</b>					
	\$Million	0.0	0.0	0.0	0.0	1,060.0
	Percent	0.0	0.0	0.0	0.0	10.9
	<b>Bonds</b>					
	\$Million	1,318.0	1,840.0	1,899.0	2,489.0	2,706.0
	Percent	20.8	25.9	25.0	28.9	27.8
	<b>Real Estate</b>					
	\$Million	502.0	525.0	456.0	388.0	391.0
	Percent	7.9	7.4	6.0	4.5	4.0
	<b>Venture Capital</b>					
	\$Million	181.0	241.0	295.0	437.0	442.0
	Percent	2.9	3.4	3.9	5.1	4.6
	<b>Resource Funds</b>					
	\$Million	96.0	84.0	112.0	101.0	110.0
	Percent	1.5	1.2	1.5	1.2	1.1
	<b>Unallocated Cash</b>					
	\$Million	74.0	58.0	121.0	50.0	210.0
	Percent	1.2	0.8	1.5	0.6	2.2
	<b>Total Fund</b>					
	\$Million	6,325.0	7,106.0	7,610.0	8,608.0	9,723.0
	Percent	100.0	100.0	100.0	100.0	100.0

years 1991 and 1992. It was fully implemented during all of fiscal year 1993.

A comprehensive monitoring system has been established to ensure that the many elements of the domestic common stock portfolio conform to the Basic Funds' investment policy. Customized performance benchmarks have been established for each of the Board's managers. These benchmarks enable the SBI to evaluate the managers' results, both individually and in aggregate, with respect to risk incurred and returns achieved.

### **FY 1993 Changes**

No domestic stock managers were added or deleted during fiscal year 1993. However, the SBI conducted an extensive manager search during the year and the Board approved several new active domestic stock managers. These new managers will be funded on July 1, 1993. The larger manager group will manage domestic stock assets of both the Basic and Post Retirement Funds in the future.

A description of each domestic common stock manager's investment approach is included in the Manager Summary section. Their portfolio characteristics are included in the Statistical Data Appendix.

### **International Stock Segment**

The Board allocates 10% of the Basic Funds to international common stocks. As with domestic stocks, the SBI will use a two part approach to the management structure of this segment:

- **Passive Management.** No more than one-half of the international stock segment will be passively managed when the SBI's program is fully implemented. During the initial year of the program, however, the SBI chose to rely more heavily on indexation. This approach was selected as a transition strategy because an index manager could be retained and funded more quickly and at a lower implementation cost. At the end of fiscal year 1993, approximately 80% of the international stock segment was passively managed. This percentage will be reduced during fiscal year 1994 when additional active managers are retained.
- **Active Management.** At least one-half of the international stock segment will be actively managed when the SBI's program is fully implemented. As referenced above, during the initial year of the program, the SBI elected to index a greater proportion of the international segment. At the end of fiscal year 1993, approximately 20% of the segment was actively managed. This percentage will increase during fiscal year 1994 after additional active managers are retained and funded.

## **BASIC RETIREMENT FUNDS**

---

### **FY 1993 Changes**

The Board approved an international investing implementation plan in June 1992. In accordance with the plan, the manager selection process was conducted in three phases:

- **Index Manager Search.** State Street Global Advisors was retained as the SBI's international index manager in September 1992 and received initial funding in October 1992. Additional funding was provided over the months of November through March in an effort to "dollar cost average" the entry into the international markets.
- **Active/Passive Search.** Baring International Investment and Brinson Partners were retained to manage active country/passive stock portfolios in March 1993 and were funded in April 1993.
- **Fully Active Search.** Finalists for the fully active (active country/active stock) manager search were approved in June 1993. The SBI expects to retain and fund three to four additional active managers from this group during fiscal year 1994.

A description of each international stock manager's investment approach is included in the Manager Summary section.

### **Domestic Bond Segment**

The Board allocates 24% of the Basic Funds to domestic bonds. The SBI uses a two-part approach to the management of the bond segment:

- **Active Management.** No more than one-half of the bond segment will be actively managed. At the end of the fiscal year 1993, approximately 45% of the bond segment was actively managed by a group of four external money managers.
- **Semi-Passive Management.** At least one-half of the assets allocated to bonds will be managed by semi-passive managers. At the end of fiscal year 1993, approximately 55% of the bond segment was invested using an **enhanced index** approach.

The group of **active bond managers** was selected for its blend of investment styles. Each of the managers invests in high quality fixed income securities. The managers vary, however, in the emphasis they place on interest rate anticipation and in the manner in which they approach issue selection and sector weighting decisions.

In keeping with the objective of utilizing the bond portfolio as a deflation hedge, the active managers are restricted regarding the minimum average life of their portfolios. This requirement is designed to prevent the Basic Funds' total bond portfolio from assuming an excessively short-lived position and thus, severely diluting its deflation hedge capacity. In addition, to avoid extreme variability in total bond segment returns, the SBI constrains the maximum duration (average life) of the managers' portfolios to a band of three to seven years. The bond managers are permitted to purchase only high quality (BAA or better) fixed income assets.

The goal of the **enhanced index managers** is to add incremental value to the Salomon Broad Investment Grade (BIG) Index through the superior selection of bonds for the portfolios. The enhanced index portfolios adhere very closely to characteristics of the Salomon BIG and essentially match its duration and maturity structure. The semi-passive managers seek to add value by exploiting perceived mispricings among individual securities or by making minor alterations in the sector weightings within the portfolio. Although the enhanced index managers seek to exceed the performance of the index, the possibility exists that the semi-passive approach may slightly underperform the target index during some periods.

### **FY 1993 Changes**

One domestic bond manager, Ark Management, was deleted from the manager group at the end of the fiscal year. While no managers were added during the year, the SBI conducted searches for both active and semi-passive managers during the year. Several new managers were approved by the Board and will be funded on July 1, 1993. The enlarged manager group will manage the bond assets of both the Basic and Post Retirement Funds in the future.

**A description of each bond manager's investment approach is included in the Manager Summary section. Their portfolio characteristics are presented in the Statistical Data Appendix.**

### **Real Estate Segment**

State law authorizes the SBI to invest in real estate through commingled funds, limited partnerships and trusts. Each of the Board's real estate investments involve at least four other participants. In addition, the Board's investment may not exceed 20% of a given commingled fund, partnership or trust. State law does not permit investment in real estate through direct investments, separate accounts or individual transactions.

By investing in several open-end and closed-end commingled funds, the SBI has created a large core portfolio of real estate that is broadly diversified by property type, location and financing

structure. The core portfolio is designed to reflect the composition of the aggregate U.S. real estate market and, as such, is expected to earn at least market returns. The broad diversification of the core portfolio enables the SBI to select less diversified, special orientation managers for the remaining portion of the real estate segment. With their more focused approach to real estate management, these funds offer the ability to enhance the return earned by the core portfolio.

Prospective real estate managers are reviewed and selected based on the managers' experience, investment strategy and performance history.

**FY 1993  
Changes**

At fiscal year-end, the market value of the real estate portfolio comprised 4.0% of the Basic Funds. No new commitments to real estate were made during fiscal year 1993. The SBI will continue to review and add new real estate investments as attractive opportunities are identified.

A description of each real estate manager's investment approach is included in the Manager Summary section.

**Venture  
Capital  
Segment**

Under state law, the SBI is authorized to invest in venture capital through limited partnerships and corporations. As with real estate investments, each venture capital investment must involve at least four other investors, and the Board's investment may not exceed 20% of a particular limited partnership.

The SBI maintains a broadly diversified venture capital portfolio that is diversified across three dimensions: location, industry type and stage of corporate development of individual portfolio companies.

Prospective venture capital managers are reviewed and selected based primarily on the managers' experience, investment strategy, diversification potential and performance history.

**FY 1993  
Changes**

At year-end, the market value of the venture capital segment was 4.6% of the Basic Funds. During the fiscal year, the Board approved commitments to Churchill Capital Partners II, Midwest Bank Fund III, and a follow-on commitment to Golder Thoma in Golder Thoma Fund IV. These commitments were finalized by the end of fiscal year 1993. In addition, the Board tentatively approved a commitment in Great Northern Capital. This commitment will be funded if the firm meets certain conditions regarding total commitments. The SBI will continue to review and add new venture capital investments, as attractive opportunities are

identified, to replenish commitments that will expire in the mid-1990's.

**A description of each venture capital manager's investment approach is included in the Manager Summary section.**

**Resource  
Fund  
Segment**

The SBI invests in partnerships structured specifically for pension funds and other tax-exempt investors. There must be four other participants in each of the SBI's resource investments and the Board may invest no more than 20% of a partnership's total capital. The oil and gas partnerships in which the Board invests concentrate their investments in producing properties and royalty interests that are diversified geographically and/or geologically.

Resource investments are selected based on the managers' experience, investment strategy and performance history.

**FY 1993  
Changes**

At year-end, the market value of the resource fund segment was 1.1% of the Basic Funds. During fiscal year 1993, no new commitments were made in the resource area. The Board plans to continue to review resource investments for possible inclusion in the portfolio.

**A description of each resource fund manager's investment approach is included in the Manager Summary section.**

**Unallocated  
Cash**

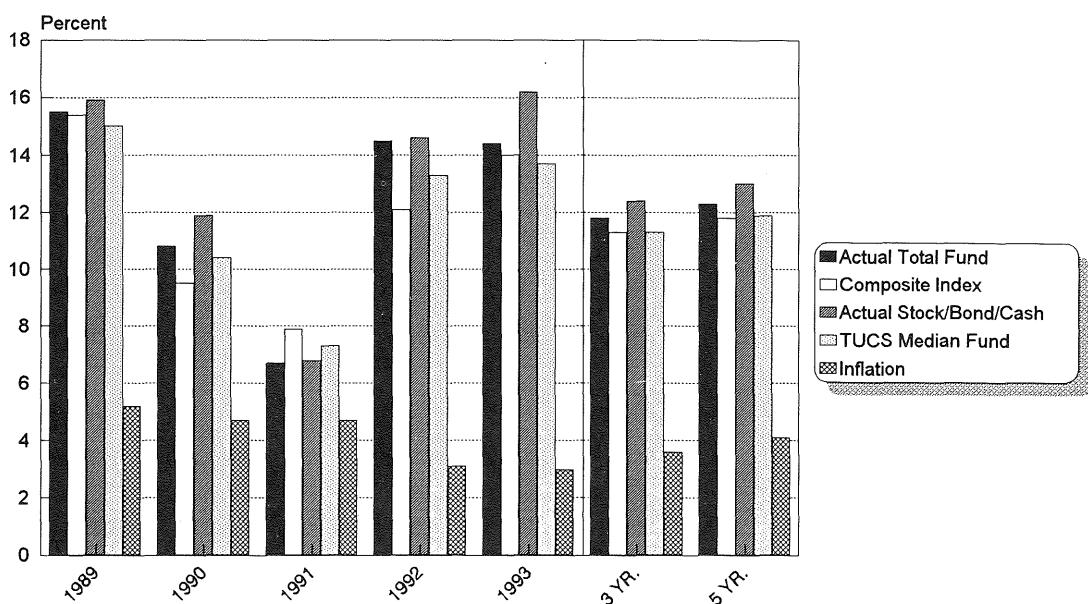
The Board allocates 1% of the Basic Funds to cash. Given the long-term objectives of the Basic Funds and their limited liquidity needs, the Board believes that a minimal commitment to short-term investments is most appropriate.

These cash reserves, as well as any cash held by stock and bond managers, are invested in a short-term investment fund (STIF) managed by State Street Bank and Trust, the Basic Funds' master custodian. The STIF is managed as a separate account invested under the same state statutes which guide all of the SBI's short-term investments.

## **INVESTMENT PERFORMANCE**

The Board has adopted measurable performance objectives which are consistent with the objectives of the Basic Funds. The

**Figure 5.**  
**Total Fund Performance**  
**Fiscal Years 1989 - 1993**



	1989	1990	1991	1992	1993	(Annualized)	3 YR.	5 YR.
<b>Total Fund</b>	<b>15.5%</b>	<b>10.8%</b>	<b>6.7%</b>	<b>14.5%</b>	<b>14.4%</b>	<b>11.8%</b>	<b>12.3%</b>	
Composite Index*	15.4	9.5	7.9	12.1	14.0	11.3	11.8	
<b>Stocks, Bonds, Cash Only</b>	<b>15.9</b>	<b>11.9</b>	<b>6.8</b>	<b>14.6</b>	<b>16.2</b>	<b>12.4</b>	<b>13.0</b>	
Median Fund**	15.0	10.4	7.3	13.3	13.7	11.3	11.9	
Inflation	5.2	4.7	4.7	3.1	3.0	3.6	4.1	

\* As of 6/30/93, the composite was weighted 50% Wilshire 5000/10% EAFE/29% Salomon BIG/4.5% Wilshire Real Estate Index/1% 91 Day T-Bills/4.5% Venture Capital Funds/1.0% Resource Funds. The composite has been adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

\*\* Wilshire Assoc. Trust Universe Comparison Service (TUCS) median master trust portfolio. TUCS contains returns of more than 270 public and corporate funds.

### **Evaluation Framework**

evaluation of performance outcomes relative to established policy is an integral part of the SBI's investment program.

Given the long-term investment time horizon of the Basic Funds, the performance evaluation time period is necessarily long-term as well. Recognizing that excessive attention to performance in the short run can be counterproductive, the SBI evaluates investment performance over a time horizon of approximately five years (roughly corresponding to a typical market cycle). While performance is measured and reviewed quarterly to identify trends and control extreme underperformance, decisions regarding the effectiveness of the Board's investment program are made over a considerably longer period.

The Basic Funds' multi-manager structure requires that investment performance be evaluated on two distinct levels:

- **Total Fund.** Risk-return targets for the total fund ensure that long run strategic decisions which affect the total performance of the Basic Funds are implemented in a manner consistent with their investment policy. Specific standards have been selected to monitor performance on a total fund level.
- **Individual Managers.** Risk-return objectives for the individual managers are designed to ensure that they adhere to their assigned investment roles and to permit an evaluation of the value they add to the SBI's investment program. Benchmarks have been developed for each stock and bond manager to monitor performance at the manager level.

### **Total Fund Performance**

To a significant degree, the **risk objective** of the total fund is set implicitly when the asset allocation and investment management structure are determined. Given the adequate funding levels and long-term investment time horizon of the Basic Funds, the Board believes an above-average risk posture is appropriate.

The Board's objective is to take advantage of the established relationship between risk and return. Higher risk investment strategies have been shown to offer higher long run returns than lower risk strategies. The SBI's risk target therefore, is implemented by committing the majority of the Basic Funds' assets to common stocks.

The Basic Funds' risk objectives are met by attaining the targeted policy asset mix. In this regard, the common stock and bond targets have been achieved. As described in previous sections, the SBI reached its funding target for international stocks over the course of

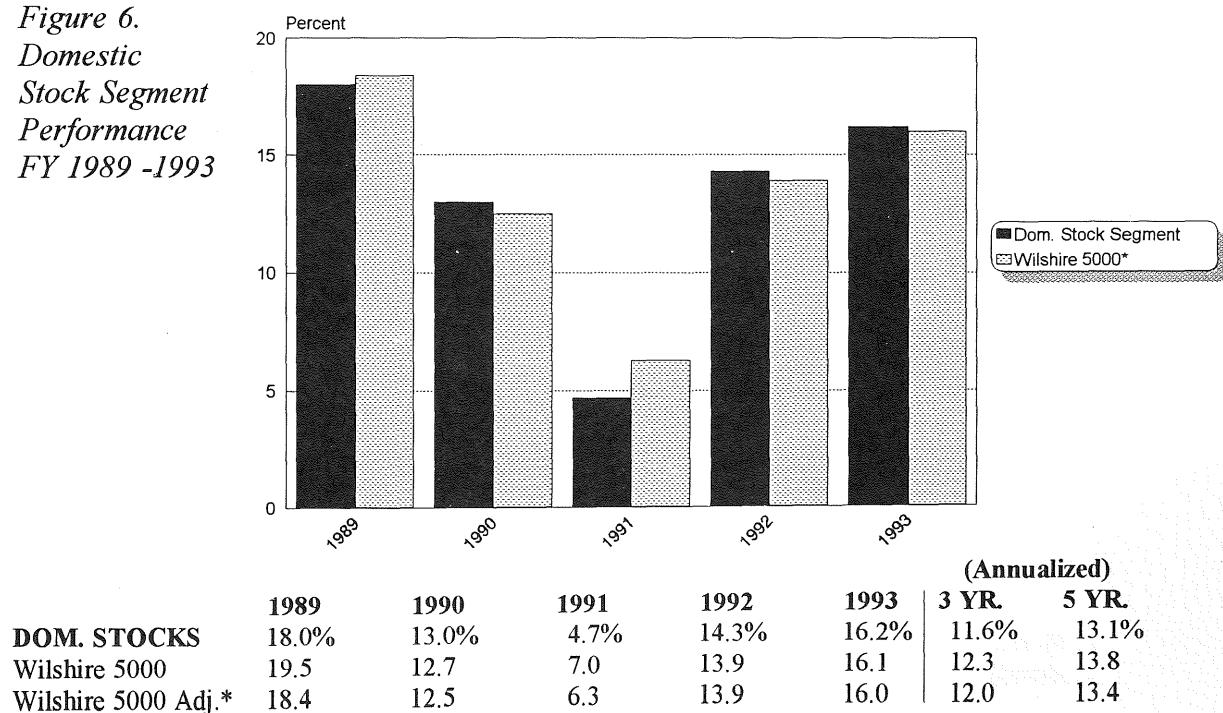
## BASIC RETIREMENT FUNDS

the fiscal year. The Basic Funds began commitments to real estate, venture capital and resource funds in the early to middle 1980's. At the present time, the target allocation to alternative assets includes market values of current investments plus the amount of unfunded commitments. Since the SBI has several outstanding commitments that have not yet been funded, only moderate additional activity is expected in the near term.

The Basic Funds' return objectives are evaluated relative to three specific standards:

- **Real Return.** Over a ten year period, the Basic Funds are expected to produce returns that exceed inflation by 3-5 percentage points annually.
- **Composite Index.** Over a five year period, the returns produced by the total portfolio are expected to exceed those derived from a composite of market indices weighted in the same proportion as the Basic Funds' long-term asset allocation.
- **Median Fund.** Over a five year period, the Basic Funds, excluding alternative assets, are expected to outperform the median return produced by a representative universe of other

*Figure 6.  
Domestic  
Stock Segment  
Performance  
FY 1989 -1993*



\* Adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

## BASIC RETIREMENT FUNDS

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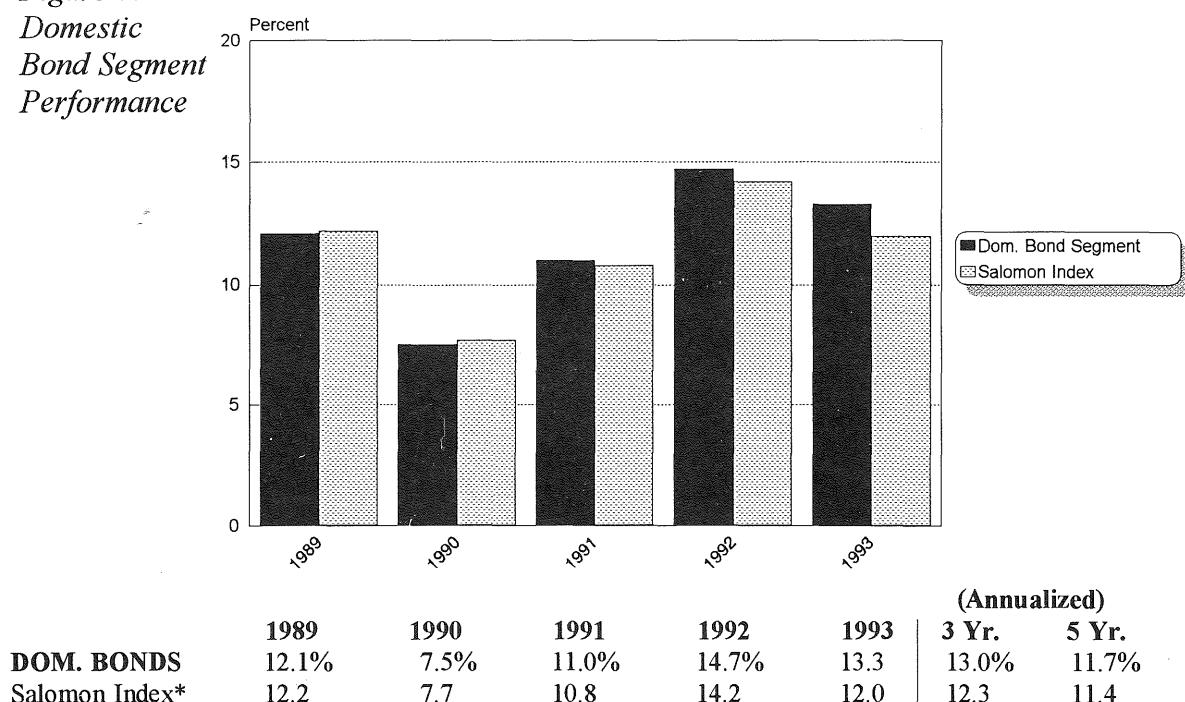
public and corporate pension and trust funds with a balanced asset mix of stocks and bonds.

For the period ending June 30, 1993, the Basic Funds exceeded all of these standards:

- **Real Return.** Over the last ten years, the Basic Funds exceeded inflation by 8.1 percentage points annualized. For fiscal year 1993, the Funds' return surpassed inflation by 11.4 percentage points.
- **Composite Index.** Over the last five years, the Basic Funds outperformed their market index composite by 0.5 percentage point annualized. For fiscal year 1993, the Funds exceeded the composite by 0.4 percentage point.
- **Median Fund.** Over the last five years the Basic Funds, excluding alternative assets, were near the top third (35th percentile) of public and corporate pension funds in the Master Trust portion of the Wilshire Associates Trust Universe Comparison Service (TUCS). The Basic Funds ranked near the top third (38th percentile) of TUCS for fiscal year 1993.

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*Figure 7.*  
*Domestic  
Bond Segment  
Performance*



\* Salomon Broad Investment Grade Bond Index

## **BASIC RETIREMENT FUNDS**

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Returns from the capital markets were very strong for fiscal year 1993. Both the stock and bond markets exceeded their historical averages for the period ending June 30, 1993. The stock market performed well primarily due to lower interest rates and positive economic news. The bond market also performed well for the fiscal year due to the decline in interest rates. Returns on most financial assets exceeded the rate of inflation for the year.

Over the last five years, the Basic Funds have provided a cumulative return of 78.9%. Annualized returns of 12.3% over the same period continue to exceed the 8.5% actuarial return target by a comfortable margin.

Performance relative to total fund targets is presented in Figure 5. Domestic common stock and bond segment performance are shown in Figure 6 and Figure 7.

### **Domestic Stock Manager Performance**

Two primary long run risk objectives have been established for the Basic Funds' domestic common stock managers:

*Figure 8.  
Domestic  
Stock Manager  
Performance  
FY 1993*

	<b>Total Portfolio Return</b>	<b>Benchmark Return</b>
Alliance Capital	17.8%	9.2%
Forstmann Leff	12.9	14.3
Franklin Portfolio	28.1	19.9
GeoCapital	15.6	31.5
IDS Advisory	18.5	17.8
Independence Associates	16.1	15.3
Lieber & Company	13.8	19.0
Lynch & Mayer	14.3	18.6
Waddell & Reed	24.0	18.7
Wilshire Associates (tilted index)	15.3	15.7
<b>Basic Funds' Common Stock Segment</b>	<b>16.4%</b>	
<b>Stock Segment Performance Standards</b>		
Wilshire 5000	16.1%	
Wilshire 5000 Adjusted*	16.0	
<b>Other Comparisons</b>		
TUCS Median Equity Pool	15.9	
Inflation	3.0%	

\* Adjusted for the SBI's liquor and tobacco restrictions through 3/31/93.

- **Investment Approach.** Each manager (active or passive) is expected to hold a portfolio that is consistent, in terms of risk characteristics, with the manager's stated investment approach.
- **Diversification.** Each active common stock manager is expected to hold a highly non-diversified portfolio, while the index fund manager is expected to hold a well diversified portfolio which tracks its stated target. In the short run, the active common stock managers may depart from their risk targets as part of their specific investment strategies.

The domestic common stock managers successfully fulfilled their long term risk objectives during fiscal year 1993. In general, the managers constructed portfolios consistent with their stated investment approaches and maintained appropriate levels of diversification.

The SBI evaluates a domestic common stock manager's returns against the performance of a customized index constructed to

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*Figure 9.  
Domestic  
Bond Manager  
Performance  
FY 1993*

	<b>Total Portfolio Return</b>
Ark Asset Management	11.9%
Investment Advisers	16.0
Miller, Anderson & Sherrerd	14.5
Western Asset	14.9
Fidelity Management (enhanced index)	12.5
Lincoln Capital (enhanced index)	12.2
 <b>Basic Funds' Bond Segment</b>	 <b>13.3%</b>
 <b>Bond Segment Performance Standards</b>	
Salomon Broad Investment Grade Bond Index	12.0%
 <b>Other Comparisons</b>	
TUCS Median Fixed Income Pool	13.3
Inflation	3.0%

represent the manager's specific investment approach. This type of custom index is commonly referred to as a "benchmark portfolio." A **benchmark portfolio** takes into account the equity market forces that at times favorably or unfavorably impact certain investment styles. Thus, an individual benchmark is a more appropriate return target against which to judge a manager's performance than is a broad market index.

From a return perspective, aggregate domestic common stock manager performance was favorable during fiscal year 1993. Five active managers (Alliance, Franklin, IDS, Independence and Waddell & Reed) exceeded their benchmarks for the year. The remainder of the managers underperformed their benchmarks to varying degrees. As a group, the active and passive managers outperformed the broad market by 0.3 percentage points during fiscal year 1993.

**Fiscal year 1993 performance data for the individual domestic common stock managers are presented in Figure 8. Historical information is included in the Statistical Data Appendix.**

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*Figure 10.  
Int'l. Stock  
Manager  
Performance  
FY 1993*

	<b>Since Inception</b>
Baring (active/passive)	5.0% (since 4/1/93)
Brinson (active/passive)	2.7 (since 4/1/93)
State Street (index)	17.9 (since 10/1/92)
<b>Basic Funds' International Segment</b>	<b>16.5 (since 10/1/92)</b>
<b>International Segment Performance Standard</b>	
EAFFE*	18.5 (since 10/1/92)

\* Morgan Stanley Capital International Index of Europe, Australia and the Far East, including dividends and net taxes.

### **International Stock Manager Performance**

The performance of all international stock managers is measured against the Morgan Stanley Capital International Index of Europe, Australia and the Far East (EAFE). This index is capitalization weighted and is measured in US dollar terms.

Performance results for the international stocks managers during fiscal year 1993 are shown in Figure 10. The three month performance of Baring and Brinson was negatively impacted by their underweighting in Japan. State Street's reported underperformance over the nine month period was due entirely to currency pricing differences that occurred during the last month of the fiscal year. Given the high transaction costs associated with funding an international portfolio, the SBI believes that the reported results for the initial months of the program are favorable.

### **Domestic Bond Manager Performance**

The SBI constrains the risk of the domestic active bond managers' portfolios to ensure that they fulfill their deflation hedge and total fund diversification roles. The managers are restricted in terms of the duration (average life) of their portfolios and the quality of their fixed income investments.

The domestic bond managers successfully fulfilled their long-term risk objective during fiscal year 1993. In general, the managers constructed portfolios consistent with their stated investment approaches and maintained appropriate levels of quality and duration.

As with the stock segment, the returns of each of the Board's bond managers is compared to an appropriate **benchmark portfolio**. All the domestic bond managers, both active and semi-passive, use the Salomon Broad Investment Grade Bond Index as their performance index. Due to the broad diversification of each manager, customized benchmarks are not necessary.

Relative performance by the domestic bond managers was very favorable. Strong performance by three active managers (Investment Advisers, Miller Anderson and Western) more than offset performance at or below benchmark levels from the remaining manager (Ark). The two semi-passive managers (Fidelity and Lincoln) also provided strong value added for the year. As a group, the active and semi-passive bond managers exceeded the performance of the broad bond market by 1.3 percentage points for the year.

Fiscal year 1993 performance data for the individual domestic bond managers are presented in Figure 9. Historical information is included in the Statistical Data Appendix.

## **BASIC RETIREMENT FUNDS**

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### **Alternative Asset Manager Performance**

The SBI reviews performance of its **real estate** investments relative to two standards:

- the Wilshire Associates Real Estate Index, an index of commingled real estate funds
- inflation, as measured by changes in the Consumer Price Index (CPI)

During fiscal year 1993, the SBI's real estate portfolio outperformed the index but trailed the rate of inflation (SBI real estate -5.8%, Wilshire Real Estate Index -6.2%, CPI 3.0%). Comparisons over the last five years were similar (SBI real estate -1.5% annualized, Wilshire index -2.6% annualized, CPI 4.1% annualized). As the above numbers illustrate, the real estate market as a whole remains in the midst of a significant downturn.

The SBI's **venture capital** portfolio provided a 1.1% return in fiscal year 1993 and 18.5% annualized over the last five years. The **resource** (oil and gas) portfolio returned 8.4% for the year and 6.1% annualized over the last five years. At this time, specific performance objectives have not been established for the venture capital and resource fund managers. The long-term nature of these investments and the lack of comprehensive data on the returns provided by the resource and venture capital markets preclude comprehensive performance evaluation. In the future, as markets for these assets become more institutionalized, the SBI will fully integrate appropriate performance standards for these assets into its performance analysis.



## **POST RETIREMENT FUND**

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**Benefit Increase Formula**

**Asset Allocation**

**Investment Management**

**Investment Performance**

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**T**he Post Retirement Investment Fund contains the pension assets of retired public employees covered by nine statewide retirement plans (i.e. the Basic Retirement Funds and the Legislative & Survivors Retirement Fund).

The assets of the Post Fund finance monthly annuities paid to retirees. These annuities may be adjusted upwards over the life of a retiree based on inflation and the investment performance of the Post Fund. On June 30, 1993, the Post Fund had a market value of \$8.3 billion with over 65,000 retiree participants.

### **BENEFIT INCREASE FORMULA**

Returns above the actuarially assumed rate of 5% are used to finance lifetime benefit increases for eligible retirees.

#### **New Formula**

The benefit increase formula was changed through legislation enacted by the 1992 Legislature. The new formula was effective for fiscal year 1993 and is based on a combination of two components.

- **Inflation Component.** Each year, retirees will receive an inflation-based adjustment equal to 100% of inflation, up to a maximum of 3.5% specified in statute. The inflation component will be granted regardless of investment performance. The limit, or cap, will maintain the actuarial soundness of the entire plan and is the difference between the 8.5% return assumption for the Basic Funds, and the 5.0% return assumption for the Post Fund.
- **Investment Component.** Each year, retirees will also receive an investment-based adjustment, provided net investment gains are above the amount needed to finance the actuarial assumption of 5% and the inflation adjustment. Investment gains and losses will be spread over five years to smooth out the volatility of returns. In addition, all accumulated investment losses must be recovered before an investment-based adjustment is granted.

Because the investment-based component of the new formula will not be implemented fully during the initial years, a temporary transition adjustment may be paid during a phase-in period. The

transition adjustment provided in law will be 1.0% for fiscal year 1993, 0.75% for fiscal year 1994, 0.50% for fiscal year 1995 and 0.25% for fiscal year 1996. By statute, retirees will receive either the investment-based component or the transition adjustment, whichever is higher for the respective year.

### Advantages

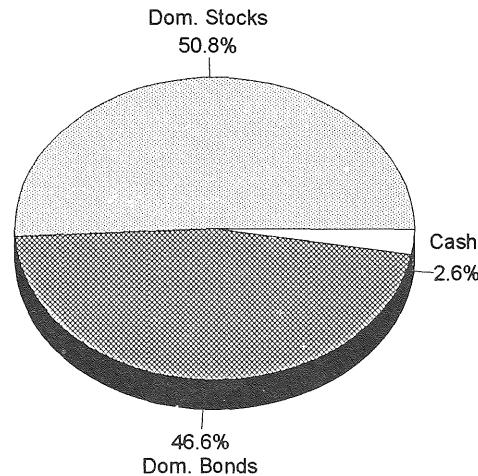
The new formula has two primary advantages:

- It provides benefit increases that are more sensitive to inflation than those granted under the old formula.
- It will allow the Post Fund to maximize the long-term earning power of its assets. Without the need to generate the higher levels of current income required under the old formula, the Post Fund can increase its stock exposure and thereby enhance its prospects for higher total rates of return over the long run.

More information on the new benefit increase formula is included in the Statistical Data Appendix.

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*Figure 11.*  
**Asset Mix**  
*June 30, 1993*



	Market Value \$Millions	Percent
Common Stocks	\$ 4,191	50.8%
Bonds	3,843	46.6
Unallocated Cash	217	2.6
<b>Total</b>	<b>\$8,251</b>	<b>100.0%</b>

## **ASSET ALLOCATION**

In conjunction with enactment of the new benefit increase formula, the SBI adopted a new long-term asset allocation strategy for the Post Fund with a higher stock exposure. Progress in reaching the new allocation targets proceeded gradually throughout the fiscal year and is shown below:

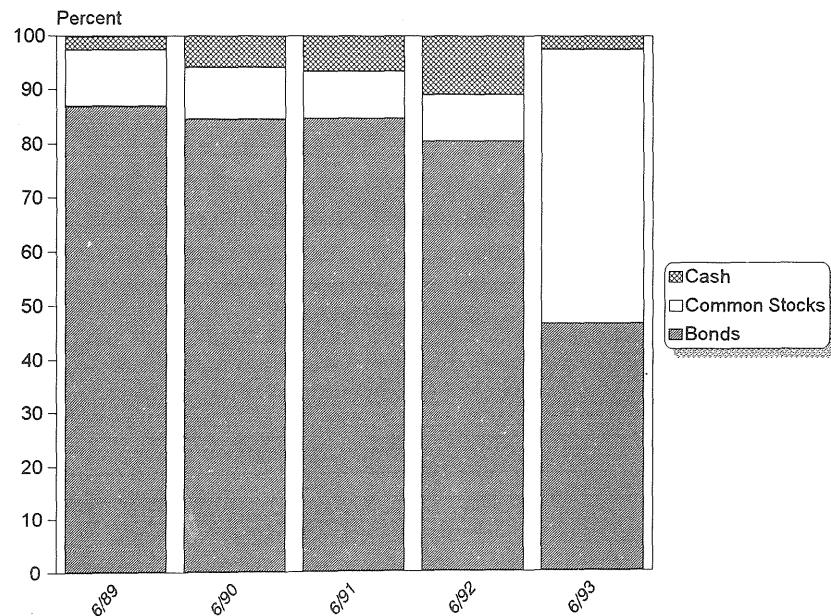
	6/92	9/92	12/92	3/93	6/93	Target
Stocks	9%	16%	30%	40%	50.8%	50%
Bonds	80	80	66	57	46.6	47
Cash	11	4	4	3	2.6	3

Considering the magnitude of the move (more than \$3 billion bonds sold and \$3 billion stocks purchased) the change was handled with minimal disruption to the SBI's day-to-day operations. More important, by proceeding gradually, the SBI was able to accomplish the move with no discernable impact on the financial markets.

All bonds were sold in the open market by SBI staff on a competitive bid basis for packages of securities. The stock acquisitions were made through a combination of purchases on the

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*Figure 12.*  
*Historical*  
*Asset Mix*  
*FY 1989-1993*



open market and transfers from the Basic Funds. The transfers were possible as a result of asset allocation changes in the Basic Funds that occurred in tandem with the asset allocation transition in the Post Fund. Since the movement of assets from one fund to the other provided an estimated transaction cost savings of approximately \$10 million for each fund compared to the same transaction in the open market, the transfer was advantageous for both the Basic and the Post Funds.

The Post Fund's year-end asset mix is presented in Figure 11. Historical asset allocation data is shown in Figure 12.

## INVESTMENT MANAGEMENT

Fiscal year 1993 was a year of transition for the management of the Post Fund as well.

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**Common Stock Management**

Prior to fiscal year 1993, the common stock segment was managed internally by SBI staff, with the focus being on long-term, value-based stock selection. During fiscal year 1993, the stock portfolio was managed by Wilshire Associates. The goal during this year of transition was to replicate the structure and returns of the

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*Figure 12 (con't).*  
*Historical Asset Mix FY 1989-1993*

		Market Value June 30,				
		1989	1990	1991	1992	1993
	<b>Common Stocks</b>					
	\$Million	524.0	514.0	523.0	610.0	4,191.0
	Percent	10.4	9.6	8.7	8.6	50.8
	<b>Bonds</b>					
	\$Million	4,358.0	4,512.0	5,063.0	5,708.0	3,843.0
	Percent	86.9	84.5	84.7	80.5	46.6
	<b>Unallocated Cash</b>					
	\$Million	132.0	313.0	390.0	769.0	217.0
	Percent	2.6	5.9	6.6	10.9	2.6
	<b>Total Fund</b>					
	\$Million	5,014.0	5,339.0	5,976.0	7,087.0	8,251.0
	Percent	100.0	100.0	100.0	100.0	100.0

S&P 500. The Post Fund's existing portfolio and new market purchases moved toward the S&P 500 during the first half of the fiscal year. For the remainder of the fiscal year, the stock segment was fully indexed to the S&P 500.

### **Bond Management**

The bond segment remained internally managed during this transition year. SBI staff moved the bond portfolio to a market duration in July 1992 and subsequently rebalanced the portfolio on a monthly basis as bonds were liquidated to finance the stock purchases. During the transition, the bond portfolio was targeted to the Shearson Lehman Government/Corporate Bond index.

### **Future Structure**

After the asset allocation transition was complete, the stock and bond assets of the Post Fund were transferred to external managers on July 1, 1993. In future years, the Basics and the Post Fund will share the same groups of external managers.

## **INVESTMENT PERFORMANCE**

The Post Fund generated 12.4% return for the year versus a composite index of 13.1%. The composite index was established to reflect a growing exposure to stocks and decreasing exposure to bonds over the course of the period.

The return for the **domestic common stock segment** for fiscal year 1993 was 10.5% compared to 13.6% return on the S&P 500. The return for the **domestic bond segment** was 13.7% for fiscal year 1993. The Shearson Lehman Government/Corporate bond index return for the same period was 13.1%.

While above market returns in the bond portfolio were offset by below index returns in the stock segment, the SBI believes the overall results are favorable within the context of the massive asset allocation transition that occurred during the year.

### **Benefit Increase**

The Post Fund will provide a benefit increase of 6.0% for fiscal year 1993. As noted earlier, this increase is comprised of two components:

- **Inflation adjustment** of 2.8% which is equal to 100% of the reported Consumer Price Index for wage earners (CPI-W) increase for the twelve months ending June 30, 1993.
- **Investment adjustment** of 3.2%. This represents one-fifth of the market value in excess of the amount needed to cover

## **POST RETIREMENT INVESTMENT FUND**

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the actuarial assumed rate of return (5.0%) and the inflation adjustment (2.8%).

Benefit increases granted for the past ten years are shown below. Prior to fiscal year 1993, the benefit increase formula was dependent on the level of excess realized income generated by the Post Fund. The 6.0% increase granted for fiscal year 1993 represents the first post retirement adjustment provided under the new benefit increase formula described above.

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*Figure 13.  
Historical  
Benefit  
Increases  
Granted*

<b>Fiscal Year</b>	<b>Benefit Increase*</b>
1984	6.9%
1985	7.9
1986	9.8
1987	8.1
1988	6.9
1989	4.0
1990	5.1
1991	4.3
1992	4.6
1993**	6.0

\* Payable January 1 of the following calendar year.

\*\* First year of the new benefit increase formula.

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## **SUPPLEMENTAL INVESTMENT FUND**

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**Income Share Account**

**Growth Share Account**

**Common Stock Index Account**

**Bond Market Account**

**Money Market Account**

**Fixed Interest Account**

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**T**he Minnesota Supplemental Investment Fund is a multi-purpose investment program that offers a range of investment options to state and local public employees. The different participating groups use the Supplemental Fund for a variety of purposes:

- It functions as the investment manager for all assets of the Unclassified Employees Retirement Plan.
- It is one investment vehicle offered to public employees as part of the state's Deferred Compensation Plan.
- It acts as one investment manager for assets of the supplemental retirement programs for state university and community college faculty.
- It is the sole investment manager for all assets of the Hennepin County Supplemental Retirement Program.
- It serves as an external money manager for a portion of some local police and firefighter plans.

The Supplemental Investment Fund serves more than 24,000 individuals. On June 30, 1993, the market value of the entire fund was \$599 million.

### **Fund Structure**

A wide diversity of investment goals exists among the Supplemental Fund's participants. In order to meet those needs, the Supplemental Fund has been structured much like a "family of mutual funds." Participants may allocate their investments among one or more accounts that are appropriate for their needs, within statutory requirements and rules established by the participating organizations. Participation in the Supplemental Fund is accomplished through the purchase or sale of shares in each account.

### **Fund Management**

The investment objectives, asset allocation, investment management and investment performance of each existing account in the Supplemental Fund are explained in the following sections.

## **SUPPLEMENTAL INVESTMENT FUND**

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<b>Range of Investment Options</b>	Participants in the Supplemental Fund have six different investment options: <ul style="list-style-type: none"><li>• <b>Income Share Account</b>, a balanced portfolio of stocks and bonds</li><li>• <b>Growth Share Account</b>, a portfolio of actively managed common stocks</li><li>• <b>Common Stock Index Account</b>, a passively managed common stock portfolio</li><li>• <b>Bond Market Account</b>, an actively managed fixed income portfolio</li><li>• <b>Money Market Account</b>, a portfolio of liquid, short-term debt securities</li><li>• <b>Fixed Interest Account</b>, an investment option utilizing guaranteed investment contracts (GIC's)</li></ul>
<b>Share Values</b>	<p>Each account in the Supplemental Fund establishes a share value and participants may buy or sell shares monthly, based on the most recent unit value.</p> <p>In the Income Share Account, the Growth Share Account, the Common Stock Index Account and the Bond Market Account, shares are priced monthly based on the market value of the entire account. Individuals measure the performance of these accounts by changes in share values, which in turn are a function of the income and capital appreciation (or depreciation) generated by the securities in the accounts.</p> <p>In the Money Market Account and the Fixed Interest Account, share values remain constant and the accrued interest income is credited to the accounts through the purchase of additional shares at predetermined intervals.</p> <p>The investment returns shown in this report are calculated using a time-weighted rate of return formula. These returns may differ slightly from calculations based on share values, due to the movement of cash flows in and out of the accounts.</p>

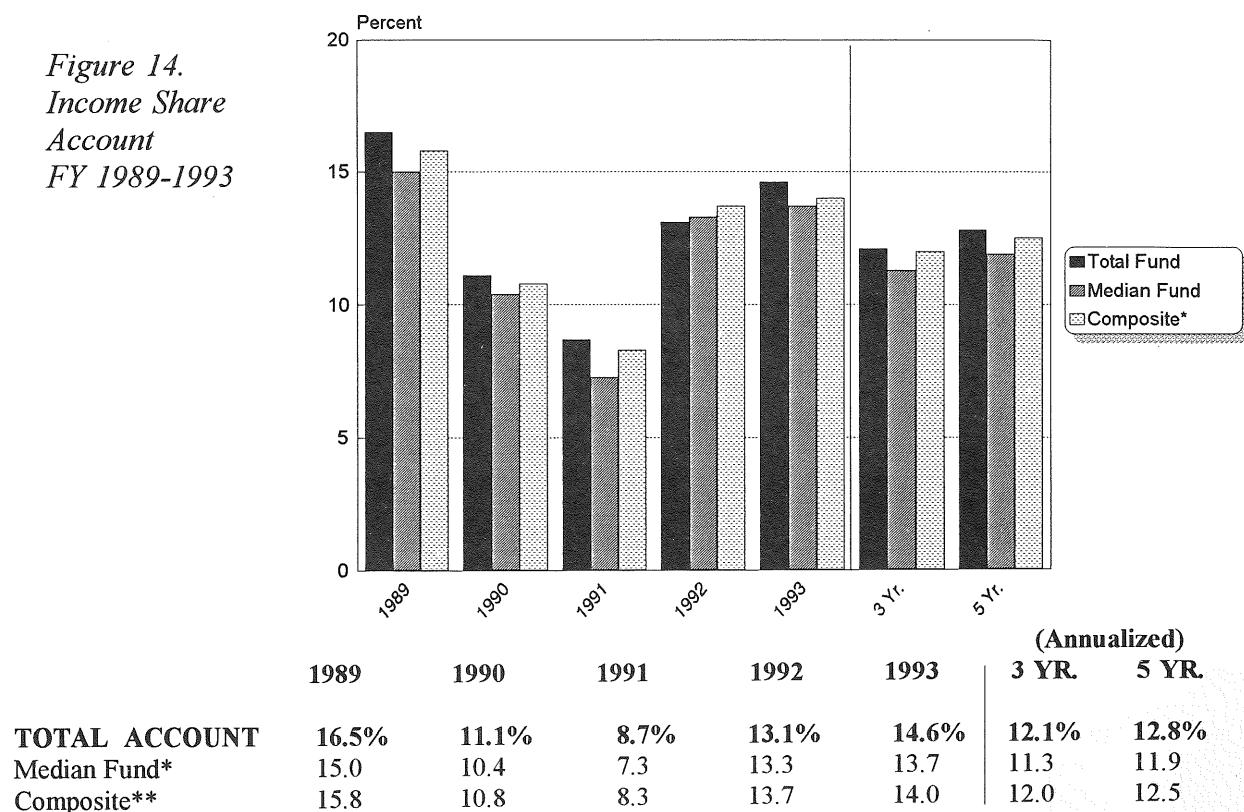
**INCOME SHARE ACCOUNT**

**Objective**

The \$307 million Income Share Account resembles the Basic Retirement Funds in terms of investment objectives. The Account seeks to maximize long-term inflation-adjusted rates of return. The Income Share Account pursues this objective within the constraints of protecting against disastrous financial environments and limiting short run portfolio return volatility.

The SBI invests the Income Share Account in a balanced portfolio of common stocks and fixed income securities. The Account's policy asset allocation calls for the following long-term asset mix: 60% domestic common stocks, 35% bonds, 5% cash equivalents. Common stocks provide the potential for significant long-term capital appreciation, while bonds provide both a hedge against deflation and the diversification needed to limit excessive portfolio return volatility.

*Figure 14.*  
*Income Share*  
*Account*  
*FY 1989-1993*



\* TUCS Median Master Trust

\*\* 60% Wilshire 5000 Adj./35% Salomon Broad Investment Grade Bond Index/5% 91 day T-Bills. The Wilshire 5000 has been adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

## **SUPPLEMENTAL INVESTMENT FUND**

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### **Management**

The Income Share Account's investment management structure combines internal and external management. SBI staff manage the entire fixed income segment. Currently, the entire common stock segment is managed by Wilshire Associates as part of a passively managed index fund designed to track the Wilshire 5000. Prior to April 1988, a significant portion of the stock segment was actively managed.

### **Performance**

Similar to the other SBI funds which utilize a multi-manager investment structure, the Board evaluates the performance of the Income Share Account on two levels:

- **Total Account.** The Income Share Account is expected to exceed the returns of a composite of market indices weighted in the same proportion as its policy asset allocation. In addition, the Income Share Account's performance is expected to exceed the performance of the median fund from a universe of other balanced funds over the long-term.
- **Individual Manager.** The passive stock manager is expected to track closely the performance of the Wilshire 5000, adjusted for the SBI's liquor and tobacco restrictions. The internal bond manager for the Account is expected to exceed the performance of the Salomon Broad Investment Grade Bond Index.

The Income Share Account provided a return of 14.6% for fiscal year 1993, outperforming its market index composite and the median fund. A five year history of performance results is presented in Figure 14.

## **GROWTH SHARE ACCOUNT**

### **Objective**

The Board has established above-average capital appreciation as the primary investment objective of the \$98 million Growth Share Account. To achieve this objective, the Account maintains a large equity exposure with the following long-term asset allocation: **95% domestic common stocks, 5% cash equivalents.**

The small cash equivalents component represents the normal cash reserves held by the Growth Share Account as a result of new contributions not yet allocated to common stocks. The Growth Share Account's asset mix may vary from its assigned policy

## SUPPLEMENTAL INVESTMENT FUND

allocation at times, depending on the Account managers' near-term outlook for the capital markets.

Because of its substantial common stock policy allocation, the Growth Share Account's returns are more variable than those of the balanced Income Share Account. The Board expects higher long run returns from the Growth Share Account's investments to compensate for the additional variability of returns.

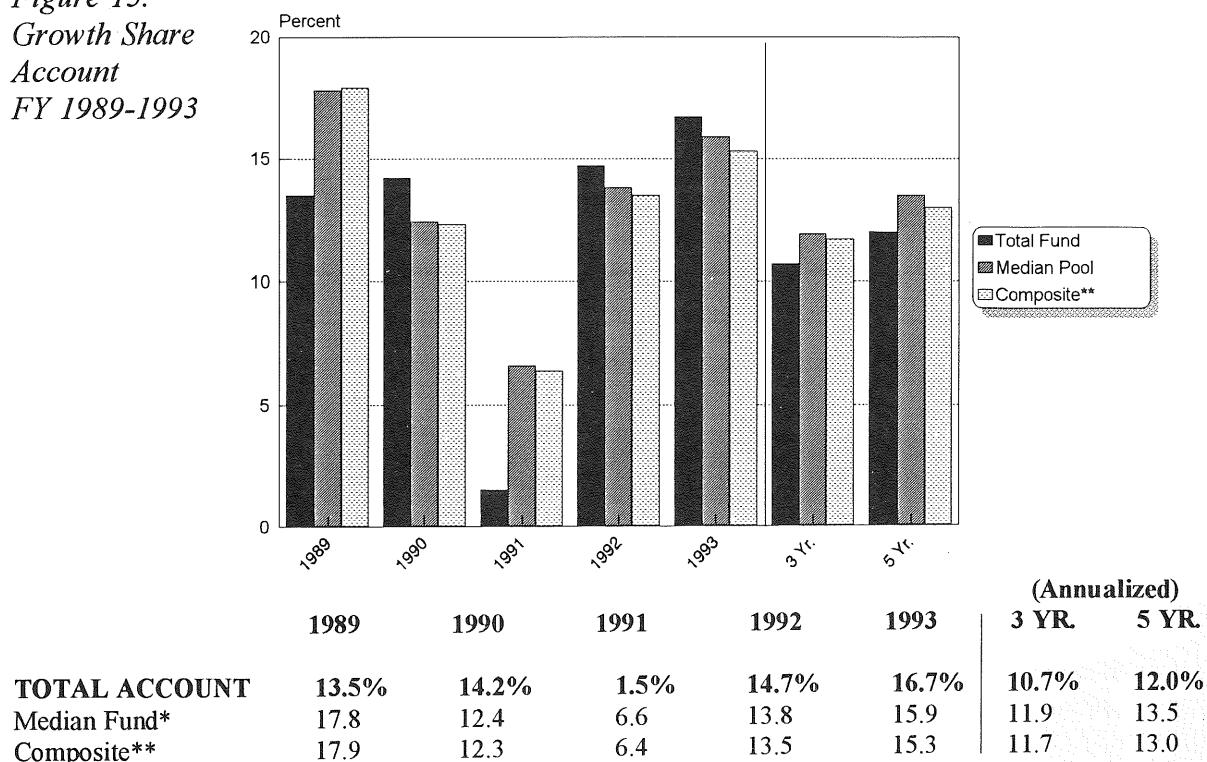
### Management

The SBI has assigned the entire common stock portfolio of the Growth Share Account to external managers. The allocation to active common stock managers, rather than to an index fund, reflects the more aggressive investment policy of the Growth Share Account. Currently, these assets are managed by the same active managers utilized by the Basic Retirement Funds.

### Performance

Like the Income Share Account, the Board evaluates the performance of the Growth Share Account on two levels:

*Figure 15.*  
*Growth Share*  
*Account*  
*FY 1989-1993*



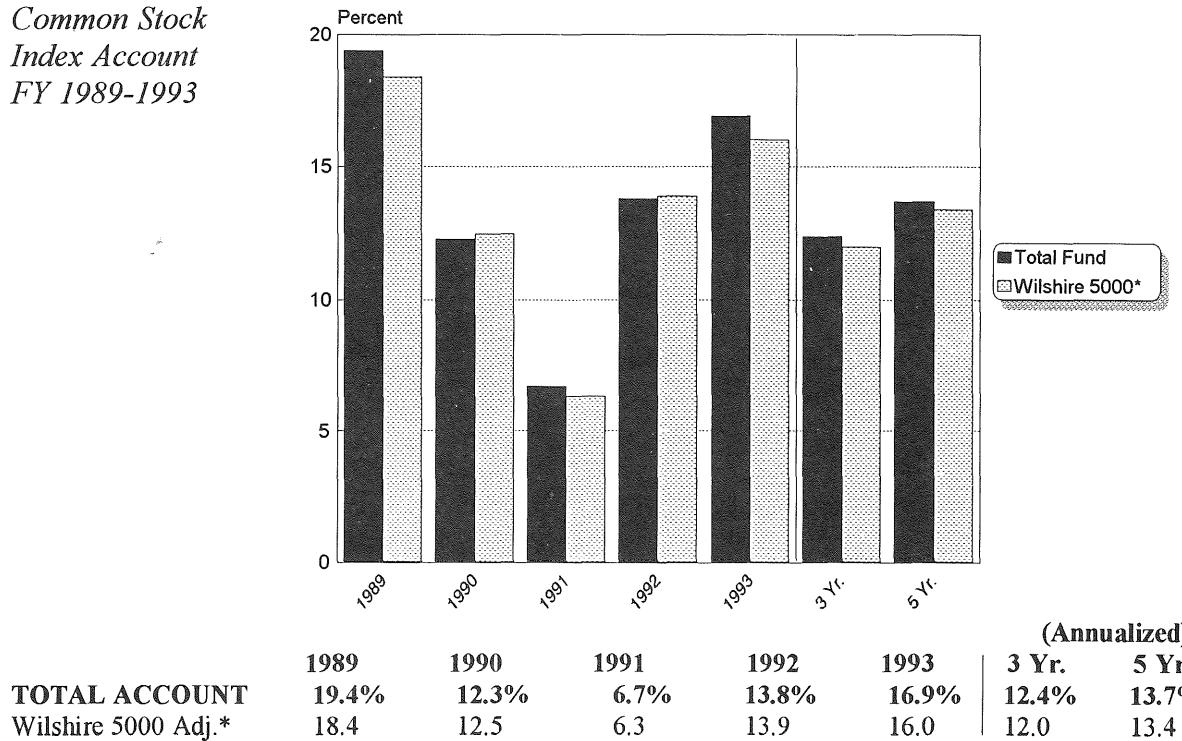
\* TUCS Median Managed Equity Portfolio

\*\* 95% Wilshire 5000 Adjusted/5% 91 Day T-Bills. The Wilshire 5000 has been adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

- **Total Account.** The Growth Share Account is expected to exceed the returns of a composite of market indices weighted in the same proportion as its policy asset allocation. The Account's performance is also expected to surpass the performance of the median portfolio from a universe of managed equity portfolios.
- **Individual Manager.** Performance objectives for the external managers are described in the Basic Retirement Funds discussion.

The Growth Share Account provided a return of 16.7% for the fiscal year, outperforming both the composite and median manager. The Account held sizable positions in the financial sector of the stock market which performed very well during the year. A five year history of performance results is shown in Figure 15.

*Figure 16.*  
*Common Stock*  
*Index Account*  
*FY 1989-1993*



\* Adjusted for the SBI's liquor and tobacco restrictions through 3/31/93.

## **COMMON STOCK INDEX ACCOUNT**

The Common Stock Index Account began accepting contributions at the end of July 1986. At the end of fiscal year 1993, it had a market value of \$36 million.

**Objective**

The investment objective of the Common Stock Index Account is to generate returns that match the performance of the common stock market, as represented by the Wilshire 5000. To accomplish this objective, the SBI allocates all of the Common Stock Index Account's assets to **passively managed domestic common stocks**.

This 100% common stock allocation means that the Common Stock Index Account's returns, like those of the Growth Share Account, are more variable than the returns produced by the balanced Income Share Account. The Board expects that this greater variability in returns will be compensated over the long run by higher returns.

**Management**

The Common Stock Index Account is invested entirely by Wilshire Associates, the SBI's passive stock manager.

**Performance**

The performance objective of the Common Stock Index Account is straightforward. The Account is expected to track closely the performance of the Wilshire 5000 adjusted for the SBI's liquor and tobacco restrictions. The SBI recognizes that the Account's returns may deviate slightly from those of the Wilshire 5000 due to the effects of management fees, timing of new contributions and tracking error.

During fiscal year 1993, the Common Stock Index Account produced a return of 16.9%, 0.9 percentage point above the Wilshire 5000 Adjusted. This is somewhat higher than the expected tracking error for this Account. Total account results for the last five years are shown in Figure 16.

## **BOND MARKET ACCOUNT**

The Bond Market Account began accepting contributions at the end of July 1986. At the end of fiscal year 1993, the market value of the Account was \$19 million.

**Objective**

The Bond Market Account is invested entirely in **investment-grade government bonds, corporate bonds and mortgage securities** with intermediate to long maturities. As such, it is a more conservative investment alternative than the accounts

## **SUPPLEMENTAL INVESTMENT FUND**

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described in the previous sections and provides participants the opportunity to further diversify their assets.

The Account earns investment returns through interest income and capital appreciation. Because bond prices move inversely with interest rates, the Account entails some risk for investors. However, historically, it represents a lower risk alternative than the investment options that include only common stocks.

### **Management**

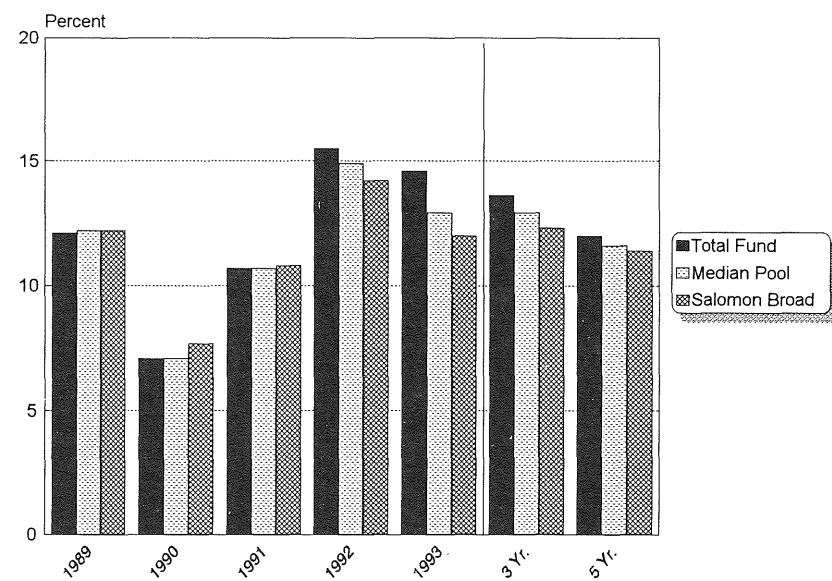
The SBI has assigned the entire bond portfolio to external managers. These assets are managed by the same active managers utilized by the Basic Retirement Funds. A discussion of the SBI's active bond managers is presented in the Basic Funds section.

### **Performance**

The Bond Market Account is expected to exceed the performance of the bond market, as represented by the Salomon Broad Investment Grade Bond Index. For fiscal year 1993, the Bond Market Account outperformed this target by a significant margin, with a 14.6% return compared to the Salomon index return of 12.0%. Total account results for the last five years are shown in Figure 17.

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*Figure 17.*  
**Bond Market  
Account  
FY 1989-1993**



	(Annualized)						
	1989	1990	1991	1992	1993	3 Yr.	5 Yr.
<b>TOTAL ACCOUNT</b>	<b>12.1%</b>	<b>7.1%</b>	<b>10.7%</b>	<b>15.5%</b>	<b>14.6%</b>	<b>13.6%</b>	<b>12.0</b>
Median Pool*	12.2	7.1	10.7	14.9	12.9	12.9	11.6
Salomon BIG**	12.2	7.7	10.8	14.2	12.0	12.3	11.4

\* TUCS Median Fixed Income Pool

\*\* Salomon Broad Investment Grade Index

**MONEY MARKET ACCOUNT****Objective**

The Money Market Account invests solely in **short-term, liquid debt securities**. The Account's investment objectives are to preserve capital and offer competitive money market returns. At the end of fiscal year 1993, the Money Market Account had a market value of \$67 million.

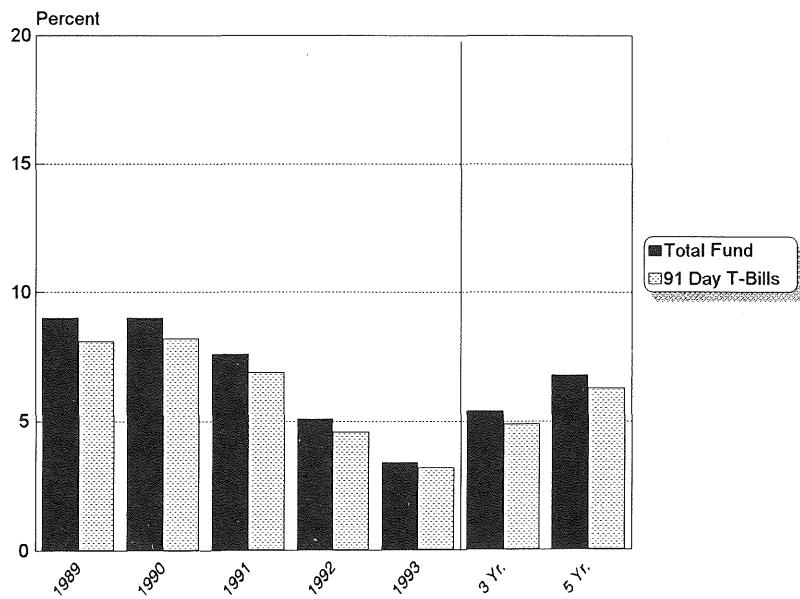
**Management**

The Account utilizes the same short-term investment manager as the Basic Retirement Funds, which is State Street Bank and Trust Company.

**Performance**

The Account is expected to produce returns competitive with those available from short-term debt securities. The Money Market Account exceeded that target in fiscal year 1993 with a 3.4% return versus a return on 91 Day Treasury Bills of 3.2%. Total account results for prior years are shown in Figure 18.

*Figure 18.*  
**Money Market  
Account**  
**FY 1989-1993**



	(Annualized)						
	1989	1990	1991	1992	1993	3 Yr.	5 Yr.
<b>Total Account</b>	<b>9.1%</b>	<b>9.0%</b>	<b>7.6%</b>	<b>5.1%</b>	<b>3.4%</b>	<b>5.4%</b>	<b>6.8%</b>
91 Day T-Bills	8.1	8.2	6.9	4.6	3.2	4.9	6.3

**FIXED INTEREST ACCOUNT**

<b>Objective</b>	The Fixed Interest Account (formerly named the Guaranteed Return Account) opened for subscription in November 1986. The Fixed Interest Account is designed to offer participants a fixed rate of return for a specified period of time with negligible risk. At the end of fiscal year 1993, the account totaled \$71 million.
<b>Management</b>	The SBI invests the Fixed Interest Account in <b>three-year guaranteed investment contracts (GIC's)</b> offered by major U.S. insurance companies and banks. Annually, the SBI accepts bids from banks and insurance companies that meet financial quality criteria defined by State statute. Generally, the insurance company or bank bidding the highest three-year GIC interest rate will be awarded the contract for the three-year period. Participants making contributions over the following twelve months receive the fixed rate for the remainder of the three year contract period.
<b>Performance</b>	Within the constraints of permitting only top-rated U.S. insurance companies and banks to bid on the GIC contracts, the SBI desires to maximize the three-year interest rate offered to Fixed Interest Account participants. The Board believes the competitive bidding presents the most effective method of achieving this goal.

<b>Contract Period</b>	<b>Annual Effective Interest Rate</b>
Nov. 1, 1990 - Oct. 31, 1993	8.875%
Nov. 1, 1991 - Oct. 31, 1994	6.634
Nov. 1, 1992 - Oct. 31, 1995	5.280

The 1990-1993 contract was awarded to two firms: Mutual of America, New York, NY and Provident National, Chattanooga, TN. Two firms were also awarded the 1991-1994 contract: Continental Assurance, New York, NY and Provident National, Chattanooga, TN. The 1992-1995 contract was awarded to Norwest Bank, Minneapolis, MN.

# **PERMANENT SCHOOL TRUST FUND**

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**Investment Objectives**

**Asset Allocation**

**Investment Management**

**Investment Performance**

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**T**he Permanent School Trust Fund is a trust fund created by the Minnesota State Constitution and designated as a long-term source of revenue for public schools. Proceeds from land sales, mining royalties, timber sales, lakeshore and other leases are invested in the Fund. Income generated by the Fund's assets is used to offset state school aid payments. On June 30, 1993 the market value of the Fund was \$456 million.

## **INVESTMENT OBJECTIVES**

The State Board of Investment (SBI) invests the Permanent School Trust Fund to produce a high, consistent level of income that will assist in offsetting state expenditures on school aids.

### **Investment Constraints**

The Fund's investment objectives are influenced by the legal provisions under which its investments must be managed. These provisions require that the Fund's principal remain inviolate. Further, any net realized capital gains from stock or bond investments must be added to principal. Moreover, if the Fund realizes net capital losses, these losses must be offset against interest and dividend income before such income can be distributed. Finally, all interest and dividend income must be distributed in the year in which it is earned.

These legal provisions limit the investment time horizon over which the Permanent School Trust Fund is managed. Long run growth in its assets is difficult to achieve without seriously reducing current spendable income and exposing the spendable income stream to unacceptable volatility. The SBI, therefore, invests the Fund's assets to produce the maximum amount of current income, within the constraint of maintaining adequate portfolio quality.

## **ASSET ALLOCATION**

The SBI maximizes current income by investing all of the Permanent School Trust Fund's assets in fixed income securities.

## **PERMANENT SCHOOL TRUST FUND**

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The SBI has a strong incentive not to invest in equity assets for several reasons:

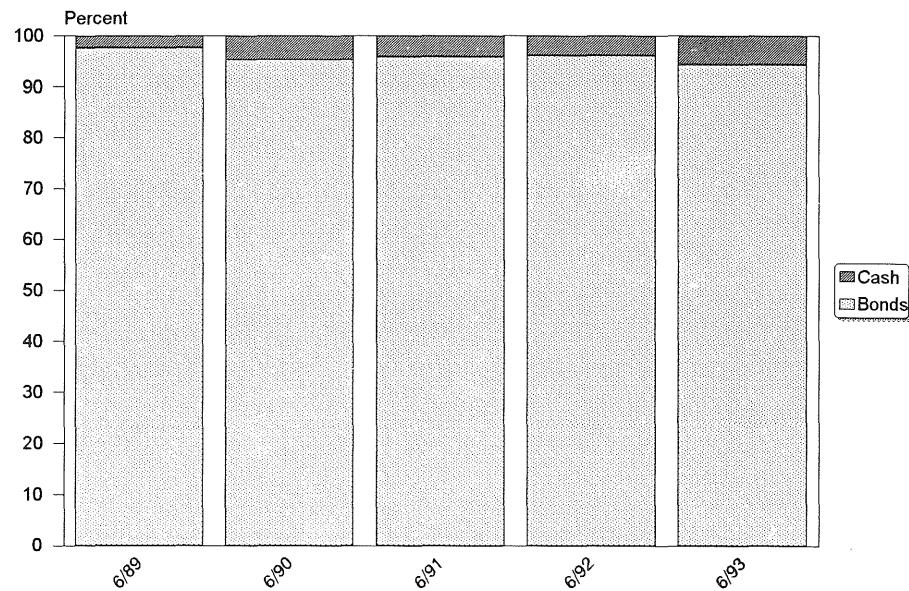
- Common stock yields are considerably lower than bond yields. Thus, common stocks generate less current income than bonds.
- Stock prices are highly volatile and at times may produce realized capital losses that will reduce spendable income.
- Net capital gains become part of the Permanent School Trust Fund's principal. Therefore, the effect of the volatility of common stock prices on the Permanent School Fund's spendable income cannot be smoothed out by including past realized capital gains in spendable income.

Considering these constraints, the Board completely eliminated the Fund's small common stock component in fiscal year 1986, investing the proceeds in fixed income securities. Historical asset mix data for the Fund are shown in Figure 19.

Legislation was enacted during fiscal year 1992 to change the amortization period for realized gains and losses from five to ten years. This change will make equities a more attractive investment for the Fund. The SBI hopes to re-introduce equities to the portfolio in future years in order to grow the principal over time. Since this

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*Figure 19.*  
*Historical*  
*Asset Mix*  
*FY 1989-1993*



## **PERMANENT SCHOOL TRUST FUND**

change would reduce spendable income over the near term, the transition should not occur without the knowledge and agreement of the Legislature.

### **INVESTMENT MANAGEMENT**

SBI staff manage all assets of the Permanent School Trust Fund. Given the existing legal restrictions of the Fund, external managers would find it extremely difficult to invest the Fund's portfolio.

The Fund's emphasis on producing high levels of current spendable income through "buy and hold" investments is not compatible with the investment style of most money managers. In addition, with the move to an all fixed income portfolio, SBI staff management of the Fund is the most cost-effective approach.

The staff manage the Fund's bond portfolio primarily through a "buy-and-hold," laddered maturity approach. Virtually all securities are held to maturity after purchase. To minimize reinvestment risk and reduce exposure to dramatic interest rate fluctuations, the portfolio purchases securities with staggered maturity dates.

*Figure 19 (con't).*

*Historical  
Asset Mix  
FY 1989-1993*

		Market Value June 30,				
		1989	1990	1991	1992	1993
<b>Bonds</b>						
\$Million		375.0	359.0	368.2	402.3	430.2
Percent		97.5	95.2	95.8	96.0	94.3
<b>Unallocated Cash</b>						
\$Million		9.6	18.2	23.7	16.6	25.9
Percent		2.5	4.8	4.2	4.0	5.7
<b>Total Fund</b>						
\$Million		384.6	377.2	391.9	418.9	456.1
Percent		100.0	100.0	100.0	100.0	100.0

## **INVESTMENT PERFORMANCE**

The Permanent School Trust Fund's investment objective is to maximize spendable income, within the constraint of maintaining adequate portfolio quality.

From a **total portfolio risk perspective**, the Fund is very conservatively structured, as its target asset mix calls for a full commitment to fixed income securities. Within the bond portfolio, SBI staff control risk by establishing a laddered portfolio structure, thereby avoiding significant interest rate bets. Further, the staff purchase only investment-grade bonds and seek to maintain an overall portfolio quality rating of at least AA.

From a **return perspective**, the Board is not concerned with the Fund's total rate of return. Market value changes have no effect on the Fund's ability to produce spendable income. Spendable income is affected only to the extent that any securities are sold at a loss. Thus, the Fund's return objective is to maintain a high current yield on new investments.

The Fund achieved its risk-return performance objectives during the year. On June 30, 1993, the Fund's bond portfolio had a duration of 7.8 years, an average quality rating of AAA and a current yield of 7.5%. (The total rate of return for the Fund was 16.1% for fiscal year 1993 and 12.8% annualized for FY89-93.)

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*Figure 20.  
Bond Portfolio  
Statistics  
June 30, 1993*

Value at Market	\$423,368,924
Value at Cost	357,783,350
Average Coupon	8.81%
Current Yield	7.54
Yield to Maturity	6.54
Current Yield at Cost	8.92
Time to Maturity	14.75 Years
Average Duration	7.76 Years
Average Quality Rating	AAA
Number of Issues	121

## **PERMANENT SCHOOL TRUST FUND**

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Spendable income generated by the portfolio over the last five fiscal years is shown below:

<b>Fiscal Year</b>	<b>Millions</b>
1989	\$33
1990	\$33
1991	\$34
1992	\$35
1993	\$34



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## **ASSIGNED RISK PLAN**

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**Investment Objectives**

**Asset Allocation**

**Investment Management**

**Investment Performance**

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**T**he Minnesota Workers Compensation Assigned Risk Plan was established in 1983 to provide workers' compensation coverage to Minnesota employers rejected by a licensed insurance company. The Plan provides disability income, medical expenses, retraining expenses and death benefits, with payments being made either periodically or in lump sum.

The Assigned Risk Plan operates as a non-profit, tax exempt entity and is administered by the Department of Commerce. Investment management responsibility for the Assigned Risk Plan was transferred from the Department of Commerce to the State Board of Investment (SBI) effective May 1991. On June 30, 1993 the market value of the Plan's portfolio was \$402 million.

### **INVESTMENT OBJECTIVES**

The SBI recognizes that the Assigned Risk Plan has limited tolerance for risk due to erratic cash flows, no allowance for surplus, and generally short duration liabilities.

The SBI has therefore established two investment objectives for the Plan:

- to minimize mismatch between assets and liabilities
- to provide sufficient liquidity (cash) for payment of on-going claims and operating expenses.

Performance relative to these objectives is measured against a composite index that reflects the asset allocation of the portfolio.

### **ASSET ALLOCATION**

The SBI believes that due to the uncertainty of premium and liability cash flows, the Plan should be invested very conservatively. The bond segment is invested to fund the shorter-term liabilities (less than 10 years) and the common stock segment invested to fund the longer-term liabilities. This creates a high fixed income allocation which minimizes the possibility of a future fund deficit.

## ASSIGNED RISK PLAN

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The smaller equity exposure provides higher expected returns and hedges some of the inflation risk associated with the liability stream. In the future, the actual asset mix will fluctuate in response to changes in the liability stream projected by the Plan's actuary and further analysis by the investment manager and SBI staff.

Figure 22 presents the allocation targets and actual asset mix of the Assigned Risk Plan at the end of fiscal year 1993.

## INVESTMENT MANAGEMENT

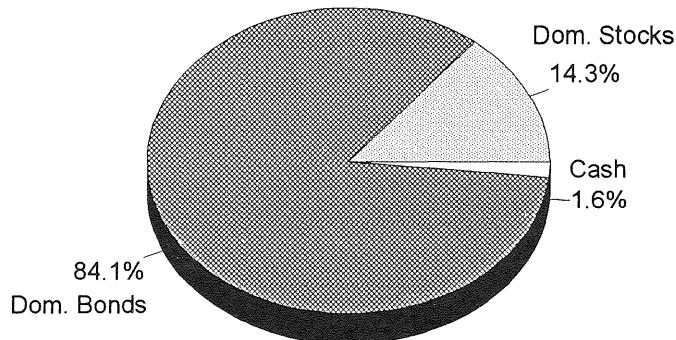
All assets in the Assigned Risk Plan are managed externally by a single manager. Voyageur Asset Management, Minneapolis, MN, has managed the portfolio since the SBI assumed investment responsibility for the Plan in May 1991.

### Bond Segment

During fiscal year 1993 the Board allocated 85% of the Assigned Risk Plan to bonds to fund the shorter-term liabilities of the Plan. The duration of the bond segment was approximately 3 years. The

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*Figure 21.*  
*Asset Mix*  
*June 30, 1993*



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	Market Value \$ Millions	Actual Asset Mix	Policy Target
Dom. Common Stocks	\$ 57	14.3%	15.0%
Dom. Bonds	338	84.1	85.0
Unallocated Cash	7	1.6	0.0
<b>Total</b>	<b>\$402</b>	<b>100.0%</b>	<b>100.0%</b>

## ASSIGNED RISK PLAN

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bond segment is actively managed to add incremental value through sector, security and yield curve decisions.

### Stock Segment

During fiscal year 1993 the Board allocated 15% of the Assigned Risk Plan to common stocks to fund the longer-term liabilities of the Plan. While the SBI believes that the common stock segment should provide broad market coverage, the segment is actively managed to add incremental value over the long run.

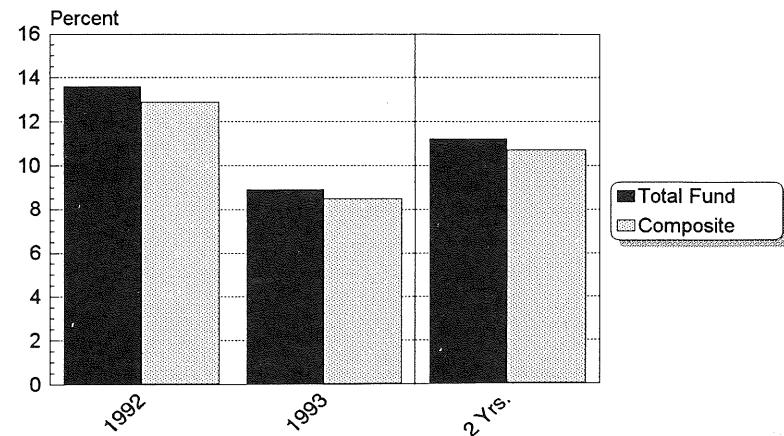
## INVESTMENT PERFORMANCE

Due to the focus on liability matching, the composition of the Assigned Risk Plan's investment portfolio is conservatively structured. While the portfolio is actively managed, return enhancement plays a secondary role.

The Assigned Risk Plan utilizes a customized benchmark which is weighted to reflect the asset allocation targets of the Plan:

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*Figure 22.*  
*Performance*  
*of the*  
*Assigned*  
*Risk Plan*



	1992	1993	Annualized 2 Yrs.
<b>Total Account</b>	<b>13.6%</b>	<b>8.9%</b>	<b>11.2%</b>
Composite	12.9	8.5	10.7
<b>Equity Segment</b>	<b>11.9</b>	<b>6.0</b>	<b>8.9</b>
EquityBenchmark	13.3	5.9	9.5
<b>Bond Segment</b>	<b>14.2</b>	<b>9.6</b>	<b>11.9</b>
Benchmark	12.8	8.9	10.8

## **ASSIGNED RISK PLAN**

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- The equity component consists of stocks rated “A” or greater by Standard & Poors. It does not include utility stocks or stocks that are restricted by the SBI’s investment guidelines.
- The fixed income component reflects the duration target established for the bond segment (approximately 3 years) as well as the manager’s suggested sector allocation.

During fiscal year 1993, the bond segment performed well compared to its benchmark (9.6% actual vs. 8.9% benchmark) due to the manager’s decision to hold a duration slightly longer than the benchmark as interest rates declined. The investment manager also overweighted the better performing corporate sector and underweighted the lower performing government sector. The common stock segment essentially matched its benchmark (6.0% actual vs. 5.9% benchmark).

Overall, the Assigned Risk Plan provided a return of 8.9% for fiscal year 1993, outperforming its composite index by 0.4 percentage point. Performance results are presented in Figure 23.

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## **ENVIRONMENTAL TRUST FUND**

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**Investment Objectives**

**Asset Allocation**

**Investment Management**

**Investment Performance**

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**T**he Environmental Trust Fund was established in 1988 by the Minnesota Legislature to provide a long-term, consistent, and stable source of funding for activities that protect and enhance the environment. In 1990, a constitutional amendment was approved that mandates that 40 percent of the net proceeds from the state lottery be credited to the Fund until the year 2001. The Legislature may fund projects from a portion of revenue deposited in the Fund through 1997 and, thereafter, from interest earnings on the principal of the Fund.

By statute, the State Board of Investment (SBI) invests the assets of the Environmental Trust Fund. On June 30, 1993 the market value of the Fund was \$47 million.

### **INVESTMENT OBJECTIVES**

The Environmental Trust Fund's investment objective is to produce a growing level of income, within the constraints of maintaining adequate portfolio quality and liquidity.

#### **Investment Constraints**

The Fund's investment objectives are influenced by the legal provisions under which its investments must be managed. These provisions require that the Fund's principal remain inviolate. Further, any net realized capital gains from stock or bond investments must be added to principal. Moreover, if the Fund realizes net capital losses, these losses must be offset against interest and dividend income before such income can be distributed. Finally, all interest and dividend income must be distributed in the year in which it is earned.

## **ASSET ALLOCATION**

By the start of fiscal year 1993, the Fund had received sufficient contributions to warrant an investment policy that incorporated allocations to longer-term assets such as stocks and bonds. SBI staff worked with the Legislative Commission on Minnesota Resources to establish an asset allocation policy that is consistent with the Commission's goals for spendable income and growth of the Fund.

Over the long-term, the principal of the Fund will be invested in a balanced portfolio with approximately one-half of the portfolio allocated to common stocks. The Commission endorsed this approach in a resolution passed on February 6, 1992.

However, prior to this resolution, the Legislature enacted spending plans for fiscal year 1993 that required a higher level of income than could be generated by a balanced portfolio of stocks and bonds. As a result, the Commission agreed with the SBI staff's recommendation to invest the portfolio entirely in fixed income securities throughout fiscal year 1993. During fiscal year 1994, the SBI will introduce equities into the portfolio and move toward a 50% allocation to domestic common stocks.

## **INVESTMENT MANAGEMENT**

SBI staff manage all the assets of the Environmental Trust Fund. During fiscal year 1993, the Fund's need to generate a specific level of income resulted in a fixed income portfolio with higher weightings in corporate and mortgage securities, relative to the Salomon Broad Investment Grade (BIG) index.

Beginning in fiscal year 1994, the stock segment of the Fund will be invested in an index fund designed to match the performance of the S&P 500. The bond segment will be targeted toward the Salomon BIG Index.

## INVESTMENT PERFORMANCE

As referenced above, the near-term goals for the Fund required the entire portfolio to be invested in fixed income securities during fiscal year 1993. Within the bond portfolio segment, the SBI staff controlled risk by diversifying among the major bond sectors and by limiting specific issue risk through smaller individual issue positions.

From a return perspective, the Board met the Fund's spendable income goal for fiscal year 1993. By purchasing longer duration securities at attractive yields early in the fiscal year the Fund met the targeted income level. On June 30, 1993, the Fund's bond portfolio had a duration of 4.36 years, an average quality rating of AAA and a current yield of 6.59%.

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<i>Figure 23.</i>	Value at Market	\$46,747,879
<i>Bond Portfolio</i>	Value at Cost	\$45,000,000
<i>Statistics</i>		
<i>June 30, 1993</i>	Average Coupon	7.00%
	Current Yield	6.59
	Yield to Maturity	6.01
	Current Yield at Cost	6.85
	Time to Maturity	6.11 years
	Average Duration	4.36 years
	Average Quality Rating	AAA
	Number of Issues	17



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## **CASH MANAGEMENT**

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**Internal Cash Pools**

**Securities Lending Program**

**Certificate of Deposit Program**

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### INTERNAL CASH POOLS

#### State Cash Accounts

The State Board of Investment (SBI) manages the cash balances in more than 400 state agency accounts with the objectives of preserving capital and providing competitive money market returns. To this end, the SBI invests these cash accounts in short-term, liquid, high quality debt securities. These investments include U. S. Treasury and Agency issues, repurchase agreements, bankers acceptances, and commercial paper. On June 30, 1993, the combined value of all agency cash balances was \$3.1 billion.

#### Pool Structure

Most of the cash accounts are managed by SBI staff through two pooled investment vehicles, which operate much like money market mutual funds:

- **Trust Fund Pool.** This pool contains cash balances of retirement-related accounts managed internally as well as the cash in the Permanent School Fund. The Trust Fund Pool had an average daily balance of \$68 million during the year.
- **Treasurer's Cash Pool.** This pool contains cash balances from the Invested Treasurer's Cash and other accounts necessary for the operation of state agencies. The Treasurer's Cash Pool had an average daily balance of \$1.8 billion during the year.

Because of special legal restrictions, a small number of cash accounts cannot be commingled. These accounts are therefore invested separately.

#### Performance

For fiscal year 1993, the Trust Fund Pool and the Investment Treasurer's Cash Pool outperformed the total return on 91 Day Treasury Bills:

Trust Fund Pool	5.2%
Treasurer's Cash Pool	4.8%
91 Day Treasury Bills	3.1%

During fiscal year 1993, the Board approved a new benchmark for the Treasurer's Cash Pool. The benchmark is intended to reflect fluctuating cash needs, while also more appropriately measuring the yield advantage present from the maturity structure typically employed for the pooled fund. For the benchmark, 75% of the

## **CASH MANAGEMENT**

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return is tied to the SBI's custodian Bank's Short Term Investment Fund and 25% is tied to the return of the Merrill Lynch 1 to 3 year index. Measurement against this benchmark began April 1, 1993. For the quarter ending June 30, 1993, the Treasurer's Cash Pool outperformed the benchmark by 0.2 percentage point.

### **SECURITIES LENDING PROGRAM**

As part of its cash management program, the SBI participates in securities lending programs in which securities held by the SBI are loaned to banks and security dealers for a daily fee. These loans are fully collateralized. Currently, the majority of the SBI's securities lending activity is undertaken by the SBI's master custodian bank, State Street Bank and Trust. Securities lending generated additional income of over \$5 million during fiscal year 1993 for all portfolios controlled by the SBI.

### **CERTIFICATE OF DEPOSIT PROGRAM**

The SBI also manages a certificate of deposit (CD) program in which it purchases CD's from Minnesota banks and savings and loan institutions. The SBI receives a market rate of return on these investments, using the average secondary CD market rate quoted by the New York Federal Reserve Bank. Only the cash reserves of the Basic Retirement Funds are used in the program. The Federal Deposit Insurance Corporation (FDIC) provides \$100,000 in insurance coverage for each retirement plan in the Basic Funds in each of the financial institutions participating in the program. Therefore, the maximum CD investment in any financial institution is \$800,000. Within these limits, all CD's purchased by the SBI are fully insured by the FDIC.

The Minnesota Certificate of Deposit program provides a reliable source of capital to Minnesota financial institutions, regardless of size, many of which do not have access to the national CD market. The Board designed the program so that no single institution is favored in the allocation of assets.

During fiscal year 1993, the SBI purchased over \$122 million of CD's from Minnesota financial institutions. Since it began the program in 1980, the SBI has purchased over \$1.7 billion of CD's from over 475 financial institutions throughout the state.

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## **MAJOR POLICY INITIATIVES**

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**Legislative Update**

**Manager Searches**

**403(b) Vendor Selection**

**Police and Fire Fund Activity**

**Resolution on South Africa**

**Mandate on Northern Ireland**

**Guidelines on International Investing**

**Proxy Voting**

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### LEGISLATIVE UPDATE

#### SBI Proposed Legislation

The 1993 Legislature enacted several measures that affect the State Board of Investment (SBI). Most of the changes proposed by the SBI were of a technical nature, but all are important to the on-going management of the funds under the Board's control. All changes included in the SBI's legislative proposal are contained in *Laws of Minnesota 1993*, Chapter 300. The changes enacted by the Legislature are summarized below:

**Tax Sheltered Savings Programs.** The SBI was given authority to retain consultants to assist the SBI in reviewing and selecting insurance company vendors for various tax deferred savings programs for public employees (i.e., 403(b) program, Deferred Compensation Plan, and IRAP plans for Community College and State University employees).

**Certificate of Deposit Program.** The new law removes language concerning unworkable collateral requirements in the SBI's certificate of deposit program.

**Environmental Trust Fund.** The law corrected language in 1992 legislation making the amortization period for gains and losses in the Environmental Trust Fund the same as for the Permanent School Fund, which was the SBI's original intention.

**General Investment Authority Clarification.** The legislation clarifies that the SBI may invest in securities traded on contract markets or purchase securities from financial institutions regulated by governmental agencies. This change in wording will give the SBI more trading flexibility, particularly with respect to derivative and currency transactions.

**Investment Advisory Council.** The new law exempts the Investment Advisory Council (IAC) from the general statutory sunset provision covering advisory boards and makes the IAC a permanent advisory board.

**Authority to Commingle Pools for Non-Pension Assets.** The new authority allows the SBI to pool the assets of various non-pension entities in the same manner the SBI currently commingles pension assets.

**Police and Fire Fund Assets.** Local police and fire plans may no longer invest non-retirement assets in the Supplemental Investment Fund.

### MANAGER SEARCHES

Manager search activity was a major focus during fiscal year 1993. The SBI convened search committees to begin the international manager selection process for the Basic Retirement Funds. The SBI also conducted searches for domestic active stock, active bond and semi-passive bond managers during the fiscal year. The domestic searches were undertaken to enlarge the manager groups and provide capacity to move the assets of the Post Retirement Fund into external managers.

#### **International Stock Managers**

Three international managers were retained during the fiscal year. State Street Global Advisors was retained as the international index fund manager in September 1992 and received its initial funding in October 1992. A search for active country/passive stock managers resulted in a recommendation to retain Baring International Investment and Brinson Partners. This recommendation was adopted by the Board in March 1993 and the firms were funded in April 1993.

Ten finalists for the fully active component were approved by the Board in June 1993. Staff expects to complete the search for these managers during early fiscal year 1994.

#### **Domestic Stock Managers**

The SBI/IAC approved ten finalists for the domestic stock manager search in September 1992. A Search Committee was convened in early calendar year 1993 to review and interview these firms and recommended that six firms be retained (Brinson Partners, Inc.; Investment Advisers, Inc., Regional Fund; Jundt Associates; Lincoln Capital Management; Oppenheimer Capital and Weiss Peck & Greer). The Board adopted the recommendation at the March 1993 SBI meeting and the managers will be funded on July 1, 1993.

#### **Domestic Bond Managers**

The search for active domestic bond managers followed a similar procedure. The SBI/IAC approved ten finalists for the domestic bond manager search in December 1992. A Search Committee was then convened to review and interview these firms and recommended that four firms be retained (BEA Associates; Standish Ayer & Wood; IDS Advisory; and Trust Company of the West). The Board adopted the recommendation at the March 1993 meeting and the managers will be funded on July 1, 1993.

Finally, a search for semi-passive bond managers was conducted late in fiscal year 1993. A Search Committee interviewed three firms and recommended that the SBI add one new semi-passive manager (Goldman Sachs) to the manager group. The Board adopted this recommendation at its meeting in June 1993. The new manager will be funded on July 1, 1993.

## **403(b) VENDOR SELECTION**

During the 1992 legislative session, legislation was enacted requiring the SBI to select up to ten insurance companies to provide tax-sheltered annuities, referred to as "403(b)" annuities, to teachers statewide. The complete legislation is contained in *Laws of Minnesota 1992*, Chapter 487.

A 403(b) Vendor Review Committee was convened in early fiscal year 1993 and program development proceeded in two phases:

- First, the Committee issued a request for proposal (RFP) for consulting services to assist the SBI in reviewing insurance company product offerings. After reviewing responses and interviewing four finalists, the Committee recommended that the SBI retain The Wyatt Company as its 403(b) consultant. The SBI adopted this recommendation in September 1992.
- Second, with the assistance of the consultant, the Committee issued an RFP for annuity products. The RFP was issued to approximately 300 insurance companies nationwide that met statutory qualifications. Sixteen of the eighteen respondents qualified for consideration according to the minimum credit rating and product offering standards outlined in the RFP.

After approval by the Board, contracts were finalized with the following eight insurance companies in April 1993:

- Aetna Life and Annuity
- Great West Life
- IDS Life
- Metropolitan Life
- Minnesota Mutual
- Nationwide
- United Investors
- Variable Annuity Life Insurance Company (VALIC)

## **POLICE AND FIRE FUND CONSOLIDATION**

In 1987, legislation was enacted that establishes procedures for voluntary consolidation of local police and fire plans with the Public Employees Retirement Association (PERA). When a merger is approved, assets are transferred from the local plan to the Basic Retirement Funds and Post Retirement Fund.

By statute, the executive director of the State Board of Investment (SBI) has authority to accept assets in-kind or to require that individual holdings be converted to cash prior to the transfer. Since the investments made by local plans are similar to those made by the SBI, most assets can be transferred at their market value.

During fiscal year 1993, three plans with assets totaling \$159 million merged with PERA under the procedures established by *Minnesota Statutes Chapter 353A*:

Crystal Policy Relief Association	\$7.2 million
Duluth Fire Relief Association	\$23.9 million
St. Paul Fire Relief Association	\$128.8 million

Since inception in 1987, twenty-five (25) plans with total assets of \$290 million have merged with PERA. After consolidation, these assets are managed as part of the Basic and Post Retirement Funds.

### **Supplemental Investment Fund**

Police and fire plans that are not consolidated with PERA may also invest their assets with the SBI through the Supplemental Investment Fund. During fiscal year 1993, twenty-two (22) plans selected the SBI to manage all or a portion of their retirement related assets. This addition brings the total number of police and fire plans participating in the Supplemental Investment Fund to fifty-five (55). The SBI expects this growth trend to continue as plans become more familiar with the SBI and its ability to offer a variety of investment options at a low administrative cost.

## RESOLUTION ON SOUTH AFRICA

In October 1985, the State Board of Investment (SBI) adopted a resolution concerning its holdings in companies doing business in countries of South Africa and Namibia. In March 1989 and June 1993, the SBI revised and restated the resolution.

### Original Resolution

The original resolution established a four phase timetable for the SBI's divestment program which was tied to a company's rating on its implementation of the Sullivan Principles, a set of fair employment guidelines established by Dr. Leon Sullivan. In addition, the resolution required that the divestment action associated with each phase of the resolution would not take place before the Board obtained legal and financial advice concerning any impact on its fiduciary responsibilities.

After reviewing reports from its financial and legal advisers, the Board decided not to immediately liquidate holdings affected by the resolution. Rather, it chose to implement the requirements of each phase by instituting a policy of "**divestment through attrition**." Under this policy, the Board's active stock managers were directed to discontinue purchases of stock in companies affected by the resolution unless the manager determined that the failure to buy a particular securities would be a violation of its fiduciary responsibility. As existing holdings were sold during the normal course of business, it was expected that stock holdings in the restricted companies would decline.

During fiscal years 1986-1988, substantial progress was made toward full divestment using the divestment through attrition policy. The reduction was due both to sales of shares during the normal course of business and the decision of many companies to withdraw their operations from South Africa.

### Revised Resolution

In March 1989 and June 1993, the Board revised the original resolution to reflect the divestment through attrition policy and to recognize the continual change in the specific companies that have South African operations.

The SBI relies on information available through the Investor Responsibility Research Center (IRRC) in Washington, D.C. to identify companies with direct investment in South Africa. The Board has directed its active stock managers to discontinue purchases of these companies unless the manager determines that failure to complete a purchase would be a breach of the manager's fiduciary responsibility.

## **MAJOR POLICY INITIATIVES**

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At the beginning of fiscal year 1993, the SBI's active stock managers held shares in five companies with direct investment in South Africa. During fiscal year 1993, 11 new companies were added to the restricted list due to merger and acquisition activity. This increased the number of restricted companies held by the SBI's active stock managers to 7 firms.

### **Task Force**

When the original resolution was adopted, the Board created a task force to advise the SBI on its implementation process. Designees of each of the five Board members serve as members of the task force along with a representative from the statewide retirement systems, a representative of public employees and a representative from the private sector. The Task Force on Divestment was officially reinstated in March 1991 and June 1993 and continues under the revised resolution. It meets periodically to monitor the SBI's progress in implementing the resolution.

### **Rescission of the Resolution**

Events that occur after the close of a fiscal year would not normally be reported in this annual report. Given the rapidly changing events in South Africa, however, the SBI has chosen to make an exception to this practice.

In September 1993, the Board adopted an amendment to the resolution which provided that the resolution would be rescinded if events transpired in South Africa which would support the establishment of a multi-racial democracy and serve to increase the safety and stability of investments in companies that do business in that country.

On September 24, 1993, Nelson Mandela, President of the African National Congress (ANC), called for an end to economic sanctions. This action followed the establishment of a transitional executive council which will guide the government of South Africa until free and open multi-racial elections are held on April 27, 1994.

The Board determined that these events fulfilled the conditions for discontinuing implementation of its resolution. On October 27, 1993, the Board officially rescinded all provisions of its resolution on South Africa and discontinued the Task Force on Divestment.

**MANDATE ON NORTHERN IRELAND****Requirements**

In 1988, the Legislature enacted statutory provisions concerning the Board's investments in U.S. companies with operations in Northern Ireland. The statute requires the State Board of Investment (SBI) to:

- Annually compile a list of U.S. corporations with operations in Northern Ireland in which the SBI invests.
- Annually determine whether those corporations have taken affirmative action to eliminate religious or ethnic discrimination. The statute lists nine goals modeled after the MacBride Principles.
- Sponsor, co-sponsor and support resolutions that encourage U.S. companies to pursue affirmative action in Northern Ireland, where feasible.

The statute does not require the SBI to divest existing holdings in any companies and does not restrict future investments by the SBI.

**Implementation**

The SBI uses the services of the Investor Responsibility Research Center (IRRC), Washington D.C., to determine corporate activity in Northern Ireland. In January 1993 the SBI held stocks or bonds in 38 out of 44 corporations identified by IRRC as having operations in Northern Ireland.

The SBI filed shareholder resolutions with 18 of these corporations during the 1993 proxy season. The resolutions asked corporations to sign the MacBride Principles, to implement affirmative action programs or to report on the steps they have taken to alleviate religious or ethnic discrimination. Nine (9) resolutions were withdrawn when the targeted companies agreed to provide information on their employment activity in Northern Ireland and 3 resolutions were rejected by the companies on a legal basis under SEC rules. The voting results on the remaining 6 resolutions are shown below:

Affirmative	
Company	Vote
Baker Hughes	10.9%
Dun & Bradstreet	18.3
Interpublic Group	6.1
James River	13.8
Marsh & McLennan	11.0
Xerox	16.7

## **GUIDELINES ON INTERNATIONAL INVESTING**

At its September 1992 meeting, the State Board of Investment (SBI) adopted a position paper regarding international investing. The paper stated that the case for international investing lies in three areas: increased investment opportunity, greater diversification and potential for higher return. Nearly two-thirds of the world's market now lie outside the U.S. By diversifying across world markets, the Board can reduce risk/volatility of the total portfolio and increase the potential for higher returns.

The paper went on to say that Japan, U.K., Germany and France comprise about three quarters of the value of the international markets. Fourteen (14) other countries in Europe and the Pacific Basin make up the remainder of the more well established stock markets. Emerging markets in Central and South America, Eastern Europe and Asia are growing rapidly and pose special investment considerations and limitations.

**Task  
Force**

The Board established an International Investing Guidelines Task Force to recommend guidelines that address these limitations as well as other concerns related to international investing.

The membership of the Task Force includes a representative of each Board member, a representative of each statewide retirement system, two private sector representatives from the Investment Advisory Council, two representatives from organized labor and one representative from environmental groups. The SBI executive director and the SBI's international consultant are also members of the Task Force.

**Conclusions**

Based on the background material compiled from U.S. State Department reports, the Task Force grouped countries into three broad categories:

**Group I.** These countries have legal protections or practices that generally respect worker and human rights. Because these countries have strong worker and human rights protections, there is little concern that economic and social disruptions may occur which would have an adverse effect on financial markets.

**Group II.** These countries have legal protections for worker and human rights but violations of these rights have been cited in the State Department reports. Because violations of legally protected worker and human rights continue to occur in these countries, there

is some concern that economic and social disruptions may occur which may have an adverse effect on their financial markets.

**Group III.** These countries lack basic protections for worker and human rights and do not appear to be making adequate progress in establishing an appropriate legal structure to address these issues. Because of this basic lack of human and worker rights, the potential exists for economic, political and social unrest that could adversely affect the stability of the financial markets within these countries.

A list of the countries in each group is shown below:

Group I	Group II	Group III
Australia	Argentina	China
Austria	Brazil	Indonesia
Belgium	Chile	Kuwait
Canada	Colombia	Nigeria
Czechoslovakia	Egypt	Pakistan
Denmark	India	South Africa
Finland	Israel	USSR/former Soviet Union
France	Jamaica	Yugoslavia
Germany	Republic of Korea	
Greece	Malaysia	
Hong Kong	Mexico	
Hungary	Philippines	
Italy	Taiwan	
Ireland	Thailand	
Japan	Trinidad & Tobago	
Luxembourg	Turkey	
Netherlands		
New Zealand		
Norway		
Poland		
Portugal		
Singapore		
Spain		
Sweden		
Switzerland		
United Kingdom		
Uruguay		

### Recommendations

The Task Force recommended that the SBI adopt the following investment guidelines for its active international stock managers. It is important to note that the guidelines do not prohibit a manager from investing in the market of any country:

- The SBI's active international stock managers may invest in all the countries included in "Group I." Since these

## **MAJOR POLICY INITIATIVES**

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countries have strong worker and human rights protections, there is little concern that economic and social disruptions may occur which would have an adverse effect on their financial markets.

- The SBI's active managers may invest in the markets of countries shown under "Group II" if the manager believes that it would be a breach of fiduciary responsibility not to do so. Since violations of legally protected worker and human rights continue to occur in these countries, there is some concern that economic and social disruptions may occur and may have an adverse effect on the financial markets. If a manager chooses to invest in one or more of these markets, the manager must notify the SBI in writing.
- The SBI's active managers may invest in the markets of countries shown under "Group III" if the manager believes that it would be a breach of fiduciary responsibility not to do so. Since these countries lack basic human and worker rights, the potential exists for economic, political and social unrest that could adversely affect the stability of the financial markets within these countries. If a manager chooses to invest in one or more of these markets, the manager must appear at a meeting of the SBI to present its reasons for the decision to do so.

### **Board Action**

The Board adopted the recommendations of the Task Force at its meeting in December 1992. The Task Force will review the country groupings periodically and recommend appropriate additions or deletions. Generally, this will require the Task Force to reconvene after new annual reports from the U.S. State Department are available.

### PROXY VOTING

As a stockholder, the State Board of Investment (SBI) is entitled to participate in corporate annual meetings through direct attendance or casting its votes by proxy. Through proxy voting, the Board directs company representatives to vote its shares in a particular way on resolutions under consideration at annual meetings. Resolutions prepared at annual meetings range from routine issues, such as those involving the election of corporate directors and ratification of auditors, to matters such as merger proposals and corporate social responsibility issues. In effect, as a shareholder the SBI can participate in shaping corporate policies and practices.

#### Voting Process

The Board recognizes its fiduciary responsibility to cast votes on proxy issues. The SBI does not delegate the duty to its external investment managers. Rather, the SBI actively votes all shares according to guidelines established by its Proxy Committee.

The Board delegates proxy voting responsibilities to its Proxy Committee which is comprised of a designee of each Board member. The five member Committee meets only if it has a quorum and casts votes on proxy issues based on a majority vote of those present. In the unusual event that it reaches a tie vote or a quorum is not present, the Committee will cast a vote to abstain.

#### Voting Guidelines

The Committee has formulated guidelines by which it votes on a wide range of corporate governance and social responsibility issues. Each year the Proxy Committee reviews existing guidelines and determines which issues it will review on a case-by-case basis.

#### Corporate Governance Issues

The voting guidelines for major corporate governance issues are summarized below:

- **Routine Matters.** In general, the SBI supports management on routine matters such as uncontested election of directors; selection of auditors; and limits on director and officer liability or increases in director and officer indemnification permitted under the laws of the state of incorporation.
- **Shareholder Rights Issues.** In general, the SBI opposes proposals that would restrict shareholder ability to effect change. Such proposals include instituting supermajority requirements to ratify certain actions or events; creating classified boards; barring shareholders from participating in the determination of the rules governing the board's actions, such as quorum requirements and the duties of directors; prohibiting or limiting shareholder action by written

consent; and granting certain stockholders superior voting rights over other stockholders.

In general, the SBI **supports** proposals that preserve shareholder rights to effect change. Such proposals include requiring shareholder approval of poison pill plans; repealing classified boards; adopting secret ballot of proxy votes; reinstating cumulative voting; and adopting anti-greenmail provisions.

- **Executive Compensation.** In general, the SBI **supports** efforts to have boards of directors comprised of a majority of independent directors, to have compensation committees made up entirely of independent directors, and to have executive compensation linked to a company's long-term performance.
- **Buyout Proposals.** In general, the SBI **supports** friendly takeovers and management buyouts.
- **Special Cases.** The Proxy Committee evaluates hostile takeovers, contested election of directors, compensation agreements that are contingent upon corporate change in control, and recapitalization plans on a case-by-case basis. In addition, the Committee reviews all corporate governance issues affecting companies incorporated or headquartered in Minnesota on a case-by-case basis.

### Social Responsibility Issues

The voting guidelines for major social responsibility issues are shown below:

- **South Africa.** The SBI **supports** a variety of proposals regarding South Africa including those that encourage the signing of the Statement of Principles (formerly Sullivan Principles); encourage withdrawal from South Africa; sever all company ties with South Africa; promote the welfare of black employees and improve the quality of black life outside the work environment; limit strategic sales to South Africa; apply economic pressures on the South African government; or request a report on operations in South Africa.
- **Northern Ireland.** The SBI **supports** resolutions that call for the adoption of the MacBride Principles as a means to encourage equal employment opportunities in Northern Ireland. Also, the SBI **supports** resolutions that request companies to submit reports to shareholders concerning their

## **MAJOR POLICY INITIATIVES**

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labor practices or their sub-contractors' labor practices in Northern Ireland.

- **Environmental Protection/Awareness.** In general, the SBI **supports** resolutions that require a corporation to report or disclose to shareholders company efforts in the environmental arena. In addition, the SBI **supports** resolutions that request a corporation to report on progress toward achieving the objectives of the Ceres Principles, (formerly known as the Valdez Principles) an environmental code of conduct for corporations.
- **Other Social Responsibility Issues.** In general, the SBI **supports** proposals that require a company to report or disclose to shareholders company efforts concerning a variety of social responsibility issues. In the past, these reporting resolutions have included issues such as affirmative action programs, animal testing procedures, nuclear plan safety procedures and criteria used to evaluate military contract proposals.

In general, the SBI **opposes** proposals that require a company to institute a specific business action in response to such issues. For example, the SBI voted against a shareholder proposal which would have required a utility to phase out operations of a nuclear power plant.

### **FY 1993 Proposals**

During fiscal year 1993, the SBI voted proxies for more than 1,400 corporations.

As in past years, the issues on corporate ballots included a broad range of proposals in the corporate governance area:

- Shareholder proposals regarding executive compensation were supported by an average of 14.5% of the shares voted. Shareholders submitted 32 proposals on various compensation issues.
- Shareholders submitted 18 proposals to redeem "poison pills" (an anti-takeover device) or submit them to shareholder vote. These proposals received average support of 44.3% and majorities at 4 companies.
- More than 19 proposals were submitted concerning confidential voting. These proposals received average support of 40.6% and majorities at 4 companies.
- Other proposals included the repeal of classified boards which was supported by an average of 32% of shares voted;

## **MAJOR POLICY INITIATIVES**

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limitation of severance packages to top executives (“golden parachutes”) which received support from an average of 41.4% of shares voted; cumulative voting which was supported by an average of 23.7% of shares voted; and requirements for directors to hold a specified minimum number of shares which received support from an average of 12.5% of shares voted.

In the social responsibility area, Ceres Principles and South Africa resolutions dominated social issues.

- Ceres Principles received 36 resolutions with an average support of 7.8%.
- South Africa received 20 resolutions with an average support level of 11.2%.
- Northern Ireland received only 8 proposals this year with an average support of 14.2%
- Military issues received 19 resolutions. Eight resolutions asking for reports on foreign military sales averaged 10.4% support. Five resolutions on economic conversion received 10.2% support. Two resolutions asking for reports on corporate involvement in the Star Wars program received 8.9%. Resolutions to end the management of nuclear weapons facilities for the Department of Energy received 3.7% support and asking companies to establish criteria for accepting military contracts received an average of 7.6% support.

## **INVESTMENT MANAGER SUMMARIES**

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**Common Stock Managers**

**Bond Managers**

**Alternative Investment Managers**

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## **DOMESTIC COMMON STOCK MANAGERS**

**Alliance  
Capital  
Management**

Alliance searches for companies likely to experience high rates of earnings growth on either a cyclical or secular basis. Alliance invests in a wide range of medium to large growth companies. The firm does not tend to concentrate on one particular type of growth company over another. However, the firm's decision-making process appears to be much more oriented toward macroeconomic considerations than is the case with most other growth managers. Accordingly, cyclical earnings prospects, rather than secular, appear to play a larger role in terms of stock selection. Alliance is not an active market timer, rarely raising cash above minimal levels. The firm was retained by the SBI in March 1983.

**Forstmann Leff  
Associates**

Forstmann Leff is a classic example of a "rotational" manager. The firm focuses almost exclusively on sector weighting decisions. Based upon its macroeconomic outlook, the firm will move aggressively into and out of equity sectors over the course of a market cycle. The firm tends to purchase liquid, large capitalization stocks that will benefit the most during the current phase of the market cycle. The firm was retained by the SBI in March 1983.

**Franklin  
Portfolio  
Associates**

Franklin Portfolio Associate's investment decisions are quantitatively driven and controlled. The firm believes that consistent application of integrated multiple valuation models produces superior investment results. The firm's stock selection model is a composite model comprised of 30 valuation measures each of which falls into one of the following groups: fundamental momentum, relative value, future cash flow, and economic cycle analysis. The firm believes that a multi-dimensional approach to stock selection provides greater consistency than reliance on a limited number of valuation criteria. Franklin's portfolio management process adds value by focusing on buying and selling the right stock rather than attempting to time the market or pick the right sector or industry groups. The firm always remains fully invested. Franklin was retained by the SBI in April 1989.

**GeoCapital  
Corp.**

GeoCapital invests primarily in small capitalization equities with the intent to hold them as they grow into medium and large capitalization companies. The firm uses a theme approach and individual stock selection analysis to invest in the growth/technology and intrinsic value areas of the market. In the growth/technology area, GeoCapital looks for companies that will have above average growth due to a good product development program and limited competition. In the intrinsic value area, the key factors are the corporate assets, free cash flow, and an unrecognized catalyst that will cause a positive change in the company. The firm generally stays fully invested, with any cash positions due to the lack of attractive investment opportunities. GeoCapital was retained by the SBI in April 1990.

**IDS  
Advisory**

IDS employs a "rotational" style of management, shifting among industry sectors based upon its outlook for the economy and the financial markets. The firm emphasizes both sector weighting and stock selection decisions. Over a market cycle IDS invests in a wide range of industries. The firm tends to buy liquid, large capitalization stocks. Based on their internal research, they purchase the stocks that will incur the highest growth rates within the sectors they favor. The firm was retained by the SBI in March 1983.

**Independence  
Associates**

Independence believes that individual stocks which outperform the market always have two characteristics: 1) they are intrinsically cheap; and 2) their business is in the process of improving. Independence ranks their universe by using a multifactor model. Using input primarily generated by their internal analysts, the model ranks each stock based on ten discreet criteria. Independence constrains their portfolio by using the top 60% of their ranked universe and optimizing it relative to the benchmark selected by the client to minimize the market and industry risks. Independence maintains a fully invested portfolio and rarely holds more than a 1% cash position. The firm was retained by the SBI in February 1992.

**Lieber & Co.**

Lieber & Co. seeks to identify investment concepts that are either currently profitable or likely to become so in the near future, yet whose prospects are not reflected in the stock prices of the companies associated with the concepts. The investment concepts upon which the firm focuses are related to both macroeconomic trends and specific product developments within particular industries or companies. Stocks purchased by Lieber tend to be well-managed, high growth and high return on equity, small-to-medium sized companies. The stocks may be undervalued due to the failure of investors to recognize fully either the value of new products or a successful turnaround situation. Particularly attractive to Lieber are small-to-medium sized takeover candidates. The firm generally is fully invested, with any cash positions the result of a lack of attractive investment concepts. Lieber was retained by the SBI in March 1983.

**Lynch  
& Mayer**

Lynch & Mayer invests primarily in high-quality large capitalization growth stocks. They believe that outstanding investments are a function of corporate earnings growth considerably above historical trends or consensus expectations. Lynch & Mayer is a bottom-up stock picker and relies on very little economic analysis in their selection process. Lynch & Mayer screens out stocks below a certain market capitalization and liquidity level and then eliminates additional stocks based on various fundamental criteria. After the screening process they look for at least one of the following four factors: 1) acceleration of growth; 2) improving industry environment; 3) corporate restructuring; or 4) turnaround. The firm generally stays fully invested, with any cash due to lack of attractive investment opportunities. Lynch & Mayer was retained by the SBI in February 1992.

**Waddell  
& Reed**

Waddell & Reed focuses its attention primarily on small to medium capitalization aggressive growth stocks. However, the firm has demonstrated a willingness to make significant bets against this investment approach for extended periods of time. Waddell & Reed was retained by the SBI in March 1983.

## INVESTMENT MANAGER SUMMARIES

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### **Wilshire Associates**

The index fund managed by Wilshire Associates is designed to track a custom index which has been modified or “tilted” to compensate for style bias or “misfit” in the active managers’ aggregate benchmark. The tilting process was initiated during fiscal year 1991. Prior to that time, the Wilshire Associates’ portfolio was indexed to the Wilshire 5000. The Wilshire 5000 is a broad-based market indicator and is composed of the common stock of all U.S. domiciled corporations for which daily prices are available. Wilshire Associates was retained by the SBI in December 1983.

**Portfolio statistics for each of the active domestic equity managers can be found in the Statistical Data Appendix.**

## INTERNATIONAL STOCK MANAGERS

### **Baring International Investment Ltd.**

Baring manages an active country/passive stock portfolio for the SBI. Baring’s strategic policy team is responsible for the country and currency decisions. To make their country decisions, the policy team uses a macroeconomic framework to identify growing economies as evidenced by positive changes in GDP and interest rates. Baring uses State Street Global Advisors to manage the passive stock portion of the portfolio. Baring advises State Street of the allocation decisions and State Street invests accordingly in their various country funds. State Street also implements any hedging decisions by Baring. Baring was retained by the SBI in April 1993.

### **Brinson Partners, Inc.**

Brinson manages an active country/passive stock portfolio for the SBI. Brinson uses a proprietary valuation model to rank the relative attractiveness of individual markets based on fundamental considerations. Inputs include forecasts for growth, inflation, risk premiums and foreign exchange movements. Quantitative tools are used to monitor and control portfolio risk, while qualitative judgments from the firm’s professionals are used to determine final country allocations. The passive stock portion of the portfolio is managed internally. Brinson constructs its country index funds using a proprietary optimization system. Brinson was retained by the SBI in April 1993.

### **State Street Global Advisors**

State Street manages an international index portfolio designed to track the Morgan Stanley Capital International Index of Europe, Australia and the Far East. State Street uses a full replication strategy to construct index modules on a country by country basis. These modules are then combined to form a portfolio which will track the index. State Street was retained by the SBI in October 1992.

## BOND MANAGERS

**Ark Asset Management**

Ark Asset Management (formerly Lehman Ark) emphasizes cyclical interest rate forecasts, trends and positions its portfolios in terms of maturity, quality and sectors, in response to its interest rate forecast. However, the firm avoids significant, rapidly changing interest rate bets. Instead, it prefers to shift portfolio interest rate sensitivity gradually over a market cycle, avoiding extreme positions in either long or short maturities. Individual bond selection is based on a quantitative valuation approach and the firm's internally-conducted credit analysis. High quality (A or better) undervalued issues are selected consistent with the desired maturity, quality and sector composition of the portfolios. The firm was retained by the SBI in July 1984.

**Investment Advisers Inc.**

Investment Advisers is a traditional top-down bond manager. The firm's approach is oriented toward correct identification of the economy's position in the credit cycle. This analysis leads the firm to its interest rate forecast and maturity decisions, from which the firm derives most of its value-added. Investment Advisers is an active asset allocator, willing to make rapid, significant moves between cash and long maturity investments over the course of an interest rate cycle. Quality, sector and issue selection are secondary decisions. Quality and sector choices are made through yield spread analyses consistent with interest rate forecasts. Individual security selection receives very limited emphasis and focuses largely on specific bond characteristics such as call provisions. Investment Advisers was retained by the SBI in July 1984.

**Fidelity Management Trust**

Fidelity Management Trust manages a diversified semi-passive portfolio of fixed income securities designed to simulate the characteristics of the Salomon Broad Investment Grade (BIG) index, a diversified market indicator composed of government, mortgage and corporate securities. The BIG index represents virtually the entire investment grade fixed income market. While matching the risk profile of the BIG index, Fidelity seeks to enhance returns by actively managing yield curve, sector, and issue exposure. The objective is to provide modest increments to the BIG index return on a consistent basis. Fidelity was retained by the SBI in July 1988.

**Lincoln Capital Management**

Lincoln Capital manages a diversified semi-passive portfolio of fixed income securities designed to simulate the Salomon Broad Investment Grade (BIG) index. Lincoln employs quantitative disciplines that model the BIG index according to a variety of risk variables. Lincoln seeks to enhance returns relative to the BIG index by modest alterations to the BIG index sector weightings, with the use of undervalued securities, and through an aggressive trading strategy in mortgage securities. The objective is to provide modest increments to the BIG index return on a consistent basis. Lincoln was retained by the SBI in July 1988.

**Miller, Anderson & Sherrerd**

Miller Anderson focuses its investments in misunderstood or under-researched classes of securities. Over the years this approach has led the firm to emphasize mortgage-backed securities in its portfolios. Based

on its economic and interest rate outlook, the firm establishes a desired maturity level for its portfolios. This decision is instituted primarily through the selection of specific types of mortgage securities that have prepayment expectations consistent with the portfolio's desired maturity. In addition, the firm will move in and out of cash gradually over an interest rate cycle. The firm never takes extremely high cash positions and keeps total portfolio maturity within an intermediate three-to-seven year duration band. Unlike other firms that also invest in mortgage securities, Miller Anderson intensively researches and, in some cases, manages the mortgage pools in which it invests. Miller was retained by the SBI in July 1984.

**Western  
Asset  
Management**

Western recognizes the importance of interest rates changes on fixed income portfolio returns. However, the firm believes that successful interest rate forecasting, particularly short-run forecasting is extremely difficult to accomplish consistently. Thus, the firm attempts to keep portfolio maturity in a narrow band near that of the market, making only relatively small, gradual shifts over an interest rate cycle. It prefers to add value primarily through appropriate sector decisions. Based on its economic analysis, Western will significantly overweight particular sectors, shifting these weights as economic expectations warrant. Issue selection, like its maturity decisions, are of secondary importance to the firm. Western was retained by the SBI in July 1984.

**Portfolio statistics for each of the active bond managers can be found in the Statistical Data Appendix.**

**ALTERNATIVE INVESTMENT MANAGERS****Real Estate****Fund: RESA****Aetna Life & Casualty**

Real Estate Separate Account (RESA) is an open-end commingled real estate fund managed by the Aetna Life and Casualty Company of Hartford, Conn. The fund was formed in January 1978. The fund has no termination date; investors have the option to withdraw all or a portion of their investment. RESA invests primarily in existing equity real estate. Investments are diversified by location and type of property. On-site management of properties is contracted to outside firms or conducted by a joint venture partner.

**Fund: Prime Property Fund****Equitable Real Estate Group**

Prime Property Fund was formed in August 1973 by the New York-based Equitable Real Estate Group, Inc. The account is an open-end commingled real estate fund. The fund has no termination date; investors retain the option to withdraw all or a portion of their investment. The fund makes equity investments in existing real estate. The fund's portfolio is diversified by location and property type. Management of the fund's properties is contracted to outside firms or is conducted by joint venture partners.

**Funds: HAC Group Trust I  
HAC Group Trust II  
HAC Group Trust III  
HAC Group Trust V****Heitman Advisory Corp. (HAC)**

HAC Group Trusts are closed-end commingled funds managed by the Heitman Advisory Group. The majority of the trust investments are equity real estate. The real estate portfolios are diversified by the type and location of the properties. Centre Properties, Ltd., an affiliate of Heitman, manages the trusts' wholly-owned properties. Properties that are partially owned by the trusts may be managed by joint venture partners. Heitman Advisory is based in Chicago.

**Fund: LaSalle Income Parking Fund****LaSalle Advisors**

The Income Parking Fund is a closed-end commingled fund managed by LaSalle Advisors of Chicago, Illinois. The fund's strategy is to acquire unleveraged parking facilities to maximize current return to the investors. In special situations, the fund may develop new parking facilities, but only when yield requirements can be maintained. LaSalle has considerable expertise in this area, with close to 100,000 parking spaces under management in the U.S.

## **INVESTMENT MANAGER SUMMARIES**

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**Funds: Paine Webber Qualified Plan Property Funds I-IV and Mortgage Partners Five, L.P.'s.**

**Paine  
Webber**

The Managing General Partner of Funds I-V is based in Boston, Mass. and is a wholly owned subsidiary of Paine Webber Group, Inc. The Funds have real estate investments which are diversified by location and property type. The SBI received these investments through Police and Fire Plan consolidations.

**Fund: RREEF USA III**

**Rosenberg Real  
Estate Equity  
Funds  
(RREEF)**

RREEF USA III is a closed-end commingled fund managed by the Rosenberg Real Estate Equity Funds. Typically, the trust purchases 100% of the equity of its properties with cash. The trust generally does not utilize leverage or participating mortgages. Properties are diversified by location and type. RREEF's in-house staff manages the trust's real estate properties. The firm's primary office is located in San Francisco.

**Funds: AEW - State Street Real Estate Fund III  
AEW - State Street Real Estate Fund IV  
AEW - State Street Real Estate Fund V**

**State Street  
Bank & Trust**

State Street Real Estate Funds are closed-end commingled funds managed by the State Street Bank and Trust Company of Boston. State Street Bank has retained Aldrich, Eastman and Walch (AEW) as the funds' advisor. The funds' special orientation is the use of creative investment vehicles such as convertible and participating mortgages to maximize real estate returns. The real estate portfolios are diversified by location and property type. On-site property management typically is contracted to outside firms or conducted by joint venture partners.

**Funds: TCW Realty Fund III  
TCW Realty Fund IV**

**Trust Company  
of the West  
(TCW)**

TCW Realty Funds are closed-end commingled funds. The funds are managed as joint ventures between Trust Company of the West and Westmark Real Estate Investment Services of Los Angeles. These managers utilize specialty investment vehicles such as convertible and participating mortgages to enhance real estate returns. Investments are diversified by location and type. Portfolio properties are typically managed by local property management firms.

**Fund: Zell/Merrill Lynch Real Estate II**

**Zell/  
Merrill Lynch**

Zell/Merrill Lynch Real Estate Fund II, is based in Chicago, Illinois. The fund will make equity or equity-related investments in opportunistic real estate situations. The partnership will acquire office, retail, and residential properties and may also invest in mixed-use and industrial properties. The fund has the authority to acquire convertible or participating mortgages.

## **Venture Capital**

### **Fund: Allied Venture Partnership**

#### **Allied Capital**

Allied Venture Partnership was formed in September 1985 and has a ten-year term. Based in Washington D.C., the fund focuses on later-stage, low technology companies located in the Southeastern and Eastern U. S. Most investments will be made in syndication with Allied Capital, a large, publicly owned venture capital corporation which was formed in 1958.

### **Funds: Venture Partnership Acquisition Fund I Venture Partnership Acquisition Fund II**

#### **Brinson Partners**

Brinson Partners Venture Partnership Acquisition Funds I and II were formed in 1988 and 1990, respectively. The limited partnerships have ten year terms. Fund I and II invest exclusively in secondary venture capital limited partnership interests which are sold by investors who for a variety of reasons have decided to sell some or all of their venture capital holdings. Brinson Partners is based in Chicago, Illinois.

### **Fund: Midwest Bank Fund III**

#### **ChiCorp Management, Inc.**

Midwest Bank Fund III was formed in October 1992 and has a nine year term. Based in Chicago, Illinois, the fund will invest in sub-regional banks, located primarily in the Midwest, which have demonstrated above average growth and are likely acquisition targets.

### **Fund: Churchill Capital Partners II**

#### **Churchill Capital, Inc.**

Churchill Capital Partners II was formed in October 1992 and has a twelve year term. Based in Minneapolis, Minnesota, the fund provides subordinated debt to established small and medium-sized companies. Fund investments will not be restricted to any particular region, although a substantial portion are anticipated in the Midwest.

### **Fund: DSV Partners IV**

#### **DSV Management Ltd.**

DSV Partners IV limited partnership was formed in April 1985. It has a twelve-year term. DSV Partners IV is the fourth venture fund to be managed by DSV Management Ltd. since the firm's inception in 1968. The firm has offices in Princeton, New Jersey, and California. DSV Partners' investment emphasis is on portfolio companies in the start-up and early stages of corporate development. The geographic focus of the partnership is on East and West Coast firms. Investments are diversified by industry type.

## INVESTMENT MANAGER SUMMARIES

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**Fund: Golder, Thoma and Cressey Fund III**  
**Golder, Thoma and Cressey Fund IV**

**Golder,  
Thoma &  
Cressey**

Golder, Thoma and Cressey Fund III and IV are venture capital limited partnerships and were formed in October 1987 and April 1993, respectively. The funds are based in Chicago, Illinois and have ten year terms. The funds will invest in growing private businesses, find and build companies in fragmented industries and invest in small leveraged buyouts. In addition, the portfolio will be diversified geographically and by industry.

**Fund: Inman & Bowman**

**Inman &  
Bowman  
Management**

The Inman & Bowman limited partnership was formed in June, 1985. Its investment focus is early-stage, high-technology firms. The fund will emphasize investments in California, where the general partner, Inman & Bowman Management, is based. However, the fund will consider investments in the Pacific Northwest as well. The partnership has a ten-year term.

**Funds: Superior Venture Partners**  
**IAI Ventures I**  
**IAI Ventures II**

**IAI Venture  
Capital  
Group**

Superior Ventures is a Minnesota-based venture capital limited partnership. It was formed in June 1986 and has an eleven-year term. Superior Ventures is managed by IAI Venture Capital Group, a subsidiary of Investment Advisers, Inc. Up to 15% of the fund will be invested in other Minnesota-based venture capital limited partnerships. The remainder of the fund will be invested in operating companies located within the state.

IAI Ventures I and II are also Minnesota-based venture capital limited partnerships managed by IAI Venture Capital Group. These funds have venture capital investment strategies similar to Superior's but are more diversified geographically. They were formed in 1984 and 1991, respectively and have 11 year terms.

**Funds: KKR 1984 LBO Fund**  
**KKR 1986 LBO Fund**  
**KKR 1987 LBO Fund**  
**KKR 1991 LBO Fund**

**Kohlberg, Kravis,  
Roberts & Co.  
(KKR)**

KKR's Leveraged Buyout Funds are structured as limited partnerships. The funds invest in large leveraged buyouts but may include other types of investments as well. The partnerships' portfolio companies are often mature, low technology companies with very diversified operations. Kohlberg, Kravis, Roberts and Co. operates offices in New York and San Francisco.

**Matrix  
Partners****Funds: Matrix Partners II  
Matrix Partners III**

Matrix Partners II and III are venture capital limited partnerships that were formed in 1985 and 1990, respectively, with terms of ten years. Investment emphasis is on high-technology firms in the early and expansion stages of corporate development. However, for diversification the portfolios will include a sizable component of non-technology firms. The portfolios may include several small leveraged buyout investments as well. The funds are managed by five general partners with offices in Boston, San Jose, and San Francisco.

**Norwest Venture  
Capital  
Management****Fund: Northwest Venture Partners I**

Northwest Venture Partners I was formed in January 1984 and has a term of ten years. Norwest Venture Capital Management, a wholly owned subsidiary of Norwest Corp., is the general partner and manager of the partnership. Norwest Venture Capital also manages the Northwest Growth Fund, a small business investment company (SBIC), and Northwest Equity Capital, a leveraged buyout fund. Northwest Venture Partners' investment focus is on high technology companies in the early stages of corporate development. However, the partnership's portfolio also includes investments in expansion stage firms and is diversified by the location and industry type of its portfolio companies.

**Smith Barney  
Venture  
Corp.****Fund: First Century III**

First Century III was formed in December 1984. It is structured as a limited partnership with a term of ten years. The general partner and manager of the partnership is Smith Barney Venture Corp., a subsidiary of Smith Barney Harris Upham and Co. Smith Barney Venture has offices in New York and San Francisco. This is the third fund formed by the firm since 1972. The partnership invests primarily in early stage, high technology companies. Investments are diversified by location and industry group.

**Stamps,  
Woodsum & Co.****Funds: Summit Ventures I  
Summit Ventures II**

Summit Ventures are limited partnerships formed in 1984 and 1988, respectively, with ten-year terms. The funds were formed by Stamps, Woodsum & Co., the managing general partners of the fund, and Shearson/American Express. Stamps and Woodsum focus on profitable, expansion stage firms that have not yet received any venture backing. The majority of the partnerships investments are in high tech firms. Investments are diversified by location and industry type.

## INVESTMENT MANAGER SUMMARIES

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### **Fund: IMR Fund, L.P.**

#### **The Jacobs Group**

The IMR Fund was formed in May 1992 and has a ten year term. The Fund will invest in established operating companies with assets and/or business segments offering opportunities for significantly enhanced appreciation. Investments in financially troubled or excessively leveraged companies, particularly bankrupt or poorly managed companies with high asset bases, will be a focus of the Fund.

#### **T. Rowe Price**

T. Rowe Price, a Baltimore-based money management firm, was selected to manage stock distributions from the Board's venture capital limited partnerships. T. Rowe Price has extensive research capabilities in the small capitalization company area. In addition, the firm has a large trading staff with particular expertise in the trading of small capitalization and illiquid stocks.

### **Fund: Zell/Chilmark**

#### **Zell/ Chilmark**

Zell/Chilmark was formed in July 1990 with a 10 year term. Based in Chicago, Illinois, the Fund focuses on corporate restructuring and rejuvenation situations. The partnership will invest primarily in the assets, debt and/or common and preferred stock of companies with a fair market value of at least \$100 million.

## **Resource Funds**

### **Fund: Apache Acquisition Net Profits Interest**

#### **Apache Corporation**

Apache Acquisition Net Profits Interest is a private placement to acquire a non-operating interest in the net profit generated by oil and gas properties acquired in 1986 from Occidental Petroleum Company. Investors will receive a 85% net profits interest in the financed share of producing properties until the cumulative total of such payments equals the investment cost plus 8% per year return on investment (the "Payout"). However, if the cumulative net profit discounted at 10% should fail to exceed a defined cumulative cash flow comparably discounted, investors will receive a 90% net profits interest until Payout. After Payout, investors will receive a 75% net profits interest for the life of the producing properties.

### **Fund: British Petroleum Prudhoe Bay Royalty Trust**

#### **British Petroleum Company**

The British Petroleum Prudhoe Bay Royalty Trust is an overriding royalty interest (ORI) in the Prudhoe Bay Field, Alaska, the largest oil and gas producing field in the U.S. The ORI will equal 16.42% of the first 90,000 barrels per day of oil production net to British Petroleum's interest in the Prudhoe Bay Field. British Petroleum's current total production from the field is over seven times greater than this amount. Under terms of the agreement, production costs are fixed and can vary only with inflation. The

## **INVESTMENT MANAGER SUMMARIES**

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oil price is tied directly to the West Texas Intermediate spot price. British Petroleum has guaranteed an average minimum price of \$15 per barrel for the first 2.5 years.

**Funds:** **AMGO I**  
**AMGO II**  
**AMGO IV**  
**AMGO V**

**First  
Reserve  
Corp.**

American Gas and Oil (AMGO) funds are structured as limited partnerships. The general partner and manager of the funds is First Reserve Corp. The general partner's long-term investment strategy is to create diversified portfolios of oil and gas investments. The portfolios are diversified across four dimensions: location, geological structure, investment type, and operating company.

**Fund: Morgan Petroleum Fund II**

**J.P. Morgan  
Investment  
Management**

Morgan Petroleum Fund II was formed in July 1988 and is managed by J.P. Morgan Investment Management, Inc. The fund managers have an office in Houston, Texas. Fund investments will be diversified geographically and by company. Most investments will take the form of an overriding royalty interest and will include, primarily, property acquisitions and development drilling. The fund has a 15 year term.

**Fund: OFS Investments, L.P.**

**Simmons  
& Company**

The fund serves as a vehicle for investment in the oil field service (OFS) and equipment industry. The General Partner is located in Houston, Texas and will endeavor to negotiate transactions that display strong fundamentals, value-added opportunities, reasonable pricing and appropriate financial structuring possibilities. The fund was formed in 1992 with a 10 year term.

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## **STATISTICAL DATA APPENDIX**

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**Manager Portfolio Statistics**

**Historical Performance Summaries**

**Time-weighted Rate of Return**

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## STOCK MANAGER RISK FACTOR EXPOSURE GLOSSARY

The following definitions describe the risk factors that the State Board of Investment (SBI) uses in monitoring its stock managers. The terms are referred to in Table 1.

SBI analysis of a stock manager's portfolio, in part, utilizes the BARRA E2 risk model. The BARRA model contains a number of risk factors that the SBI has found to correlate highly with a manager's investment style. That is, a manager tends to exhibit consistent exposures to many of these risk factors over time. The benchmark construction process includes identifying these persistent exposures and capturing them in the benchmark portfolio.

Factor exposures are calibrated relative to approximately 1400 of the largest market capitalization (HICAP) companies. An exposure level of 0 for a particular stock to a particular factor indicates that the stock has the same exposure as the capitalization-weighted average of the HICAP stocks. Around that zero exposure, deviations are measured in standard deviation units. Thus, an exposure level of +1 indicates that the stock has a greater exposure to the factor than roughly 68% of the HICAP stocks.

<b>Beta</b>	Forecasts the sensitivity of a stock's return to the return on the market portfolio. The BARRA E2 beta is a forecasted beta, based on a company's exposure to thirteen common risk factors and fifty-five industries.
<b>Book-to-Price (B/P)</b>	Measures the book value of a company's common equity divided by market capitalization.
<b>Dividend Yield (Div. Yld.)</b>	Used as a predictor of dividend yield for the coming year.
<b>Earnings-to-Price (E/P)</b>	Incorporates several variants of a company's earnings-price ratio. Includes the current earnings-price ratio, the normalized (5 year) earnings-price ratio, and analysts's forecasted earnings-price ratio as compiled by the Institutional Brokerage Estimate Services (IBES).
<b>Earnings Variability (Earn. Var.)</b>	Indicates the variability of a company's earnings. Comprised of six descriptors: historical earnings variance, cash flow variance, earnings covariability with the economy, the level of concentration of the company's earnings from various sources, the incidence of extraordinary items, and the variability of the company's earnings estimates as compiled by IBES.
<b>Equity Allocation (Eq. Alloc.)</b>	Measures the percent of the manager's total portfolio invested in common stocks, preferred stocks and convertible securities.
<b>Financial Leverage (Finl.)</b>	Measures the extent to which a company utilizes financial leverage to finance its operations. Comprised of three descriptors: debt-to-total assets (at market), debt-to-total assets (at book), and uncovered fixed charges.
<b>Foreign Income (For. Inc.)</b>	Measures the extent to which a company's operating income is generated outside of the U.S.

## STOCK MANAGER RISK FACTOR EXPOSURE GLOSSARY

<b>Growth</b>	Indicates potential growth in a company's earnings over the next five years. Comprised of seven descriptors: most recent five-year dividend payout, most recent five-year dividend yield, most recent five-year earnings-price ratio, change in capital structure, normalized (5 year) earnings-price ratio, recent earnings change, and forecasted earnings growth.
<b>Labor Intensity (Labor Int.)</b>	Measures the degree to which labor, as opposed to capital, is used by a company as a factor of production. Derived from three descriptors: labor expense relative to assets, fixed plant and equipment (inflation adjusted) relative to equity, and depreciated plant value relative to gross plant value.
<b>Monthly Turnover (Mo. T/O)</b>	Measures the total equity asset sales divided by the average value of the equity assets in the manager's portfolio.
<b>Size</b>	Indicates the relative size of the company. It includes three descriptors: market capitalization, total assets, and the length of earnings history.
<b>Success (Suc.)</b>	Describes the extent to which a company has been "successful" in the recent past, in terms of both earnings and stock prices. Composed of six descriptors: most recent five-year earnings growth, most recent one-year earnings growth, forecasted next year's earnings growth, historical alpha, and relative strength. (The last two descriptors are calculated over the most recent year and most recent five-years).
<b>Trading Activity (Trad. Act.)</b>	Measures the trading characteristics of a company's stock. Comprised of six descriptors: most recent five-year share turnover, most recent year share turnover, quarterly share turnover, stock price, trading volume relative to stock price variance, and the number of IBES analysts following the stock.
<b>Variability in Markets (Var. Mkts.)</b>	Measures the volatility of a stock's return related to its past behavior and the behavior of its options. Variants of the factor are calculated for optioned stocks, listed but not optioned stocks, and thinly traded stocks. A partial list of the descriptors that make up this factor include: historical beta, option-implied standard deviation of return, daily standard deviation of return, cumulative price range, stock price, and share turnover.

**Table 1.**  
**EXTERNAL ACTIVE STOCK MANAGERS**  
**Risk Factor Exposures**  
**July 1988 - June 1993**

	Var.	Beta	Mkts.	Suc.	Size	Trad.	Growth	E/P	B/P	Earn.	Finl.	For.	Labor	Div.	Mo.	Eq.
						Act.				Var.		Inc.	Int.	Yld.	T/O	Alloc.
<b>Alliance Capital</b>																
Minimum	1.09	0.13	0.12	0.02	0.17		0.41	-0.24	-0.47	-0.12	-0.00	-0.22	0.19	-0.75	0.72	92%
Average	1.15	0.27	0.34	0.25	0.42		0.56	-0.16	-0.37	0.02	0.15	0.05	0.30	-0.63	3.90	95%
Maximum	1.25	0.52	0.57	0.38	0.60		0.75	0.03	-0.27	0.11	0.28	0.26	0.42	-0.50	9.30	98%
Bmrk. Avg.	1.14	0.31	0.09	-0.28	0.22		0.48	-0.06	-0.27	-0.06	0.02	-0.11	0.41	-0.57	N.A.	95%
<b>Forstmann Leff</b>																
Minimum	1.04	0.19	-0.16	-1.15	0.31		-0.14	-0.18	-0.26	0.19	-0.19	-0.43	-0.28	-0.81	1.61	64%
Average	1.15	0.62	0.21	-0.67	0.63		0.32	0.09	-0.01	0.44	0.07	-0.05	0.03	-0.53	10.49	82%
Maximum	1.25	1.08	0.70	0.06	1.04		0.70	0.36	0.39	0.63	0.40	0.58	0.24	-0.25	28.62	98%
Bmrk. Avg.	1.16	0.48	0.02	-0.50	0.34		0.37	-0.02	0.02	0.21	0.07	-0.11	0.26	-0.36	N.A.	71%
<b>Franklin Portfolio*</b>																
Minimum	0.99	-0.05	-0.24	-0.95	0.01		-0.12	0.15	0.06	-0.04	-0.23	-0.62	-0.19	-0.27	0.00	94%
Average	1.04	0.19	0.07	-0.46	0.12		0.09	0.33	0.17	0.16	-0.07	-0.37	0.01	-0.10	6.73	98%
Maximum	1.09	0.31	0.32	0.25	0.21		0.31	0.48	0.34	0.38	0.08	0.45	0.20	0.12	17.98	100%
Bmrk. Avg.	1.04	0.20	-0.05	-0.58	0.12		0.09	0.01	0.10	0.13	-0.04	-0.36	0.02	-0.08	N.A.	97%
<b>GeoCapital Corp.*</b>																
Minimum	1.20	0.90	-0.58	-2.33	0.43		0.94	-0.72	-0.46	0.43	-0.03	-0.71	0.39	-1.03	0.00	85%
Average	1.25	1.18	0.22	-2.16	0.74		1.06	-0.44	-0.31	0.49	0.18	-0.59	0.47	-0.96	1.15	96%
Maximum	1.28	1.38	0.91	-2.01	0.91		1.13	-0.27	-0.15	0.59	0.70	0.00	0.60	-0.85	10.23	100%
Bmrk. Avg.	1.25	1.10	0.50	-1.91	0.76		1.13	-0.36	-0.27	0.47	0.04	-0.43	0.56	-1.00	N.A.	97%
<b>IDS Advisory</b>																
Minimum	1.08	0.17	0.05	-0.27	0.14		0.13	-0.28	-0.30	-0.01	-0.16	-0.33	-0.08	-0.59	0.66	81%
Average	1.13	0.34	0.32	-0.08	0.34		0.33	-0.08	-0.15	0.22	0.02	-0.01	0.22	-0.44	6.51	92%
Maximum	1.19	0.61	0.63	0.25	0.64		0.42	0.11	0.02	0.34	0.29	0.51	0.45	-0.18	19.73	99%
Bmrk. Avg.	1.05	0.13	0.01	-0.07	0.15		0.10	-0.01	0.05	0.08	0.02	-0.12	0.03	-0.11	N.A.	90%

Bmrk. Avg. = Benchmark average.

Aggregate Active figures include data only for managers retained on 6/30/93.

\*Note: Franklin retained on 4/1/89. Data covers period from 4/1/89 - 6/30/93 only.

GeoCapital retained on 4/1/90. Data covers period from 4/1/90 - 6/30/93 only.

Independence retained on 2/1/92. Data covers period from 2/1/92 - 6/30/93 only.

Lynch & Mayer retained on 2/1/92. Data covers period from 2/1/92 - 6/30/93 only.

**Table 1. Con't.**

**EXTERNAL ACTIVE STOCK MANAGERS**

**Risk Factor Exposures**  
**July 1988 - June 1993**

	Var.	Beta	Mkts.	Suc.	Size	Trad.	Act.	Growth	E/P	B/P	Earn.	Var.	Finl.	For.	Labor	Div.	Mo.	Eq.
														Inc.	Int.	Yld.	T/O	Alloc.
<b>Independence Investment Associates*</b>																		
Minimum	0.99	-0.10	-0.09	0.21	-0.04	-0.20	0.07	0.00	-0.05	0.06	-0.29	-0.06	0.08	0.00	0.08	0.00	97%	
Average	1.01	-0.05	0.02	0.27	0.02	-0.16	0.12	0.05	0.01	0.13	-0.08	-0.01	0.14	4.67	4.67	99%		
Maximum	1.01	-0.02	0.12	0.34	0.09	-0.13	0.21	0.10	0.07	0.20	0.06	0.04	0.20	14.04	100%			
Bmrk. Avg.	1.00	-0.06	-0.04	0.32	-0.02	-0.08	-0.01	0.03	0.00	0.06	0.01	-0.07	0.07	N.A.	100%			
<b>Lieber &amp; Co.</b>																		
Minimum	1.05	0.31	-0.27	-2.01	0.04	0.36	-0.10	-0.05	0.00	-0.27	-0.65	0.41	-0.68	0.10	0.10	91%		
Average	1.11	0.51	0.03	-1.64	0.25	0.42	0.03	0.06	0.10	-0.11	-0.42	0.51	-0.54	3.28	95%			
Maximum	1.19	0.83	0.28	-1.34	0.55	0.55	0.31	0.28	0.18	0.06	-0.27	0.66	-0.41	11.37	100%			
Bmrk. Avg.	1.08	0.53	-0.06	-1.99	0.12	0.41	0.10	0.20	0.22	-0.04	-0.49	0.41	-0.44	N.A.	95%			
<b>Lynch &amp; Mayer*</b>																		
Minimum	1.11	0.25	0.22	-0.06	0.36	0.46	-0.27	-0.36	0.06	-0.01	-0.07	0.23	-0.83	1.98	88%			
Average	1.16	0.43	0.49	0.10	0.44	0.59	-0.14	-0.31	0.14	0.10	0.04	0.30	-0.70	7.79	93%			
Maximum	1.20	0.62	0.71	0.34	0.52	0.75	0.01	-0.25	0.30	0.23	0.17	0.43	-0.57	19.32	99%			
Bmrk. Avg.	1.18	0.55	0.44	-0.08	0.56	0.51	-0.11	-0.15	0.20	0.04	-0.13	0.22	-0.57	N.A.	95%			
<b>Waddell &amp; Reed</b>																		
Minimum	1.10	0.28	-0.30	-1.32	0.36	0.32	-0.38	-0.25	0.20	-0.24	-0.50	0.15	-0.95	0.00	51%			
Average	1.21	0.78	0.26	-1.01	0.74	0.71	-0.22	-0.06	0.51	0.06	-0.21	0.33	-0.68	11.45	72%			
Maximum	1.31	1.25	0.81	-0.63	1.10	1.05	-0.02	0.18	0.70	0.34	0.03	0.54	-0.30	34.39	88%			
Bmrk. Avg.	1.17	0.69	-0.08	-1.45	0.45	0.56	-0.18	0.10	0.42	0.20	-0.27	0.37	-0.56	N.A.	81%			
<b>Aggregate Active</b>																		
Minimum	1.08	0.25	-0.04	-0.66	0.29	0.32	-0.14	-0.25	0.11	-0.01	-0.29	0.16	-0.67	N.A.	N.A.			
Average	1.15	0.46	0.24	-0.46	0.45	0.47	-0.07	-0.15	0.22	0.07	-0.11	0.25	-0.54	N.A.	N.A.			
Maximum	1.19	0.73	0.57	-0.23	0.61	0.62	0.07	-0.05	0.31	0.20	0.21	0.37	-0.38	N.A.	N.A.			

Bmrk. Avg. = Benchmark average.

Aggregate Active figures include data only for managers retained on 6/30/93.

\*Note: Franklin retained on 4/1/89. Data covers period from 4/1/89 - 6/30/93 only.

GeoCapital retained on 4/1/90. Data covers period from 4/1/90 - 6/30/93 only.

Independence retained on 2/1/92. Data covers period from 2/1/92 - 6/30/93 only.

Lynch & Mayer retained on 2/1/92. Data covers period from 2/1/92 - 6/30/93 only.

**Table 2.**  
**EXTERNAL ACTIVE STOCK MANAGERS**  
**Sector Weights**  
**Actual Portfolio Less Benchmark Portfolio**  
**Fiscal Year 1993**

	Cons. Non Dur.	Cons. Dur.	Basic Mat.	Cap. Goods	Energy	Tech.	Trans.	Util.	Finl.
<b>Alliance Capital</b>									
Minimum	-6.44%	-2.02%	-5.66%	-2.88%	-0.33%	-4.68%	-2.77%	-1.97%	7.13%
Average	-0.28	-1.06	-4.16	-2.20	0.50	-0.74	-1.59	-0.95	10.48
Maximum	7.81	0.06	-2.04	-1.63	1.01	3.01	-0.46	-0.10	15.04
Bmrk. Avg.	58.46	3.78	7.75	4.99	0.27	7.85	3.37	1.93	11.59
<b>Forstmann Leff</b>									
Minimum	-9.27	-3.64	-6.22	-3.57	-2.43	-3.33	0.66	-0.63	-0.31
Average	-1.68	-1.41	-5.33	-2.76	2.62	0.62	2.59	3.73	1.62
Maximum	6.77	1.59	-4.43	-2.16	8.45	3.29	6.35	8.27	5.59
Bmrk. Avg.	40.19	5.69	10.02	5.48	5.90	6.97	3.12	4.27	18.36
<b>Franklin Portfolio</b>									
Minimum	-5.87	1.34	-7.08	-4.84	-1.50	1.08	-0.11	-1.45	-1.18
Average	-0.67	2.80	-5.25	-3.77	0.42	3.83	0.36	0.93	1.34
Maximum	3.92	4.22	-3.31	-2.32	1.80	5.20	1.39	2.81	3.78
Bmrk. Avg.	32.88	5.02	11.46	6.14	6.20	6.97	2.74	11.27	17.31
<b>GeoCapital Corp.</b>									
Minimum	0.82	-0.71	-0.80	-7.22	-3.12	-12.94	-2.26	-3.78	20.67
Average	2.79	-0.47	-0.20	-5.89	-2.69	-11.42	-1.90	-2.30	22.07
Maximum	6.08	-0.23	0.38	-4.99	-2.07	-9.47	-1.52	-1.07	25.04
Bmrk. Avg.	57.10	1.97	2.62	5.92	2.69	14.53	2.26	5.20	7.71
<b>IDS Advisory</b>									
Minimum	-17.96	4.97	4.98	-0.03	0.21	-4.14	-0.90	-11.72	-2.07
Average	-11.64	6.54	7.26	1.42	3.44	-0.10	3.93	-10.83	-0.02
Maximum	-6.85	8.28	10.27	3.68	7.32	3.55	8.72	-10.22	3.71
Bmrk. Avg.	36.91	5.34	8.08	4.99	4.73	8.23	3.67	12.60	15.46

Bmrk. Avg. = Benchmark average

Aggregate Active figures include data only for managers retained on 6/30/93.

**Table 2 Con't.**  
**EXTERNAL ACTIVE STOCK MANAGERS**  
**Sector Weights**  
**Actual Portfolio Less Benchmark Portfolio**  
**Fiscal Year 1993**

	Cons. Non Dur.	Cons. Dur.	Basic Mat.	Cap. Goods	Energy	Tech.	Trans.	Util.	Finl.
<b>Independence Investment Associates</b>									
Minimum	-4.71%	-0.79%	-2.29%	1.38%	-2.26%	-3.86%	-0.38%	-4.66%	2.11%
Average	-1.92	0.41	-1.48	2.89	-0.19	-1.65	0.62	-2.32	3.64
Maximum	1.33	1.87	-0.23	4.66	1.46	1.11	1.72	0.88	5.71
Bmrk. Avg.	34.86	4.84	7.88	5.18	9.36	6.16	2.15	16.10	13.47
<b>Lieber &amp; Co.</b>									
Minimum	-7.33	-0.51	-0.95	-2.91	-3.15	-4.15	0.18	-4.41	6.98
Average	-2.22	1.11	-0.04	-1.24	-2.77	-3.08	0.63	-4.22	11.83
Maximum	1.76	2.13	0.93	0.34	-2.21	-1.69	1.08	-3.92	17.91
Bmrk. Avg.	38.81	5.71	10.57	6.84	2.99	7.12	2.31	4.29	21.37
<b>Lynch &amp; Mayer</b>									
Minimum	-5.06	0.49	-6.66	-4.07	-5.66	-7.02	-3.52	-0.08	2.17
Average	-1.49	4.37	-5.13	-0.52	2.65	-4.34	-2.72	3.21	3.96
Maximum	2.70	8.67	-3.49	3.22	6.86	-1.24	-0.73	6.53	6.56
Bmrk. Avg.	44.05	5.06	5.64	3.89	5.06	8.98	2.90	7.72	16.70
<b>Waddell &amp; Reed</b>									
Minimum	-9.16	-2.55	-12.91	-5.16	-3.38	-8.48	0.64	-0.46	6.32
Average	-2.48	0.81	-7.50	-4.16	1.76	-3.25	1.54	1.84	11.44
Maximum	4.31	3.65	-2.99	-3.13	8.44	4.28	4.28	4.43	17.81
Bmrk. Avg.	41.09	7.02	14.90	8.40	6.56	11.05	4.56	1.26	5.17
<b>Aggregate Active</b>									
Minimum	-5.06	0.10	-3.80	-2.97	-0.36	-3.18	-0.55	-1.69	6.51
Average	-1.99	0.96	-2.76	-1.91	0.79	-1.86	0.22	-1.07	7.61
Maximum	0.91	1.56	-1.63	-1.07	2.07	-0.03	1.19	-0.25	9.71

Bmrk. Avg. = Benchmark average

Aggregate Active figures include data only for managers retained on 6/30/93.

**Table 3.**  
**EXTERNAL ACTIVE STOCK MANAGERS**  
**Five Year Quarterly Performance Summary**

	3Q88	4Q88	1Q89	2Q89	3Q89	4Q89	1Q90	2Q90	3Q90	4Q90
<b>Alliance Capital</b>										
Actual Portfolio	-3.5%	0.6%	10.0%	11.7%	15.2%	0.3%	-2.6%	9.7%	-16.4%	9.7%
Benchmark Portfolio	-0.9	1.3	6.7	8.3	10.7	-3.6	-0.9	8.5	-18.3	10.3
<b>Forstmann Leff</b>										
Actual Portfolio	-2.6	2.6	8.3	2.1	9.8	-2.2	-2.7	2.9	-8.3	2.2
Benchmark Portfolio	0.1	1.6	6.3	6.2	7.8	-1.0	-1.3	5.0	-14.6	8.0
<b>Franklin Portfolio</b>										
Actual Portfolio			Manager not retained until 2Q89.		9.7	11.1	-2.5	-3.2	2.4	-18.8
Benchmark Portfolio					8.4	7.4	-2.2	-3.6	4.1	11.7
										10.1
<b>GeoCapital Corp.</b>										
Actual Portfolio					Manager not retained until 2Q90.				6.0	-30.1
Benchmark Portfolio									6.1	-22.3
										10.8
<b>IDS Advisory</b>										
Actual Portfolio	-3.7	1.6	8.2	7.5	15.8	-0.5	0.3	7.6	-19.4	4.7
Benchmark Portfolio	0.3	2.3	6.6	8.6	8.8	-0.3	-2.7	5.5	-14.7	7.9
<b>Independence Investment Associates</b>										
Actual Portfolio					Manager not retained until 1Q92.					
Benchmark Portfolio										
<b>Lieber &amp; Company</b>										
Actual Portfolio	0.8	0.1	7.2	6.1	8.8	-3.9	-5.3	6.2	-21.4	11.8
Benchmark Portfolio	-1.0	0.3	7.1	6.4	8.0	-3.6	-3.8	2.1	-20.7	7.1
<b>Lynch &amp; Mayer</b>										
Actual Portfolio					Manager not retained until 1Q92.					
Benchmark Portfolio										
<b>Waddell &amp; Reed</b>										
Actual Portfolio	-5.9	1.2	5.2	10.4	12.1	-2.7	-0.3	5.8	-15.4	3.3
Benchmark Portfolio	-1.7	1.0	6.5	5.9	7.9	-2.5	-0.3	3.9	-17.4	6.9
<b>Aggregate Active*</b>	<b>-2.8</b>	<b>0.5</b>	<b>8.1</b>	<b>7.9</b>	<b>11.7</b>	<b>-1.4</b>	<b>-2.2</b>	<b>5.8</b>	<b>-17.1</b>	<b>7.3</b>
<b>Market Index</b>										
Wilshire 5000	0.2	2.3	7.4	8.5	10.1	0.6	-3.5	5.5	-15.2	8.7
Wilshire 5000 Adj.**	-0.1	2.0	7.2	8.5	10.0	0.6	-3.4	5.3	-15.5	8.6

\* Aggregate Active performance numbers include returns of any managers retained during the time period shown but subsequently terminated by the Board.

\*\* Adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

Table 3 Con't.

**EXTERNAL ACTIVE STOCK MANAGERS**  
**Five Year Quarterly Performance Summary**

	1Q91	2Q91	3Q91	4Q91	1Q92	2Q92	3Q92	4Q92	1Q93	2Q93
<b>Alliance Capital</b>										
Actual Portfolio	17.4%	-4.3%	10.0%	15.0%	-2.0%	-0.8%	4.4%	9.6%	3.9%	-0.9%
Benchmark Portfolio	17.3	-0.8	5.9	10.6	-3.6	-1.2	3.6	10.0	-1.0	-3.1
<b>Forstmann Leff</b>										
Actual Portfolio	19.3	-1.1	11.1	6.6	-2.0	-5.1	-0.4	12.3	1.0	-0.1
Benchmark Portfolio	15.2	0.2	5.1	6.4	1.3	-0.9	2.1	7.9	3.3	0.4
<b>Franklin Portfolio</b>										
Actual Portfolio	17.3	-2.4	5.7	9.0	-1.7	0.3	3.9	9.3	8.5	4.0
Benchmark Portfolio	17.9	0.1	6.1	7.9	-0.3	0.4	3.9	9.2	4.9	0.9
<b>GeoCapital Corp.</b>										
Actual Portfolio	30.3	-3.9	17.9	16.7	-3.0	-9.4	-0.4	16.1	-0.6	0.5
Benchmark Portfolio	24.6	-2.1	10.3	12.0	-1.0	-9.7	3.8	18.8	1.2	6.2
<b>IDS Advisory</b>										
Actual Portfolio	19.7	-1.4	5.6	10.9	-0.8	0.1	2.1	10.1	4.6	0.8
Benchmark Portfolio	13.3	-0.3	5.3	8.1	1.3	1.3	3.2	8.3	4.8	0.7
<b>Independence Investment Associates</b>										
Actual Portfolio					-0.6	2.9	2.4	7.2	5.4	0.3
Benchmark Portfolio					-0.4	2.4	3.5	5.7	5.3	0.1
<b>Lieber &amp; Company</b>										
Actual Portfolio	19.9	0.1	6.1	7.7	0.8	-7.5	0.2	12.9	3.0	-2.3
Benchmark Portfolio	22.7	1.3	7.1	6.7	4.8	-3.9	2.4	13.0	2.8	0.1
<b>Lynch &amp; Mayer</b>										
Actual Portfolio					0.2	-1.9	3.0	8.7	4.2	-2.0
Benchmark Portfolio					-2.0	-2.0	4.6	8.6	2.1	2.3
<b>Waddell &amp; Reed</b>										
Actual Portfolio	14.1	-1.2	6.6	5.3	3.4	-3.1	4.7	9.4	1.9	6.2
Benchmark Portfolio	18.5	0.2	5.4	5.4	3.6	-3.4	2.5	9.9	3.6	2.0
<b>Aggregate Active*</b>	17.6	-2.5	8.2	10.1	-1.0	-2.6	2.5	8.0	4.4	0.7
<b>Market Index</b>										
Wilshire 5000	16.5	-0.3	6.4	8.7	-1.3	-0.1	3.1	7.3	4.3	0.8
Wilshire 5000 Adj.**	16.3	-0.3	6.2	8.5	-1.1	0.0	3.1	7.2	4.1	0.7

\* Aggregate Active performance numbers include returns of any managers retained during the time period shown but subsequently terminated by the Board.

\*\* Adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

**Table 4.**  
**EXTERNAL STOCK MANAGERS**  
**Five Year Annualized Performance Summary**

	Year Ending 6/30/93		Two Years Ending 6/30/93		Three Years Ending 6/30/93		Five Years Ending 6/30/93	
	Actual Portfolio	Benchmark Portfolio	Actual Portfolio	Benchmark Portfolio	Actual Portfolio	Benchmark Portfolio	Actual Portfolio	Benchmark Portfolio
<b>Active Managers</b>								
Alliance Capital	17.8%	9.2%	20.3%	10.4%	14.2%	8.5%	17.0%	11.2%
Forstmann Leff	12.9	14.3	11.4	13.3	11.2	10.9	10.3	11.6
Franklin	28.1	19.9	20.6	17.2	14.8	14.0	Manager retained 4/1/89	
GeoCapital	15.6	31.5	18.3	20.5	15.5	15.1	Manager retained 4/1/90	
IDS	18.5	17.8	17.4	17.3	11.1	12.7	14.2	13.6
Independence	16.1	15.3	Manager retained 2/1/92					
Lieber & Company	13.8	19.0	10.1	17.0	8.5	13.1	9.1	10.8
Lynch & Mayer	14.3	18.6	Manager retained 2/1/92					
Waddell & Reed	24.0	18.7	18.1	14.9	11.1	11.5	11.8	11.1
<b>Passive Manager</b>								
Wilshire Associates	15.3%	15.7%	14.7%	15.1%	11.8%	12.3%	13.4%	13.8%
<b>Total Basic Retirement Funds' Common Stock Segment*</b>								
	16.3%	16.2%	15.3%	14.9%	11.7%	12.0%	13.2%	13.2%
<b>Capital Markets Data</b>								
Wilshire 5000	16.1%	—	15.1%	—	12.3%	—	13.8%	—
Wilshire 5000 Adj.**	16.0	—	14.9	—	12.0	—	13.4	—
91-Day Treasury Bills	3.1	—	3.9	—	4.9	—	6.2	—
Inflation	3.0	—	3.0	—	3.6	—	4.1	—

\* Total segment performance numbers include returns of any managers retained during the time periods shown but subsequently terminated by the Board.

\*\* Adjusted to reflect the SBI's restrictions on liquor and tobacco stocks through 3/31/93.

## **BOND MANAGER PORTFOLIO CHARACTERISTICS GLOSSARY**

The bond manager portfolio statistics glossary is designed to define terminology the State Board of Investment uses in evaluating a bond manager's investment philosophy, risk characteristics and performance data. The definitions refer to categories shown in Table 5.

<b>Average Quality Weightings (Avg. Qual.)</b>	Refers to the average rating given the total portfolio's securities by Moody's Corp. A security's rating indicates the financial strength of its issuer and other factors related to the likelihood of full and timely payment of interest and principal.
<b>Bond Allocation (Bond Alloc.)</b>	The percent of the manager's total portfolio invested in bonds.
<b>Coupon</b>	The annual interest payment received on the manager's total portfolio stated as a percent of the portfolio's face value.
<b>Current Yield (Cur. Yield)</b>	The annual interest payment produced by the manager's total portfolio stated as a percent of the portfolio's market value.
<b>Duration (Dur.)</b>	A measure of the average life of the total portfolio. Duration is a weighted average maturity where the time in the future that each cash flow is received is weighted by the proportion that the present value of the cash flow contributes to the total present value (or price) of the total portfolio.
<b>Number of Issues (# of Issues)</b>	The number of different bond issues held in the manager's portfolio.
<b>Quarterly Turnover (Qtr. T/O)</b>	The manager's total bond sales during the quarter divided by the average value of the manager's bond portfolio over the quarter.
<b>Term to Maturity (Term to Mat.)</b>	A measure of the average life of the total portfolio. Term to maturity is the number of years remaining until the average bond in the portfolio makes its final cash payment.
<b>Yield to Maturity (Yield to Mat.)</b>	The compounded annualized return that the manager's total portfolio would produce if it were held to maturity and all cash flows were reinvested at an interest rate equal to the yield to maturity.

**Table 5.**  
**EXTERNAL ACTIVE BOND MANAGERS**  
**Portfolio Characteristics**  
**July 1988 - June 1993**

	Qtr. T/O	# Of Issues	Bond Alloc.	Coupon	Yield To Mat.	Avg. Qual.	Dur.	Term To Mat.
<b>Ark Asset Management</b>								
Minimum	14%	39	95%	6.47%	5.85%	AAA	3.63	Yrs. 5.60 Yrs.
Average	41	53	98	7.90	7.49	AAA	4.28	7.38
Maximum	87	70	100	8.50	8.95	AAA	5.51	9.70
<b>Investment Advisers</b>								
Minimum	2	11	96	5.53	5.86	AAA	5.91	9.30
Average	24	21	98	7.36	7.66	AAA	6.66	14.75
Maximum	73	54	100	8.82	9.00	AAA	7.00	19.77
<b>Miller Anderson</b>								
Minimum	7	55	89	5.40	6.64	AA	5.16	9.40
Average	46	80	97	10.25	8.50	AAA	6.66	11.03
Maximum	86	138	100	21.08	9.70	AAA	7.00	16.10
<b>Western Asset</b>								
Minimum	19	46	80	6.31	5.81	AA	4.74	8.74
Average	58	69	95	8.06	7.88	AA	5.30	15.32
Maximum	104	94	100	8.90	9.16	AA	5.64	18.40
<b>Salomon BIG*</b>								
Minimum				7.89	7.83	AAA	4.39	8.40
Average				8.66	7.82	AAA	4.58	9.23
Maximum				9.04	9.19	AAA	4.69	9.80

\* Salomon Broad Investment Grade Bond Index

**Table 6.**  
**EXTERNAL ACTIVE BOND MANAGERS**  
**Sector Weights**  
**Fiscal Year 1993**

	Treas	Agcy	Total Govt	(In Percentages)				Total Corp	Mtgs	Misc	Cash
				Ind	Util	Fin	Tran				
<b>Ark Asset Management</b>											
Minimum	40	12	57	0	0	0	0	0	20	0	0
Average	52	15	67	0	0	3	0	2	24	7	1
Maximum	58	19	77	0	0	6	0	6	28	20	2
<b>Investment Advisers</b>											
Minimum	31	2	34	7	2	7	0	18	30	14	0
Average	34	3	37	8	3	8	0	18	31	14	1
Maximum	36	3	39	8	3	9	0	18	32	15	3
<b>Miller Anderson</b>											
Minimum	15	0	20	6	0	6	1	15	45	1	0
Average	20	4	24	8	0	10	2	19	51	5	2
Maximum	24	5	29	10	1	14	2	23	56	7	5
<b>Western Asset</b>											
Minimum	6	6	12	18	5	3	0	30	18	7	1
Average	18	6	25	22	7	9	0	38	19	10	9
Maximum	26	7	33	26	9	11	0	42	20	17	20
<b>Salomon BIG*</b>											
Minimum				53				18	26		
Average				53				18	28		
Maximum				53				19	29		
Abbreviations:											
Treas	Treasuries										
Agcy	Government agencies										
Ind	Industrials										
Util	Utilities										
Fin	Financials										
Tran	Transportation										
Mtgs	Mortgages										
Misc	Miscellaneous or other										

\* The Salomon Broad Investment Grade (BIG) Bond Index categorizes the index according to Government, Corporate, and Mortgage securities only.

**Table 7.**  
**EXTERNAL ACTIVE BOND MANAGERS**  
**Five Year Quarterly Performance Summary**

	3Q88	4Q88	1Q89	2Q89	3Q89	4Q89	1Q90	2Q90	3Q90	4Q90
<b>Ark Asset Management</b>										
Actual Portfolio	3.3%	0.8%	1.3%	7.0%	1.1%	3.2%	-0.5%	3.2%	1.2%	4.6%
Benchmark Portfolio**	1.8	0.9	1.2	7.2	1.2	3.5	-0.4	3.4	1.2	4.6
<b>Investment Advisers</b>										
Actual Portfolio	1.9	0.6	1.3	9.8	0.4	4.2	-2.7	4.0	-0.6	7.0
Benchmark Portfolio**	2.0	0.8	1.1	8.4	0.9	3.9	-1.2	3.7	0.8	5.4
<b>Miller Anderson</b>										
Actual Portfolio	1.9	1.6	1.4	4.4	0.4	3.4	-0.7	3.8	-0.5	6.1
Benchmark Portfolio**	2.0	0.8	1.2	7.9	1.0	3.7	-0.8	3.6	1.0	5.1
<b>Western Asset</b>										
Actual Portfolio	2.7	1.5	1.5	8.2	1.8	3.5	-1.4	3.7	0.1	5.5
Benchmark Portfolio**	2.2	0.9	1.2	7.8	1.0	3.6	-0.4	3.7	0.8	4.8
<b>Aggregate Active*</b>	2.4	1.1	1.4	6.9	1.2	3.5	-1.3	3.7	-0.1	5.4
<b>Market Index</b>										
Salomon Broad Investment Grade Bond Index	2.0	0.8	1.2	7.9	1.0	3.7	-0.8	3.6	1.0	5.1

\* Aggregate Active performance numbers include returns of any managers retained during the time periods shown but subsequently terminated by the Board.

\*\* Customized benchmarks were used prior to 10/91 when the benchmark changed to the Salomon Broad Investment Grade Bond Index.

**Table 7 Con't.**  
**EXTERNAL ACTIVE BOND MANAGERS**  
**Five Year Quarterly Performance Summary**

	1Q91	2Q91	3Q91	4Q91	1Q92	2Q92	3Q92	4Q92	1Q93	2Q93
<b>Ark Asset Management</b>										
Actual Portfolio	2.5%	1.7%	5.4%	4.7%	-1.7%	4.3%	4.2%	0.2%	4.3%	2.7%
Benchmark Portfolio**	2.5	1.6	5.1	5.0	-1.2	4.1	4.3	0.3	4.2	2.8
<b>Investment Advisers</b>										
Actual Portfolio	2.4	1.2	7.0	6.0	-2.7	4.4	5.9	0.2	5.3	3.8
Benchmark Portfolio**	2.3	1.6	6.0	5.0	-1.2	4.1	4.3	0.3	4.2	2.8
<b>Miller Anderson</b>										
Actual Portfolio	3.2	1.7	7.3	7.2	-2.3	4.1	4.1	1.3	4.5	3.9
Benchmark Portfolio**	2.6	1.8	5.7	5.0	-1.2	4.1	4.3	0.3	4.2	2.8
<b>Western Asset</b>										
Actual Portfolio	3.4	1.8	6.3	5.4	-0.6	3.8	4.0	0.9	5.2	4.0
Benchmark Portfolio**	3.0	2.0	5.8	5.0	-1.2	4.1	4.3	0.3	4.2	2.8
<b>Aggregate Active*</b>	3.0	1.7	6.0	5.5	-1.3	3.9	4.4	0.6	4.6	3.3
<b>Market Index</b>										
Salomon Broad Investment Grade Bond Index	2.6	1.8	5.7	5.0	-1.2	4.1	4.3	0.3	4.2	2.8

\* Aggregate Active performance numbers include returns of any managers retained during the time periods shown but subsequently terminated by the Board.

\*\* Customized benchmarks were used prior to 10/91 when the benchmark changed to the Salomon Broad Investment Grade Bond Index.

**Table 8.**  
**EXTERNAL BOND MANAGERS**  
**Five Year Annualized Performance Summary**

	Year Ending 6/30/93		Two Years Ending 6/30/93		Three Years Ending 6/30/93		Five Years Ending 6/30/93	
	Actual Portfolio	Benchmark Portfolio	Actual Portfolio	Benchmark Portfolio	Actual Portfolio	Benchmark Portfolio	Actual Portfolio	Benchmark Portfolio
<b>Active Managers</b>								
Ark Asset Mgmt.	11.9%	12.0%	12.5%	12.7%	11.7%	11.9%	11.0%	11.0%
Investment Advisers	16.0	12.0	15.6	13.2	13.7	12.3	12.2	11.4
Miller Anderson	14.5	12.0	15.7	13.1	14.0	12.3	11.7	11.4
Western Asset	14.9	12.0	15.3	13.1	13.9	12.4	12.8	11.5
<b>Semi-Passive Managers</b>								
Fidelity Management	12.5	12.0	13.3	13.1	12.7	12.3	11.6	11.4
Lincoln Capital	12.2	12.0	13.1	13.1	12.3	12.3	11.4	11.4
<b>Total Basic Retirement Funds' Bond Segment*</b>								
	13.3%	12.0%	14.0%	13.1%	13.0%	12.3%	11.7%	11.4%
<b>Capital Markets Data</b>								
Salomon BIG Index**	12.0%	—	13.1%	—	12.3%	—	11.4%	—
91 Day Treasury Bills	3.1	—	3.9	—	4.9	—	6.2	—
Inflation	3.0	—	3.0	—	3.6	—	4.1	—

\* Total segment performance numbers include returns of any managers retained during the time periods shown but subsequently terminated by the Board.

\*\*Salomon Broad Investment Grade Bond Index

**Table 9.**  
**INTERNATIONAL STOCK MANAGERS**  
**Country Weights as of June 30, 1993**

Country	State Street(1)	Baring(2)	Brinson(2)	Aggregate(3)	EAFFE Index(4)
Austria	0.40%	0.0%	0.0%	<b>0.32%</b>	0.40%
Australia	2.41	0.0	2.68	<b>2.20</b>	2.36
Belgium	1.15	0.0	0.40	<b>0.96</b>	1.09
Denmark	0.65	0.0	0.0	<b>0.52</b>	0.64
Finland	0.25	0.0	0.0	<b>0.20</b>	0.29
France	5.74	1.34	0.0	<b>4.77</b>	5.77
Germany	5.88	0.46	1.38	<b>4.89</b>	5.68
Hong Kong	3.38	11.78	2.87	<b>4.16</b>	3.32
Ireland	0.23	0.0	0.0	<b>0.19</b>	0.25
Italy	1.94	0.91	3.35	<b>1.98</b>	1.91
Japan	47.98	28.60	17.36	<b>43.01</b>	48.29
Malaysia	1.25	3.85	0.0	<b>1.38</b>	1.57
Netherlands	3.08	1.41	1.17	<b>2.73</b>	2.95
New Zealand	0.31	0.0	0.63	<b>0.31</b>	0.30
Norway	0.33	0.0	0.0	<b>0.27</b>	0.32
Singapore	0.88	4.85	0.0	<b>1.19</b>	0.88
Spain	1.71	1.78	3.38	<b>1.88</b>	1.82
Sweden	1.29	1.35	3.59	<b>1.53</b>	1.30
Switzerland	4.31	1.93	1.50	<b>3.79</b>	4.20
United Kingdom	16.76	14.81	17.60	<b>16.64</b>	16.67
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

(1) Index fund manager

(2) Active country/passive stock manager

(3) Aggregate of index and active/passive managers

(4) Morgan Stanley Capital International index of Europe, Australia and the Far East

**Table 10.**  
**ALTERNATIVE ASSETS**  
**Summary of Commitments**  
**As of June 30, 1993**

	Total Fund Size (Millions)	SBI Inception Date	SBI Commitment	SBI Funded	SBI To Be Funded	Fund Description
<b>Real Estate</b>						
Aetna	\$1,573	4/82	\$40,000,000	\$40,000,000	\$0	Open End
Aetna 13354*	1,573	6/93	2,500,000	2,500,000	0	Open End
AEW III	103	9/85	20,000,000	20,000,000	0	Closed End
AEW IV	86	9/86	17,400,000	15,000,000	2,400,000	Closed End
AEW V	82	12/87	15,000,000	15,000,000	0	Closed End
Equitable	3,613	10/81	40,000,000	40,000,000	0	Open End
Heitman I	113	8/84	20,000,000	20,000,000	0	Closed End
Heitman II	238	11/85	30,000,000	30,000,000	0	Closed End
Heitman III	200	1/87	20,000,000	20,000,000	0	Closed End
Heitman V	127	7/91	20,000,000	20,000,000	0	Closed End
LaSalle	76	9/91	15,000,000	6,019,808	8,980,192	Closed End
Paine Webber*	124	2/90	500,000	500,000	0	Closed End
RREEF	773	9/84	75,000,000	75,000,000	0	Closed End
TCW III	216	8/85	40,000,000	40,000,000	0	Closed End
TCW IV	250	11/86	30,000,000	30,000,000	0	Closed End
Zell	431	7/91	50,000,000	27,932,546	22,067,454	Closed End
<b>Real Estate Total</b>			<b>\$435,700,000</b>	<b>\$402,252,354</b>	<b>\$33,447,646</b>	
<b>Resource (Oil &amp; Gas)</b>						
AMGO I	\$144	9/81	\$15,000,000	\$15,000,000	\$0	Debt with Equity
AMGO II	36	2/83	7,000,000	7,000,000	0	Debt with Equity
AMGO IV	75	7/88	12,300,000	12,300,000	0	Debt with Equity
AMGO V	85	5/90	16,800,000	14,535,147	2,264,853	Debt with Equity
Apache III	190	12/86	30,000,000	30,000,000	0	Net Profits Interest
British Pet.	500	2/89	25,000,000	25,000,000	0	Royalty
Morgan O&G	135	8/88	15,000,000	13,799,697	1,200,303	Debt with Equity
Simmons OFS	100	7/91	17,000,000	6,914,150	10,085,850	Equity
<b>Resource Totals</b>			<b>\$138,100,000</b>	<b>\$124,548,994</b>	<b>\$13,551,006</b>	

(Continued on following page)

\* Received from Police & Fire Fund Consolidations

Table 10 Con't.

**ALTERNATIVE ASSETS**

**Summary of Commitments  
As of June 30, 1993**

	Total Fund Size (Millions)	SBI Inception Date	SBI Commitment	SBI Funded	SBI To Be Funded	Fund Description
<b>Venture Capital</b>						
Allied	\$40	9/85	\$5,000,000	\$5,000,000	\$0	Later Stage
Bank Fund III	125	10/92	20,000,000	5,000,000	15,000,000	Later Stage
Brinson	50	5/88	5,157,668	5,157,668	0	Secondary Interests
Brinson II	110	7/90	20,000,000	12,000,000	8,000,000	Secondary Interests
Churchill II	150	10/92	20,000,000	4,000,000	16,000,000	Later Stage
DSV	60	4/85	10,000,000	10,000,000	0	Early Stage
First Century	100	12/84	10,000,000	9,350,000	650,000	Early Stage
Golder Thoma III	225	10/87	14,000,000	10,505,000	3,495,000	Later Stage
Golder Thoma IV	300	4/93	20,000,000	0	20,000,000	Later Stage
IAI Ventures I*	40	3/91	518,789	518,789	0	Early Stage
IAI Ventures II	64	7/90	10,000,000	5,753,640	4,246,360	Early Stage
IMR Partnership	500	8/92	30,000,000	588,000	29,412,000	LBO
Inman/Bowman	44	6/85	7,500,000	7,500,000	0	Early Stage
KKR 1984 Fund	1,000	3/84	25,000,000	25,000,000	0	LBO
KKR 1986 Fund	2,000	12/85	18,365,339	18,365,339	0	LBO
KKR 1987 Fund	5,600	10/87	146,634,660	131,790,000	14,844,660	LBO
KKR 1991 Fund	1,200	5/91	150,000,000	0	150,000,000	LBO
Matrix II	70	8/85	10,000,000	10,000,000	0	Early Stage
Matrix III	80	5/90	10,000,000	6,500,000	3,500,000	Early Stage
Norwest	60	1/84	10,000,000	10,000,000	0	Early Stage
Summit I	93	12/84	10,000,000	10,000,000	0	Later Stage
Summit II	230	5/88	30,000,000	25,500,000	4,500,000	Later Stage
Superior	35	6/86	6,645,000	6,312,750	332,250	Early Stage-Mn.
T. Rowe Price	—	11/87	18,911,375	18,911,375	0	IPO Manager
Zell/Chilmark	1,000	7/90	30,000,000	25,794,325	4,205,675	Restructuring
<b>Venture Capital Totals</b>			<b>\$637,732,831</b>	<b>\$363,546,886</b>	<b>\$274,185,945</b>	

**SUMMARY**

Real Estate Totals	\$435,700,000	\$402,252,354	\$33,447,646
Resource Totals	138,100,000	124,548,994	13,551,006
Venture Capital Totals	637,732,831	363,546,886	274,185,945
<b>GRAND TOTALS</b>	<b>\$1,211,532,831</b>	<b>\$890,348,234</b>	<b>\$321,184,597</b>

\* Received from Police & Fire Fund Consolidations

## TIME-WEIGHTED RATE OF RETURN

In measuring the performance of a manager or fund whose investment objective is to maximize the total value of an investment portfolio, the proper measuring tool is the time-weighted total rate of return. This performance measure includes the effect of income earned as well as realized and unrealized portfolio market value changes. In addition, the time-weighted total rate of return nets out the influence of contributions made to and distributions taken from the manager or fund. These are variables over which the manager or fund generally has no control.

The calculation of a portfolio's true time-weighted return requires that the portfolio be valued every time that there is a capital flow in or out. Because most portfolios are not valued that frequently, it is usually necessary to estimate the time-weighted total rates of return by approximating the required valuations.

In 1968, the Bank Administration Institute (BAI) commissioned a study, conducted by the University of Chicago, which considered desirable methods of estimating time-weighted returns. The BAI report is considered to be the definitive work in the field of performance measurement because of the academic reputations and thorough scientific efforts of its authors.

When monthly data are available, the BAI study recommends employing a technique called the linked internal rate of return (LIRR). State Street Bank, the SBI's performance measurement consultant, calculates the LIRR by solving the following equation for R:

$$VB * (1+R) + \sum_{i=1}^n C_i * (1+R)^{ti} = VE$$

Where:

VB = Value of the fund at the beginning of the month

VE = Value of the fund at the end of the month

C<sub>i</sub> = Net cash flow on the i<sup>th</sup> day of the month

n = Number of cash flows in the month

R = Internal rate of return

ti = Time from cash flow i to the end of the period, expressed as a percentage of the total number days in the month

The internal rate of return, R, is a proxy for the true time-weighted return over the month. It approximates the interim valuations by assuming a uniform growth of the invested assets throughout the period.

The IRR's calculated for each month can be linked together to estimate the time-weighted return for a longer period. For example, given three consecutive monthly IRR's (R<sub>1</sub>, R<sub>2</sub>, and R<sub>3</sub>), the quarterly time-weighted return (TWRQ) is:

$$TWRQ = (1+R_1)*(1+R_2)*(1+R_3) - 1$$

## MINNESOTA STATE BOARD OF INVESTMENT

### Calculation of January 1, 1994 Benefit Increase

Actuarily valued required reserves at Jan. 1, 1994	\$ 6,875,719,000
Less: Reserves not eligible for increase	<u>415,549,000</u>
Actuarily determined eligible reserves at Jan. 1, 1994	6,460,170,000
FY93 CPI inflation rate capped At 3.5%	2.800%
Dollar cost of inflationary increase	180,884,760
June 30, 1993 total required reserves	<u>7,049,322,000</u>
June 30, 1993 total required reserves adjusted for inflationary increase	7,230,206,760
Market value of aAssets June 30, 1993	8,269,233,081
Less: Inflation adjusted required reserves	<u>7,230,206,760</u>
Current year excess market value	1,039,026,321
Negative balance carryforward	<u>0</u>
Excess market value available for investment based benefit increase	<u>1,039,026,321</u>
Divided by 5 year pay out period	5
Current year portion of excess market value	207,805,264
Second year portion	0
Third year portion	0
Fourth year portion	0
Fifth year portion	<u>0</u>
Total five year excess market value	207,805,264
Cost of transition adjustment	64,601,700
Greater of current year excess market value or cost of transition adjustment	<u>207,805,264</u>
Divided by eligible required reserves Jan. 1, 1994	\$ 6,460,170,000
Investment based increase for FY93	3.217%
<b>Summary:</b>	
<b>Investment Based Benefit Increase</b>	<b>3.217%</b>
<b>Inflation Based Benefit Increase</b>	<b>2.800%</b>
<b>Total Benefit Increase</b>	<b><u>6.017%</u></b>
<b>Total Dollar Value of January 1, 1994 Benefit Increase</b>	<b>\$ 388,690,024</b>

## EXTERNAL STOCK AND BOND MANAGER FEES

### Total Payments for Fiscal Year 1993

#### Active Domestic Stock Managers (1)

Alliance Capital	\$ 2,844,245
Forstmann Leff Associates	775,696
Franklin Portfolio Associates	850,202
GeoCapital Corp.	884,454
IDS Advisory	471,783
Independence Investment Associates	659,532
Lieber & Company	428,332
Lynch & Mayer	635,371
Waddell & Reed	750,268

#### Passive Domestic Stock Manager (2)

Wilshire Associates	\$ 718,842
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#### Active Domestic Bond Managers (2)

Ark Asset Management	\$ 272,181
Investment Advisers Inc.	394,951
Miller, Anderson & Sherrerd	577,313
Western Asset Management	860,083

#### Semi-Passive Domestic Bond Managers (3)

Fidelity Management Trust	\$ 775,194
Lincoln Capital Management	498,984

#### International Stock Managers (2)

Baring International	\$ 54,374
Brinson Partners	63,517
State Street Global Advisers	108,629

(1) Active domestic stock managers are compensated on a performance-based fee formula. Fees earned may range from zero to twice the manager's base fee, depending on the manager's performance relative to an established benchmark.

(2) The passive domestic stock manager, international stock managers and active domestic bond managers are compensated based on a specified percentage of assets under management.

(3) The semi-passive domestic bond managers are compensated on a performance-based fee formula. Fees earned may range from 5 to 10 basis points of assets under management, depending on the manager's performance relative to an established benchmark.

## COMMISSIONS AND TRADING VOLUME

### By Broker for Fiscal Year 1993

Broker	Stock \$ Volume	Stock \$ Commissions	Bond \$ Volume	Bond \$ Commissions	Short Term \$ Volume
ABD Securities	\$ 26,122,000	\$ 0	\$ 0	\$ 0	\$ 0
Abner Herman & Brock	613,935	1,050	0	0	0
Adams Harkness & Hill	3,336,463	3,712	0	0	0
Adler, Coleman & Co.	1,591,262	2,775	0	0	0
AIG Capital	380,765	570	14,971,800	0	0
Allen & Co.	676,312	1,463	0	0	0
Allison-Williams	0	0	3,303,875	13,635	0
Alpha Management Inc.	4,859,601	12,910	0	0	0
American Express Credit	0	0	0	0	54,750,078
Arbor Trading	0	0	9,155,745	0	0
Arnhold	50,417,978	118,795	0	0	0
Arnold S.	90,590	206	0	0	0
Asiel & Co.	913,919	1,050	0	0	0
Associates Corp. of N.A.	0	0	0	0	185,783,572
Autranet	30,238,175	48,323	45,804,410	6,695	0
B.A. Bradshaw & Co.	0	0	4,776,369	0	0
Bagem B.D.A. Greenwich Cap.	0	0	11,336,063	0	0
Bank of America	0	0	38,628,906	0	79,839,999
Bank of NY Securities Inc.	0	0	31,750	0	0
Bankers Discount Corp.	0	0	0	0	30,768,056
Bankers Trust	0	0	3,330,600	0	0
Barclays American Corp.	0	0	15,130,938	0	10,199,136
Baum, George K. & Co.	0	0	12,385,500	0	0
Bear Stearns & Co.	85,757,932	90,767	156,620,378	0	0
Beneficial Corp.	0	0	0	0	4,974,433
Benito & M	8,289,521	23,858	0	0	0
Bernstein, Sanford & Co.	32,230,127	53,374	0	0	0
Blair & Co.	10,801,968	21,750	1,031,350	0	0
Brad Peery Inc.	2,700,524	5,709	0	0	0
Brandt (Robert) & Co.	19,893,614	26,560	0	0	0
Brick Securities	1,138,349	1,752	0	0	0
Bridge Trading Co.	16,930,548	23,311	0	0	0
Broadcort Capital	297,355,519	450,423	10,031,277	0	0
Brown (Alex) & Sons, Inc.	35,185,925	40,077	3,030,147	0	0
Brown Bros. Harriman	5,263,188	8,590	49,974,770	0	0
BT Securities Corp.	9,668,696	1,775	42,557,850	0	2,846,944
BZW Secs.	0	0	29,226,246	0	0
Cantor Fitzgerald	198,704,282	338,976	0	0	0
Capel, James	57,732,140	268,223	0	0	0
Capital Inst. Services	11,074,636	16,314	0	0	0
Carroll McEntee & McGinley	0	0	79,973,793	0	0
Carrull, M.	0	0	3,053,531	0	0
Chase Commercial Paper	0	0	0	0	23,090,023
Chase Govt. Securities Inc.	0	0	6,823,438	0	0
Chase Manhattan Bank	0	0	15,612,358	0	9,970,938
Chase Securities Inc.	0	0	30,233,828	0	24,717,799
Chemical Bank	0	0	5,570,313	0	51,824,871
Chemical Bank NY	0	0	657,438	0	0
Chemical Securities Inc.	0	0	31,386,395	0	125,337,849
Chevron Oil Fin. Co.	0	0	0	0	9,979,167
Chicago Corp.	1,820,910	4,548	0	0	0
Chicago Re	0	0	16,569,280	0	0
CIBC/Wood Gundy	0	0	0	0	64,720,240
CIT Group Holdings	0	0	0	0	218,628,292
Citibank	0	0	2,991,120	0	2,970,867
Citicorp	0	0	2,098,245	0	0
Citicorp Sec. Markets Inc.	0	0	5,506,875	0	239,796,821
CL Glazer Inc.	6,359,924	8,281	0	0	0
Cleary Gull Reiland	1,540,315	2,208	0	0	0
Commercial Credit Co.	0	0	0	0	59,532,417
Cooper Inv.	0	0	150,056	0	0
County Natwest Securities Corp.	34,843,102	46,956	0	0	0
Cowen & Co.	43,078,661	41,025	9,302,535	0	0
Craig-Hallum Inc.	0	0	459,896	0	0
Cronin & Co. Inc.	0	0	860,999	0	0
Crosby Securities	2,675,246	13,282	0	0	0
CRT Govt. Securities Ltd.	0	0	659,211,947	0	15,180,000,000
Cyrus J. Lawrence	38,253,344	59,824	0	0	0
Dain Bosworth, Inc.	4,384,956	8,178	6,310,250	0	0
Dain Kalman & Quail	0	0	20,383,311	0	0
Daiwa Sec. America	15,006,788	13,494	70,196,372	0	1,535,000,000
Davis	954,902	786	0	0	0
Dean Witter Reynolds	9,562,990	13,204	73,507,648	0	11,275,000,000
Deere & Co.	0	0	0	0	59,236,533

# COMMISSIONS AND TRADING VOLUME

## By Broker for Fiscal Year 1993

Broker	Stock \$ Volume	Stock \$ Commissions	Bond \$ Volume	Bond \$ Commissions	Short Term \$ Volume
Deere (John) Capital Corp.	\$ 0	\$ 0	\$ 0	\$ 0	\$ 9,948,333
Derby Sec.	8,114,701	9,276	0	0	0
Deutsche Bank Govt. Sec. Inc.	0	0	77,506,250	0	0
Dillon Read	11,882,899	12,483	227,238,080	0	420,000,000
Discount Corp. NY	0	0	662,592,721	0	70,000,000
DLJ Fixed Income	0	0	160,426,964	0	0
Dominick & Dominick	766,774	700	0	0	0
Donaldson Lufkin	5,678,577	6,245	225,109,897	240,611	4,613,000,000
Eastbridge Capital Inc.	0	0	36,871,094	0	0
Econo Trading	122,261	285	0	0	0
Edwards-Bond Service	0	0	1,997,300	0	0
Edwards A.G. & Sons	5,043,704	8,748	15,829,594	0	0
Eppler	1,570,320	2,100	0	0	0
FCA Securities	0	0	4,071,516	0	0
Factset Data	8,731,190	10,782	0	0	0
Fagenson & Co.	197,225	350	0	0	0
Ferris & Co.	255,250	0	0	0	0
Fidelity	13,550,759	14,840	0	0	0
First Albany	485,987	1,188	5,221,201	0	0
First Bank Capital Mkts.	0	0	3,682,509	0	2,989,860
First Boston Corp.	98,328,556	128,130	794,562,255	69,565	494,152,539
First Chicago Capital Markets Inc.	0	0	0	0	2,599,754
First Manhattan Company	5,100,788	11,637	0	0	0
First Nat'l. Bank Boston	0	0	0	0	7,054,561
First Nat'l. Bank Chicago	0	0	0	0	1,189,232
Ford Financial Services	0	0	20,000,000	0	213,983,751
Freeman Securities	0	0	559,106	0	0
Friend (L.H.) & Co.	1,980,720	2,100	0	0	0
Furman Selz Mager	14,962,975	12,731	0	0	0
Gena, New	5,446,063	2,400	0	0	0
General Electric Capital Corp.	0	0	0	0	34,448,683
General Electric Financial Serv.	0	0	0	0	271,678,443
Gilder Gagnon	2,148,157	3,162	0	0	0
Goldman Sachs & Co.	119,552,617	87,597	3,017,420,846	39,660	273,109,361
Golds-Gold	0	0	7,636,516	0	0
Government Securities Corp.	0	0	1,017,000	0	0
Gowell Securities	0	0	5,064,000	0	0
Greenwich Capital Markets, Inc.	0	0	437,743,357	0	7,156,000,000
Gruntal & Co.	4,817,474	6,572	476,132	0	0
GX Clarke	0	0	6,635,383	0	50,932,000
Hall Inter.	8,109,015	16,637	0	0	0
Hanifin	423,786	1,200	0	0	0
Heller Capital Markets	0	0	0	0	193,478,131
Herzog Heine Gedvid	11,880,765	7,122	0	0	0
Hoenig & Co.	5,520,388	10,964	0	0	0
Industrial Bank of Japan	0	0	1,523,665	0	0
Instinet	122,893,072	133,560	0	0	0
Internal Swap Broker	308,688,447	0	0	0	0
IIInterstate	2,732,189	5,530	0	0	0
Investment Technology Corp.	43,033,078	27,686	0	0	0
ISI Group	8,981,811	14,330	6,999,563	0	0
ITT Financial	0	0	5,000,000	0	19,891,500
ITT Financial Sec. Inc.	0	0	0	0	65,649,378
J.C. Bradford & Co.	508,950	0	0	0	0
J.P. Morgan & Co.	331,406	0	151,551,538	0	0
J.P. Morgan Securities Inc.	13,266,290	20,548	191,052,656	0	15,949,700
Janney Montgomery Scott	3,024,014	4,626	8,646,425	0	0
Jean Pierre Penatton	18,481,545	5,542	0	0	0
Jefferies & Co.	327,909,739	456,406	0	0	0
Jones & Assoc.	6,964,696	10,354	0	0	0
Kasper	0	0	0	0	1,399,874
Keeffe Bruyette & Woods	199,998	438	0	0	0
Kemper Cap.	5,181,250	8,406	0	0	0
Kidder Peabody	41,861,875	91,495	319,443,002	52,500	4,343,014,102
Kinnard John G. & Co.	658,028	700	0	0	0
Kleinworth Benson Inc.	5,665,001	11,251	0	0	0
Lamberson Knight	0	0	0	0	9,774,133
Lazard Freres & Co.	3,874,672	840	0	0	0
Legg Mason	1,061,125	3,222	1,386,177	0	0
Lehman Bros. Inc.	164,619,203	259,255	1,101,569,407	0	793,429,534
Lehman Brothers Inc.	1,246,929	0	4,136,973	0	6,399,444
Lehman Govt. Securities	0	0	272,468,446	0	5,879,913,707
Lewco Securities, Inc.	56,157,806	86,482	5,512,627	0	0
Lewis	0	0	1,122,980	0	0

## COMMISSIONS AND TRADING VOLUME

### By Broker for Fiscal Year 1993

Broker	Stock \$ Volume	Stock \$ Commissions	Bond \$ Volume	Bond \$ Commissions	Short Term \$ Volume
Lieber & Company	\$ 14,205	\$ 170	\$ 0	\$ 0	\$ 0
Lipper Analytical Dist.	1,917,138	2,870	0	0	0
Lynch, Jones & Ryan	77,698,043	100,785	36,927,695	0	0
Mabon Nugent & Co.	5,944,282	23,613	0	0	0
Marquette National Bank	0	0	7,418,551	0	246,873,000
Maxwell Y Espinosa	3,718,232	24,934	0	0	0
Mayer & Schweitzer Inc.	247,500	0	0	0	0
McDonald & Company	3,897,291	7,316	19,781,693	0	0
Mellon Bank	14,999,989	0	0	0	0
Merrill Lynch PF&S	173,797,840	207,401	1,791,819,991	129,760	2,755,434,787
Mesirow & Company	0	0	2,352,036	0	0
Montgomery Securities	44,659,879	45,875	42,485	0	0
Morgan Guaranty	1,739,428	1,968	6,958,563	0	141,653,062
Morgan Kegan Inc.	2,124,503	2,289	0	0	0
Morgan Stanley & Co.	1,096,916,136	317,690	828,578,230	55,000	735,823,344
National City Bank Mpls.	0	0	0	0	105,300,000
National Financial	3,041,625	6,000	0	0	0
National Westminster	0	0	32,535,219	0	5,900,000
Nations Bank	0	0	4,802,324	0	0
Nations Bank Capital Mrkts.	0	0	0	0	22,902,699
Needham Securities	101,563	0	0	0	0
Neuberger & Berman	8,992,446	12,737	0	0	0
Nikko Securities	0	0	9,967,188	0	2,079,000,000
Nomura Securities Int'l.	3,561,033	2,155	6,823,438	0	1,143,000,000
Norwest Bank Mn.	0	0	0	0	31,000,000
Norwest Bank Mpls.	0	0	0	0	334,000
Norwest Financial Inc.	0	0	0	0	19,862,907
Norwest Investment Services Inc.	0	0	58,707,683	0	1,217,014,436
Nuveen John & Company	0	0	5,153,125	0	0
Oppenheimer & Co.	28,445,822	50,829	0	0	0
Ord Minnett	6,510,915	21,699	0	0	0
Paine Webber Inc.	0	0	284,809,551	0	7,486,985,000
Paine Webber J & C	159,997,570	228,566	449,178,399	17,438	140,000,000
Paribas Co.	669,030	0	0	0	0
Paulsen, Dowling	226,250	0	0	0	0
Pershing	52,676,506	73,678	252,462,392	469	0
Peterbroeck	3,296,408	0	0	0	0
Pforzheimer Carl H.	5,905,474	9,000	0	0	0
Phillips & Drew	15,216,137	11,542	0	0	0
Piper Jaffray & Hopwood	2,730,901	4,620	27,552,609	0	1,330,000
Piper Jaffray & Hopwood	9,704,134	11,913	0	0	0
Prudential	0	0	18,900,502	0	0
Prudential Securities Inc.	55,513,479	79,471	244,222,910	0	1,071,000,000
Punk Ziege	750,451	1,026	0	0	0
Raymond James & Associates	4,646,884	7,680	2,011,130	0	0
RBC Dominion Securities	384,120	1,320	0	0	0
Realty Securities	0	0	426,379	0	0
Rivkin (H) & Co. Inc.	0	0	6,260,280	15,000	0
Robert W. Baird & Co.	5,281,271	7,746	0	0	0
Robertson Colman & Stephens	3,826,683	7,156	0	0	0
Robinson-Humphrey Co.	8,948,334	15,918	0	0	0
Rochdale Securities Corp.	9,644,501	17,550	0	0	0
Rothschild	345,751	252	0	0	0
Roulston & Company	552,998	2,112	0	0	0
Salomon Brothers	108,272,916	220,112	2,569,658,032	77,500	2,387,680,935
San Paolo Bank	0	0	0	0	41,594,707
Sanwa-BGK	0	0	56,948,407	0	0
Scotia McLeod	2,017,928	8,010	0	0	0
Scott & Stringfellow	3,201,999	4,332	0	0	0
Sears Roebuck Acceptance	0	0	0	0	49,827,917
Security Pacific National Bank	0	0	3,081,744	0	0
SEI Funds Evaluation	59,628,080	81,597	0	0	0
Shearson Argus Research	0	0	7,040,790	0	0
Shearson American Express	546,909	1,312	111,906,191	59,238	0
Shearson Lehman Hutton Int'l.	1,102,114	11,016	0	0	0
Sherwood Securities	1,455,992	0	0	0	0
Smith Barney & Company	50,510,620	50,624	125,544,118	0	0
Smith Mitchell	0	0	4,488,072	0	0
Smith New Court	6,790,902	0	0	0	0
Sogen (French)	1,564,129	1,250	0	0	0
Soundview	5,670,888	10,298	0	0	0
Standard & Poor Securities	110,490,175	180,918	0	0	0
State Street Bank & Trust	261,321,358	0	74,839,541	0	8,514,824,902
Sternburg (M) & Co.	0	0	0	0	9,756,625

## COMMISSIONS AND TRADING VOLUME

### By Broker for Fiscal Year 1993

Broker	Stock \$ Volume	Stock \$ Commissions	Bond \$ Volume	Bond \$ Commissions	Short Term \$ Volume
Sutro & Company, Inc.	\$ 22,333,561	\$ 43,358	\$ 0	\$ 0	\$ 0
T J Raney	0	0	4,269,160	0	0
Theron D Conrad & Co.	0	0	1,730,034	0	0
Thrift Trading	0	0	39,483	0	0
Tucker Anthony Inc.	0	0	13,506,681	0	0
Tucker Anthony & R.L. Day, Inc.	0	0	4,083,125	10,000	0
UBS Securities	0	0	26,911,895	0	0
UBS-DB Corporation	21,157,901	20,446	258,349,353	0	0
UBSSC-UBS	0	0	16,115,926	0	0
Union Bank-Swiss Zurich	19,105,884	40,555	0	0	0
United Danield Sec. Inc.	0	0	5,141,875	0	0
Utendahl	0	0	1,389,888	0	0
Vector Sec.	519,988	588	0	0	0
Volpe Welt	2,210,770	1,153	0	0	0
W. Anthony	0	0	220,580	0	0
Wagner Stott & Co.	5,898,344	7,200	0	0	0
Warburg S.G.	22,215,624	34,634	0	0	0
Wasserstei	223,930	180	0	0	0
Weeden & Company	224,981,390	273,920	0	0	0
Weiss	3,615,519	5,666	0	0	0
Wessels, Arnold & Henderson	5,198,014	5,166	0	0	0
Westpac Bk Corp.	0	0	6,741,531	0	0
Wheaton First Securities, Inc.	2,843,531	3,046	0	0	0
Wilshire Associates	8,097,329	11,153	0	0	0
Woodmere Securities	2,436,794	11,094	0	0	0
Broker Unavailable*	568,494,425	533,677	1,302,613,488	525	25,304,402,126
 All Brokers Combined	 \$ 5,883,012,948	 \$ 6,141,206	 \$ 17,966,575,066	 \$ 787,596	 \$ 107,710,454,499

\* Includes transactions where broker data was incomplete.

\*\* Totals may not add due to rounding.

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## 1993 ANNUAL REPORT

## PART TWO

**MINNESOTA  
STATE BOARD  
OF INVESTMENT**

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## **1993 ANNUAL REPORT**

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# **MINNESOTA STATE BOARD OF INVESTMENT**

**Governor Arne H. Carlson**

**State Auditor Mark B. Dayton**

**State Treasurer Michael A. McGrath**

**Secretary of State Joan Anderson Growe**

**Attorney General Hubert H. Humphrey III**

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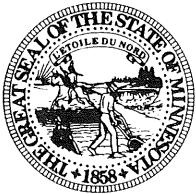
**Financial Statements, Asset Listings and Accounting Data**

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STATE OF MINNESOTA

**OFFICE OF THE LEGISLATIVE AUDITOR**

CENTENNIAL BUILDING, ST. PAUL, MN 55155 • 612/296-4708

JAMES R. NOBLES, LEGISLATIVE AUDITOR

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Independent Auditor's Report

The State Board of Investment

and

Howard J. Bicker, Executive Director

We have audited the accompanying financial statements of the Supplemental Retirement Fund and the Post Retirement Investment Fund which constitute the Investment Trust Funds of the State of Minnesota as of and for the year ended June 30, 1993, as shown on pages 2 to 7. These financial statements are the responsibility of the State Board of Investment's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted government auditing standards. 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.

The financial statements present only the Investment Trust Funds of the State of Minnesota and are not intended to present fairly the financial position and results of operations of the State Board of Investment or the State of Minnesota in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets and participation of the Investment Trust Funds of the State of Minnesota at June 30, 1993, and the results of their operations and changes in their net assets for the year then ended, in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The combining financial statements and supporting schedules on pages 10 to 125 are presented for the purposes of additional analysis and are not a required part of the Investment Trust Funds of the State of Minnesota. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

A handwritten signature of James R. Nobles.

James R. Nobles  
Legislative Auditor

A handwritten signature of John Asmussen, CPA.

John Asmussen, CPA  
Deputy Legislative Auditor

December 1, 1993

**STATE BOARD OF INVESTMENT  
INVESTMENT TRUST FUNDS  
STATEMENT OF ASSETS AND LIABILITIES  
JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<u>SUPPLEMENTAL INVESTMENT FUND TOTAL(5)</u>	<u>POST RETIREMENT INVESTMENT FUND (6)</u>
<b>ASSETS:</b>		
INVESTMENTS(at market value) (3)		
COMMON STOCK	\$ 317,479	\$ 3,625,058
ALTERNATIVE EQUITIES	0	0
FIXED INCOME SECURITIES	184,051	3,543,629
SHORT TERM SECURITIES	95,422	738,040
TOTAL INVESTMENTS (4)	<u>\$ 596,952</u>	<u>\$ 7,906,727</u>
 CASH	0	0
SECURITY SALES RECEIVABLE	0	822,939
ACCOUNTS RECEIVABLE-FEE REFUNDS	0	0
ACCOUNTS RECEIVABLE-MORTALITY	0	17,527
ACCOUNTS RECEIVABLE-PARTICIPANTS	0	2,926
ACCRUED INTEREST	1,713	56,129
ACCRUED DIVIDENDS	0	6,256
ACCRUED SHORT TERM GAIN	258	9,300
 TOTAL ASSETS	<u>\$ 598,923</u>	<u>\$ 8,821,804</u>
 <b>LIABILITIES:</b>		
MANAGEMENT FEES PAYABLE	80	712
SECURITY PURCHASES PAYABLE	0	550,186
ACCOUNTS PAYABLE-PARTICIPANTS	0	292
ACCOUNTS PAYABLE-MORTALITY	0	1,381
 TOTAL LIABILITIES	<u>\$ 80</u>	<u>\$ 552,571</u>
 NET ASSETS AT JUNE 30, 1993	<u><u>\$ 598,843</u></u>	<u><u>\$ 8,269,233</u></u>

**STATE BOARD OF INVESTMENT  
INVESTMENT TRUST FUNDS  
STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<b>SUPPLEMENTAL INVESTMENT FUND TOTAL</b>	<b>POST RETIREMENT INVESTMENT FUND</b>
<b>FROM INVESTMENT ACTIVITY:</b>		
NET INVESTMENT INCOME	\$ 42,889	\$ 461,194
REALIZED GAINS (LOSSES)	10,935	388,220
UNREALIZED GAINS (LOSSES)	18,245	24,647
<b>TOTAL INCOME</b>	<b>\$ 72,069</b>	<b>\$ 874,061</b>
<b>LESS DISTRIBUTION TO</b>		
<b>PARTICIPANT ACCOUNTS</b>	<b>( 72,069 )</b>	<b>( 312,469 )</b>
<b>UNDISTRIBUTED DEDICATED INCOME</b>	<b>0</b>	<b>0</b>
<b>NET CHANGE IN UNDISTRIBUTED INCOME</b>	<b>\$ 0</b>	<b>\$ 561,592</b>
<b>FROM PARTICIPANT TRANSACTIONS:</b>		
<b>ADDITIONS TO PARTICIPANT ACCOUNTS</b>		
<b>PARTICIPANT CONTRIBUTIONS</b>	44,920	906,047
<b>INCOME DISTRIBUTION</b>	72,069	312,469
<b>INCOME TO BE DISTRIBUTED</b>	0	0
<b>TOTAL ADDITIONS</b>	<b>\$ 116,989</b>	<b>\$ 1,218,516</b>
<b>DEDUCTIONS FROM PARTICIPANT ACCOUNTS</b>		
<b>WITHDRAWALS</b>	87,410	611,961
<b>TOTAL DEDUCTIONS</b>	<b>\$ 87,410</b>	<b>\$ 611,961</b>
<b>NET CHANGE IN PARTICIPATION</b>	<b>\$ 29,579</b>	<b>\$ 606,555</b>
<b>TOTAL CHANGE IN ASSETS</b>	<b>\$ 29,579</b>	<b>\$ 1,168,147</b>
<b>NET ASSETS:</b>		
<b>BEGINNING OF PERIOD</b>	<b>\$ 569,264</b>	<b>\$ 7,101,086</b>
<b>END OF PERIOD</b>	<b>\$ 598,843</b>	<b>\$ 8,269,233</b>

**STATE BOARD OF INVESTMENT  
INVESTMENT TRUST FUNDS  
STATEMENT OF OPERATIONS  
YEAR ENDED JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<b>SUPPLEMENTAL INVESTMENT FUND TOTAL</b>	<b>POST RETIREMENT INVESTMENT FUND</b>
<b>INVESTMENT INCOME:</b>		
INTEREST	\$ 14,514	\$ 327,314
DIVIDENDS	25,284	99,982
SHORT TERM GAINS	<u>3,212</u>	<u>35,802</u>
INCOME BEFORE EXPENSES	<u>\$ 43,010</u>	<u>\$ 463,098</u>
MANAGEMENT FEES	<u>121</u>	<u>1,904</u>
NET INCOME	<u><u>\$ 42,889</u></u>	<u><u>\$ 461,194</u></u>
<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>		
<b>REALIZED:</b>		
PROCEEDS FROM SALES	\$ 87,617	\$ 3,867,989
COST OF SECURITIES SOLD	<u>76,682</u>	<u>3,479,769</u>
NET REALIZED GAIN (LOSS)	<u><u>\$ 10,935</u></u>	<u><u>\$ 388,220</u></u>
<b>UNREALIZED:</b>		
BEGINNING OF PERIOD	60,426	664,657
END OF PERIOD	<u>78,671</u>	<u>689,304</u>
<b>INCREASE (DECREASE) IN UNREALIZED APPRECIATION</b>	<u><u>\$ 18,245</u></u>	<u><u>\$ 24,647</u></u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>	<u><u>\$ 29,180</u></u>	<u><u>\$ 412,867</u></u>

## NOTES TO THE FINANCIAL STATEMENTS

### JUNE 30, 1993

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity and Basis of Presentation: This report includes financial statements for the Investment Trust Funds of the State of Minnesota, which are administered by the State Board of Investment under authority of **Minnesota Statutes Chapter 11A**. The Investment Trust funds include the Supplemental Retirement Fund and the Post Retirement Investment Fund.

The financial statements presented for these funds are based on the preferred accounting practices described in the **American Institute of Certified Public Accountants** audit guide, "Audits of Investment Companies". These practices, and the significant accounting policies which follow, conform with generally accepted accounting principles.

Authorized Investments: **Minnesota Statutes, Section 11A.24** broadly restricts investments to obligations and stocks of the U.S. and Canadian governments, their agencies and their registered corporations; short term obligations of specified high quality; international securities; restricted participation as a limited partner in venture capital, real estate or resource equity investments; and restricted participation in registered mutual funds.

Risk Categories: At June 30, 1993, all investments of the Investment Trust Funds and pooled investment accounts are insured or registered, or are held by the state or its agent in the state's name. The state's investment risk for repurchase agreements is reduced by a State Board of Investment policy which limits transactions to those with primary government securities dealers whose net excess capital is greater than \$200,000,000.

Security Valuation: All securities are valued at market except for U.S. Government short-term securities and commercial paper, which are valued at market less accrued interest. Accrued short-term interest is recognized as income as part of "Short-

Term Gain". For long-term fixed income securities the State Board uses the Merrill Lynch valuation system. This pricing service is capable of providing prices for both actively traded and privately placed bonds. For equity securities the State Board uses a valuation service provided by Financial Control Systems, Inc.

Recognition of Security Transactions: Security transactions are accounted for on the date the securities are purchased or sold.

Income Recognition: Dividend income is recorded on the ex-dividend date. Interest and dividend income are accrued monthly. Short-term interest is accrued monthly and is presented as "Accrued Short-Term Gain".

Amortization of Fixed Income Securities: Premiums and discounts on fixed income purchases are amortized over the remaining life of the security using the "Effective Interest Method".

Loaning Securities: Certain U.S. Government and Government Agency securities are loaned out by the State Board to banks and brokers for additional income. Collateral in the amount of 100% of the market value of the security loaned is required.

#### 2. PORTFOLIO LISTING

A listing of all securities held by these funds can be found starting on page 27 of this report. Fixed income and equity securities are presented at market value. Securities held as cash equivalents are not listed.

#### 3. COST OF INVESTMENTS

At June 30, 1993, the cost of investments for the Investment Trust Funds was:

Supplemental Retirement Fund	\$ 518,280,647
Post Retirement Fund	\$ 7,217,423,490

## NOTES TO THE FINANCIAL STATEMENTS

### JUNE 30, 1993

#### 4. LOANED SECURITIES

The market value of loaned securities outstanding at June 30, 1993 was:

Supplemental Retirement Fund	\$ 28,019,673
Post Retirement Fund	\$ 1,535,391,101

#### 5. SUPPLEMENTAL RETIREMENT FUND

The Supplemental Retirement Fund serves as an investment vehicle for the various state and locally administered pension plans. During Fiscal Year 1993 the fund included six separate accounts with different investment objectives. Financial information on the individual accounts is shown on pages 10 to 17 of this report. Participation in the Supplemental Investment Fund accounts is determined in accordance with various statutory requirements.

#### 6. POST RETIREMENT INVESTMENT FUND

The Post Retirement Fund serves as an investment vehicle for the Defined Benefit Pension Funds of the State of Minnesota. The fund invests amounts certified by the various pension funds as reserves required for the payment of retirement benefits. Assets of the Post Retirement Fund are held in custody at State Street Bank in Boston.

Participation in the Post Retirement Investment Fund is equal to the actuarially determined required reserves for retirement benefits as of June 30, 1993. It includes a 5% assumed income distribution, in accordance with *Minnesota Statutes Section 11A.18*, and any mortality gains or losses as determined by an independent actuary hired by the State Legislature.

*Laws of Minnesota 1992, Chapter 530* changed the formula used to calculate post retirement benefit increases. The new formula contains both an inflation adjustment and an investment component and will be effective for benefit increases granted January 1, 1994.

Pursuant to *Minnesota Statutes Section 11A.18, Subdivision 9*, the inflation increase is based on the

change during the Fiscal Year in the *Consumer Price Index for urban wage earners and clerical workers all items index published by the Bureau of Labor Statistics of the United States Department of Labor*. In addition to the inflation based increase, a portion of the June 30, 1993 net market value in excess of Required Reserves is available for distribution as an investment based benefit increase to pension fund participants in January 1994.

The benefit increase is stated as a percentage of eligible required reserves. In accordance with statutory provisions, the amount available for the benefit increase is certified to each participating pension fund for distribution to eligible individuals. Annuitants and other individuals receiving benefits at May 31, 1993 are eligible to receive the January 1, 1994 benefit increase.

Inflation Based Benefit Increase	2.800%
Investment Based Benefit Increase	<u>3.217%</u>
Total Benefit Increase	6.017%

#### 7. POOLED INVESTMENT ACCOUNTS

The State Board of Investment manages ten pooled investment accounts for the Investment Trust Funds, the Supplemental Investment Fund and the Defined Benefit Pension Funds of the State of Minnesota. The assets of the pooled accounts are held by our master custodian, State Street Bank of Boston. Financial information on these pooled accounts is shown on pages 18 to 26 of this report.

#### 8. SOUTH AFRICA POLICY

At its October 27, 1993 meeting the Minnesota State Board of Investment adopted a resolution rescinding all prior restrictions related to investing in companies doing business in South Africa.

**STATE BOARD OF INVESTMENT  
MINNESOTA INVESTMENT TRUST FUNDS  
SCHEDULE OF PARTICIPATION  
JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<b>SUPPLEMENTAL RETIREMENT FUND TOTAL</b>	<b>POST RETIREMENT INVESTMENT FUND</b>
<b>Teacher's Retirement Fund</b>	\$ 0	\$ 3,038,859
<b>Public Employees Retirement Fund</b>	0	2,299,318
<b>State Employees Retirement Fund</b>	0	1,062,677
<b>Public Employees Police &amp; Fire Fund</b>	0	257,993
<b>Public Employees Consolidation Fund</b>	0	193,175
<b>Highway Patrolmen's Retirement Fund</b>	0	108,664
<b>Legislators &amp; Survivors Retirement Fund</b>	0	12,454
<b>Correctional Employees Retirement Fund</b>	0	40,027
<b>Judges Retirement Fund</b>	0	36,155
<b>Income Share Account</b>	307,398	0
<b>Growth Share Account</b>	98,001	0
<b>Money Market Account</b>	66,564	0
<b>Common Stock Index Account</b>	36,259	0
<b>Bond Market Account</b>	19,300	0
<b>Fixed Interest Account</b>	71,325	0
<b>TOTAL PARTICIPATION</b>	<hr/> \$ 598,847	<hr/> \$ 7,049,322
<b>Adjustments</b>		
<b>Unrealized Appreciation</b>		
<b>(Depreciation) of Investments</b>	0	689,304
<b>Undistributed Earnings</b>	( 4 )	530,607
<b>NET ASSETS</b>	<hr/> \$ 598,843	<hr/> \$ 8,269,233

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**SUPPLEMENTAL FINANCIAL STATEMENTS**

**STATE BOARD OF INVESTMENT  
MINNESOTA SUPPLEMENTAL INVESTMENT FUND  
COMBINING STATEMENT OF ASSETS AND LIABILITIES  
JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<u>INCOME SHARE ACCOUNT</u>	<u>GROWTH SHARE ACCOUNT</u>
<b>ASSETS:</b>		
INVESTMENTS(at market value) (2)		
COMMON STOCK	\$ 191,206	\$ 90,012
ALTERNATIVE EQUITIES	0	0
FIXED INCOME SECURITIES	93,814	0
SHORT TERM SECURITIES	21,020	8,018
<b>TOTAL INVESTMENTS (3)</b>	<b>\$ 306,040</b>	<b>\$ 98,030</b>
 CASH	 0	 0
SECURITY SALES RECEIVABLE	0	0
ACCOUNTS RECEIVABLE-FEE REFUNDS	0	0
ACCOUNTS RECEIVABLE-MORTALITY	0	0
ACCOUNTS RECEIVABLE-PARTICIPANTS	0	0
ACCRUED INTEREST	1,316	0
ACCRUED DIVIDENDS	0	0
ACCRUED SHORT TERM GAIN	56	22
 <b>TOTAL ASSETS</b>	 <b>\$ 307,412</b>	 <b>\$ 98,052</b>
 <b>LIABILITIES:</b>		
MANAGEMENT FEES PAYABLE	14	51
SECURITY PURCHASES PAYABLE	0	0
ACCOUNTS PAYABLE-PARTICIPANTS	0	0
OPTIONS PREMIUMS RECEIVED	0	0
 <b>TOTAL LIABILITIES</b>	 <b>\$ 14</b>	 <b>\$ 51</b>
 <b>NET ASSETS AT JUNE 30, 1993</b>	 <b><u>\$ 307,398</u></b>	 <b><u>\$ 98,001</u></b>

<b>MONEY MARKET ACCOUNT</b>	<b>STOCK INDEX ACCOUNT</b>	<b>BOND MARKET ACCOUNT</b>	<b>FIXED INTEREST ACCOUNT</b>	<b>SUPPLEMENTAL INVESTMENT FUND TOTAL</b>
\$ 0	\$ 36,261	\$ 0	\$ 0	\$ 317,479
0	0	0	0	0
0	0	19,309	70,928	184,051
66,384	0	0	0	95,422
<b>\$ 66,384</b>	<b>\$ 36,261</b>	<b>\$ 19,309</b>	<b>\$ 70,928</b>	<b>\$ 596,952</b>
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	397	1,713
0	0	0	0	0
180	0	0	0	258
<b>\$ 66,564</b>	<b>\$ 36,261</b>	<b>\$ 19,309</b>	<b>\$ 71,325</b>	<b>\$ 598,923</b>
2	2	9	2	80
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<b>\$ 2</b>	<b>\$ 2</b>	<b>\$ 9</b>	<b>\$ 2</b>	<b>\$ 80</b>
<b>\$ 66,562</b>	<b>\$ 36,259</b>	<b>\$ 19,300</b>	<b>\$ 71,323</b>	<b>\$ 598,843</b>

**STATE BOARD OF INVESTMENT  
MINNESOTA SUPPLEMENTAL INVESTMENT FUND  
COMBINING STATEMENT OF CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<u>INCOME SHARE ACCOUNT</u>	<u>GROWTH SHARE ACCOUNT</u>
<b>FROM INVESTMENT ACTIVITY:</b>		
NET INVESTMENT INCOME	\$ 24,213	\$ 6,910
REALIZED GAINS (LOSSES)	10,849	0
UNREALIZED GAINS (LOSSES)	<u>9,172</u>	<u>6,818</u>
<b>TOTAL INCOME</b>	<b>\$ 44,234</b>	<b>\$ 13,728</b>
<b>LESS:</b>		
DISTRIBUTION TO PARTICIPANT ACCOUNTS	(44,234)	(13,728)
UNDISTRIBUTED DEDICATED INCOME	<u>0</u>	<u>0</u>
<b>NET CHANGE IN UNDISTRIBUTED INCOME</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>FROM PARTICIPANT TRANSACTIONS:</b>		
<b>ADDITIONS TO PARTICIPANT ACCOUNTS</b>		
PARTICIPANT CONTRIBUTIONS	19,206	4,845
INCOME DISTRIBUTION	44,234	13,728
INCOME TO BE DISTRIBUTED	<u>0</u>	<u>0</u>
<b>TOTAL ADDITIONS</b>	<b>\$ 63,440</b>	<b>\$ 18,573</b>
<b>DEDUCTIONS FROM PARTICIPANT ACCOUNTS</b>		
WITHDRAWALS	60,309	2,061
<b>TOTAL DEDUCTIONS</b>	<b>\$ 60,309</b>	<b>\$ 2,061</b>
<b>NET CHANGE IN PARTICIPATION</b>	<b>\$ 3,131</b>	<b>\$ 16,512</b>
<b>TOTAL CHANGE IN ASSETS</b>	<b>\$ 3,131</b>	<b>\$ 16,512</b>
<b>NET ASSETS:</b>		
BEGINNING OF PERIOD	<u>304,267</u>	<u>81,489</u>
<b>END OF PERIOD</b>	<b><u>\$ 307,398</u></b>	<b><u>\$ 98,001</u></b>

<b>MONEY MARKET ACCOUNT</b>	<b>STOCK INDEX ACCOUNT</b>	<b>BOND MARKET ACCOUNT</b>	<b>FIXED INTEREST ACCOUNT</b>	<b>SUPPLEMENTAL INVESTMENT FUND TOTAL</b>
\$ 2,330	\$ 2,675	\$ 1,878	\$ 4,883	\$ 42,889
0	43	43	0	10,935
0	1,929	326	0	18,245
<u>\$ 2,330</u>	<u>\$ 4,647</u>	<u>\$ 2,247</u>	<u>\$ 4,883</u>	<u>\$ 72,069</u>
(2,330)	(4,647)	(2,247)	(4,883)	(72,069)
0	0	0	0	0
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
2,329	7,493	5,322	5,725	44,920
2,330	4,647	2,246	4,884	72,069
0	0	0	0	0
<u>\$ 4,659</u>	<u>\$ 12,140</u>	<u>\$ 7,568</u>	<u>\$ 10,609</u>	<u>\$ 116,989</u>
16,410	226	603	7,801	87,410
<u>\$ 16,410</u>	<u>\$ 226</u>	<u>\$ 603</u>	<u>\$ 7,801</u>	<u>\$ 87,410</u>
(\$ 11,751)	\$ 11,914	\$ 6,965	\$ 2,808	\$ 29,579
(\$ 11,751)	\$ 11,914	\$ 6,965	\$ 2,808	\$ 29,579
<u>\$ 78,313</u>	<u>\$ 24,345</u>	<u>\$ 12,335</u>	<u>\$ 68,515</u>	<u>\$ 569,264</u>
<u><u>\$ 66,562</u></u>	<u><u>\$ 36,259</u></u>	<u><u>\$ 19,300</u></u>	<u><u>\$ 71,323</u></u>	<u><u>\$ 598,843</u></u>

**STATE BOARD OF INVESTMENT  
MINNESOTA SUPPLEMENTAL INVESTMENT FUND  
COMBINING STATEMENT OF OPERATIONS  
YEAR ENDED JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<u>INCOME SHARE ACCOUNT</u>	<u>GROWTH SHARE ACCOUNT</u>
<b>INVESTMENT INCOME:</b>		
INTEREST	\$ 7,740	\$ 0
DIVIDENDS	15,839	6,766
SHORT TERM GAINS	<u>670</u>	<u>201</u>
INCOME BEFORE EXPENSES	\$ 24,249	\$ 6,967
MANAGEMENT FEES	<u>36</u>	<u>57</u>
<b>NET INCOME</b>	<b><u>\$ 24,213</u></b>	<b><u>\$ 6,910</u></b>
 <b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>		
<b>REALIZED:</b>		
PROCEEDS FROM SALES	\$ 67,271	\$ 0
COST OF SECURITIES SOLD	<u>56,422</u>	<u>0</u>
<b>NET REALIZED GAIN (LOSS)</b>	<b><u>\$ 10,849</u></b>	<b><u>\$ 0</u></b>
<b>UNREALIZED:</b>		
BEGINNING OF PERIOD	50,408	5,888
END OF PERIOD	<u>59,580</u>	<u>12,706</u>
<b>INCREASE (DECREASE) IN UNREALIZED APPRECIATION</b>		
NET REALIZED AND UNREALIZED	<u><u>\$ 9,172</u></u>	<u><u>\$ 6,818</u></u>
	<b><u><u>\$ 20,021</u></u></b>	<b><u><u>\$ 6,818</u></u></b>

<b>MONEY MARKET ACCOUNT</b>	<b>STOCK INDEX ACCOUNT</b>	<b>BOND MARKET ACCOUNT</b>	<b>FIXED INTEREST ACCOUNT</b>	<b>SUPPLEMENTAL INVESTMENT FUND TOTAL</b>
\$ 0	\$ 0	\$ 1,888	\$ 4,886	\$ 14,514
0	2,679	0	0	25,284
2,337	0	0	4	3,212
\$ 2,337	\$ 2,679	\$ 1,888	\$ 4,890	\$ 43,010
7	4	10	7	121
<b>\$ 2,330</b>	<b>\$ 2,675</b>	<b>\$ 1,878</b>	<b>\$ 4,883</b>	<b>\$ 42,889</b>
\$ 0	\$ 228	\$ 604	\$ 19,514	\$ 87,617
0	185	561	19,514	76,682
\$ 0	\$ 43	\$ 43	\$ 0	\$ 10,935
0	3,798	331	0	60,425
0	5,727	657	0	78,670
<b>\$ 0</b>	<b>\$ 1,929</b>	<b>\$ 326</b>	<b>\$ 0</b>	<b>\$ 18,245</b>
<b>\$ 0</b>	<b>\$ 1,972</b>	<b>\$ 369</b>	<b>\$ 0</b>	<b>\$ 29,180</b>

**STATE BOARD OF INVESTMENT  
MINNESOTA SUPPLEMENTAL INVESTMENT FUND  
SCHEDULE OF PARTICIPATION  
JUNE 30, 1993  
AMOUNTS IN (000)'S**

	INCOME SHARE ACCOUNT	GROWTH SHARE ACCOUNT	MONEY MARKET ACCOUNT	STOCK INDEX ACCOUNT	BOND MARKET ACCOUNT	FIXED INTEREST ACCOUNT	SUPPLEMENTAL INVESTMENT FUND TOTAL
Albert Lea Firemen's Relief	\$ 3,452	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,113	\$ 4,565
Alborn Fire Relief	10	0	0	1	11	0	22
Almelund Fire Relief	6	0	0	0	0	0	6
Austin Fire Relief	787	0	0	0	0	0	787
Austin Police Relief	1,250	0	0	0	0	0	1,250
Bagley Fire Relief	24	0	1	0	59	0	84
Balsam Fire Relief	19	4	0	0	0	0	23
Belle Plaine Fire Relief	0	16	0	0	0	52	68
Bloomington Fire Dept. Relief	9,005	0	0	562	0	0	9,567
Bloomington Police Relief	4,294	996	0	0	0	0	5,290
Canby Fire Relief	19	20	0	0	0	0	39
Center City Fire Relief	16	1	0	0	10	0	27
Chaska Fire Relief	44	0	1	0	0	0	45
Chisago City Fire Relief	99	0	0	0	68	0	167
Chokio Fire Relief	41	0	0	0	0	0	41
Clear Lake Fire Relief	0	29	60	0	0	0	89
Community College	35,008	14,584	1,862	1,084	1,417	1,830	55,785
Community College (IRA)	84	21	22	5	6	8	146
Crane Lake Fire Relief	5	0	4	0	0	0	9
Forest Lake Fire Relief	168	26	0	0	32	0	226
Good Thunder Fire Relief	34	0	0	0	0	31	65
Greenwood Fire Relief	0	10	0	0	5	0	15
Grey Eagle Fire Relief	12	0	7	0	0	0	19
Hackensack Fire Relief	13	0	0	0	0	0	13
Hamel Fire Relief	16	0	10	0	0	0	26
Hayward Fire Relief	4	0	0	4	6	0	14
Hennepin County Supplemental Ret.	31,298	12,554	4,761	3,096	1,813	0	53,522
Houston Fire Relief	13	0	6	0	0	0	19
Industrial Fire Relief	5	0	0	0	5	0	10
Jackson Fire Relief	0	0	0	62	0	0	62
Jordan Fire Relief	21	16	0	0	11	0	48

Kabetogama Fire Relief	0	3	0	0	0	0	3
Kandiyohi Fire Relief	2	2	0	2	2	0	8
Lafayette Fire Relief	36	0	3	9	0	0	48
Lake City Fire Relief	141	0	0	0	0	0	141
Mapleview Fire Relief	23	0	0	0	36	0	59
Marine St Croix Fire Relief	33	35	0	0	17	0	85
Mayer Fire Relief - General	2	0	0	3	2	0	7
Mayer Fire Relief - Special	19	0	0	19	20	0	58
Manard Fire Relief	10	0	0	0	0	0	10
Medicine Lake Fire Relief	141	0	0	18	0	0	159
Menahga Fire Relief	13	0	0	0	17	0	30
Minnetonka Fire Relief	1,077	0	0	0	0	0	1,077
Morristown Fire Relief	0	0	0	0	46	0	46
Nodine Fire Relief	0	0	0	4	7	5	16
MSRS Deferred Compensation	61,091	31,537	42,997	22,723	8,987	59,899	227,234
MSRS Unclassified Employee Escrow	55,839	15,938	12,575	7,233	4,494	7,058	103,137
Osseo Fire Relief	46	0	0	0	0	0	46
PERA - DCP	1,121	425	323	300	206	389	2,764
Plato Fire Relief	12	25	0	13	0	0	50
Redwood Falls Fire Relief	13	0	0	0	14	0	27
Renville Fire Relief	4	4	0	0	4	0	12
Rush City Fire Relief	0	0	0	0	0	20	20
Sandstone Fire Relief	41	0	0	0	0	0	41
Scandia Valley Fire Relief	57	0	0	0	0	0	57
State University	66,174	21,736	3,932	1,102	1,985	920	95,849
Stillwater Fire Relief	63	0	0	0	0	0	63
St. Paul Police Relief	35,595	0	0	0	0	0	35,595
Vermillion Lake Fire Relief	22	0	0	0	0	0	22
Willmar Fire Relief	20	19	0	19	20	0	78
Zumbro Falls Fire Relief	56	0	0	0	0	0	56
<b>TOTAL PARTICIPATION</b>	<b>\$ 307,398</b>	<b>\$ 98,001</b>	<b>\$ 66,564</b>	<b>\$ 36,259</b>	<b>\$ 19,300</b>	<b>\$ 71,325</b>	<b>\$ 598,847</b>
<b>Adjustments</b>							
Unrealized Appreciation							
(Depreciation) of Investments	0	0	0	0	0	0	0
Undistributed Earnings	0	0	(2)	0	0	(2)	(4)
<b>NET ASSETS</b>	<b>\$ 307,398</b>	<b>\$ 98,001</b>	<b>\$ 66,562</b>	<b>\$ 36,259</b>	<b>\$ 19,300</b>	<b>\$ 71,323</b>	<b>\$ 598,843</b>

**STATE BOARD OF INVESTMENT**  
**MINNESOTA POOLED INVESTMENT ACCOUNTS**  
**SCHEDULE OF ASSETS AND LIABILITIES**  
**JUNE 30, 1993**  
**AMOUNTS IN (000)'S**

	<u>REAL ESTATE ACCOUNT</u>	<u>RESOURCE ACCOUNT</u>	<u>VENTURE CAPITAL ACCOUNT(4)</u>
<b>ASSETS:</b>			
<b>INVESTMENTS(at market value) (2)</b>			
COMMON STOCK	\$ 0	\$ 0	\$ 0
ALTERNATIVE EQUITIES	389,243	102,444	431,341
FIXED INCOME SECURITIES	0	0	0
SHORT TERM SECURITIES	982	7,055	10,692
<b>TOTAL INVESTMENTS (3)</b>	<b>\$ 390,225</b>	<b>\$ 109,499</b>	<b>\$ 442,033</b>
 <b>CASH</b>			
	0	0	0
SECURITY SALES RECEIVABLE	0	0	211
ACCOUNTS RECEIVABLE-FEE REFUNDS	0	0	0
ACCOUNTS RECEIVABLE-MORTALITY	0	0	0
ACCOUNTS RECEIVABLE-PARTICIPANTS	0	0	0
ACCRUED INTEREST	0	0	0
ACCRUED DIVIDENDS	1,503	511	107
<b>ACCRUED SHORT TERM GAIN</b>	<b>12</b>	<b>18</b>	<b>24</b>
<b>TOTAL ASSETS</b>	<b>\$ 391,740</b>	<b>\$ 110,028</b>	<b>\$ 442,375</b>
 <b>LIABILITIES:</b>			
MANAGEMENT FEES PAYABLE	0	0	0
SECURITY PURCHASES PAYABLE	0	0	0
ACCOUNTS PAYABLE-PARTICIPANTS	0	0	0
OPTIONS PREMIUMS RECEIVED	0	0	0
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
 <b>NET ASSETS AT JUNE 30, 1993</b>	 <b>\$ 391,740</b>	 <b>\$ 110,028</b>	 <b>\$ 442,375</b>

ACTIVE BOND ACCOUNT	PASSIVE BOND ACCOUNT	DOMESTIC			INTERNATIONAL	
		ACTIVE EQUITY ACCOUNT	TILTED INDEX ACCOUNT	PASSIVE EQUITY ACCOUNT	PASSIVE EQUITY ACCOUNT	ACTIVE EQUITY ACCOUNT
\$ 4,186	\$ 0	\$2,418,589	\$3,520,296	\$ 225,713	\$ 843,367	\$ 191,645
0	0	0	0	0	0	0
1,151,486	1,521,016	2,533	1,353	0	0	0
<u>234,535</u>	<u>236,283</u>	<u>178,000</u>	<u>0</u>	<u>1,211</u>	<u>497</u>	<u>13,918</u>
<u>\$1,390,207</u>	<u>\$1,757,299</u>	<u>\$2,599,122</u>	<u>\$3,521,649</u>	<u>\$ 226,924</u>	<u>\$ 843,864</u>	<u>\$ 205,563</u>
0	(5)	0	(3,589)	0	4,873	482
13,147	89,017	38,389	401,391	27	180	0
0	0	1,017	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
14,330	18,321	64	48	0	0	0
0	0	3,850	9,236	513	1,941	1,674
<u>579</u>	<u>600</u>	<u>450</u>	<u>22</u>	<u>3</u>	<u>(93)</u>	<u>9</u>
<u>\$1,418,263</u>	<u>\$1,865,232</u>	<u>\$2,642,892</u>	<u>\$3,928,757</u>	<u>\$ 227,467</u>	<u>\$ 850,765</u>	<u>\$ 207,728</u>
787	635	2,643	112	7	0	118
108,163	282,891	56,568	358,430	0	766	22
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 108,950</u>	<u>\$ 283,526</u>	<u>\$ 59,211</u>	<u>\$ 358,542</u>	<u>\$ 7</u>	<u>\$ 766</u>	<u>\$ 140</u>
<u><u>\$1,309,313</u></u>	<u><u>\$1,581,706</u></u>	<u><u>\$2,583,681</u></u>	<u><u>\$3,570,215</u></u>	<u><u>\$ 227,460</u></u>	<u><u>\$ 849,999</u></u>	<u><u>\$ 207,588</u></u>

**STATE BOARD OF INVESTMENT  
MINNESOTA POOLED INVESTMENT ACCOUNTS  
SCHEDULE OF CHANGES IN NET ASSETS  
YEAR ENDED JUNE 30, 1993  
AMOUNTS IN (000)'S**

	<b>REAL ESTATE ACCOUNT</b>	<b>RESOURCE ACCOUNT</b>	<b>VENTURE CAPITAL ACCOUNT</b>
<b>FROM INVESTMENT ACTIVITY:</b>			
NET INVESTMENT INCOME	\$ 4,595	\$ 7,129	\$ 2,121
REALIZED GAINS (LOSSES)	20	0	22,239
UNREALIZED GAINS (LOSSES)	<u>(23,367)</u>	<u>1,832</u>	<u>(19,419)</u>
<b>TOTAL INCOME</b>	<b>(\$ 18,752)</b>	<b>\$ 8,961</b>	<b>\$ 4,941</b>
<b>LESS DISTRIBUTION TO</b>			
PARTICIPANT ACCOUNTS	(3,643)	(6,618)	(24,332)
UNDISTRIBUTED DEDICATED INCOME	<u>(972)</u>	<u>(511)</u>	<u>(28)</u>
<b>NET CHANGE IN UNDISTRIBUTED INCOME</b>	<b>(\$ 23,367)</b>	<b>\$ 1,832</b>	<b>(\$ 19,419)</b>
<b>FROM PARTICIPANT TRANSACTIONS:</b>			
ADDITIONS TO PARTICIPANT ACCOUNTS			
PARTICIPANT CONTRIBUTIONS	26,377	0	30
INCOME DISTRIBUTION	3,643	6,618	24,332
INCOME TO BE DISTRIBUTED	<u>972</u>	<u>511</u>	<u>28</u>
<b>TOTAL ADDITIONS</b>	<b>\$ 30,992</b>	<b>\$ 7,129</b>	<b>\$ 24,390</b>
DEDUCTIONS FROM PARTICIPANT ACCOUNTS			
WITHDRAWALS	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL DEDUCTIONS</b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>
<b>NET CHANGE IN PARTICIPATION</b>	<b><u>\$ 30,992</u></b>	<b><u>\$ 7,129</u></b>	<b><u>\$ 24,390</u></b>
<b>TOTAL CHANGE IN ASSETS</b>	<b><u>\$ 7,625</u></b>	<b><u>\$ 8,961</u></b>	<b><u>\$ 4,971</u></b>
<b>NET ASSETS:</b>			
BEGINNING OF PERIOD	384,115	101,067	437,404
END OF PERIOD	<u>\$ 391,740</u>	<u>\$ 110,028</u>	<u>\$ 442,375</u>

		DOMESTIC			INTERNATIONAL	
ACTIVE BOND ACCOUNT	PASSIVE BOND ACCOUNT	ACTIVE EQUITY ACCOUNT	TILTED INDEX ACCOUNT	PASSIVE EQUITY ACCOUNT	PASSIVE EQUITY ACCOUNT	ACTIVE EQUITY ACCOUNT
\$ 72,041 64,913 24,348 \$ 161,302	\$ 101,884 49,313 22,304 \$ 173,501	\$ 32,345 159,562 194,240 \$ 386,147	\$ 94,234 153,401 215,896 \$ 463,531	\$ 5,744 12,766 16,901 \$ 35,411	\$ 7,058 572 120,369 \$ 127,999	\$ 1,694 (191) 6,085 \$ 7,588
(136,666) (288) \$ 24,348	(151,919) 722 \$ 22,304	(191,654) (252) \$ 194,241	(247,575) (59) \$ 215,897	(18,509) (1) \$ 16,901	(7,737) 107 \$ 120,369	(327) (1,176) \$ 6,085
55,655 136,666 288 \$ 192,609	0 151,919 (722) \$ 151,197	15,000 191,654 252 \$ 206,906	71,759 247,575 59 \$ 319,393	7,526 18,509 1 \$ 26,036	722,000 7,737 (107) \$ 729,630	200,000 327 1,176 \$ 201,503
604 \$ 604 \$ 192,005 \$ 216,353	0 \$ 0 \$ 151,197 \$ 173,501	0 \$ 0 \$ 206,906 \$ 401,147	0 \$ 0 \$ 319,393 \$ 535,290	28,420 \$ 28,420 (\$ 2,384) \$ 14,517	0 \$ 0 \$ 729,630 \$ 849,999	0 \$ 0 \$ 201,503 \$ 207,588
<u>1,092,960</u> <u>\$1,309,313</u>	<u>1,408,205</u> <u>\$1,581,706</u>	<u>2,182,534</u> <u>\$2,583,681</u>	<u>3,034,925</u> <u>\$3,570,215</u>	<u>212,943</u> <u>\$227,460</u>	<u>0</u> <u>\$ 849,999</u>	<u>0</u> <u>\$ 207,588</u>

**STATE BOARD OF INVESTMENT**  
**MINNESOTA POOLED INVESTMENT ACCOUNTS**  
**SCHEDULE OF OPERATIONS**  
**YEAR ENDED JUNE 30, 1993**  
**AMOUNTS IN (000)'S**

	<b>REAL</b>		<b>VENTURE</b>
	<b>ESTATE</b>	<b>RESOURCE</b>	<b>CAPITAL</b>
	<b>ACCOUNT</b>	<b>ACCOUNT</b>	<b>ACCOUNT</b>
<b>INVESTMENT INCOME:</b>			
INTEREST	\$ 0	\$ 0	\$ 0
DIVIDENDS	4,407	6,903	1,791
SHORT TERM GAINS	188	226	330
INCOME BEFORE EXPENSES	<u>\$ 4,595</u>	<u>\$ 7,129</u>	<u>\$ 2,121</u>
MANAGEMENT FEES	0	0	0
NET INCOME	<u><u>\$ 4,595</u></u>	<u><u>\$ 7,129</u></u>	<u><u>\$ 2,121</u></u>
 <b>REALIZED AND UNREALIZED</b>			
<b>GAIN (LOSS) ON INVESTMENTS</b>			
<b>REALIZED:</b>			
PROCEEDS FROM SALES	\$ 290	\$ 0	\$ 66,279
COST OF SECURITIES SOLD	<u>270</u>	<u>0</u>	<u>44,040</u>
NET REALIZED GAIN (LOSS)	<u>\$ 20</u>	<u>\$ 0</u>	<u>\$ 22,239</u>
<b>UNREALIZED:</b>			
BEGINNING OF PERIOD	10,640	535	150,749
END OF PERIOD	<u>(12,727)</u>	<u>2,367</u>	<u>131,330</u>
<b>INCREASE (DECREASE)</b>			
IN UNREALIZED APPRECIATION	<u><u>(\$ 23,367)</u></u>	<u><u>\$ 1,832</u></u>	<u><u>(\$ 19,419)</u></u>
NET REALIZED AND UNREALIZED	<u><u><u>(\$ 23,347)</u></u></u>	<u><u><u>\$ 1,832</u></u></u>	<u><u><u>\$ 2,820</u></u></u>

		DOMESTIC			INTERNATIONAL		
ACTIVE BOND ACCOUNT	PASSIVE BOND ACCOUNT	ACTIVE EQUITY ACCOUNT	TILTED INDEX ACCOUNT	PASSIVE EQUITY ACCOUNT	PASSIVE EQUITY ACCOUNT	ACTIVE EQUITY ACCOUNT	
\$ 70,180	\$ 97,992	\$ 719	\$ 92	\$ 0	\$ 0	\$ 0	
0	0	33,127	94,279	5,736	6,916	1,629	
3,966	5,166	6,799	315	39	504	183	
\$ 74,146	\$ 103,158	\$ 40,645	\$ 94,686	\$ 5,775	\$ 7,420	\$ 1,812	
2,105	1,274	8,300	452	31	362	118	
\$ 72,041	\$ 101,884	\$ 32,345	\$ 94,234	\$ 5,744	\$ 7,058	\$ 1,694	
<hr/>							
\$3,052,584	\$3,724,895	\$1,502,635	\$ 763,589	\$ 42,194	\$ 13,546	\$ 15,851	
2,987,671	3,675,582	1,343,073	610,188	29,428	12,974	16,042	
\$ 64,913	\$ 49,313	\$ 159,562	\$ 153,401	\$ 12,766	\$ 572	(\$ 191)	
<hr/>							
46,734	39,643	313,078	759,749	47,783	0	0	
71,714	61,947	507,318	975,645	64,684	120,369	6,085	
<hr/>							
\$ 24,348	\$ 22,304	\$ 194,240	\$ 215,896	\$ 16,901	\$ 120,369	\$ 6,085	
\$ 89,261	\$ 71,617	\$ 353,802	\$ 369,297	\$ 29,667	\$ 120,941	\$ 5,894	

**STATE BOARD OF INVESTMENT  
MINNESOTA POOLED ACCOUNTS  
SCHEDULE OF PARTICIPATION**

JUNE 30, 1993

**AMOUNTS IN (000)'S**

	<b>REAL</b>		<b>VENTURE</b>		<b>ACTIVE</b>
	<b>ESTATE</b>	<b>RESOURCE</b>	<b>CAPITAL</b>		<b>BOND</b>
	<b>ACCOUNT</b>	<b>ACCOUNT</b>	<b>ACCOUNT</b>		<b>ACCOUNT</b>
<b>Teachers Retirement Fund</b>	\$ 176,040	\$ 49,739	\$ 199,981	\$ 522,667	
<b>Public Employees Retirement Fund</b>	85,485	24,151	97,101	277,908	
<b>State Employees Retirement Fund</b>	75,195	21,244	85,414	244,459	
<b>Public Employees Police &amp; Fire Fund</b>	35,146	9,930	39,923	114,261	
<b>Highway Patrolmen's Retirement Fund</b>	5,567	1,573	6,323	18,097	
<b>Judges Retirement Fund</b>	283	80	321	918	
<b>Police &amp; Fire Consolidation Fund</b>	10,113	2,206	8,869	20,537	
<b>Correctional Employees Retire. Fund</b>	3,911	1,105	4,443	12,715	
<b>TOTAL BASIC RETIREMENT FUNDS</b>	<b>391,740</b>	<b>110,028</b>	<b>442,375</b>	<b>1,211,562</b>	
 <b>Post Retirement Fund</b>	 0	 0	 0	 78,454	
 <b>Supplemental Income Share Account</b>	 0	 0	 0	 0	
 <b>Supplemental Growth Share Account</b>	 0	 0	 0	 0	
 <b>Supplemental Index Share Account</b>	 0	 0	 0	 0	
 <b>Supplemental Bond Market Account</b>	 0	 0	 0	 19,297	
 <b>TOTAL PARTICIPATION</b>	 <b>\$ 391,740</b>	 <b>\$ 110,028</b>	 <b>\$ 442,375</b>	 <b>\$1,309,313</b>	

PASSIVE BOND ACCOUNT	DOMESTIC			INTERNATIONAL			TOTAL POOLED ACCOUNT
	ACTIVE EQUITY	TILTED INDEX	PASSIVE EQUITY	PASSIVE EQUITY	ACTIVE EQUITY		
	ACCOUNT	ACCOUNT	ACCOUNT	ACCOUNT	ACCOUNT		
\$ 642,528	\$ 869,602	\$1,229,014	\$ 0	\$ 384,504	\$ 94,447	\$ 4,168,522	
347,184	456,551	635,589	0	186,575	45,566	\$ 2,156,110	
305,397	401,600	559,089	0	164,119	40,081	\$ 1,896,598	
142,745	187,711	261,322	0	76,710	18,734	\$ 886,482	
22,608	29,730	41,387	0	12,149	2,967	\$ 140,401	
1,147	1,508	2,100	0	616	151	\$ 7,124	
15,704	25,184	51,343	0	16,790	3,557	\$ 154,303	
15,884	20,888	29,079	0	8,536	2,085	\$ 98,646	
1,493,197	1,992,774	2,808,923	0	849,999	207,588	\$ 9,508,186	
						\$ 0	
88,509	500,952	761,292	0	0	0	\$ 1,429,207	
						\$ 0	
0	0	0	191,200	0	0	\$ 191,200	
0	89,955	0	0	0	0	\$ 89,955	
0	0	0	36,260	0	0	\$ 36,260	
0	0	0	0	0	0	\$ 19,297	
<b>\$1,581,706</b>	<b>\$2,583,681</b>	<b>\$3,570,215</b>	<b>\$ 227,460</b>	<b>\$ 849,999</b>	<b>\$ 207,588</b>	<b>\$11,274,105</b>	

## NOTES TO THE SUPPLEMENTAL FINANCIAL STATEMENTS JUNE 30, 1993

### 1. PORTFOLIO LISTING:

A listing of all securities held by these funds can be found starting on page 27 of this report. Fixed income and equity securities are presented at market value. Securities held as cash equivalents are not listed.

### 2. COST OF INVESTMENTS:

At June 30, 1993 the cost of investments for the Minnesota Pooled Investment Accounts and the individual accounts of the Minnesota Supplemental Investment Fund was:

#### DOMESTIC ACCOUNTS

Active Equity Account	\$ 2,091,803,835
Passive Equity Account	\$ 162,240,303
Tilted Index Account	\$ 2,546,003,710
Active Bond Account	\$ 1,370,252,011
Passive Bond Account	\$ 1,695,351,558
Real Estate Account	\$ 402,952,226
Resource Account	\$ 107,131,855
Venture Capital Account	\$ 310,703,264

#### INTERNATIONAL ACCOUNTS

Passive Equity Account	\$ 723,495,933
Active Country Account	\$ 199,478,037

#### SUPPLEMENTAL INVESTMENT FUND

Income Share Account	\$ 246,459,087
Growth Share Account	\$ 85,324,212
Money Market Account	\$ 66,383,458
Index Account	\$ 30,533,328
Bond Market Account	\$ 18,652,116
Fixed Interest Account	\$ 70,928,446

### 3. LOANED SECURITIES:

The market value of loaned securities outstanding at June 30, 1993 for the Minnesota Pooled Investment Accounts and the individual accounts of the Minnesota Supplemental Investment Fund was:

#### DOMESTIC ACCOUNTS

Active Equity Account	\$ 230,825,470
Passive Equity Account	\$ 20,019,211
Tilted Equity Account	\$ 140,534,237
Active Bond Account	\$ 191,316,945
Passive Bond Account	\$ 398,943,593

#### INTERNATIONAL ACCOUNTS

Passive Equity Account	\$ 160,589,797
Active Country Account	\$ 9,627,525

## **ASSET LISTINGS**

**MINNESOTA STATE BOARD OF INVESTMENT  
POST RETIREMENT INVESTMENT FUND  
ALPHABETICAL EQUITY HOLDINGS**

JUNE 30, 1993

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
11,200	20TH CENTY IND S CAL	\$ 316,400	36,900	AMGEN INC	\$ 1,346,850
597,600	ABBOTT LABS	15,313,500	272,800	AMOCO CORP	14,969,900
11,500	ABITIBI PRICE INC	120,750	73,000	AMP INC	4,471,250
50,900	ADT LTD	451,738	38,200	AMPHENOL CORP	396,325
72,600	ADVANCED MICRO DEVICE	1,751,475	71,800	AMR CORP DEL	4,541,350
14,000	ADVANTA CORP	640,500	27,000	AMTSOUTH BANCORPORATI	884,250
15,200	AES CORP	459,800	11,200	ANADARKO PETE CORP	450,800
46,800	AETNA LIFE + CAS CO	2,591,550	1,000	ANDREW CORP	27,750
35,000	AFFYMAX NV	516,250	259,600	ANHEUSER BUSCH COS INC	12,590,600
119,600	AHMANSON H F AND CO	2,078,050	41,200	AON CORP	2,188,750
15,700	AIRGAS INC	512,213	2,300	APCO ARGENTINA INC CAY	51,750
27,800	ALBANK FINAL	472,600	30,400	APPLE COMPUTER	1,200,800
9,200	ALBANY INTL CORP	155,250	78,500	ARCO CHEM CO	3,198,875
10,500	ALBERTO CULVER CO	271,688	5,400	ARGONAUT GROUP INC	170,100
45,300	ALBERTSONS INC	2,446,200	22,300	ARGOSY GAMING CORP	674,575
83,200	ALCAN ALUM LTD	1,622,400	47,600	ARKLA INC	470,050
11,700	ALCO STANDARD CORP	570,375	133,100	ARMCO INC	964,975
13,200	ALEX BROWN INC	313,500	27,800	ARMOR ALL PRODS CORP	486,500
28,700	ALEXANDER + ALEXANDRE	792,838	35,200	ARMSTRONG WORLD IND S	1,135,200
1,500	ALLEGHANY CORP DEL	204,750	14,800	ARNOLD IND S INC	462,500
35,300	ALLEGHENY POWER SYSTE	1,875,313	6,800	ARROW INTERNATIONAL I	166,600
10,900	ALLEN GROUP INC	489,138	14,400	ARVIN IND S INC	482,400
133,600	ALLERGAN INC	3,273,200	2,600	ASHLAND COAL INC	62,725
171,800	ALLIED SIGNAL INC	11,467,650	26,800	ASHLAND OIL CO	683,400
4,600	ALLMERICA PPTY + CAS C	255,875	10,000	ASSOCIATED BANC CORP	360,000
61,300	ALLTEL CORP	3,279,550	4,000	ASSOCIATED NAT GAS COR	135,500
94,300	ALUMINUM CO AMER	6,601,000	6,400	ATLANTA GAS LT CO	256,800
55,600	AMAX GOLD INC	521,250	40,900	ATLANTIC ENERGY INC N J	935,588
21,200	AMAX INC	492,900	117,050	ATLANTIC RICHFIELD CO	13,607,063
100,300	AMERADA HESS CORP	4,914,700	13,600	ATLANTIC SOUTHEAST AIR	431,800
16,900	AMERICAN BANKERS INS G	456,300	28,200	ATLANTIC TELE NETWORK	387,750
121,900	AMERICAN BARRICK RES C	3,077,975	3,200	ATMOS ENERGY CORP	90,000
121,200	AMERICAN BRANDS INC	4,029,900	16,800	AUTODESK INCORPORATE	947,100
18,800	AMERICAN BUSINESS PROD	484,100	116,500	AUTOMATIC DATA PROCES	5,592,000
63,200	AMERICAN CYANAMID	3,381,200	2,800	AVATAR HLDGS INC	97,300
86,200	AMERICAN ELEC PWR INC	3,254,050	22,100	AVEMCO CORP	480,675
346,800	AMERICAN EXPRESS CO	11,184,300	91,700	AVERY DENNISON CORP	2,693,688
14,100	AMERICAN FREIGHTWAYS	260,850	86,900	AVON PRODS INC	5,007,613
139,100	AMERICAN GEN CORP	4,399,038	60,900	BAKER HUGHES INC	1,598,625
8,200	AMERICAN GREETINGS CO	469,450	5,200	BALDOR ELEC CO	131,950
3,200	AMERICAN INCOME HLDG	76,800	18,400	BALL CORP	519,800
238,300	AMERICAN INTL GROUP IN	30,740,700	47,800	BALTIMORE BANCORP	430,200
40,700	AMERICAN MED HLDGS IN	493,488	187,500	BALTIMORE GAS + ELEC C	4,804,688
12,800	AMERICAN NATL INS CO	684,800	110,800	BANC ONE CORP	6,232,500
15,000	AMERICAN RE CORP	513,750	16,200	BANCORP HAWAII INC	726,975
63,400	AMERICAN STORES CO NE	2,940,175	1,800	BANCORPSOUTH INC	66,600
615,000	AMERICAN TEL + TELEG C	38,745,000	15,700	BANDAG INC	716,313
13,200	AMERICAN WTR WKS INC	359,700	4,200	BANGOR HYDRO ELEC CO	88,725
126,600	AMERITECH CORP	10,175,475	25,800	BANK NEW YORK INC	1,531,875
14,000	AMETEK INC	189,000	20,100	BANK OF BOSTON CORP	497,475

**MINNESOTA STATE BOARD OF INVESTMENT  
POST RETIREMENT INVESTMENT FUND  
ALPHABETICAL EQUITY HOLDINGS  
JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
39,400	BANK SOUTH CORP	\$ 507,275	22,600	BOWATER INC	\$ 443,525
302,400	BANKAMERICA CORP	13,683,600	10,800	BOWNE + CO INC	193,050
11,800	BANKERS CORP	314,175	19,200	BRASCAN LTD	182,400
34,100	BANKERS TR NY CORP	2,527,663	14,600	BREED TECHNOLOGIES INC	237,250
22,900	BANKWORCESTER CORP	538,150	11,300	BRIGGS + STRATTON CORP	747,213
20,100	BANPONCE CORP NEW	527,625	273,800	BRISTOL MYERS SQUIBB C	15,811,950
80,800	BARD C R INC	2,242,200	11,400	BROOKLYN UN GAS CO	471,675
127,600	BARNETT BKS INC	6,092,900	10,900	BROWN FORMAN CORP	949,663
127,600	BAROID CORP NEW	893,200	27,700	BROWN GROUP INC	865,625
16,875	BASSETT FURNITURE INDS	552,656	92,200	BROWNING FERRIS INDS IN	2,500,925
58,200	BATTLE MTN GOLD CO	531,075	44,200	BRUNOS INC	414,375
13,300	BAUSCH + LOMB INC	656,688	98,200	BURLINGTON NORTHN INC	5,265,975
234,800	BAXTER INTL INC	6,721,150	45,600	BURLINGTON RES INC	2,211,600
18,500	BAY ST GAS CO	536,500	3,600	C TEC CORP	87,300
11,900	BAYBANKS INC	511,700	10,600	CABOT CORP	516,750
14,200	BB&T FINL CORP	488,125	14,800	CABOT OIL & GAS CORP	358,900
231,000	BCE INC	7,854,000	23,400	CALIFORNIA ENERGY INC	424,125
73,200	BEAR STEARNS COS INC	1,720,200	26,800	CALIFORNIA FED BK LOS A	412,050
13,200	BECKMAN INSTRS INC NE	277,200	2,000	CALIFORNIA WTR SVC CO	71,500
79,700	BECTON DICKINSON + CO	3,188,000	30,300	CALMAT CO	556,763
11,400	BED BATH + BEYOND INC	478,800	91,100	CAMPBELL SOUP CO	3,575,675
301,600	BELL ATLANTIC CORP	17,907,500	57,900	CANADIAN MARCONI CO	698,419
7,000	BELL BANCORP	301,000	10,100	CANADIAN OCCIDENTAL P	229,775
232,300	BELLSOUTH CORP	12,892,650	303,600	CANADIAN PAC LTD	4,819,650
35,900	BEMIS INC	807,750	18,200	CAPITAL CITIES ABC INC	9,336,600
8,000	BENEFICIAL CORP	588,000	32,400	CAPITAL HLDG CORP DE	1,267,650
21,000	BERGEN BRUNSWIG CORP	378,000	11,400	CAPITAL RE CORP	282,150
11,900	BERKLEY W R CORP	462,613	19,100	CAPITOL AMERN FINL COR	484,663
1,300	BERRY PETE CO	17,388	73,000	CARNIVAL CRUISE LINES I	2,856,125
63,500	BETHLEHAM STL CORP	1,190,625	70,500	CAROLINA PWR + LT CO	2,300,063
9,400	BETZ LABORATORIES INC	414,775	38,100	CARTER HAWLEY HALE ST	547,688
123,500	BEVERLY ENTERPRISES IN	1,528,313	23,100	CARTER WALLACE INC.	623,700
9,800	BHC COMMUNICATIONS IN	710,500	60,100	CASH AMER INTL INC	473,288
15,000	BIOCHEM PHARM INC	144,375	21,000	CASINO MAGIC CORP	488,250
8,600	BIOCRAFT LABS INC	223,600	22,200	CASTLE AND COOKE HOME	288,600
112,800	BLACK + DECKER CORPOR	2,439,300	72,300	CATERPILLAR INC	5,413,463
18,800	BLACK HILLS CORP	474,700	18,500	CBI INDS INC	462,500
10,100	BLOCK DRUG INC	464,600	11,600	CBS INC	2,714,400
44,200	BLOCK H + R INC	1,580,150	7,400	CCB FINL CORP	268,250
156,600	BLOCKBUSTER ENTMT COR	3,406,050	35,400	CCP INSURANCE INC	871,725
20,600	BOATMENS BANCSHARES I	1,243,725	19,600	CENTERBANK WATERBURY	159,250
26,400	BOB EVANS FARMS INC	468,600	99,400	CENTERIOR ENERGY CORP	1,826,475
123,100	BOEING CO	4,554,700	21,400	CENTEX CORP	730,275
29,200	BOISE CASCADE CORP	686,200	83,800	CENTRAL + SOUTH WEST	2,723,500
136,400	BORDEN INC	2,591,600	24,200	CENTRAL BANCSHARES SO	592,900
8,800	BORG WARNER SEC CORP	181,500	24,200	CENTRAL FID BKS INC	719,950
9,800	BOSTON BANCORP	311,150	7,000	CENTRAL HUDSON GAS +	240,625
30,000	BOSTON EDISON CO	918,750	6,000	CENTRAL LA ELEC CO	156,750
30,800	BOSTON SCIENTIFIC CORP	431,200	25,400	CENTRAL ME PWR CO	593,725
98,500	BOW VY ENERGY INC	1,120,438	3,600	CENTRAL NEWSPAPERS IN	92,250

**MINNESOTA STATE BOARD OF INVESTMENT**  
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NO. OF SHARES	SECURITY	MARKET VALUE
4,400	CENTRAL VT PUBLIC SERV	\$ 104,500
34,000	CENTURY COMMUNICATIO	272,000
28,900	CENTURY TEL ENTERPRISE	892,288
43,000	CHAMPION INTL CORP	1,451,250
10,800	CHAPARRAL STL CO	103,950
84,800	CHARMING SHOPPES INC	1,166,000
17,600	CHARTER ONE FINL INC	506,000
195,934	CHASE MANHATTAN CORP	6,318,872
10,200	CHEMED CORP	313,650
309,640	CHEMICAL BKG CORP	12,656,535
181,900	CHEVRON CORP	15,961,725
9,400	CHICAGO + NORTH WESTN	209,150
41,200	CHIQUITA BRANDS INTL IN	432,600
13,400	CHRIS CRAFT INDs INC	469,000
308,100	CHRYSLER CORP	14,557,725
22,800	CHUBB CORP	1,980,750
6,000	CHURCH + DWIGHT INC	180,000
84,900	CIGNA CORP	5,168,288
4,600	CILCORP INC	196,075
47,400	CINCINNATI BELL INC	1,042,800
15,700	CINCINNATI FINL CORP	926,300
57,900	CINCINNATI GAS + ELEC C	1,577,775
17,500	CINTAS CORP	468,125
18,300	CIPSCO INC	585,600
69,900	CIRCUIT CITY STORES INC	2,254,275
8,600	CITFED BANCORP INC	176,300
401,000	CITICORP	12,080,125
4,600	CITIZENS BANCORP MD	116,150
4,000	CITIZENS BKG CORP MICH	87,000
12,800	CITIZENS CORP	289,600
52,000	CITIZENS FIRST BANCORP I	338,000
28,200	CITIZENS UTILS CO DEL	944,700
64,300	CITY NATL CORP	466,175
6,800	CLEVELAND CLIFFS INC	235,450
23,400	CLOROX CO	1,219,725
2,600	CLUB MED INC	67,600
9,800	CMAC INVT CORP	276,850
59,200	CMS ENERGY CORP	1,472,600
36,300	CNA FINL CORP	3,430,350
25,400	COASTAL CORP	663,575
683,600	COCA COLA CO	29,394,800
51,500	COCA COLA ENTERPRISES I	740,313
91,300	COLGATE PALMOLIVE CO	5,318,225
16,800	COLLECTIVE BANCORP INC	504,000
8,800	COLONIAL BANCROUP IN	177,100
69,200	COLTEC INDs INC	1,081,250
18,700	COLUMBIA GAS SYS INC	462,825
31,900	COMDISCO INC	466,538
73,300	COMERICA INC	2,171,513
75,700	COMINCO LTD	880,013

NO. OF SHARES	SECURITY	MARKET VALUE
13,600	COMMERCE BANCSHARES I	\$ 380,800
18,000	COMMERCIAL METALS CO	609,750
5,800	COMMONWEALTH BANCSH	261,000
278,200	COMMONWEALTH EDISON	7,789,600
2,800	COMMONWEALTH ENERGY	132,300
30,300	COMPAQ COMPUTER CORP	1,484,700
19,500	COMPUWARE CORP	555,750
14,800	COMSAT CORP	447,700
27,000	COKE MILLS CORP	465,750
2,400	CONNECTICUT ENERGY CO	60,300
2,800	CONNECTICUT NAT GAS C	79,450
64,600	CONRAIL INC	3,464,175
95,800	CONSOLIDATED EDISON C	3,376,950
22,200	CONSOLIDATED NAT GAS	1,173,825
13,100	CONSOLIDATED PAPERS IN	700,850
3,800	CONSUMERS WTR CO	70,775
66,300	CONTEL CELLULAR INC	1,027,650
21,100	CONTINENTAL BK CORP	503,763
16,100	CONTINENTAL CORP	501,113
149,900	COOPER INDs INC	7,569,950
10,000	COORS ADOLPH CO	186,250
17,300	COPLEY PHARMACEUTICA	631,450
18,000	CORESTATES FINL CORP	1,039,500
29,800	CPI CORP	465,625
21,100	CRAGIN FINL CORP	514,313
10,000	CRAIG JENNY INC	162,500
21,200	CRANE CO	614,800
5,200	CREDIT ACCEPTANCE COR	153,400
8,000	CREE RESEARCH INC	102,000
20,700	CROMPTON + KNOWLES C	452,813
54,100	CROWN CORK & SEAL INC	2,028,750
44,600	CSX CORP	3,188,900
17,300	CUC INTL INC	480,075
13,700	CULLEN FROST BANKERS I	474,363
12,100	CUMMINS ENGINE INC	1,028,500
49,300	CYPRUS MINERALS CORP	1,214,013
18,600	D.R.HORTON INC	227,850
57,000	DANA CORP	3,092,250
13,800	DANAHER CORP	446,775
11,000	DAUPHIN DEP.CORP	269,500
59,100	DAYTON HUDSON CORP	3,930,150
81,600	DE LUXE CORP	3,121,200
15,000	DEAN FOODS CO	401,250
15,000	DEAN WITTER DISCOVER	562,500
44,300	DEERE + CO	2,940,413
41,400	DELMARVA PWR + LT CO	972,900
41,200	DELTA AIR LINES INC DE	1,993,050
14,700	DEPOSIT GTY CORP	429,975
13,800	DESTEC ENERGY INC	248,400
67,200	DETROIT EDISON CO	2,335,200

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NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
19,200	DEVON ENERGY CORP	\$ 516,000	14,800	ENHANCE FINL SVCS GRO	\$ 288,600
9,800	DEXTER CORP	213,150	6,600	ENNIS BUSINESS FORMS IN	99,825
7,600	DIAGNOSTIC PRODS CORP	160,550	25,000	ENQUIRER/STAR GROUP IN	406,250
36,000	DIAL CORP DEL	1,435,500	123,500	ENRON CORP	8,135,563
23,300	DIBRELL BROS INC	699,000	22,500	ENRON OIL AND GAS CO	916,875
9,900	DIEBOLD INC	522,225	46,700	ENSERCH CORP	846,438
23,700	DIGITAL EQUIP CORP	989,475	74,600	ENTERGY CORP	2,704,250
20,000	DILLARD DEPT STORES IN	725,000	22,200	ENZON INC	108,225
71,900	DIME SVGS BK N Y FSB	512,288	28,100	EQUIFAX INC	583,075
5,000	DISCOUNT AUTO PTS INC	133,750	75,200	EQUITABLE COMPANIES IN	1,504,000
478,100	DISNEY (WALT) CO	19,482,575	8,800	EQUITABLE RES INC	334,400
15,400	DOLE FOOD INC	550,550	27,200	ETHAN ALLEN INTERIORS I	520,200
75,000	DOMINION RES INC VA	3,337,500	52,200	ETHYL CORP	1,566,000
227,000	DOMTAR INC	1,276,875	2,800	ETOWN CORP	84,350
7,400	DONALDSON INC	277,500	648,600	EXXON CORP	42,888,675
57,500	DONNELLEY R R + SONS C	1,624,375	28,700	FEDERAL EXPRESS CORP	1,338,138
4,740	DOVATRON INTL INC	80,580	177,700	FEDERAL HOME LN MTG C	9,928,988
13,400	DOVER CORP	628,125	282,700	FEDERAL NATL MTG ASSN	23,428,763
130,900	DOW CHEM CO	7,412,213	17,000	FEDERAL SIGNAL CORP	403,750
84,400	DOW JONES + CO INC	2,342,100	28,400	FEDERATED DEPT STORES	678,050
6,800	DOWNEY SVGS & LN ASSN	110,500	14,800	FERRO CORP	464,350
65,000	DPL INC	1,316,250	24,600	FIFTH THIRD BANCORP	1,309,950
33,000	DQE	1,142,625	14,700	FIRST ALA BANCSHARES I	496,125
27,200	DR PEPPER/SEVEN UP COS	496,400	4,200	FIRST AMARILLO BANCORP	76,650
113,500	DRESSER INDs INC	2,667,250	36,300	FIRST AMER BK CORP	1,461,075
16,100	DREYFUS CORP	656,075	18,400	FIRST AMERICAN FINL CO	487,600
352,900	DU PONT E I DE NEMOURS	16,630,413	16,500	FIRST AMERN CORP TENN	484,688
9,800	DUFF + PHELPS CORP	166,600	15,400	FIRST BANCORPORATION O	731,500
120,800	DUKE PWR CO	4,816,900	56,900	FIRST BK SYS INC	1,756,788
85,300	DUN + BRADSTREET CORP	5,022,038	66,400	FIRST CHICAGO CORP	2,730,700
50,500	DURACELL INTL INC	1,565,500	4,800	FIRST COLONIAL BANKSHA	81,600
20,700	DURIRON INC	450,225	16,800	FIRST COLONY CORP	472,500
22,800	E SYS INC	963,300	5,400	FIRST COML CORP	168,750
20,400	EASTERN ENTERPRISES	578,850	13,900	FIRST COMM CORP	514,300
13,000	EASTERN UTILS ASSOC	367,250	46,500	FIRST DATA CORP	1,720,500
164,150	EASTMAN KODAK CO	8,207,500	13,200	FIRST EASTN CORP PA	221,100
81,200	EATON CORP	3,643,850	1,200	FIRST EMPIRE ST CORP	164,400
13,900	EATON VANCE CORP	462,175	6,600	FIRST FED CAP CORP	105,600
40,200	ECHLIN INC	1,125,600	61,100	FIRST FIDELITY BANCORP	3,001,538
47,100	ECHO BAY MINES LTD	576,975	34,600	FIRST FINL CORP WIC	527,650
30,400	ECOLAB INC	1,303,400	14,400	FIRST FINL MGMT CORP	606,600
20,000	EDWARDS A G INC	510,000	21,700	FIRST HAWAIIAN INC	607,600
39,400	EG + G INC	758,450	79,000	FIRST INTST BANCORP	4,957,250
12,500	EL PASO NAT GAS CO	487,500	5,400	FIRST MICH BK CORP	139,725
15,900	ELCOR CHEM CORP	411,413	6,000	FIRST MIDWEST BANCORP	147,000
11,600	ELECTRIC + GAS TECHNO	73,588	20,600	FIRST PAC NETWORKS INC	345,050
84,900	EMERSON ELEC CO	4,945,425	17,400	FIRST SEC CORP DEL	500,250
21,200	EMPIRE DIST ELEC CO	484,950	12,100	FIRST TENN NATL CORP	490,050
7,200	ENERGEN CORP	187,200	100,500	FIRST UN CORP	4,874,250
27,100	ENGELHARD CORP	1,016,250	12,700	FIRST USA INC	528,638

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NO. OF SHARES	SECURITY	MARKET VALUE
19,900	FIRST UTD BK GROUP INC	\$ 502,475
18,000	FIRST VA BKS INC	657,000
27,800	FIRSTAR CORP NEW	903,500
8,200	FIRSTFED FINL CORP DEL	147,600
16,400	FIRSTFED MICH CORP	467,400
13,200	FIRSTIER FINL INC	726,000
15,000	FISHER SCIENTIFIC INTL IN	470,625
83,100	FLEET FINL GROUP INC	2,804,625
19,500	FLEET MTG GROUP INC	390,000
32,000	FLEETWOOD ENTERPRISES	636,000
13,900	FLEMING COS INC	460,438
13,200	FLIGHTSAFETY INTL INC	552,750
51,000	FLORIDA PROGRESS CORP	1,746,750
19,000	FLORIDA ROCK INDs INC	498,750
17,400	FLOWERS INDs INC	287,100
10,800	FMC CORP	488,700
186,100	FOOD LION INC	1,186,388
40,700	FOODMAKER INC	422,263
16,800	FOOTE CONE + BELDING C	571,200
364,300	FORD MTR CO DEL	19,034,675
10,600	FOREMOST CORP AMER	371,000
2,400	FORT WAYNE NATL CORP I	96,600
25,000	FOSTER WHEELER CORP	737,500
7,800	FOURTH FINL CORP	235,950
54,900	FOXMEYER CORP	535,275
80,900	FPL GROUP INC	3,084,313
7,600	FRANKLIN QUEST CO	188,100
20,600	FRANKLIN RES INC	808,550
129,600	FREEPORT MCMORAN INC	2,397,600
6,380	FRONTIER INS GROUP INC	280,720
3,600	FUND AMERICAN ENTERPR	292,500
5,200	G + K SERVICES	91,000
47,200	GALEN HEALTH CARE INC	885,000
14,800	GALLAGHER ARTHUR J & C	486,550
84,400	GANNETT INC	4,198,900
12,200	GATX	455,975
17,500	GAYLORD ENTMT CO	807,188
29,800	GEICO CORP	1,549,600
44,900	GENENTECH INC	1,975,600
24,600	GENERAL DYNAMICS CORP	2,174,025
597,600	GENERAL ELEC CO	57,220,200
132,300	GENERAL MLS INC	8,996,400
705,300	GENERAL MTRS CORP	31,385,850
51,700	GENERAL MTRS CORP	1,667,325
14,600	GENERAL NUTRITION COS	498,225
54,700	GENERAL PUB UTILS CORP	1,750,400
70,100	GENERAL REINSURANCE C	8,000,163
13,700	GENERAL SIGNAL CORP	897,350
19,000	GENEVA STL CO	261,250
59,000	GENUINE PARTS CO	2,042,875

NO. OF SHARES	SECURITY	MARKET VALUE
22,900	GEORGIA GULF CORP	\$ 417,925
56,600	GEORGIA PAC CORP	3,304,025
10,800	GERMANTOWN SVGS BK B	315,900
7,400	GFC FINL CORP	222,925
18,300	GIANT FOODS INC	452,925
26,200	GILEAD SCIENCES INC	429,025
261,300	GILLETTE CO	14,404,163
29,300	GLATFELTER P H CO	556,700
54,100	GOLDEN WEST FINL CORP	2,292,488
12,100	GOODRICH B F CO	514,250
57,500	GOODYEAR TIRE AND RUB	2,443,750
18,200	GOULDS PUMPS INC	448,175
38,900	GRACE W R + CO	1,575,450
8,000	GRAINGER W W INC	496,000
24,000	GRANITE CONSTR INC	426,000
13,600	GREAT ATLANTIC + PAC T	431,800
47,000	GREAT LAKES CHEMICAL	3,237,125
152,600	GREAT WESTN FINL CORP	2,556,050
3,000	GREEN MOUNTAIN PWR CO	106,875
11,800	GRUMMAN CORP	469,050
436,200	GTE CORP	15,757,725
13,500	GTECH HLDGS CORP	469,125
17,800	GUILFORD MLS INC	391,600
60,500	GULF STS UTILS CO	1,119,250
113,100	HALLIBURTON CO	4,311,938
34,300	HANDLEMAN CO DEL	450,188
17,200	HANNA M.A. CO	533,200
9,000	HANNAFORD BROS CO	195,750
79,100	HARCOURT GEN INC	2,976,138
29,500	HARLAND JOHN H CO	807,563
5,400	HARLEYSVILLE GROUP INC	126,900
59,800	HARNISCHFEGER INDs INC	1,248,325
12,200	HARRIS CORP DEL	472,750
14,900	HARSCO CORP	564,338
11,400	HARTFORD STEAM BOILER	622,725
72,100	HASBRO INC	2,721,775
23,600	HAWAIIAN ELEC INDs INC	896,800
10,200	HAWKEYE BANCORPORATI	184,875
23,100	HAYES WHEELS INTL INC.	531,300
38,800	HCA HOSP CORP AMER	756,600
18,900	HEINZ H J CO	696,938
16,200	HELENE CURTIS INDs INC	477,900
24,600	HELMERICH AND PAYNE I	857,925
57,400	HERCULES INC	4,455,675
10,000	HERSHEY FOODS CORP	471,250
31,700	HEWLETT PACKARD CO	2,567,700
69,200	HIBERNIA CORP	467,100
24,600	HILLENBRAND INDs INC	1,048,575
9,600	HILTON HOTELS CORP	441,600
215,800	HOME DEPOT INC	9,441,250

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NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
68,500	HOME OIL LTD NEW	\$ 1,104,563	66,000	KAISER ALUM CORP	\$ 519,750
27,600	HOMESTAKE MNG CO	527,850	42,500	KANSAS CITY PWR + LT C	1,051,875
6,800	HON INDS INC	193,800	11,900	KANSAS CITY SOUTHN IND	492,363
162,800	HONEYWELL INC	6,043,950	17,300	KAYDON CORP	462,775
9,000	HORMEL GEO A + CO	190,125	18,700	KELLEY OIL CORP	416,075
41,700	HORSHAM CORP	526,463	99,100	KELLOGG CO	5,438,113
8,600	HOSPITALITY FRANCHISE S	275,200	18,500	KELLWOOD CO	561,938
10,400	HOUSEHOLD INTL INC	718,900	12,500	KELLY SVCS INC	318,750
58,500	HOUSTON INDS INC	2,559,375	25,400	KEMPER CORP	901,700
11,400	HOVNANIAN ENTERPRISES	128,250	9,700	KERR MCGEE CORP	485,000
14,700	HUBBELL INC	839,738	46,900	KEYCORP	1,958,075
8,000	HUBCO INC	166,000	16,700	KEYSTONE INTL INC	459,250
42,400	HUNTINGTON BANCSHARE	1,150,100	15,000	KIMBALL INTL INC	438,750
27,700	IDAHO PWR CO	858,700	83,700	KIMBERLY CLARK CORP	4,143,150
2,600	IDEX CORP	72,150	74,800	KLM ROYAL DUTCH AIRLS	1,019,150
20,300	IES INDS INC	657,213	21,500	KNIGHT RIDDER INC	1,123,375
44,000	ILLINOIS PWR CO	1,116,500	123,200	KROGER CO	2,125,200
109,800	ILLINOIS TOOL WKS INC	4,103,775	26,100	KU ENERGY CORP	796,050
131,000	IMPERIAL OIL LTD	4,863,375	4,600	LA Z BOY CHAIR CO	133,400
39,200	INCO LTD	882,000	64,500	LAC MINERALS LTD NEW	653,063
21,300	INDEPENDENCE BANCORP	551,138	300	LACLEDE GAS CO	14,063
9,700	INDIANA ENERGY INC	297,063	93,100	LAFARGE CORP	1,501,238
33,300	INDRESCO INC	453,713	265,900	LAIDLAW INC	2,093,963
124,700	INGERSOLL RAND CO	4,224,213	13,200	LANCASTER COLONY COR	504,900
18,600	INTEGRA FINL CORP	871,875	20,800	LANCE INC	442,000
318,000	INTEL CORP	17,490,000	17,800	LAWTER INTL INC	251,425
6,800	INTERCO INC	90,950	13,100	LDDS COMMUNICATIONS I	458,500
19,200	INTERMET CORP	187,200	10,400	LEGG MASON INC	286,000
234,800	INTERNATIONAL BUSINESS	11,593,250	16,200	LEGGETT + PLATT INC	599,400
15,700	INTERNATIONAL FLAVOUR	1,785,875	15,200	LENNAR CORP	454,100
61,700	INTERNATIONAL PAPER CO	3,948,800	16,100	LEUCADIA NATL CORP	629,913
107,700	INTERNATIONAL SPECIALT	794,288	20,800	LG + E ENERGY CORP	808,600
116,300	INTERPUBLIC GROUP COS I	3,198,250	8,800	LIBERTY BANCORP INC	284,900
15,400	INTERSTATE BAKERIES CO	246,400	7,400	LIBERTY CORP S C	224,775
14,000	INTERSTATE PWR CO	427,000	35,500	LIBERTY MEDIA CORP	807,625
11,300	IONICS INC	490,138	5,000	LIBERTY NATL BANCORP I	123,750
22,700	IOWA ILL GAS + ELEC CO	536,288	29,600	LIFE PARTNERS GROUP IN	584,600
26,900	IPALCO ENTERPRISES	991,938	13,900	LIFE RE CORP	502,138
16,900	ITEL CORP NEW	498,550	173,300	LILLY ELI + CO	8,535,025
59,800	ITT CORP	5,097,950	5,000	LILLY INDL INC	86,250
57,300	JAMES RIV CORP VA	1,131,675	11,200	LIN BROADCASTING CORP	1,111,600
19,300	JEFFERSON PILOT CORP	962,588	106,400	LINCOLN NATL CORP IN	4,136,300
13,800	JOHN ALDEN FINL CORP	312,225	7,000	LINCOLN TELECOMMUNIC	197,750
330,800	JOHNSON + JOHNSON	13,728,200	8,100	LITTON INDS INC	518,400
33,400	JOHNSON CTLS INC	1,624,075	83,630	LOCKHEED CORP	5,519,580
31,700	JOSTENS INC	614,188	29,400	LOCTITE CORP	1,153,950
19,500	JSB FINL INC	482,625	32,500	LOEWS CORP	3,075,313
19,200	JUNO LTG INC	312,000	55,900	LONG ISLAND LTG CO	1,523,275
130,100	K MART CORP	2,732,100	10,600	LONGS DRUG STORES COR	360,400
4,200	K N ENERGY INC	153,300	23,200	LONGVIEW FIBRE CO WAS	411,800

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NO. OF SHARES		MARKET VALUE	NO. OF SHARES		MARKET VALUE
SECURITY			SECURITY		
31,600	LORAL CORP	\$ 1,888,100	566,500	MERCK + CO INC	\$ 20,110,750
13,700	LOTUS DEV CORP	474,363	29,067	MERCURY FIN CO	461,439
10,000	LOUISIANA LD + EXPL CO	425,000	14,400	MEREDITH CORP	516,600
41,400	LOUISIANA PAC CORP	1,324,800	16,000	MERIDIAN BANCORP INC	520,000
71,500	LOWES COS INC	2,797,438	108,200	MERRILL LYNCH + CO INC	8,764,200
23,600	LUBRIZOL CORP	734,550	44,200	MESA INC	276,250
17,900	LUBYS CAFETERIAS INC	382,613	25,960	METROPOLITAN FINL COR	402,380
9,500	LUKENS INC	447,688	8,600	MICHIGAN NATL CORP	485,900
30,600	LYONDELL PETROCHEMIC	646,425	99,100	MICROSOFT CORP	8,720,800
158,400	MACMILLAN BLOEDEL LT	2,633,400	23,200	MIDLANTIC CORP	490,100
13,600	MADISON GAS + ELEC CO	455,600	37,400	MIDWEST RES INC	691,900
13,400	MAGMA PWR CO NEW	412,050	17,500	MILLER HERMAN INC	446,250
45,600	MAGNA GROUP INC	798,000	23,800	MILLIPORE CORP	767,550
12,600	MAGNA INTL INC	497,700	25,400	MINERALS TECHNOLOGIES	749,300
74,200	MANOR CARE INC	1,465,450	154,700	MINNESOTA MNG + MFG C	16,707,600
9,600	MANUFACTURED HOME C	358,800	18,000	MINNESOTA PWR + LT CO	634,500
2,000	MANVILLE CORP	14,750	16,500	MITCHELL ENERGY + DEV	412,500
8,300	MAPCO INC	464,800	31,300	MNC FINL INC	457,763
10,500	MARK TWAIN BANCSHARE	278,250	336,000	MOBIL CORP	25,116,000
5,200	MARQUETTE ELECTRS INC	78,000	38,000	MODINE MFG CO	817,000
81,200	MARSH + MCLENNAN CO	7,094,850	13,900	MOHAWK IND INC	496,925
25,800	MARSHALL + ILSLEY COR	645,000	39,400	MOLEX INC	1,221,400
51,300	MARTIN MARIETTA CORP	4,046,288	186,600	MONSANTO CO	11,009,400
81,300	MASCO CORP	2,428,838	27,100	MONTANA PWR CO	724,925
90,700	MAXUS ENERGY CORP	816,300	86,100	MOORE CORP LTD	1,431,413
205,400	MAY DEPT STORES CO	7,856,550	63,300	MORGAN J P + CO INC	4,296,488
22,900	MAYBELLINE INC.	412,200	49,700	MORGAN STANLEY GROUP	3,435,513
88,300	MAYTAG CORP	1,324,500	26,600	MORRISON KNUDSEN CORP	674,975
7,300	MBIA INC	480,888	46,700	MORTON INTL INC IND	3,613,413
90,400	MBNA CORP	2,644,200	246,900	MOTOROLA INC	21,572,888
3,400	MCCLATCHY NEWSPAPERS	69,700	12,400	MURPHY OIL CORP	497,550
20,200	MCCORMICK + CO INC	469,650	17,000	MUSICLAND STORES INC	233,750
36,200	MCDERMOTT INTL INC	1,040,750	16,600	N S BANCORP INC	514,600
371,400	MCDONALDS CORP	18,245,025	45,300	NABORS INDUSTRIES INC	458,663
8,100	MCDONNELL DOUGLAS CO	600,413	13,100	NAC RE CORP	465,050
37,800	MCGRAW HILL INC	2,230,200	7,400	NACCO IND INC	372,775
249,400	MCI COMMUNICATIONS CO	14,340,500	58,200	NALCO CHEM CO	2,015,175
71,700	MCKESSON CORP	3,159,319	7,200	NASH FINCH CO	153,900
14,600	MCN CORP	509,175	48,300	NATIONAL CITY CORP	2,433,113
4,400	MDU RES GROUP INC	131,450	8,600	NATIONAL CMNTY BKS IN	490,200
13,100	MEAD CORP	586,225	22,800	NATIONAL COMM BANCOR	678,300
10,000	MEASUREX CORP	183,750	29,800	NATIONAL FUEL GAS CO N	994,575
8,600	MEDIA GEN INC	179,525	26,200	NATIONAL HEALTH LABS I	481,425
17,600	MEDIA VISION INC	484,000	26,800	NATIONAL INTERGROUP IN	348,400
45,000	MEDTRONIC INC	3,037,500	50,300	NATIONAL MED ENTERPRI	528,150
4,400	MEDUSA CORP	114,950	34,800	NATIONAL SVC IND INC	887,400
21,600	MELLON BK CORP	1,217,700	108,000	NATIONSBANK CORP	5,359,500
10,200	MERCANTILE BANCORPOR	502,350	19,300	NBB BANCORP INC	576,588
18,700	MERCANTILE BANKSHARE	570,350	82,100	NBD BANCORP INC	2,657,988
13,500	MERCANTILE STORES INC	457,313	1,400	NCH CORP	89,775

**MINNESOTA STATE BOARD OF INVESTMENT**  
**POST RETIREMENT INVESTMENT FUND**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
18,500	NEVADA PWR CO	\$ 464,813	49,500	OWENS ILL INC	\$ 569,250
38,700	NEW ENGLAND ELEC SYS	1,615,725	12,000	PACCAR INC	732,000
23,400	NEW JERSEY RES CORP	649,350	20,000	PACIFIC ENTERPRISES	487,500
3,200	NEW YORK BANCORP INC	103,600	185,000	PACIFIC GAS + ELEC CO	6,174,375
43,300	NEW YORK ST ELEC + GAS	1,526,325	46,300	PACIFIC TELCOM INC	1,099,625
33,200	NEW YORK TIMES CO	809,250	197,700	PACIFIC TELESIS GROUP	9,613,163
25,300	NEWMONT GOLD CO	1,208,075	11,700	PACIFICARE HEALTH SYS I	473,850
9,800	NEWMONT MNG CORP	514,500	145,800	PACIFICORP	2,770,200
71,400	NIAGARA MOHAWK PWR C	1,722,525	18,200	PAINE WEBBER GROUP INC	530,075
16,500	NICOR INC	449,625	42,933	PALL CORP	762,061
62,700	NIKE INC	3,456,338	117,000	PANHANDLE EASTN CORP	2,866,500
26,900	NIPSCO INDS INC	877,613	35,200	PARAMOUNT COMMUNICA	1,900,800
2,600	NORDSON CORP	109,200	16,600	PARKER + PARSLEY PETE	464,800
73,200	NORFOLK SOUTHN CORP	4,767,150	34,000	PARKER HANNIFIN CORP	1,126,250
54,000	NORTH CDN OILS LTD	688,500	39,100	PAYLESS CASHWAYS INC	513,188
15,000	NORTH FORK BANCORPOR	168,750	700	PEC ISRAEL ECONOMIC CO	18,463
78,000	NORTHEAST UTILS	2,096,250	23,100	PEGASUS GOLD INC	542,850
25,200	NORTHERN STS PWR CO M	1,156,050	16,200	PENN CENT CORP	518,400
147,500	NORTHERN TELECOM LTD	3,927,188	13,200	PENNCORP FINL GROUP IN	222,750
28,900	NORTHERN TRUST CORP	1,213,800	133,300	PENNEY J C INC	6,015,163
14,300	NORTHROP CORP	597,025	80,900	PENNSYLVANIA PWR + LT	2,376,438
18,700	NORTHWEST NAT GAS CO	635,800	18,400	PENNZOIL CO	1,152,300
208,800	NORWEST CORP	5,715,900	15,000	PENTAIR INC	573,750
428,200	NOVA CORP OF ALBERTA	3,211,500	14,500	PEOPLE SOFT INC	445,875
249,100	NOVELL INC	6,476,600	22,400	PEOPLES BK BRIDGEPORT	159,600
44,200	NOWSCO WELL SVC LTD	685,100	24,400	PEOPLES ENERGY CORP	789,950
2,800	NUI CORP	78,400	547,300	PEPSICO INC	20,250,100
79,100	NUMAC OIL + GAS LTD	484,488	14,700	PERKIN ELMER CORP	485,100
102,500	NYNEX CORP	9,276,250	11,200	PERRIGO CO	488,600
22,500	OAKWOOD HOMES CORP	466,875	28,900	PET INC	458,788
221,500	OCCIDENTAL PETE CORP	4,651,500	17,500	PETRIE STORES CORP	446,250
30,200	OGDEN CORP	792,750	449,600	PFIZER INC	30,123,200
48,400	OGDEN PROJS INC	1,095,050	28,700	PHARMACEUTICAL MARKE	516,600
7,200	OHIO CAS CORP	460,800	27,500	PHELPS DODGE CORP	1,227,188
76,500	OHIO EDISON CO	1,883,813	13,900	PHH CORP	576,850
28,900	OKLAHOMA GAS + ELEC C	1,062,075	281,100	PHILADELPHIA ELEC CO	8,608,688
23,100	OLD KENT FINL CORP	773,850	635,400	PHILIP MORRIS COS INC	30,816,900
12,300	OLD NATL BANCORP IND	424,350	99,000	PHILLIPS PETE CO	2,772,000
20,700	OLD REP INTL CORP	486,450	33,300	PIEDMONT NAT GAS INC	757,575
12,600	OLIN CORP	559,125	38,200	PINNACLE WEST CAP CORP	883,375
11,500	OMNICOM GROUP	472,938	4,400	PIPER JAFFRAY COS INC	130,900
14,700	ONBANCORP INC	477,750	40,500	PITNEY BOWES INC	1,680,750
4,800	ONE VY BANCORP WEST V	130,200	41,900	PITTSTON SERVICES GROU	764,675
18,900	ONEOK INC	493,763	141,400	PLACER DOME INC	2,934,050
117,700	ORACLE SYS CORP	5,796,725	126,700	PNC BK CORP	4,149,425
6,000	ORANGE + ROCKLAND UTI	274,500	25,100	POGO PRODUCING CO	454,938
80,300	ORYX ENERGY CO	1,646,150	50,600	POLYGRAM N V	1,378,850
11,400	OTTER TAIL PWR CO	384,750	22,100	PORTLAND GEN CORP	488,963
12,000	OWENS + MINOR INC	249,000	20,400	POTLATCH CORP	851,700
12,700	OWENS CORNING FIBERGL	530,225	72,300	POTOMAC ELEC PWR CO	1,961,138

**MINNESOTA STATE BOARD OF INVESTMENT  
POST RETIREMENT INVESTMENT FUND  
ALPHABETICAL EQUITY HOLDINGS  
JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
78,200	PPG INDUS INC	\$ 5,122,100
167,200	PRAXAIR INC	2,591,600
58,000	PREMARK INTL INC	3,349,500
18,600	PREMIER BANCORP INC	281,325
39,100	PREMIER INDL CORP	1,124,125
19,000	PRESIDENT RIVERBOAT CA	612,750
10,500	PRICE T ROWE & ASSOC IN	483,000
11,000	PRIMARK CORP	134,750
204,050	PRIMERICA CORP NEW	10,738,131
365,000	PROCTER + GAMBLE CO	18,980,000
16,800	PROMUS COS INC	804,300
9,000	PROTECTIVE LIFE CORP	333,000
5,600	PROVIDENCE ENERGY COR	104,300
22,000	PROVIDENT BANCORP INC	616,000
27,000	PROVIDENT LIFE + ACC IN	756,000
19,800	PSI RESOURCES INC	472,725
38,700	PUBLIC SVC CO COLO	1,272,263
6,000	PUBLIC SVC CO N C INC	98,250
36,000	PUBLIC SVC CO NM	490,500
101,000	PUBLIC SVC ENTERPRISE G	3,459,250
40,700	PUGET SOUND PWR + LT C	1,144,688
19,000	PULTE CORP	600,875
7,400	QUAKER CHEMICAL	138,750
9,900	QUAKER OATS CO	749,925
9,000	QUALCOMM INC	522,000
44,200	QUANTUM CHEM CORP	839,800
59,100	QUEBECOR INC	916,050
14,500	QUESTAR CORP	500,250
9,400	QUICK + REILLY GROUP IN	271,425
26,600	R.P.M. INC OHIO	438,900
31,200	RALSTON PURINA CO	1,443,000
46,700	RAYCHEM CORP	1,844,650
6,200	RAYMOND JAMES FINANCI	147,250
73,000	RAYTHEON CO	4,480,375
60,500	READERS DIGEST ASSN INC	2,548,563
70,100	REEBOK INTL LTD	1,954,038
105,600	RELIANCE GROUP HLDGS I	752,400
27,900	REPUBLIC NY CORP	1,419,413
37,400	REVCO D S INC NEW	453,475
14,000	REYNOLDS METALS CO	672,000
87,200	RHONE POULENC RORER I	4,098,400
70,800	RIO ALGOM LTD	995,625
25,300	RITE AID CORP	455,400
23,400	RIVERWOOD INTL CORP	336,375
734,200	RJR NABISCO HLDGS CORP	4,129,875
30,300	ROADWAY SVCS INC	1,757,400
6,800	ROBERT HALF INTL INC	150,450
33,300	ROCHESTER CMNTY SVGS	428,738
13,000	ROCHESTER GAS + ELEC C	355,875
27,900	ROCHESTER TEL CORP	1,203,188

NO. OF SHARES	SECURITY	MARKET VALUE
92,500	ROCKWELL INTL CORP	\$ 3,075,625
37,900	ROHM + HAAS CO	2,032,388
14,000	ROLLINS INC	337,750
33,800	ROLLINS TRUCK LEASING	561,925
9,800	ROPER INDUS	529,200
49,400	ROUSE CO	802,750
78,500	ROWAN COS INC	785,000
38,200	RUBBERMAID INC	1,083,925
28,600	RUSSELL CORP	850,850
77,800	RYDER SYS INC	2,431,250
15,000	RYLAND GROUP INC	286,875
34,000	SAFECARD SVCS INC	437,750
15,300	SAFECO CORP	893,138
142,500	SALOMON INC	5,450,625
73,300	SAN DIEGO GAS + ELEC C	1,869,150
74,900	SANTA FE ENERGY RES IN	786,450
164,400	SANTA FE PAC CORP	3,020,850
432,700	SARA LEE CORP	10,709,325
28,800	SCANA CORP	1,378,800
202,200	SCECORP	4,903,350
280,300	SCHERING PLOUGH CORP	19,550,925
305,300	SCHLUMBERGER LTD	19,348,388
15,400	SCHOLASTIC CORP	612,150
14,800	SCHULMAN A INC	410,700
18,700	SCHWAB CHARLES CORP	532,950
30,700	SCOTT PAPER CO	1,016,938
25,500	SCRIPPS E W CO	656,625
200,100	SEAGRAM LTD	5,227,613
17,400	SEAGULL ENERGY CORP	469,800
8,800	SEALED AIR CORP	213,400
157,700	SEARS ROEBUCK + CO	8,673,500
10,600	SECURITY CAP BANCORP	141,775
4,400	SEI CORP	134,200
19,800	SELECTIVE INS GROUP INC	499,950
5,600	SEQUA CORP	161,700
23,500	SERVICE CORP INTL	484,688
29,000	SHARED MEDI CAL SYSTE	677,875
22,800	SHAW INDUS INC	798,000
32,600	SHAWMUT NATIONAL COR	778,325
65,000	SHL SYSTEMHOUSE INC	650,000
49,600	SHONEY'S INC	917,600
25,400	SHOPKO STORES INC	301,625
20,700	SHOWBOAT INC	416,588
12,800	SIERRA PAC RES	276,800
9,700	SIGNET BANKING CORP	585,638
2,800	SMUCKER J M CO	66,850
29,700	SNAP ON TOOLS CORP	1,158,300
19,700	SNAPPLE BEVERAGE CORP	753,525
25,300	SNYDER OIL CORP	496,513
74,400	SOCIETY CORP	2,613,300

**MINNESOTA STATE BOARD OF INVESTMENT**  
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**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
8,100	SONAT INC	\$ 540,675
18,900	SONOCO PRODS CO	444,150
4,200	SOUTH JERSEY INDs INC	103,950
21,600	SOUTHDOWN INC	345,600
1,600	SOUTHERN CALIF WTR CO	70,400
134,200	SOUTHERN CO	5,653,175
30,800	SOUTHERN NATL CORP N	673,750
54,300	SOUTHERN NEW ENGLAND	1,873,350
145,300	SOUTHLAND CORP	653,850
26,700	SOUTHTRUST CORP	517,313
10,800	SOUTHWEST GAS CORP	184,950
222,700	SOUTHWESTERN BELL COR	8,629,625
9,900	SOUTHWESTERN ENERGY	477,675
29,300	SOUTHWESTERN PUB SVC	952,250
36,800	SOVEREIGN BANCORP INC	395,600
23,000	SPIEGEL INC	488,750
10,300	SPRINGS INDs INC	359,213
451,700	SPRINT CORP	15,865,963
57,700	ST JUDE MED INC	2,163,750
21,100	ST PAUL BANCORP INC	509,038
35,000	ST. PAUL COMPANIES INC.	2,778,125
23,600	STANDARD FED BK TROY	551,650
5,400	STANDEX INTL CORP	112,050
19,600	STANLEY WORKS	786,450
18,500	STAR BANC CORP	666,000
9,400	STARBUCKS CORP	460,600
14,500	STATE STREET BOSTON CO	480,313
13,400	STOLT NIELSEN SA	251,250
48,900	STONE CONTAINER CORP	440,100
3,400	STRAWBRIDGE + CLOTHIE	77,350
26,800	STUDENT LN CORP	502,500
38,700	SUMMIT BANCORPORATIO	803,025
137,900	SUN INC	3,309,600
78,200	SUN MICROSYSTEMS INC	2,316,675
12,200	SUNBEAM OSTER INC	205,875
16,400	SUNDSTRAND CORP	727,750
56,100	SUNTRUST BKS INC	2,643,713
59,200	SUPERVALU INC	1,990,600
12,200	SYNETIC INC	155,550
129,200	SYNTEX CORP	2,357,900
29,800	SYSCO CORP	748,725
21,100	TAMBRANDS INC	981,150
15,300	TANDY CORP	459,000
33,800	TECO ENERGY INC	1,597,050
3,800	TEJAS GAS CORP DEL	180,500
29,400	TEKTRONIX INC	771,750
352,600	TELE COMMUNICATIONS I	8,021,650
23,700	TELEPHONE + DATA SYS I	1,048,725
79,200	TEMPLE INLAND INC	3,603,600
250,900	TENNECO INC	12,795,900

NO. OF SHARES	SECURITY	MARKET VALUE
157,200	TEXACO INC	\$ 9,942,900
68,300	TEXAS INSTRS INC	4,772,463
89,400	TEXAS UTILS CO	4,090,050
41,600	TEXTRON INC	2,334,800
7,370	THERAPEUTIC DISCOVERY	38,693
16,000	THERMEDICS INC	256,000
19,600	THIOKOL CORP DEL	428,750
6,800	THOMAS + BETTS CORP	433,500
406,000	TIME WARNER INC	15,681,750
70,000	TIMES MIRROR CO	2,030,000
18,200	TIMKEN CO	605,150
8,600	TJ INTL INC	279,500
14,000	TJX COS INC NEW	474,250
25,300	TNP ENTERPRISES INC	449,075
29,400	TOLL BROS INC	374,850
10,700	TORCHMARK INC	568,438
63,200	TOTAL PETE NORTH AMER	466,100
226,800	TOYS R US INC	8,334,900
108,500	TRANSAMERICA CORP	5,736,938
6,000	TRANSATLANTIC HLDGS I	330,750
78,400	TRANSCANADA PIPELINES	1,215,200
30,600	TRANSCO ENERGY CO	512,550
118,100	TRAVELERS CORP	3,779,200
29,700	TRIBUNE CO NEW	1,596,375
5,000	TRIMAS CORP	187,500
9,200	TRINITY INDs INC	463,450
27,000	TRINOVA CORP	847,125
3,400	TRUSTCO BK CORP N Y	136,850
64,400	TRW INC	4,065,250
51,300	TURNER BROADCASTING S	1,051,650
49,300	TYCO LABS INC	2,039,788
39,700	U S BANCORP OR	992,500
36,700	U S LONG DISTANCE CORP	555,088
7,400	U S TR CORP	395,900
253,400	U S WEST INC	11,624,725
18,600	UAL CORP	2,292,450
39,200	UGI CORP NEW	989,800
19,900	UJB FINL CORP	487,550
22,200	ULTRAMAR CORP	502,275
21,500	UNIFI INC	722,938
60,000	UNILEVER N V	6,345,000
25,300	UNION BK SAN FRANCISCO	676,775
42,300	UNION CAMP CORP	1,797,750
75,800	UNION CARBIDE CORP	1,459,150
50,700	UNION ELEC CO	2,097,713
91,100	UNION PAC CORP	5,557,100
25,500	UNION PLANTERS CORP	656,625
20,600	UNION TEX PETE HLDGS IN	489,250
78,400	UNISYS CORP	950,600
13,200	UNITED ASSET MGMT COR	541,200

**MINNESOTA STATE BOARD OF INVESTMENT**  
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**ALPHABETICAL EQUITY HOLDINGS**  
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NO. OF SHARES		MARKET VALUE		NO. OF SHARES		MARKET VALUE	
UNITED DOMINION IND S	UNITED FED BANCORP INC	UNITED ILLUM CO	UNITED INVESTMENT MAN	UNITED POSTAL BANCORP	UNITED STATES CELLULA	UNITED STATIONERS INC	UNITED TECHNOLOGIES C
24,900	UNITED DOMINION IND S	\$ 326,813		9,800	WEST ONE BANCORP	\$ 483,875	
11,000	UNITED FED BANCORP INC	346,500		3,800	WESTAMERICA BANCORPO	101,175	
12,500	UNITED ILLUM CO	535,938		30,100	WESTCOAST ENERGY INC	504,175	
16,000	UNITED INVESTMENT MAN	494,000		6,800	WESTERN GAS RES INC	241,400	
11,200	UNITED POSTAL BANCORP	249,200		23,500	WESTERN RES INC	819,563	
18,600	UNITED STATES CELLULA	516,150		10,600	WESTERN WTR CO	196,100	
7,400	UNITED STATIONERS INC	98,050		244,100	WESTINGHOUSE ELEC COR	3,875,088	
102,500	UNITED TECHNOLOGIES C	5,535,000		400	WESTMORELAND COAL CO	2,500	
4,400	UNITED WTR RES INC	67,100		24,600	WESTVACO CORP	836,400	
23,300	UNITRIN INC	1,060,150		265,700	WEYERHAEUSER CO	11,325,463	
17,200	UNIVERSAL CORP VA	423,550		38,000	WHEELABRATOR TECHNOL	684,000	
161,300	UNOCAL CORP	4,718,025		72,100	WHIRLPOOL CORP	4,100,688	
8,800	UNUM CORP	475,200		40,500	WHITMAN CORP	551,813	
90,100	UPJOHN CO	2,691,738		6,000	WHITNEY HLDG CORP	174,000	
78,700	USAIR GROUP INC	1,298,550		20,000	WICOR INC	617,500	
28,000	USF + G CORP	507,500		17,200	WILLAMETTE IND S INC	653,600	
18,800	USLIFE CORP	777,850		50,700	WILLIAMS COS INC	2,775,825	
244,900	UST INC	7,255,163		24,000	WILMINGTON TR CORP	654,000	
103,800	USX MARATHON GROUP	1,751,625		20,900	WINN DIXIE STORES INC	1,170,400	
27,000	USX U S STL	1,100,250		49,000	WISCONSIN ENERGY CORP	1,353,625	
16,200	UTILICORP UTD INC	471,825		9,400	WISCONSIN PUB SVC CORP	320,775	
72,600	V F CORP	3,348,675		12,000	WISER OIL CO DEL	198,000	
6,800	VAAL CO ENERGY	68,000		8,500	WITCO CORP	469,625	
18,200	VALLEY BANCORPORATIO	809,900		344,700	WMX TECHNOLOGIES INC	11,159,663	
5,800	VALSPAR CORP	205,900		45,600	WOOLWORTH CORP	1,236,900	
28,600	VALUE CITY DEPT STORES	421,850		3,800	WORTHEN BKG CORP	91,200	
6,300	VALUE LINE INC	193,725		16,900	WORTINGTON IND S IN	528,125	
23,700	VIACOM INC	1,134,638		17,700	WPL HLDGS INC	626,138	
3,000	VICTORIA BANKSHARES IN	65,250		27,900	WRIGLEY WM JR CO	927,675	
30,100	VIGORO CORP	628,338		24,500	XEROX CORP	1,956,938	
18,400	VINTAGE PETE INC	388,700		5,100	YANKEE ENERGY SYS INC	119,850	
13,500	VISHAY INTERTECHNOLOG	487,688		4,800	ZERO CORP	70,800	
22,000	VORNADO RLTY TR	789,250		14,200	ZILOG INC	404,700	
14,400	VULCAN MATLS CO	666,000		5,800	ZIONS BANCORP	232,000	
97,700	WACHOVIA CORP NEW	3,358,438		24,000	ZURN IND S INC	768,000	
1,468,500	WAL MART STORES INC	38,548,125		TOTAL EQUITY PORTFOLIO		\$ 2,362,474,846	
77,600	WALGREEN CO	3,133,100					
158,500	WARNER LAMBERT CO	11,233,688					
22,000	WASHINGTON FEDERAL SA	572,000					
5,400	WASHINGTON GAS LT CO	236,250					
15,300	WASHINGTON MUT SVGS B	525,938					
3,500	WASHINGTON POST CO	799,750					
19,700	WASHINGTON WTR PWR C	783,075					
16,400	WATSON PHARMACEUTICA	338,250					
12,600	WATTS IND S INC	469,350					
13,100	WD 40 CO	605,875					
2,600	WEIS MKTS INC	68,900					
21,300	WELLPOINT HEALTH NET	607,050					
44,900	WELLS FARGO + CO	4,950,225					
21,600	WERNER ENTERPRISES INC	469,800					

**MINNESOTA STATE BOARD OF INVESTMENT  
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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 25,000,000	1600 ARCH CORP	00.000%	94/05/01	\$ 10,000,000
3,750,000	AMERICAN GEN FIN CORP	07.750	97/01/15	4,050,375
2,102,000	ATLANTIC RICHFIELD CO	10.875	05/07/15	2,812,203
125,635,941	BEA CASH ENHANCEMENT POOL	00.000		125,635,941
7,000,000	CATERPILLAR INC	06.000	07/05/01	6,443,920
750,000	CERTIFICATES ACCRUAL TREAS SEC	00.010	98/11/15	565,050
6,000,000	CHEMICAL NEW YORK CORP	08.250	02/08/01	6,097,860
6,000,000	CHRYSLER CORP	08.000	98/11/01	6,120,000
7,020,000	CITICORP	08.450	07/03/15	7,226,388
7,000,000	CITICORP	08.125	07/07/01	7,183,470
4,100,000	COMERICA INC	09.750	99/05/01	4,698,969
4,200,000	COMMONWEALTH EDISON CO	08.125	07/06/01	4,341,960
6,000,000	COUPON TREAS RCPT	00.000	99/02/15	4,441,140
668,990	COUPON TREAS RCPT	00.000	98/11/15	504,017
1,656,250	COUPON TREAS RCPT	00.000	98/11/15	1,247,819
4,821,000	COUPON TREAS RCPT	00.000	00/11/15	3,168,506
6,000,000	DETROIT EDISON CO	07.375	01/11/15	6,072,720
7,000,000	DOW CHEM CO	07.875	07/07/15	7,184,520
4,000,000	DU PONT E I DE NEMOURS + CO	06.000	01/12/01	3,927,400
1,500,000	DU PONT E I DE NEMOURS + CO	08.500	16/04/15	1,579,815
10,000,000	EASTMAN KODAK CO	09.750	04/10/01	12,351,300
2,300,000	FEDERAL FARM CR BKS BDS	14.250	94/04/20	2,493,338
40,000,000	FEDERAL FARM CR BKS BDS	11.900	97/10/20	50,700,000
12,000,000	FEDERAL FARM CR BKS BDS	11.800	93/10/20	12,303,720
2,300,000	FEDERAL FARM CR BKS BDS	13.000	94/09/01	2,542,926
5,000,000	FEDERAL FARM CR BKS BDS	11.450	94/12/01	5,517,200
31,200,000	FEDERAL HOME LN BKS	11.700	93/07/26	31,385,328
200,000	FEDERAL HOME LN BKS	07.375	93/12/27	203,874
10,300,000	FEDERAL HOME LN BKS	07.300	94/01/25	10,515,682
7,000,000	FEDERAL HOME LN BKS	11.950	93/08/25	7,091,840
2,515,000	FEDERAL HOME LN BKS	12.150	93/12/27	2,621,888
2,100,000	FEDERAL HOME LN BKS	08.100	96/03/25	2,296,875
13,525,000	FEDERAL HOME LN BKS	07.750	96/04/25	14,683,011
25,600,000	FEDERAL HOME LN BKS	08.250	96/06/25	28,216,064
775,000	FEDERAL HOME LN BKS	07.750	93/07/26	776,938
12,500,000	FEDERAL HOME LN BKS	08.000	96/07/25	13,714,875
1,075,000	FEDERAL HOME LN BKS	07.950	93/09/27	1,086,417
47,000,000	FEDERAL HOME LN BKS	08.250	96/09/25	52,081,640
950,000	FEDERAL HOME LN BKS	07.875	93/10/25	962,768
8,320,000	FEDERAL NATL MTG ASSN	11.950	95/01/10	9,295,021
2,025,000	FEDERAL NATL MTG ASSN	11.500	95/02/10	2,261,662
10,000,000	FEDERAL NATL MTG ASSN	09.500	20/11/10	11,543,700
24,400,000	FEDERAL NATL MTG ASSN	10.350	15/12/10	33,572,936
5,150,000	FEDERAL NATL MTG ASSN	09.200	96/01/10	5,743,847
3,000,000	FEDERAL NATL MTG ASSN	08.200	16/03/10	3,411,570
5,000,000	FEDERAL NATL MTG ASSN	07.750	93/11/10	5,078,100
40,000,000	FINANCING CORP	09.400	18/02/08	50,512,400

**MINNESOTA STATE BOARD OF INVESTMENT  
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JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 23,950,000	FINANCING CORP CPN FICO STRIPS	00.000%	00/09/07	\$ 15,724,852
15,000,000	FINANCING CORP CPN FICO STRIPS	00.000	99/03/07	10,970,700
28,000,000	FINANCING CORP CPN FICO STRIPS	00.000	02/03/07	16,414,440
28,935,000	FINANCING CORP CPN FICO STRIPS	00.000	04/03/07	14,522,477
22,500,000	FINANCING CORP CPN FICO STRIPS	00.000	05/03/07	10,372,950
28,900,000	FINANCING CORP CPN FICO STRIPS	00.000	06/03/07	12,255,623
12,950,000	FINANCING CORP CPN FICO STRIPS	00.000	05/06/06	5,852,753
23,100,000	FINANCING CORP CPN FICO STRIPS	00.000	05/12/06	10,025,169
5,000,000	FIRST CHICAGO CORP	09.000	99/06/15	5,665,500
5,000,000	FORD MTR CR CO	10.000	99/02/01	5,128,000
5,000,000	GENERAL FOOD	06.000	01/06/15	4,883,400
7,000,000	GENERAL MTRS ACCEP CORP	08.000	07/07/15	7,179,480
5,000,000	GENERAL MTRS ACCEP CORP	08.250	06/11/15	5,521,900
11,500,000	GENERAL MTRS ACCEP CORP	08.250	16/04/01	11,827,060
3,500,000	GENERAL MTRS CORP	08.125	16/04/15	3,535,630
6,300,000	GTE CORP	08.500	17/04/01	6,628,293
3,500,000	HYDRO QUEBEC	08.250	26/04/15	3,769,885
14,000,000	HYDRO QUEBEC	08.500	29/12/01	15,517,880
12,000,000	INTERNORTH INC	09.625	06/03/15	14,640,240
3,600,000	ITT FINL CORP	08.375	07/03/01	3,753,648
7,000,000	ITT FINL CORP	09.880	98/05/15	7,326,900
3,600,000	K MART CORP	12.500	05/03/01	5,203,080
5,000,000	KNIGHT RIDDER INC	09.875	09/04/15	6,313,750
5,700,000	LOEWS CORP	08.250	07/01/15	5,871,000
9,000,000	MARTIN MARIETTA CORP	07.000	11/03/15	8,625,330
6,000,000	NATIONAL ARCHIVES FAC TR	08.500	19/09/01	6,815,640
3,000,000	NEW YORK LIFE FUNDING CORP	09.250	95/05/15	3,253,050
7,000,000	NORTH AMERN PHILIPS CORP	08.750	17/03/01	7,297,500
6,000,000	NORTHERN IN PUB SVC CO	08.375	06/10/15	6,217,620
10,000,000	OCCIDENTAL PETE CORP	10.125	09/09/15	12,677,200
10,000,000	OCCIDENTAL PETE CORP	10.125	01/11/15	11,893,500
6,920,000	ONTARIO PROV CDA	09.375	08/11/30	7,285,168
6,000,000	ONTARIO PROV CDA	09.750	09/03/01	6,409,800
6,000,000	ONTARIO PROV CDA	09.875	09/09/20	6,550,140
5,700,000	OXY OIL + GAS USA INC	07.000	11/04/15	5,381,826
3,765,000	PACIFIC GAS + ELEC CO	08.250	08/09/01	3,911,722
3,500,000	PACIFIC GAS + ELEC CO	09.300	23/07/01	3,718,015
3,500,000	PACIFIC NORTHWEST BELL TEL CO	08.625	26/04/01	3,732,969
5,000,000	PACIFIC TEL + TELE CO	06.500	03/07/01	5,052,600
7,930,000	PENNEY J C INC	06.000	06/05/01	7,533,500
10,000,000	PENNZOIL CO	10.125	09/11/15	12,146,600
5,000,000	PRIVATE EXPT FDG CORP	09.500	99/03/31	5,968,150
3,500,000	PROCTER + GAMBLE CO	08.125	17/01/15	3,666,530
6,000,000	PUBLIC SVC ELEC + GAS CO	08.125	07/09/01	6,221,250
10,000,000	QUEBEC PROV CDA	13.000	13/10/01	13,415,625
13,000,000	RALSTON PURINA CO	09.250	09/10/15	15,415,660

**MINNESOTA STATE BOARD OF INVESTMENT  
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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 10,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000%	98/10/15	\$ 7,598,500
10,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	96/04/15	8,835,000
10,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	97/04/15	8,330,100
28,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	99/04/15	20,590,640
3,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	00/04/15	2,061,870
5,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	00/10/15	3,323,950
15,620,000	RESOLUTION FDG FBE CPN STRIPS	00.000	02/04/15	9,289,995
20,620,000	RESOLUTION FDG FBE CPN STRIPS	00.000	04/04/15	10,515,169
20,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	04/10/15	9,842,400
14,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	99/01/15	10,461,640
24,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	00/01/15	16,767,840
2,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	00/07/15	1,352,100
15,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	01/01/15	9,804,900
5,971,783	RGS AEGCO FDG	09.820	22/12/07	7,404,078
5,971,505	RGS I + M FDG CORP	09.820	22/12/07	7,374,690
5,996,088	RGS I + M FDG CORP	09.810	22/12/07	7,485,741
394,762,111	SBI MONEYU FUND			394,762,111
3,000,000	SEARS ROEBUCK + CO	07.000	01/11/15	2,999,880
13,000,000	SEARS ROEBUCK + CO	06.000	00/05/01	12,545,000
5,000,000	SHEARSON LEHMAN HUTTON INC	09.875	00/10/15	5,907,550
5,000,000	SIGNET BKG CORP	09.625	99/06/01	5,744,050
3,000,000	SOUTH CENT BELL TEL CO	07.375	07/11/01	3,063,120
3,500,000	SOUTHERN CALIF EDISON CO	09.250	22/12/01	4,092,935
3,500,000	SOUTHERN CALIF EDISON CO	08.875	23/05/01	3,850,000
3,100,000	SOUTHWESTERN BELL TEL CO	05.875	03/06/01	2,997,576
3,000,000	TEXAS PWR + LT CO	08.600	06/01/01	3,109,170
250,000	TREASURY INV'T GROWTH RCPTS	00.000	99/02/15	185,048
1,619,000	TREASURY INV'T GROWTH RCPTS	00.000	00/11/15	1,064,055
15,000,000	UNION PAC CORP	08.500	17/01/15	15,891,750
50,000,000	UNITED STATES TREAS BDS	08.500	99/05/15	52,054,500
40,350,000	UNITED STATES TREAS BDS	07.875	00/02/15	42,632,196
9,450,000	UNITED STATES TREAS BDS	08.250	05/05/15	10,774,512
28,020,000	UNITED STATES TREAS BDS	08.375	00/08/15	30,301,108
39,475,000	UNITED STATES TREAS BDS	07.625	07/02/15	43,810,934
10,000,000	UNITED STATES TREAS BDS	07.875	07/11/15	11,318,700
26,600,000	UNITED STATES TREAS BDS	08.375	08/08/15	31,163,496
2,000,000	UNITED STATES TREAS BDS	08.625	93/11/15	2,038,120
11,600,000	UNITED STATES TREAS BDS	08.750	08/11/15	13,954,452
40,000,000	UNITED STATES TREAS BDS	09.000	94/02/15	41,356,400
32,900,000	UNITED STATES TREAS BDS	09.125	09/05/15	40,780,537
55,900,000	UNITED STATES TREAS BDS	10.375	09/11/15	75,342,579
22,300,000	UNITED STATES TREAS BDS	10.500	95/02/15	24,606,712
51,000,000	UNITED STATES TREAS BDS	11.750	10/02/15	74,754,780
40,000,000	UNITED STATES TREAS BDS	12.625	95/05/15	46,281,200
56,400,000	UNITED STATES TREAS BDS	10.000	10/05/15	74,853,516
50,000,000	UNITED STATES TREAS BDS	10.375	95/05/15	55,734,500

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 53,925,000	UNITED STATES TREAS BDS	13.875 %	11/05/15	\$ 90,922,403
50,000,000	UNITED STATES TREAS BDS	11.500	95/11/15	58,218,500
61,000,000	UNITED STATES TREAS BDS	12.750	10/11/15	95,951,170
49,650,000	UNITED STATES TREAS BDS	11.750	01/02/15	68,741,915
8,925,000	UNITED STATES TREAS BDS	13.125	01/05/15	13,181,065
32,100,000	UNITED STATES TREAS BDS	13.375	01/08/15	48,265,239
55,000,000	UNITED STATES TREAS BDS	14.000	11/11/15	94,247,450
29,500,000	UNITED STATES TREAS BDS	14.250	02/02/15	46,665,165
45,110,000	UNITED STATES TREAS BDS	11.625	02/11/15	64,112,588
40,350,000	UNITED STATES TREAS BDS	10.750	03/02/15	54,907,473
36,075,000	UNITED STATES TREAS BDS	10.750	03/05/15	49,338,335
6,600,000	UNITED STATES TREAS BDS	11.125	03/08/15	9,240,000
7,075,000	UNITED STATES TREAS BDS	11.875	03/11/15	10,353,838
15,745,000	UNITED STATES TREAS BDS	12.375	04/05/15	23,920,119
10,100,000	UNITED STATES TREAS BDS	13.750	04/08/15	16,545,012
43,154,000	UNITED STATES TREAS BDS	11.625	04/11/15	63,287,930
51,500,000	UNITED STATES TREAS BDS	12.000	05/05/15	77,668,180
50,000,000	UNITED STATES TREAS BDS	10.750	05/08/15	70,297,000
57,250,000	UNITED STATES TREAS BDS	09.375	06/02/15	74,031,120
20,750,000	UNITED STATES TREAS BDS	09.250	16/02/15	27,017,123
53,250,000	UNITED STATES TREAS BDS	07.250	16/05/15	56,794,320
31,500,000	UNITED STATES TREAS BDS	07.500	16/11/15	34,512,030
18,500,000	UNITED STATES TREAS BDS	08.750	17/05/15	23,032,500
3,560,000	UNITED STATES TREAS NTS	12.625	94/08/15	3,907,670
10,000,000	UNITED STATES TREAS NTS	11.625	94/11/15	11,040,600
50,000,000	UNITED STATES TREAS NTS	11.250	95/05/15	56,523,500
50,000,000	UNITED STATES TREAS NTS	10.500	95/08/15	56,515,500
20,000,000	UNITED STATES TREAS NTS	09.500	95/11/15	22,403,200
10,000,000	UNITED STATES TREAS NTS	07.375	96/05/15	10,792,200
10,000,000	UNITED STATES TREAS NTS	07.250	93/07/15	10,015,600
18,500,000	UNITED STATES TREAS NTS	07.250	96/11/15	20,008,860
3,200,000	UNITED STATES TREAS NTS	07.000	94/01/15	3,261,984
15,500,000	UNITED STATES TREAS NTS	07.000	94/04/15	15,916,485
10,000,000	UNITED STATES TREAS NTS	08.500	97/05/15	11,312,500
15,000,000	UNITED STATES TREAS NTS	09.500	94/10/15	16,073,400
10,400,000	UNITED STATES TREAS NTS	08.375	95/04/15	11,184,888
17,700,000	UNITED STATES TREAS NTS	09.250	98/08/15	21,004,944
5,000,000	UNITED STATES TREAS NTS	08.875	99/02/15	5,887,500
13,000,000	UNITED STATES TREAS NTS	09.500	94/05/15	13,656,110
25,250,000	UNITED STATES TREAS NTS	09.125	99/05/15	30,154,055
5,000,000	UNITED STATES TREAS NTS	08.000	99/08/15	5,696,850
24,250,000	UNITED STATES TREAS NTS	07.875	99/11/15	27,538,785
10,100,000	UNITED STATES TREAS NTS	08.500	97/04/15	11,405,122
10,000,000	UNITED STATES TREAS NTS	08.875	00/05/15	11,956,200
5,000,000	UNITED STATES TREAS NTS	08.750	97/10/15	5,746,100
10,000,000	UNITED STATES TREAS NT STRP PRN	00.010	94/11/15	9,502,900

**MINNESOTA STATE BOARD OF INVESTMENT  
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ALPHABETICAL FIXED INCOME HOLDINGS  
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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 37,700,000	UNITED STATES TRES NT STRP PRN	10.500%	95/08/15	\$ 34,621,795
10,000,000	UNITED STATES TRES NT STRP PRN	00.000	96/02/15	8,936,700
10,000,000	UNITED STATES TRES NT STRP PRN	00.000	97/11/15	8,064,800
5,900,000	UNITED STATES TRES SC STRP INT	00.000	95/02/15	5,544,761
23,600,000	UNITED STATES TRES SC STRP INT	00.000	01/08/15	14,807,820
4,500,000	UNITED STATES TRES SC STRP INT	00.000	02/02/15	2,718,540
8,900,000	UNITED STATES TRES SC STRP INT	00.000	94/05/15	8,638,340
3,800,000	UNITED STATES TRES SC STRP INT	00.000	97/05/15	3,160,004
29,000,000	UNITED STATES TRES SC STRP INT	00.000	02/05/15	17,208,020
1,734,375	UNITED STATES TRES SC STRP INT	00.000	93/11/15	1,713,701
1,610,000	UNITED STATES TRES SC STRP INT	00.000	93/11/15	1,590,809
945,000	UNITED STATES TRES SC STRP INT	00.000	98/11/15	715,734
<b>\$ 3,493,403,044</b>	<b>TOTAL FIXED INCOME PORTFOLIO</b>			<b>\$ 3,897,846,542</b>

**MINNESOTA STATE BOARD OF INVESTMENT  
SUPPLEMENTAL INVESTMENT FUND  
ALPHABETICAL HOLDINGS BY INVESTMENT OPTION  
JUNE 30, 1993**

SHARES / PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
<b>COMMON STOCK INDEX ACCOUNT</b>				
19,693	S.B.I. SUPPLE. EQTY INDEX P	00.000%		\$ 36,261,126
<b>BOND MARKET ACCOUNT</b>				
15,972	S.B.I. FIXED INCOME POOL	00.000%		\$ 19,315,279
<b>FIXED INTEREST ACCOUNT</b>				
16,984,253	NORWEST BANK MINNESOTA	05.280%	95/10/31	\$ 16,984,253
15,708,123	PROVIDENT NATIONAL	06.650	94/10/31	15,708,123
15,704,512	CONTINENTAL ASSURANCE C	06.619	94/10/31	15,704,512
11,321,024	MUTUAL OF AMERICA	08.950	93/10/31	11,321,024
11,210,534	PROVIDENT NATIONAL	08.580	93/10/31	11,210,534
7,650,000	UNITED STATES TREAS NTS	08.750	97/10/15	8,743,185
				\$ 79,671,631
<b>INCOME SHARE ACCOUNT</b>				
1,800,000	DU PONT E I DE NEMOURS +	08.250%	06/09/15	\$ 2,079,270
3,000,000	FEDERAL HOME LN MTG COR	07.000	21/01/15	3,116,250
3,000,000	FEDERAL HOME LN MTG COR	07.000	21/09/15	3,093,750
2,000,000	FEDERAL HOME LN MTG COR	07.500	21/03/15	2,116,860
2,000,000	FEDERAL HOME LN MTG COR	07.000	22/05/15	1,943,740
2,200,000	FEDERAL NATL MTG ASSN	07.050	98/12/10	2,377,364
2,000,000	FEDERAL NATL MTG ASSN	07.500	20/08/25	2,119,360
1,950,000	FEDERAL NATL MTG ASSN	07.000	12/03/25	2,006,063
1,800,000	FEDERAL NATL MTG ASSN	06.750	19/12/25	1,851,174
3,000,000	FEDERAL NATL MTG ASSN	07.000	19/04/25	3,072,180
2,100,000	FEDERAL NATL MTG ASSN	07.500	22/07/25	2,295,846
2,100,000	FEDERAL NATL MTG ASSN	07.000	21/11/25	2,086,875
1,024,300	FNMA POOL # 002494	08.000	08/04/01	1,080,636
1,324,825	FNMA POOL # 030817	09.000	09/06/01	1,415,072
1,450,000	GENERAL MTRS ACCEP CORP	07.500	95/10/15	1,513,336
1,197,665	GNMA II POOL # 000587	08.000	16/07/20	1,259,788
989,728	GNMA POOL # 146852	09.500	16/04/15	1,081,277
1,745,369	GNMA POOL # 205012	09.500	17/02/15	1,906,815
815,008	GNMA POOL # 209563	09.500	17/10/15	890,397
2,194,142	GNMA POOL # 289781	09.500	20/04/15	2,397,100
3,000,000	HELLER FINL INC	09.375	98/03/15	3,424,950

**MINNESOTA STATE BOARD OF INVESTMENT  
SUPPLEMENTAL INVESTMENT FUND  
ALPHABETICAL HOLDINGS BY INVESTMENT OPTION  
JUNE 30, 1993**

SHARES / PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
<b>INCOME SHARE ACCOUNT (CONT)</b>				
1,400,000	ITT FINL CORP	08.760%	94/05/02	\$ 1,455,258
1,000,000	RALSTON PURINA CO	09.250	09/10/15	1,185,820
1,000,000	SECURITY PAC CORP	09.750	99/05/15	1,165,320
1,400,000	UNITED STATES TREAS BDS	11.500	95/11/15	1,630,118
1,700,000	UNITED STATES TREAS BDS	11.625	02/11/15	2,416,125
1,800,000	UNITED STATES TREAS BDS	10.750	03/05/15	2,461,788
1,700,000	UNITED STATES TREAS BDS	11.875	03/11/15	2,487,848
1,600,000	UNITED STATES TREAS BDS	12.375	04/05/15	2,430,752
1,000,000	UNITED STATES TREAS BDS	11.625	04/11/15	1,466,560
800,000	UNITED STATES TREAS BDS	12.000	05/05/15	1,206,496
1,000,000	UNITED STATES TREAS BDS	10.750	05/08/15	1,405,940
1,300,000	UNITED STATES TREAS BDS	09.375	06/02/15	1,681,056
1,300,000	UNITED STATES TREAS BDS	09.250	16/02/15	1,692,639
3,800,000	UNITED STATES TREAS BDS	07.250	22/08/15	4,063,606
1,300,000	UNITED STATES TREAS NTS	07.125	98/10/15	1,420,653
1,800,000	UNITED STATES TREAS NTS	11.250	95/05/15	2,034,846
2,100,000	UNITED STATES TREAS NTS	08.500	97/05/15	2,375,625
3,500,000	UNITED STATES TREAS NTS	08.875	95/07/15	3,829,210
2,100,000	UNITED STATES TREAS NTS	08.625	95/10/15	2,305,086
1,500,000	UNITED STATES TREAS NTS	09.500	94/05/15	1,575,705
2,500,000	UNITED STATES TREAS NTS	07.875	96/07/15	2,739,850
4,000,000	UNITED STATES TREAS NTS	08.250	94/11/15	4,236,880
3,100,000	UNITED STATES TREAS NTS	08.000	97/01/15	3,434,211
				<b>\$ 93,829,495</b>
<b>GROWTH SHARES ACCOUNT</b>				
5,038,263	S.B.I. SUPPLEMENTAL MONEY FUND			\$ 5,038,263
56,880	MINN. ACTIVE EQUITY MANAGER POOL			76,504,018
				<b>\$ 81,542,281</b>
<b>MONEY MARKET ACCOUNT</b>				
66,383,458	S.B.I. SUPPLEMENTAL MONE	00.000%		\$ 66,383,458

**MINNESOTA STATE BOARD OF INVESTMENT  
ENVIRONMENTAL TRUST FUND  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 2,000,000	ASSOCIATE CORP	07.330%	07/31/97	\$ 2,149,020
2,000,000	CBS INC.	07.750%	06/01/99	2,128,360
1,350,000	FEDERAL EXPRESS	09.650%	06/15/12	1,575,113
2,700,000	FHLMC 1226 CL H MULTIC	07.500%	07/15/20	2,859,462
3,000,000	FHLMC 1255 CL G MULTIC	07.500%	07/15/21	3,183,750
3,000,000	FHLMC 1347 CL C MULTIC	06.000%	02/15/12	3,055,290
2,000,000	FNMA 92-125 CL B REMIC	05.500%	05/15/09	2,016,240
3,000,000	FNMA 92-125 CL E REMIC	06.500%	04/25/17	3,018,750
3,000,000	FNMA 92-131 CL EA REMIC	06.500%	03/25/17	3,088,110
2,000,000	GMAC MTN	06.500%	07/25/97	2,037,500
1,700,000	SEARS ROEBUCK	09.250%	04/15/98	1,931,183
1,400,000	SPRINT CORP DEB	09.250%	04/15/22	1,627,038
3,000,000	U.S.A. TREASURY NOTE	06.500%	11/30/96	3,178,590
3,000,000	U.S.A. TREASURY NOTE	07.125%	10/15/98	3,278,430
3,900,000	U.S.A. TREASURY NOTE	06.375%	01/15/99	3,695,790
3,500,000	U.S.A. TREASURY NOTE	07.000%	04/15/99	4,121,208
3,500,000	U.S.A. TREASURY NOTE	06.375%	07/15/99	3,804,045

\$ 44,050,000	TOTAL FIXED INCOME PORTFOLIO	\$ 46,747,879
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**MINNESOTA STATE BOARD OF INVESTMENT  
PERMANENT SCHOOL FUND  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 5,000,000	ATLANTIC RICHFIELD	09.120%	03/01/11	\$ 5,925,000
5,000,000	ATLANTIC RICHFIELD	00.099	03/01/16	6,391,700
1,261,767	ATLANTIC RICHFIELD (BEDARC	00.088	12/01/01	1,444,912
4,000,000	BARNETT BANKS INC	00.085	03/01/99	4,440,000
1,000,000	CHRYSLER FIN. MTN	00.099	02/01/94	1,022,750
5,000,000	CITICORP PERSON TO PERSON IN	00.088	03/01/98	5,000,000
4,500,000	COLUMBUS SOUTHERN POWER	00.095	08/01/15	4,777,515
7,000,000	COMMONWEALTH EDISON	00.091	01/15/14	7,414,890
5,000,000	CSX TRANSPORTATION	00.090	08/15/06	5,881,050
5,000,000	DOW CHEMICAL	00.086	04/01/06	5,777,350
100,000	FEDERAL FARM CREDIT BANK	00.124	03/01/94	105,781
3,000,000	FEDERAL HOME LOAN BANK	00.117	07/26/93	3,017,820
4,000,000	FHLMC 1462 CL PE MULTI	00.068	09/15/16	4,108,720
4,000,000	FNMA 93-8 CL E REMIC PT	00.068	05/25/05	4,125,000
1,400,000	FORD MOTOR COMPANY	00.089	04/01/06	1,608,250
1,200,000	FORD MOTOR CR. MTN	00.098	11/04/94	2,031,680
2,000,000	FORD MOTOR CR. MTN	00.092	11/01/93	1,273,344
3,900,000	GENERAL MOTORS ACCEPT COR	00.080	01/15/02	3,978,000
727,410	GNMA POOL # 00505	00.065	11/15/01	731,047
803,606	GNMA POOL # 00506	00.065	12/15/01	807,624
3,678,257	GNMA POOL # 00606	00.080	08/20/16	3,869,048
1,397,870	GNMA POOL # 00623	00.080	09/20/16	1,470,378
979,651	GNMA POOL # 02290	00.065	03/15/03	984,549
1,207,627	GNMA POOL # 02291	00.065	04/15/03	1,213,665
978,587	GNMA POOL # 02424	00.065	04/15/03	983,480
100,703	GNMA POOL # 03627	00.083	07/15/04	108,790
553,763	GNMA POOL # 03972	00.083	07/15/04	598,236
255,658	GNMA POOL # 03974	00.090	11/15/04	277,867
184,287	GNMA POOL # 03979	00.083	08/15/04	199,087
121,951	GNMA POOL # 04004	00.083	08/15/04	131,745
408,598	GNMA POOL # 04092	00.083	07/15/04	441,412
123,038	GNMA POOL # 04145	00.083	08/15/04	132,920
161,321	GNMA POOL # 04472	00.090	09/15/04	175,335
165,385	GNMA POOL # 09680	00.083	06/15/06	178,667
283,785	GNMA POOL # 10887	00.083	07/15/06	305,866
118,005	GNMA POOL # 17904	00.080	08/15/07	126,191
188,276	GNMA POOL # 18017	00.080	07/15/07	201,337
380,464	GNMA POOL # 18058	00.080	07/15/07	406,857
123,816	GNMA POOL # 18592	00.080	11/15/07	132,406
304,809	GNMA POOL # 18768	00.080	08/15/07	325,953

**MINNESOTA STATE BOARD OF INVESTMENT  
PERMANENT SCHOOL FUND  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 281,063	GNMA POOL # 18782	08.000%	10/15/07	\$ 300,560
260,443	GNMA POOL # 19105	00.080	07/15/07	278,510
263,593	GNMA POOL # 19667	00.080	01/15/08	281,878
357,955	GNMA POOL # 19740	00.080	10/15/07	382,787
2,222,573	GNMA POOL # 19784	00.080	09/15/07	2,376,752
241,144	GNMA POOL # 19997	00.080	10/15/07	257,872
18,739	GNMA POOL # 20074	00.080	03/15/07	20,039
141,491	GNMA POOL # 20263	00.080	11/15/07	151,307
347,783	GNMA POOL # 20393	00.080	11/15/07	371,909
355,573	GNMA POOL # 20495	00.080	11/15/07	380,239
379,587	GNMA POOL # 21037	00.080	11/15/07	405,919
3,672,602	GNMA POOL # 210643	00.080	06/15/17	3,890,644
3,739,678	GNMA POOL # 210687	00.080	06/15/17	3,961,702
356,614	GNMA POOL # 21480	00.080	01/15/08	381,352
357,662	GNMA POOL # 21615	00.080	01/15/08	382,473
2,328,470	GNMA POOL # 217626	00.080	05/15/17	2,466,711
357,396	GNMA POOL # 21930	00.080	03/15/08	382,188
447,356	GNMA POOL # 22012	00.080	04/15/08	478,389
2,821,728	GNMA POOL # 224960	00.080	06/15/17	2,989,254
384,488	GNMA POOL # 22820	00.080	12/15/07	411,160
365,461	GNMA POOL # 24078	00.080	02/15/08	390,813
413,447	GNMA POOL # 24417	00.080	03/15/08	442,127
1,487,996	GNMA POOL # 27638	00.090	10/15/08	1,617,258
4,770,452	GNMA POOL # 319990	00.080	06/15/22	5,053,674
4,855,506	GNMA POOL # 327378	00.080	06/15/22	5,143,778
4,000,000	KANSAS POWER & LIGHT	00.081	06/01/07	4,112,880
2,500,000	MICHIGAN BELL TELEPHONE CO	00.081	06/01/15	2,601,350
1,854,000	MOORE-MCCORMACK LEASING	00.089	07/15/01	1,880,790
2,000,000	MORGAN J.P.	00.089	08/01/94	2,099,260
3,000,000	MOUNTAIN STATES TEL & TEL	00.078	06/01/13	3,082,500
2,500,000	NORTHERN STATES POWER CO.	00.084	01/01/04	2,587,850
683,000	PUGET SOUND TUG & BARG	00.091	02/15/01	783,421
1,816,368	SBA POOL - MEEDA BONDS SER 8	00.117	12/01/04	2,230,518
2,160,000	SEARS	00.070	11/15/01	2,159,914
2,500,000	SECURITY PACIFIC CORP	00.098	05/15/99	2,913,300
260,000	SHELL OIL	00.076	10/15/93	262,675
8,400,000	SOUTHERN BELL TEL & TEL	00.076	03/15/13	8,674,596
10,000,000	SYENERGY PIPELINE CO L.P.	00.096	12/30/08	12,169,500
25,885,093	TRUST FUND POOL			25,885,093
2,000,000	U.S.A. TREASURY BOND	00.086	11/15/93	2,038,120

**MINNESOTA STATE BOARD OF INVESTMENT  
PERMANENT SCHOOL FUND  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 2,400,000	U.S.A. TREASURY BOND	08.750%	08/15/94	\$ 2,532,384
2,000,000	U.S.A. TREASURY BOND	00.115	11/15/95	2,328,740
50,000	U.S.A. TREASURY BOND	00.035	11/15/98	49,266
3,590,000	U.S.A. TREASURY BOND	00.085	05/15/99	3,737,513
4,850,000	U.S.A. TREASURY BOND	00.079	02/15/00	5,124,316
500,000	U.S.A. TREASURY BOND	00.084	08/15/00	540,705
3,000,000	U.S.A. TREASURY BOND	00.118	02/15/01	4,153,590
6,500,000	U.S.A. TREASURY BOND	00.116	11/15/02	9,238,125
4,400,000	U.S.A. TREASURY BOND	00.108	02/15/03	5,987,432
4,500,000	U.S.A. TREASURY BOND	00.116	05/15/03	6,154,470
3,500,000	U.S.A. TREASURY BOND	00.035	11/15/04	5,132,960
8,000,000	U.S.A. TREASURY BOND	00.108	08/15/05	11,247,520
1,000,000	U.S.A. TREASURY BOND	00.076	02/15/07	1,109,840
6,400,000	U.S.A. TREASURY BOND	00.079	11/15/07	7,243,968
5,000,000	U.S.A. TREASURY BOND	00.084	08/15/08	5,857,800
6,400,000	U.S.A. TREASURY BOND	00.088	11/15/08	7,699,008
3,400,000	U.S.A. TREASURY BOND	00.091	05/15/09	4,214,402
5,000,000	U.S.A. TREASURY BOND	00.104	11/15/09	6,739,050
9,400,000	U.S.A. TREASURY BOND	00.100	05/15/10	12,475,586
2,000,000	U.S.A. TREASURY BOND	00.128	11/15/10	3,145,940
470,000	U.S.A. TREASURY BOND	00.139	05/15/11	792,462
9,470,000	U.S.A. TREASURY BOND	00.104	11/15/12	13,098,146
560,000	U.S.A. TREASURY BOND	00.120	08/15/13	867,737
5,000,000	U.S.A. TREASURY BOND	00.118	11/15/14	7,710,950
5,000,000	U.S.A. TREASURY BOND	00.099	11/15/15	6,878,100
7,000,000	U.S.A. TREASURY BOND	00.073	05/15/16	7,465,920
12,000,000	U.S.A. TREASURY BOND	00.088	05/15/17	14,940,000
12,000,000	U.S.A. TREASURY BOND	00.091	05/15/18	15,519,360
5,100,000	U.S.A. TREASURY BOND	00.089	02/15/19	6,449,103
6,900,000	U.S.A. TREASURY BOND	00.081	08/15/19	8,084,868
12,000,000	U.S.A. TREASURY BOND	00.085	02/15/20	14,647,440
8,000,000	U.S.A. TREASURY BOND	00.079	02/15/21	9,150,000
5,000,000	U.S.A. TREASURY BOND	00.080	11/15/21	5,810,950
6,000,000	U.S.A. TREASURY BOND	00.076	11/15/22	6,707,820
6,000,000	U.S.A. TREASURY BOND	00.071	11/15/23	6,346,860
2,400,000	U.S.A. TREASURY COUPON	00.000	05/15/12	640,896
820,000	U.S.A. TREASURY NOTE	00.095	10/15/94	878,679
2,000,000	U.S.A. TREASURY NOTE	00.084	04/15/95	2,150,940
1,200,000	U.S.A. TREASURY NOTE	00.095	11/15/95	1,344,192
5,650,000	U.S.A. TREASURY NOTE	00.074	05/15/96	6,097,593
2,300,000	U.S.A. TREASURY NOTE	00.085	05/15/97	2,601,875

**MINNESOTA STATE BOARD OF INVESTMENT  
PERMANENT SCHOOL FUND  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 5,500,000	U.S.A. TREASURY NOTE	08.875 %	11/15/97	\$ 6,351,620
3,650,000	U.S.A. TREASURY NOTE	00.081	02/15/98	4,121,653
1,250,000	U.S.A. TREASURY NOTE	00.085	02/15/00	1,464,450
5,000,000	U.S.A. TREASURY NOTE	00.075	11/15/01	5,612,500

**\$388,555,895**

**TOTAL FIXED INCOME PORTFOLIO**

**\$449,254,013**

**MINNESOTA STATE BOARD OF INVESTMENT**  
**TILTED INDEX EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
17,100	20TH CENTY INDs CAL	\$ 483,075
36,599	A AND W BRANDS INC	649,632
947,480	ABBOTT LABS	24,279,175
110,998	ABITIBI PRICE INC	1,165,479
50,600	ADC TELECOMMUNICATI	1,581,250
300	ADOBE SYS INC	18,525
44,700	ADVANCED MICRO DEVIC	1,078,388
28,400	ADVANTA CORP	1,299,300
44,623	AES CORP	1,349,846
99,125	AETNA LIFE + CAS CO	5,489,047
24,700	AFFYMAX NV	364,325
54,957	AFLAC INC	1,559,405
28,925	AGENCY RENT A CAR INC	242,247
241,800	AHMANSON H F AND CO	4,201,275
14,000	AIR PRODS + CHEMS INC	549,500
17,100	AKTIEBOLAGET ELECTRO	470,250
10,000	ALBANY INTL CORP	168,750
45,800	ALBERTO CULVER CO	1,185,075
191,900	ALCAN ALUM LTD	3,742,050
23,800	ALCO STANDARD CORP	1,160,250
38,700	ALEX BROWN INC	919,125
68,300	ALEXANDER + ALEXAND	1,886,788
33,100	ALEXANDER + BALDWIN	852,325
25,200	ALFA CORP	315,000
3,000	ALLEGHANY CORP DEL	409,500
38,550	ALLEGHANY LUDLUM CO	1,720,294
71,500	ALLEGHENY POWER SYST	3,798,438
4,300	ALLEN GROUP INC	192,963
188,000	ALLERGAN INC	4,606,000
53,525	ALLIANT TECHSYSTEMS I	1,331,434
120,300	ALLIED SIGNAL INC	8,030,025
1	ALLIS CHALMERS	4
23,700	ALLMERICA PPTY + CAS	1,318,313
107,932	ALLTEL CORP	5,774,362
11,330	ALLTRISTA CORP	161,453
143,700	ALLWASTE INC	700,538
95,300	ALUMINUM CO AMER	6,671,000
54,300	AMAX INC	1,262,475
40,600	AMBAC INC	1,700,125
90,000	AMDURA CORP	56,250
90,000	AMDURA CORP	225,000
42,600	AMERADA HESS CORP	2,087,400
57,200	AMERICAN BANKERS INS	1,544,400
427,200	AMERICAN BARRICK RES	10,786,800
245,600	AMERICAN BRANDS INC	8,166,200
22,000	AMERICAN BUSINESS PRO	566,500
131,400	AMERICAN CYANAMID	7,029,900
182,600	AMERICAN ELEC PWR INC	6,893,150
500,068	AMERICAN EXPRESS CO	16,127,193
52,000	AMERICAN FREIGHTWAYS	962,000

NO. OF SHARES	SECURITY	MARKET VALUE
231,100	AMERICAN GEN CORP	\$ 7,308,538
25,500	AMERICAN GREETINGS COR	1,459,875
160,848	AMERICAN INTL GROUP IN	20,749,392
26,300	AMERICAN MAIZE PRODS C	450,388
52,355	AMERICAN MED HLDGS INC	634,804
21,700	AMERICAN NATL INS CO	1,160,950
30,300	AMERICAN RE CORP	1,037,775
31,204	AMERICAN STORES CO NEW	1,447,086
1,128,978	AMERICAN TEL + TELE C	71,125,614
43,400	AMERICAN WTR WKS INC	1,182,650
256,639	AMERITECH CORP	20,627,360
70,400	AMETEK INC	950,400
7,000	AMGEN INC	255,500
403,500	AMOCO CORP	22,142,063
91,522	AMP INC	5,605,723
62,400	AMR CORP DEL	3,946,800
41,125	AMSOUTH BANCORPORATI	1,346,844
46,800	ANADARKO PETE CORP	1,883,700
49,600	ANALOG DEVICES INC	967,200
29,900	ANALOGIC CORP	478,400
14,125	ANDOVER TOGS INC	36,195
15,000	ANDREW CORP	416,250
128,600	ANHEUSER BUSCH COS INC	6,237,100
157,900	AON CORP	8,388,438
60,650	APACHE CORP	1,683,038
4,400	APCO ARGENTINA INC CAY	99,000
1,900	APL CORP	1,188
48,925	ARBOR DRUGS INC	1,051,888
154,000	ARCO CHEM CO	6,275,500
42,500	ARGONAUT GROUP INC	1,338,750
45,200	ARGOSY GAMING CORP	1,367,300
136,836	ARKLA INC	1,351,256
269,594	ARMCO INC	1,954,557
58,700	ARMSTRONG WORLD INDs I	1,893,075
5,100	ARVIN INDs INC	170,850
40,100	ASHLAND OIL CO	1,022,550
33,300	ASPEN LEAF INC	4,163
11,800	ASSOCIATED BANC CORP	424,800
15,800	ASSOCIATED NAT GAS COR	535,225
24,100	ATLANTA GAS LT CO	967,013
80,400	ATLANTIC ENERGY INC N J	1,839,150
135,900	ATLANTIC RICHFIELD CO	15,798,375
56,800	ATWOOD OCEANICS INC	610,600
18,700	AUTODESK INCORPORATED	1,054,213
1,800	AUTOMATIC DATA PROCES	86,400
56,400	AUTOZONE INC	2,643,750
44,700	AVEMCO CORP	972,225
109,000	AVERY DENNISON CORP	3,201,875
34,500	AVNET INC	1,173,000
109,175	AVON PRODS INC	6,291,209

**MINNESOTA STATE BOARD OF INVESTMENT**  
**TILTED INDEX EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
0	B E HLDGS INC	\$ 2
70,150	BAIRNCO CORP	368,288
120,620	BAKER HUGHES INC	3,166,275
45,323	BALL CORP	1,280,375
33,800	BALTIMORE BANCORP	304,200
160,500	BALTIMORE GAS + ELEC	4,112,813
135,449	BANC ONE CORP	7,619,006
29,100	BANCORP HAWAII INC	1,305,863
25,600	BANDAG INC	1,168,000
61,105	BANK NEW YORK INC	3,628,109
40,700	BANK OF BOSTON CORP	1,007,325
99,683	BANK SOUTH CORP	1,283,419
253,507	BANKAMERICA CORP	11,471,192
69,000	BANKERS TR NY CORP	5,114,625
5,900	BANKWORCESTER CORP	138,650
98,600	BANNER AEROSPACE INC	480,675
5,169	BANPONCE CORP NEW	135,686
41,250	BANTA CORP	1,330,313
46,900	BARD C R INC	1,301,475
131,728	BARNETT BKS INC	6,290,012
154,300	BAROID CORP NEW	1,080,100
205	BASIX CORP	2
205	BASIX CORP	2
205	BASIX CORP	10
35,937	BASSETT FURNITURE INDS	1,176,937
73,000	BATTLE MTN GOLD CO	666,125
38,100	BAUSCH + LOMB INC	1,881,188
4,800	BAY ST GAS CO	139,200
43,400	BAYBANKS INC	1,866,200
36,700	BB&T FINL CORP	1,261,563
468,000	BCE INC	15,912,000
148,391	BEAR STEARNS COS INC	3,487,189
53,475	BECKMAN INSTRS INC NE	1,122,975
50,000	BECTON DICKINSON + CO	2,000,000
63,300	BED BATH + BEYOND INC	2,658,600
411,718	BELL ATLANTIC CORP	24,445,756
463,309	BELLSOUTH CORP	25,713,650
13,200	BELO A H CORP	617,100
16,200	BENEFICIAL CORP	1,190,700
52,196	BERGEN BRUNSWIG CORP	939,528
28,700	BERKLEY W R CORP	1,115,713
175	BERKSHIRE HATHAWAY I	2,695,000
200	BERRY PETE CO	2,675
127,300	BETHLEHAM STL CORP	2,386,875
17,000	BETZ LABORATORIES INC	750,125
76,400	BEVERLY ENTERPRISES IN	945,450
8,600	BHC COMMUNICATIONS I	623,500
8,000	BIOGEN INC	259,000
32,100	BJ SVCS CO	914,850
84,400	BLACK + DECKER CORPO	1,825,150

NO. OF SHARES	SECURITY	MARKET VALUE
31,550	BLACK HILLS CORP	\$ 796,638
23,777	BLOCK DRUG INC	1,093,742
77,680	BLOCK H + R INC	2,777,060
2,600	BLOCKBUSTER ENTMT COR	56,550
51,200	BMC INDS INC MINN	633,600
400	BMC SOFTWARE INC	21,100
33,562	BOATMENS BANCSHARES I	2,026,306
51,042	BOB EVANS FARMS INC	905,996
249,505	BOEING CO	9,231,685
70,800	BOISE CASCADE CORP	1,663,800
41,200	BOLSA CHICA CO	7,725
212,700	BORDEN INC	4,041,300
2,400	BORLAND INTL INC	54,300
42,100	BOSTON EDISON CO	1,289,313
50,000	BOSTON SCIENTIFIC CORP	700,000
155,400	BOW VY ENERGY INC	1,767,675
51,400	BOWATER INC	1,008,725
54,200	BOWNE + CO INC	968,825
3,000	BRADY W H CO	106,500
89,700	BRASCAN LTD	852,150
7,800	BRIGGS + STRATTON CORP	515,775
33,880	BRINKER INTL INC	1,160,390
554,834	BRISTOL MYERS SQUIBB CO	32,041,664
37,800	BROOKLYN UN GAS CO	1,563,975
32,100	BROWN FORMAN CORP	2,796,713
122,100	BROWNING FERRIS INDS IN	3,311,963
56,100	BRUNOS INC	525,938
51,425	BURLINGTON COAT FACTO	1,202,059
124,100	BURLINGTON NORTHN INC	6,654,863
120,882	BURLINGTON RES INC	5,862,777
32,800	BWIP HLDG INC	844,600
200	CABLETRON SYSTEMS INC	21,100
25,600	CABOT CORP	1,248,000
41,000	CADENCE DESIGN SYSTEMS	558,625
68,800	CALIF MICROWAVE	1,255,600
71,000	CALIFORNIA ENERGY INC	1,286,875
36,842	CALIFORNIA FED BK LOS A	55,263
13,620	CALIFORNIA FED BK LOS A	209,408
53,500	CALMAT CO	983,063
9,000	CAM NET COMMUNICAITO	112,500
184,600	CAMPBELL SOUP CO	7,245,550
117,400	CANADIAN MARCONI CO	1,416,138
20,500	CANADIAN OCCIDENTAL PE	466,375
678,857	CANADIAN PAC LTD	10,776,855
10,385	CAPITAL CITIES ABC INC	5,327,505
75,134	CAPITAL HLDG CORP DE	2,939,618
12,000	CAPITAL RE CORP	297,000
59,600	CARLISLE COS INC	1,735,850
241,100	CARNIVAL CRUISE LINES IN	9,433,038
132,600	CAROLINA PWR + LT CO	4,326,075

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NO. OF SHARES	SECURITY	MARKET VALUE
11,500	CARPENTER TECHNOLOG	\$ 629,625
77,100	CARTER HAWLEY HALE S	1,108,313
52,900	CARTER WALLACE INC.	1,428,300
42,800	CASH AMER INTL INC	337,050
33,900	CASINO MAGIC CORP	788,175
146,500	CATERPILLAR INC	10,969,188
54,150	CBI INDS INC	1,353,750
7,220	CBS INC	1,689,480
31,900	CCP INSURANCE INC	785,538
8,900	CENTERBANK WATERBUR	72,313
179,280	CENTERIOR ENERGY CORP	3,294,270
51,388	CENTEX CORP	1,753,616
63,200	CENTEX TELEMANAGEME	537,200
162,500	CENTRAL + SOUTH WEST	5,281,250
15,450	CENTRAL BANCSHARES S	378,525
47,548	CENTRAL FID BKS INC	1,414,553
45,700	CENTRAL HUDSON GAS +	1,570,938
17,300	CENTRAL JERSEY BANCOR	346,000
40,000	CENTRAL LA ELEC CO	1,045,000
45,600	CENTRAL ME PWR CO	1,065,900
16,500	CENTRAL VT PUBLIC SER	391,875
82,450	CENTURY TEL ENTERPRIS	2,545,644
93,065	CHAMPION INTL CORP	3,140,944
57,200	CHAPARRAL STL CO	550,550
16,650	CHARTER ONE FINL INC	478,688
142,251	CHASE MANHATTAN COR	4,587,595
18,700	CHEMED CORP	575,025
214,263	CHEMICAL BKG CORP	8,758,000
50	CHEROKEE INC NEW	231
5	CHEROKEE INC NEW	3
6	CHEROKEE INC NEW	3
18	CHEROKEE INC NEW	6
50,000	CHESAPEAKE CORP	906,250
368,600	CHEVRON CORP	32,344,650
73,900	CHIQUITA BRANDS INTL I	775,950
27,010	CHIRON CORP	1,735,393
18,800	CHITTENDEN CORP	366,600
42,926	CHRIS CRAFT INDS INC	1,502,410
91,825	CHRYSLER CORP	4,338,731
46,075	CHUBB CORP	4,002,766
36,350	CHURCH + DWIGHT INC	1,090,500
120,500	CIGNA CORP	7,335,438
29,500	CILCORP INC	1,257,438
87,900	CINCINNATI BELL INC	1,933,800
33,300	CINCINNATI FINL CORP	1,964,700
117,400	CINCINNATI GAS + ELEC	3,199,150
43,350	CINTAS CORP	1,159,613
33,800	CIPSCO INC	1,081,600
417,600	CITICORP	12,580,200
15,300	CITIZENS BANCPROP MD	386,325

NO. OF SHARES	SECURITY	MARKET VALUE
62,276	CITIZENS UTILS CO DEL	\$ 2,086,232
0	CITIZENS UTILS CO DEL	4
89,287	CITY NATL CORP	647,331
30,900	CLARCOR INC	563,925
26,903	CLEVELAND CLIFFS INC	931,516
55,900	CLOROX CO	2,913,788
274,300	CMS ENERGY CORP	6,823,213
73,500	CNA FINL CORP	6,945,750
66,950	COASTAL CORP	1,749,069
18,500	COASTAL HEALTHCARE GR	430,125
30,000	COCA COLA BOTTLING CO	720,000
1,073,100	COCA COLA CO	46,143,300
306,500	COCA COLA ENTERPRISES I	4,405,938
170,190	COLGATE PALMOLIVE CO	9,913,568
28,800	COLLECTIVE BANCORP INC	864,000
199,500	COLTEC INDS INC	3,117,188
37,800	COLUMBIA GAS SYS INC	935,550
53,800	COLUMBIA HOSP CORP	1,439,150
68,945	COMDISCO INC	1,008,321
118,400	COMERICA INC	3,507,600
147,713	COMINCO LTD	1,717,164
4,500	COMMERCE BANCSHARES I	126,000
51,400	COMMERCE CLEARING HOU	835,250
40,854	COMMERCIAL METALS CO	1,383,929
323,190	COMMONWEALTH EDISON	9,049,320
7,300	COMMONWEALTH ENERGY	344,925
1	COMPREHENSIVE CARE CO	1
45,600	COMSAT CORP	1,379,400
62,600	CONRAIL INC	3,356,925
194,100	CONSOLIDATED EDISON CO	6,842,025
62,300	CONSOLIDATED NAT GAS C	3,294,113
39,300	CONSOLIDATED PAPERS IN	2,102,550
134,400	CONTEL CELLULAR INC	2,083,200
42,700	CONTINENTAL BK CORP	1,019,463
62,500	CONTINENTAL CORP	1,945,313
237,300	COOPER INDS INC	11,983,650
35,100	COPLEY PHARMACEUTICAL	1,281,150
36,423	CORESTATS FINL CORP	2,103,428
56,814	COUNTRYWIDE CR INDS IN	1,739,929
963	CP HOLDINGS CORP INC.	1,685
14,000	CPI CORP	218,750
42,083	CRACKER BARREL OLD CTR	1,209,886
41,000	CRANE CO	1,189,000
60,100	CRAWFORD + CO	1,036,725
24,800	CRESTAR FINL CORP	1,035,400
65,100	CROMPTON + KNOWLES CO	1,424,063
29,300	CROSS A T CO	490,775
109,646	CROWN CORK & SEAL INC	4,111,725
2,100	CUC INTL INC	58,275
20,350	CULLEN FROST BANKERS I	704,619

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NO. OF SHARES	SECURITY	MARKET VALUE
6,600	CUMBERLAND FED BANC	\$ 194,700
21,200	CUMMINS ENGINE INC	1,802,000
34,837	CURTICE-BURNS FOODS IN	448,526
50,138	CYPRUS MINERALS CORP	1,234,648
51,000	DANA CORP	2,766,750
196,071	DATA SWITCH CORP	588,213
17,000	DAUPHIN DEP.CORP	416,500
29,400	DAYTON HUDSON CORP	1,955,100
43,850	DE LUXE CORP	1,677,263
39,800	DEAN FOODS CO	1,064,650
30,400	DEAN WITTER DISCOVER	1,140,000
89,800	DEERE + CO	5,960,475
20,100	DEKALB GENETICS CORP	552,750
66,900	DELCHAMPS INC	1,354,725
50,800	DELMARVA PWR + LT CO	1,193,800
17,600	DELTA AIR LINES INC DE	851,400
1,964	DENISON MINES LTD	10,066
23,400	DEPOSIT GTY CORP	684,450
57,900	DESTEC ENERGY INC	1,042,200
161,775	DETROIT EDISON CO	5,621,681
39,800	DEXTER CORP	865,650
9,000	DIAGNOSTIC PRODS CORP	190,125
25,700	DIAL CORP DEL	1,024,788
50,700	DIAMOND SHAMROCK INC	988,650
24,100	DIANA CORP	132,550
47,200	DIBRELL BROS INC	1,416,000
24,300	DIEBOLD INC	1,281,825
48,020	DIGITAL EQUIP CORP	2,004,835
144,270	DIME SVGS BK N Y FSB	1,027,924
37,160	DIONEX CORP	1,319,180
207,300	DISNEY (WALT) CO	8,447,475
91,700	DOLE FOOD INC	3,278,275
152,000	DOMINION RES INC VA	6,764,000
460,005	DOMTAR INC	2,587,528
39,900	DONALDSON INC	1,496,250
127,900	DONNELLEY R R + SONS	3,613,175
4,190	DOVATRON INTL INC	71,230
41,900	DOVER CORP	1,964,063
273,250	DOW CHEM CO	15,472,781
130,700	DOW JONES + CO INC	3,626,925
17,950	DOWNEY SVGS & LN ASSN	291,688
113,025	DPL INC	2,288,756
51,300	DQE	1,776,263
199,950	DRESSER INDs INC	4,698,825
44,500	DREYFUS CORP	1,813,375
715,150	DU PONT E I DE NEMOURS	33,701,444
193,600	DUKE PWR CO	7,719,800
140,526	DUN + BRADSTREET COR	8,273,468
192,600	DURACELL INTL INC	5,970,600
30,400	DURIRON INC	661,200

NO. OF SHARES	SECURITY	MARKET VALUE
40,900	DYNATECH CORP	\$ 1,063,400
30,800	E SYS INC	1,301,300
37,500	EASTERN ENTERPRISES	1,064,063
30,000	EASTERN UTILS ASSOC	847,500
276,600	EASTMAN KODAK CO	13,830,000
104,000	EATON CORP	4,667,000
79,600	ECHLIN INC	2,228,800
163,600	ECHO BAY MINES LTD	2,004,100
52,900	ECOLAB INC	2,268,088
36,800	EDISON BROS STORES INC	1,320,200
21,943	EDWARDS A G INC	559,547
50,600	EG + G INC	974,050
43,903	EL PASO NAT GAS CO	1,712,217
2,100	ELECTROCOM AUTOMATIO	30,450
113,048	EMERSON ELEC CO	6,585,046
10,200	EMPIRE DIST ELEC CO	233,325
73,800	ENGELHARD CORP	2,767,500
34,500	ENHANCE FINL SVCS GROU	672,750
58,100	ENNIS BUSINESS FORMS IN	878,763
78,900	ENRON CORP	5,197,538
103,100	ENRON OIL AND GAS CO	4,201,325
93,600	ENSERCH CORP	1,696,500
151,047	ENTERGY CORP	5,475,454
134,080	EQUIFAX INC	2,782,160
217,400	EQUITABLE COMPANIES IN	4,348,000
18,800	EQUITABLE IOWA COS	451,200
41,800	EQUITABLE RES INC	1,588,400
88,900	ETHYL CORP	2,667,000
36,700	EVANS & SUTHERLAND CO	550,500
1,117,250	EXXON CORP	73,878,156
59,800	FAIRCHILD CORP	216,775
61,000	FARM & HOME FINL CORP	1,296,250
3,200	FARMER BROS CO	483,200
114,700	FEDERAL HOME LN MTG C	6,408,863
22,300	FEDERAL MOGUL CORP	479,450
254,800	FEDERAL NATL MTG ASSN	21,116,550
400	FEDERAL SIGNAL CORP	9,500
88,300	FEDERATED DEPT STORES I	2,108,163
32,400	FERRO CORP	1,016,550
70,500	FHP INTERNATIONAL CORP	1,921,125
35,100	FIFTH THIRD BANCORP	1,869,075
12,200	FINA INC	747,250
50,980	FIRST ALA BANCSHARES IN	1,720,575
73,666	FIRST AMER BK CORP	2,965,057
42,200	FIRST AMERN CORP TENN	1,239,625
6,000	FIRST BANCORPORATION O	285,000
3,100	FIRST BANKERS TR + SVGS	3,772
162,417	FIRST BK SYS INC	5,014,625
34,900	FIRST CAP HLDGS CORP	35
51,000	FIRST CHICAGO CORP	2,097,375

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NO. OF SHARES	SECURITY	MARKET VALUE
35,000	FIRST CITY BANCOPORA	\$ 0
60,400	FIRST COLONIAL BANKSH	1,026,800
27,060	FIRST COML CORP	845,625
35,500	FIRST COMM CORP	1,313,500
157,700	FIRST DATA CORP	5,834,900
47,400	FIRST EASTN CORP PA	793,950
6,600	FIRST EMPIRE ST CORP	904,200
4,266	FIRST FED CAP CORP	68,256
125,220	FIRST FIDELITY BANCOP	6,151,433
72,840	FIRST FINL CORP WIC	1,110,810
41,787	FIRST FINL MGMT CORP	1,760,277
34,200	FIRST HAWAIIAN INC	957,600
123,300	FIRST INTST BANCOP	7,737,075
39,333	FIRST MICH BK CORP	1,017,741
65,100	FIRST SEC CORP DEL	1,871,625
20,000	FIRST SVC BANK FOR SVG	1,260
39,000	FIRST TENN NATL CORP	1,579,500
149,794	FIRST UN CORP	7,265,009
36,450	FIRST VA BKS INC	1,330,425
63,300	FIRSTSTAR CORP NEW	2,057,250
4,300	FIRSTCORP INC	538
38,500	FIRSTFED MICH CORP	1,097,250
26,800	FIRSTIER FINL INC	1,474,000
48,037	FISERV INC	912,703
14,800	FISHER SCIENTIFIC INTL I	464,350
140,760	FLEET FINL GROUP INC	4,750,650
39,400	FLEET MTG GROUP INC	788,000
57,000	FLEETWOOD ENTERPRISE	1,132,875
29,226	FLEMING COS INC	968,111
4,890	FLIGHT INTL GROUP INC	1,528
28,900	FLIGHTSAFETY INTL INC	1,210,188
900	FLOATING POINT SYS INC	506
88,200	FLORIDA PROGRESS CORP	3,020,850
11,700	FLORIDA ROCK INDs INC	307,125
54,250	FLOWERS INDs INC	895,125
12,200	FM PPTYS INC	64,050
30,200	FMC CORP	1,366,550
88,300	FMC GOLD CO	596,025
377,200	FOOD LION INC	2,404,650
32,900	FOOTE CONE + BELDING	1,118,600
7,200	FORD MTR CO CDA LTD	669,600
454,850	FORD MTR CO DEL	23,765,913
27,100	FOREMOST CORP AMER	948,500
46,700	FOREST LABS INC	1,628,663
6,000	FORT WAYNE NATL CORP	241,500
30,150	FORTUNE BANCOP INC	633,150
44,900	FOSTER WHEELER CORP	1,324,550
3,600	FOURTH FINL CORP	108,900
111,137	FOXMEYER CORP	1,083,586
181,600	FPL GROUP INC	6,923,500

NO. OF SHARES	SECURITY	MARKET VALUE
60,200	FRANKLIN RES INC	\$ 2,362,850
58,400	FREEPORT MCMORAN COPP	1,430,800
449,900	FREEPORT MCMORAN INC	8,323,150
41,250	FREMONT GEN CORP	1,015,781
10,340	FRONTIER INS GROUP INC N	454,960
31,800	FRUIT OF THE LOOM INC	1,061,325
22,050	FULLER H B CO	782,775
17,400	FUND AMERICAN ENTERPRI	1,413,750
95,660	GALEN HEALTH CARE INC	1,793,625
11,400	GALLAGHER ARTHUR J & C	374,775
125,480	GANNETT INC	6,242,630
36,100	GATX	1,349,238
35,500	GAYLORD ENTMT CO	1,637,438
60,400	GEICO CORP	3,140,800
106,400	GENCORP INC	1,635,900
90,900	GENENTECH INC	3,999,600
21,800	GENERAL DYNAMICS CORP	1,926,575
704,905	GENERAL ELEC CO	67,494,654
300	GENERAL HOMES CORP	131
9,200	GENERAL MLS INC	625,600
695,100	GENERAL MTRS CORP	30,931,950
33,940	GENERAL MTRS CORP	992,745
164,640	GENERAL MTRS CORP	5,309,640
29,600	GENERAL NUTRITION COS I	1,010,100
130,100	GENERAL PUB UTILS CORP	4,163,200
20,100	GENERAL REINSURANCE C	2,293,913
61	GENERAL SIGNAL CORP	0
119,575	GENUINE PARTS CO	4,140,284
7,200	GENZYME CORP	280,800
48,600	GEORGIA GULF CORP	886,950
81,550	GEORGIA PAC CORP	4,760,481
12,550	GFC FINL CORP	378,069
41,500	GIANT FOODS INC	1,027,125
287,400	GILLETTE CO	15,842,925
63,600	GLATFELTER P H CO	1,208,400
20,000	GLAXO HLDGS PLC	337,500
51,833	GOLDEN ENTERPRISES INC	427,622
115,800	GOLDEN WEST FINL CORP	4,907,025
21,500	GOLDDOME BUFFALO N Y	1,344
34,500	GOODRICH B F CO	1,466,250
55,700	GOODYEAR TIRE AND RUBB	2,367,250
53,800	GORMAN RUPP CO	1,429,063
36,700	GOULDS PUMPS INC	903,738
78,900	GRACE W R + CO	3,195,450
31,400	GRAINGER W W INC	1,946,800
21,670	GRAND CASINOS INC	715,110
51,000	GREAT ATLANTIC + PAC T	1,619,250
88,700	GREAT LAKES CHEMICAL C	6,109,213
288,725	GREAT WESTN FINL CORP	4,836,144
45,000	GREEN TREE FINL CORP	1,890,000

**MINNESOTA STATE BOARD OF INVESTMENT**  
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NO. OF SHARES	SECURITY	MARKET VALUE
34,534	GROW GROUP INC	\$ 582,761
23,800	GRUMMAN CORP	946,050
887,622	GTE CORP	32,065,345
100,800	GULF BROADCASTING	0
190,400	GULF STS UTILS CO	3,522,400
60,060	HALLIBURTON CO	2,289,788
1,300	HANCOCK FABRICS INC	11,050
25,000	HANDLEMAN CO DEL	328,125
51,700	HANDY + HARMAN	833,663
3,750	HANDYMAN CORP	1,875
59,700	HANNA M.A. CO	1,850,700
32,100	HANNAFORD BROS CO	698,175
396,336	HANSON PLC	136,241
89,000	HARCOURT GEN INC	3,348,625
44,138	HARLAND JOHN H CO	1,208,278
1,000	HARLEY DAVIDSON INC	42,000
15,800	HARLEYSVILLE GROUP IN	371,300
60,000	HARNISCHFEGER INDs IN	1,252,500
32,700	HARRIS CORP DEL	1,267,125
53,800	HARSCO CORP	2,037,675
14,000	HARTFORD STEAM BOILE	764,750
1,000	HASBRO INC	37,750
30,800	HAWAIIAN ELEC INDs INC	1,170,400
132,200	HCA HOSP CORP AMER	2,577,900
40,000	HEALTHTRUST INC THE H	775,000
74,841	HECHINGER CO	729,700
38,200	HEINZ H J CO	1,408,625
24,100	HELENE CURTIS INDs INC	710,950
30,320	HELMERICH AND PAYNE I	1,057,410
108,100	HERCULES INC	8,391,263
20,200	HERSHEY FOODS CORP	951,925
64,200	HEWLETT PACKARD CO	5,200,200
329,715	HIBERNIA CORP	2,225,576
86,600	HILLENBRAND INDs INC	3,691,325
25,500	HILTON HOTELS CORP	1,173,000
1	HOLLY CORP	14
34,134	HOLLY CORP	940,818
101,206	HOME DEPOT INC	4,427,763
138,700	HOME OIL LTD NEW	2,236,538
24,800	HOMEFED CORP	9,300
80,730	HOMESTAKE MNG CO	1,543,961
206,100	HONEYWELL INC	7,651,463
74,500	HORMEL GEO A + CO	1,573,813
500	HORSHAM CORP	6,313
17,600	HOSPITALITY FRANCHISE	563,200
21,200	HOUSEHOLD INTL INC	1,465,450
132,600	HOUSTON INDs INC	5,801,250
45,600	HOVNANIAN ENTERPRISE	513,000
45,600	HOVNANIAN ENTERPRISE	518,700
27,638	HUBBELL INC	1,578,821

NO. OF SHARES	SECURITY	MARKET VALUE
46,950	HUFFY CORP	\$ 751,200
79,321	HUNTINGTON BANCSHARES	2,151,582
78,900	IBP INC	1,676,625
55,400	IDAHO PWR CO	1,717,400
28,800	IES INDs INC	932,400
87,600	ILLINOIS PWR CO	2,222,850
89,000	ILLINOIS TOOL WKS INC	3,326,375
22,500	IMC FERTILIZER GROUP INC	660,938
0	IMPERIAL CHEM INDs PLC	20
191,600	IMPERIAL OIL LTD	7,113,150
700	IMREG INC	1,400
79,500	INCO LTD	1,788,750
11,400	INDEPENDENCE BANCORP I	294,975
1,400	INDIANA ENERGY INC	42,875
69,750	INDRESCO INC	950,344
118,500	INGERSOLL RAND CO	4,014,188
11,220	INTEGON CORP	347,820
24,947	INTEGRA FINL CORP	1,169,391
90,100	INTEL CORP	4,955,500
2	INTERCO INC	27
1	INTERCO INC NEW	4
475,738	INTERNATIONAL BUSINESS	23,489,564
55	INTERNATIONAL CAP EQUI	55
34,100	INTERNATIONAL FLAVOUR	3,878,875
200	INTERNATIONAL GAME TEC	7,950
31,600	INTERNATIONAL MULTIFO	774,200
124,300	INTERNATIONAL PAPER CO	7,955,200
159,000	INTERNATIONAL SPECIALT	1,172,625
33,000	INTERPROVINCIAL PIPE LIN	721,875
202,800	INTERPUBLIC GROUP COS I	5,577,000
50,000	INTERSTATE BAKERIES COR	800,000
25,000	INTERSTATE PWR CO	762,500
45,700	IOWA ILL GAS + ELEC CO	1,079,663
188	IOWA ILL GAS + ELEC CO	18,988
54,500	IPALCO ENTERPRISES	2,009,688
62,917	ITEL CORP NEW	1,856,052
100,550	ITT CORP	8,571,888
87,186	JAMES RIV CORP VA	1,721,924
39,625	JEFFERSON PILOT CORP	1,976,297
668,260	JOHNSON + JOHNSON	27,732,790
39,700	JONES APPAREL GROUP INC	878,363
40,900	JOSTENS INC	792,438
263,700	K MART CORP	5,537,700
4,000	K MART CORP	175,500
21,500	K N ENERGY INC	784,750
20,900	K V PHARMACEUTICAL CO	180,263
20,100	K V PHARMACEUTICAL CO	175,875
8,000	KAISER RES INC	0
58,400	KANSAS CITY PWR + LT CO	1,445,400
25,800	KANSAS CITY SOUTHN INDs	1,067,475

**MINNESOTA STATE BOARD OF INVESTMENT**  
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**ALPHABETICAL EQUITY HOLDINGS**  
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NO. OF SHARES	SECURITY	MARKET VALUE
61,600	KATY INDs INC	\$ 1,563,100
58,600	KAYDON CORP	1,567,550
200,900	KELLOGG CO	11,024,388
32,850	KELLWOOD CO	997,819
10,250	KELLY SVCS INC	261,375
88,835	KEMPER CORP	3,153,643
26,300	KENNAMETAL INC	881,050
33,800	KERR MCGEE CORP	1,690,000
141,152	KEYCORP	5,893,096
40,827	KEYSTONE INTL INC	1,122,743
30,500	KIMBALL INTL INC	892,125
169,500	KIMBERLY CLARK CORP	8,390,250
119,300	KLM ROYAL DUTCH AIRLS	1,625,463
49,200	KNIGHT RIDDER INC	2,570,700
157,700	KROGER CO	2,720,325
48,300	KU ENERGY CORP	1,473,150
1,000	LA Z BOY CHAIR CO	29,000
98,000	LAC MINERALS LTD NEW	992,250
100	LACLEDE GAS CO	4,688
137,700	LAFARGE CORP	2,220,413
465,800	LAIDLAW INC	3,668,175
45,266	LANCE INC	961,903
28,800	LAWSON PRODS INC	741,600
36,600	LAWTER INTL INC	516,975
15,750	LDDS COMMUNICATIONS I	551,250
8,300	LEGG MASON INC	228,250
46,700	LEGGETT + PLATT INC	1,727,900
43,200	LENNAR CORP	1,290,600
14,384	LEUCADIA NATL CORP	562,774
34,950	LG + E ENERGY CORP	1,358,681
147,100	LIBERTY MEDIA CORP	3,346,525
8,400	LIBERTY NATL BANCORP I	207,899
44,000	LIEBERMAN ENTERPRISES	0
59,900	LIFE PARTNERS GROUP IN	1,183,025
336,800	LILLY ELI + CO	16,587,400
9,900	LILLY INDL INC	170,775
59,060	LIN BROADCASTING CORP	5,861,705
102,600	LINCOLN NATL CORP IN	3,988,575
21,600	LINCOLN TELECOMMUNIC	610,200
43,200	LIPOSOME TECHNOLOGY I	399,600
19,900	LITTON INDs INC	1,273,600
5,000	LIZ CLAIRBORNE	155,000
108,950	LOCKHEED CORP	7,190,700
58,300	LOCTITE CORP	2,288,275
56,250	LOEWS CORP	5,322,656
43,800	LONE STAR TECHNOLOGI	372,300
130,400	LONG ISLAND LTG CO	3,553,400
26,330	LONGS DRUG STORES COR	895,220
62,500	LONGVIEW FIBRE CO WAS	1,109,375
30,100	LORAL CORP	1,798,475

NO. OF SHARES	SECURITY	MARKET VALUE
27,800	LOTUS DEV CORP	\$ 962,575
19,600	LOUISIANA LD + EXPL CO	833,000
94,500	LOUISIANA PAC CORP	3,024,000
67,400	LOWES COS INC	2,637,025
53,200	LSI LOGIC CORP	837,900
64,200	LUBRIZOL CORP	1,998,225
68,050	LUBYS CAFETERIAS INC	1,454,569
31,925	LUKENS INC	1,504,466
117,600	LYONDELL PETROCHEMICA	2,484,300
273,300	MACMILLAN BLOEDEL LTD	4,543,613
70,400	MACNEAL SCHWENDLER C	1,003,200
16,100	MADISON GAS + ELEC CO	539,350
36,300	MAGMA PWR CO NEW	1,116,225
92,300	MAGNA GROUP INC	1,615,250
36,100	MANITOWOC INC	1,159,713
42,050	MANOR CARE INC	830,488
69,700	MANPOWER INC WIS	1,062,925
48,600	MANVILLE CORP	358,425
23,200	MAPCO INC	1,299,200
23,850	MARCUS CORP	548,550
50,713	MARK IV INDs INC	1,134,703
21,600	MARK TWAIN BANCSHARES	572,400
50,400	MARSH + MCLENNAN COM	4,403,700
82,212	MARSHALL + ILSLEY CORP	2,055,300
36,900	MARSHALL INDs	1,577,475
63,400	MARTIN MARIETTA CORP N	5,000,675
171,680	MASCO CORP	5,128,940
39,400	MASCOTECH INC	788,000
42,900	MATRIX SVC CO	412,913
101,900	MAXUS ENERGY CORP	917,100
21,100	MAXXAM INC	556,513
1,400	MAY DEPT STORES CO	53,550
32,900	MBIA INC	2,167,288
69,900	MBNA CORP	2,044,575
88,590	MCCAW CELLULAR COMM	4,075,140
51,300	MCCLATCHY NEWSPAPERS	1,051,650
48,880	MCCORMICK + CO INC	1,136,460
73,000	MCDERMOTT INTL INC	2,098,750
162,056	MCDONALDS CORP	7,961,001
16,400	MCDONNELL DOUGLAS CO	1,215,650
57,800	MCGRAW HILL INC	3,410,200
195,300	MCI COMMUNICATIONS CO	11,229,750
52,700	MCKESSON CORP	2,318,800
39,074	MCN CORP	1,362,706
36,900	MDU RES GROUP INC	1,102,388
26,500	MEAD CORP	1,185,875
35,000	MEASUREX CORP	643,125
60,387	MEDCO CONTAINMENT SVC	1,932,384
49,500	MEDIA GEN INC	1,033,313
68,089	MEDUSA CORP	1,778,825

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NO. OF SHARES	SECURITY	MARKET VALUE
129,300	MEI DIVERSIFIED INC	\$ 68,691
54,700	MELLON BK CORP	3,083,713
36,200	MELRIDGE INC	13,575
26,500	MERCANTILE BANCOPOR	1,305,125
30,200	MERCANTILE BANKSHARE	921,100
41,600	MERCANTILE STORES INC	1,409,200
871,515	MERCK + CO INC	30,938,783
116,133	MERCURY FIN CO	1,843,617
51,000	MERCURY GEN CORP NEW	1,638,375
22,100	MEREDITH CORP	792,838
58,500	MERIDIAN BANCOPR INC	1,901,250
63,400	MERRILL CORP	1,252,150
97,400	MERRILL LYNCH + CO IN	7,889,400
47,000	MESA INC	293,750
13,860	METROPOLITAN FINL COR	214,830
22,700	MGIC INVT CORP WIS	1,305,250
22,100	MICHIGAN NATL CORP	1,248,650
2,200	MICRON TECHNOLOGY IN	81,675
312,850	MICROSOFT CORP	27,530,800
47,100	MIDLANTIC CORP	994,988
50,808	MIDWEST RES INC	939,948
43,800	MILLER HERMAN INC	1,116,900
30,400	MILLIPORE CORP	980,400
7,125	MINE SAFETY APPLIANCE	313,500
51,500	MINERALS TECHNOLOGIE	1,519,250
200,550	MINNESOTA MNG + MFG	21,659,400
29,073	MINNESOTA PWR + LT CO	1,024,823
33,400	MITCHELL ENERGY + DE	835,000
147,558	MNC FINL INC	2,158,036
384,900	MOBIL CORP	28,771,275
56,800	MODINE MFG CO	1,221,200
80,643	MOLEX INC	2,499,933
15,000	MONARCH CAP CORP	150
169,300	MONSANTO CO	9,988,700
50,000	MONTANA PWR CO	1,337,500
177,200	MOORE CORP LTD	2,945,950
134,700	MORGAN J P + CO INC	9,142,763
220,000	MORGAN STANLEY GROU	15,207,500
62,800	MORRISON KNUDSEN COR	1,593,550
48,600	MORTON INTL INC IND	3,760,425
83,400	MOTOROLA INC	7,287,075
15,500	MULTIMEDIA INC NEW	515,375
41,785	MURPHY OIL CORP	1,676,623
14,400	N S BANCOPR INC	446,400
120,000	NABORS INDUSTRIES INC	1,215,000
28,500	NAC RE CORP	1,011,750
18,800	NACCO INDS INC	947,050
116,200	NALCO CHEM CO	4,023,425
43,300	NASH FINCH CO	925,538
24,700	NASHUA CORP	676,163

NO. OF SHARES	SECURITY	MARKET VALUE
6,161	NATIONAL BUSINESS SYSTE	\$ 0
97,838	NATIONAL CITY CORP	4,928,589
21,250	NATIONAL COMM BANCOR	632,188
33,300	NATIONAL FUEL GAS CO N	1,111,388
72,500	NATIONAL HEALTH LABS I	1,334,025
177,250	NATIONAL MED ENTERPRIS	1,861,125
14,900	NATIONAL PRESTO INDS IN	789,700
62,100	NATIONAL SVC INDS INC	1,583,550
180,683	NATIONSBANK CORP	8,966,394
50,400	NBB BANCOPR INC	1,505,700
166,419	NBD BANCOPR INC	5,387,815
7,800	NCH CORP	500,175
40,700	NEVADA PWR CO	1,022,588
52,900	NEW ENGLAND BUSINESS S	846,400
58,038	NEW ENGLAND ELEC SYS	2,423,087
42,300	NEW JERSEY RES CORP	1,173,825
70,650	NEW YORK BANCOPR INC	2,287,294
68,000	NEW YORK ST ELEC + GAS	2,397,000
71,900	NEW YORK TIMES CO	1,752,563
97,300	NEWBRIDGE NETWORKS CO	4,621,750
11,000	NEWELL CO	365,750
58,800	NEWMONT GOLD CO	2,807,700
26,200	NEWMONT MNG CORP	1,375,500
117,800	NIAGARA MOHAWK PWR C	2,841,925
44,400	NICOR INC	1,209,900
60,400	NIPSCO INDS INC	1,970,550
53,800	NOBLE AFFILIATES INC	1,297,925
100	NORDSON CORP	4,200
148,400	NORFOLK SOUTHN CORP	9,664,550
109,400	NORTH CDN OILS LTD	1,394,850
22,260	NORTH SIDE SVGS BK BRON	389,550
127,000	NORTHEAST UTILS	3,413,125
51,088	NORTHERN STS PWR CO MN	2,343,662
298,800	NORTHERN TELECOM LTD	7,955,550
36,950	NORTHERN TRUST CORP	1,551,900
29,000	NORTHROP CORP	1,210,750
17,800	NORTHWEST NAT GAS CO	605,200
35,300	NORTHWESTERN PUB SVC C	1,032,525
260,280	NORWEST CORP	7,125,165
867,600	NOVA CORP OF ALBERTA	6,507,000
52,700	NOVELL INC	1,370,200
68,600	NOVELLUS SYS INC	1,766,450
89,600	NOWSCO WELL SVC LTD	1,388,800
160,300	NUMAC OIL + GAS LTD	981,838
0	NVR L P	0
52,730	NWNL COS INC	1,634,630
207,760	NYNEX CORP	18,802,280
67,492	OAKWOOD HOMES CORP	1,400,459
285,086	OCCLIDENTAL PETE CORP	5,986,806
35,500	OEA INC	909,688

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NO. OF SHARES	SECURITY	MARKET VALUE
55,100	OGDEN CORP	\$ 1,446,375
70,912	OGDEN PROJS INC	1,604,384
17,400	OHIO CAS CORP	1,113,600
133,200	OHIO EDISON CO	3,280,050
58,600	OKLAHOMA GAS + ELEC	2,153,550
58,625	OLD KENT FINL CORP	1,963,938
25,000	OLD NATL BANCORP IND	862,500
65,086	OLD REP INTL CORP	1,529,521
102,200	OLD STONE CORP	229,950
30,700	OLIN CORP	1,362,313
32,456	OMNICOM GROUP	1,334,753
68,600	ONEOK INC	1,792,175
31,300	ORACLE SYS CORP	1,541,525
10,600	ORANGE + ROCKLAND UT	484,950
17,660	OREGON STL MLS INC	373,068
133,145	ORYX ENERGY CO	2,729,473
33,600	OTTER TAIL PWR CO	1,134,000
25,800	OWENS CORNING FIBERGL	1,077,150
91,700	OWENS ILL INC	1,054,550
17,500	OXFORD IND INC	280,000
23,100	PACCAR INC	1,409,100
54,700	PACIFIC ENTERPRISES	1,333,313
391,800	PACIFIC GAS + ELEC CO	13,076,325
97,400	PACIFIC TELCOM INC	2,313,250
400,614	PACIFIC TELESIS GROUP	19,479,856
15,300	PACIFICARE HEALTH SYS	619,650
337,444	PACIFICORP	6,411,436
55,862	PAINE WEBBER GROUP IN	1,626,981
139,100	PALL CORP	2,469,025
1,000	PAN AM CORP	16
86,600	PANHANDLE EASTN CORP	2,121,700
88,100	PARAMOUNT COMMUNIC	4,757,400
9,800	PARKER + PARSLEY PETE	274,400
61,500	PARKER HANNIFIN CORP	2,037,188
79,200	PAYLESS CASHWAYS INC	1,039,500
1,500	PEC ISRAEL ECONOMIC C	39,563
87,600	PENN CENT CORP	2,803,200
165,200	PENNEY J C INC	7,454,650
157,800	PENNSYLVANIA PWR + LT	4,635,375
40,100	PENNZOIL CO	2,511,263
88,088	PENTAIR INC	3,369,347
15,700	PEOPLES BANCORP WORC	455,300
41,500	PEOPLES ENERGY CORP	1,343,563
87,341	PEOPLES HERITAGE FINL	851,575
558,486	PEPSICO INC	20,663,982
41,980	PERKIN ELMER CORP	1,385,340
25,300	PERRIGO CO	1,103,713
60,700	PET INC	963,613
23,400	PETRIE STORES CORP	596,700
14,100	PETROLITE CORP	475,875

NO. OF SHARES	SECURITY	MARKET VALUE
368,900	PFIZER INC	\$ 24,716,300
53,800	PHELPS DODGE CORP	2,400,825
35,500	PHH CORP	1,473,250
375,900	PHILADELPHIA ELEC CO	11,511,938
716,555	PHILIP MORRIS COS INC	34,752,918
195,000	PHILLIPS PETE CO	5,460,000
40,520	PHILLIPS VAN HEUSEN COR	1,245,990
72,800	PICCADILLY CAFETERIAS I	691,600
27,800	PIEDMONT NAT GAS INC	632,450
55,700	PIER 1 IMPORTS INC	508,263
93,100	PINNACLE WEST CAP CORP	2,152,938
44,054	PIONEER GROUP INC	1,685,066
67,800	PIONEER HI BRED INTL INC	1,872,975
58,800	PITTSTON SERVICES GROUP	1,073,100
180,025	PLACER DOME INC	3,735,519
30,100	PLAINS PETE CO	771,313
229,186	PNC BK CORP	7,505,842
5,400	POLICY MGMT SYS CORP	197,775
151,700	POLYGRAM N V	4,133,825
78,900	PONCE FED BK FSB P R	626,269
68,100	POPE & TALBOT INC	1,668,450
56,800	PORTLAND GEN CORP	1,256,700
35,400	POTLATCH CORP	1,477,950
146,500	POTOMAC ELEC PWR CO	3,973,813
110,300	PPG IND INC	7,224,650
123,691	PRAXAIR INC	1,917,211
54,875	PREMARK INTL INC	3,169,031
19,140	PREMIER BANCORP INC	289,493
79,420	PREMIER INDL CORP	2,283,325
38,400	PRESIDENT RIVERBOAT CAS	1,238,400
9,700	PRICE T ROWE & ASSOC INC	446,200
79,500	PRIMARK CORP	973,875
135,140	PRIMERICA CORP NEW	7,111,743
482,280	PROCTER + GAMBLE CO	25,078,560
46,800	PROGRESSIVE CORP OHIO	1,532,700
45,000	PROTECTIVE LIFE CORP	1,665,000
11,700	PROVIDENT BANCORP INC	327,600
65,300	PROVIDENT LIFE + ACC INS	1,828,400
68,998	PSI RESOURCES INC	1,647,327
62,500	PUBLIC SVC CO COLO	2,054,688
19,200	PUBLIC SVC CO N C INC	314,400
82,200	PUBLIC SVC CO NM	1,119,975
215,572	PUBLIC SVC ENTERPRISE G	7,383,341
56,000	PUGET SOUND PWR + LT C	1,575,000
33,660	PULITZER PUBG CO	992,970
31,700	PULTE CORP	1,002,513
6,200	QUAKER CHEMICAL	116,250
20,100	QUAKER OATS CO	1,522,575
73,800	QUAKER ST CORP	867,150
16,200	QUALCOMM INC	939,600

**MINNESOTA STATE BOARD OF INVESTMENT**  
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NO. OF SHARES	SECURITY	MARKET VALUE
63,825	QUANTUM CHEM CORP	\$ 1,212,675
76,000	QUEBECOR INC	1,178,000
57,000	QUESTAR CORP	1,966,500
29,085	QUICK + REILLY GROUP I	839,829
58,950	R.P.M. INC OHIO	972,675
680	RACAL ELECTRS PLC	4,473
63,250	RALSTON PURINA CO	2,925,313
54,400	RAYCHEM CORP	2,148,800
14,200	RAYMOND JAMES FINANC	337,250
153,700	RAYTHEON CO	9,433,338
126,200	READERS DIGEST ASSN IN	5,316,175
28,600	REEBOK INTL LTD	797,225
213,900	RELIANCE GROUP HLDGS	1,524,038
115,775	REPUBLIC NY CORP	5,890,053
47,300	REYNOLDS + REYNOLDS	1,744,188
42,300	REYNOLDS METALS CO	2,030,400
176,888	RHONE POULENC RORER I	8,313,736
206,268	RIGGS NATL CORP WASH	1,572,794
143,400	RIO ALGOM LTD	2,016,563
70,900	RITE AID CORP	1,276,200
20,400	RIVERWOOD INTL CORP	293,250
1,487,603	RJR NABISCO HLDGS CORP	8,367,767
50,000	RLI INC	218,750
27,400	ROADWAY SVCS INC	1,589,200
41,600	ROCHESTER GAS + ELEC	1,138,800
34,600	ROCHESTER TEL CORP	1,492,125
187,400	ROCKWELL INTL CORP	6,231,050
93,000	ROHM + HAAS CO	4,987,125
9,750	ROLLINS INC	235,219
90,525	ROLLINS TRUCK LEASING	1,504,978
39,800	ROTHSCHILD L F HLDGS I	29,850
111,600	ROUSE CO	1,813,500
127,300	ROWAN COS INC	1,273,000
2,000	ROYAL DUTCH PETE CO	185,500
67,900	ROYAL INTL OPTICAL INC	67,900
20,000	ROYAL PALM SVGS BK WE	2,500
10,000	RUBBERMAID INC	283,750
39,300	RUSSELL CORP	1,169,175
13,900	RUST INTL INC	241,513
52,260	RYDER SYS INC	1,633,125
22,400	RYLAND GROUP INC	428,400
44,700	SAFECO CORP	2,609,363
154,800	SALOMON INC	5,921,100
148,500	SAN DIEGO GAS + ELEC C	3,786,750
164,355	SANTA FE ENERGY RES IN	1,725,728
225,489	SANTA FE PAC CORP	4,143,360
194,450	SARA LEE CORP	4,812,638
48,000	SAVANNAH FOODS + IND	732,000
800	SBN SYS INC	1,000
58,400	SCANA CORP	2,795,900

NO. OF SHARES	SECURITY	MARKET VALUE
422,320	SCECORP	\$ 10,241,260
262,892	SCHERING PLOUGH CORP	18,336,717
261,620	SCHLUMBERGER LTD	16,580,168
31,300	SCHOLASTIC CORP	1,244,175
35,950	SCHULMAN A INC	997,613
38,625	SCHWAB CHARLES CORP	1,100,813
300	SCI MED LIFE SYS INC	18,600
80,800	SCI SYS INC	1,393,800
39	SCIOS NOVA INC	219
10,000	SCOR U S CORP	167,500
74,000	SCOTT PAPER CO	2,451,250
56,300	SCRIPPS E W CO	1,449,725
33,800	SEA CONTAINERS LTD	921,050
3,500	SEABORD CORP MASS	668,063
30,800	SEAFIELD CAP CORP	970,200
405,300	SEAGRAM LTD	10,588,463
35,300	SEAGULL ENERGY CORP	953,100
313,850	SEARS ROEBUCK + CO	17,261,750
50,400	SELECTIVE INS GROUP INC	1,272,600
33,400	SENSORMATIC ELECTRS CO	1,302,600
33,130	SEQUA CORP	956,629
64,255	SERVICE CORP INTL	1,325,259
48,400	SHARED MEDI CAL SYSTEM	1,131,350
85,800	SHAW INDS INC	3,003,000
66,050	SHAWMUT NATIONAL CORP	1,576,944
5,600	SHL SYSTEMHOUSE INC	56,000
45,200	SHONEY'S INC	836,200
82,550	SHOREWOOD PACKAGING C	670,719
46,700	SIERRA PAC RES	1,009,888
19,700	SIGNET BANKING CORP	1,189,388
42,000	SMITHFIELD FOODS INC	708,750
26,900	SMUCKER J M CO	642,238
39,700	SNAPPLE BEVERAGE CORP	1,518,525
266,760	SOCIETY CORP	9,369,945
31,200	SONAT INC	2,082,600
65,200	SONOCO PRODS CO	1,532,200
67,800	SOTHEBYS HLDGS INC	872,925
55,206	SOUTHDOWN INC	883,296
254,400	SOUTHEAST BKG CORP	254
1,500	SOUTHERN CALIF WTR CO	66,000
271,860	SOUTHERN CO	11,452,103
63,600	SOUTHERN NATL CORP N C	1,391,250
87,700	SOUTHERN NEW ENGLAND	3,025,650
295,000	SOUTHLAND CORP	1,327,500
89,248	SOUTHTRUST CORP	1,729,180
48,400	SOUTHWEST AIRLS CO	2,111,450
30,800	SOUTHWEST GAS CORP	527,450
288,400	SOUTHWESTERN BELL COR	11,175,500
21,500	SOUTHWESTERN ENERGY C	1,037,375
35,300	SOUTHWESTERN PUB SVC C	1,147,250

**MINNESOTA STATE BOARD OF INVESTMENT**  
**TILTED INDEX EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
51,760	SPACELABS INC	\$ 1,048,140
24,330	SPI PHARMACEUTICALS IN	331,496
30,900	SPRINGS INDS INC	1,077,638
582,169	SPRINT CORP	20,448,686
2,100	ST JOE PAPER CO	83,475
20,000	ST PAUL BANCORP INC	482,500
15,925	ST. PAUL COMPANIES INC.	1,264,047
71,900	STANDARD FED BK TROY	1,680,663
32,781	STANDARD PRODS CO	1,135,042
15,800	STANDARD REGISTER	292,300
48,250	STANLEY WORKS	1,936,031
37,700	STAR BANC CORP	1,357,200
29,300	STARRETT L S CO	706,863
27,500	STATE STREET BOSTON C	910,938
27,600	STEPAN CHEM CO	872,850
36,200	STEWART + STEVENSON S	1,629,000
17,200	STONE + WEBSTER INC	425,700
42,942	STONE CONTAINER CORP	386,478
600	STRATUS COMPUTER INC	19,650
18,762	STRAWBRIDGE + CLOTHI	426,836
9,050	STUDENT LN MARKETING	391,413
47,609	SUMMIT BANCORPORATIO	987,887
41,700	SUN GUARD DATA SYSTE	1,282,275
178,745	SUN INC	4,289,880
600	SUN MICROSYSTEMS INC	17,775
100,800	SUNBEAM OSTER INC	1,701,000
62,600	SUNDSTRAND CORP	2,777,875
1	SUNSHINE MINING CO	1
130,100	SUNTRUST BKS INC	6,130,963
6,500	SUPER FOOD SERVICES IN	61,750
53,400	SUPERVALU INC	1,795,575
31,000	SYBASE INC	2,301,750
20,250	SYNOVUS FINL CORP	367,031
261,800	SYNTEX CORP	4,777,850
70,900	SYSCO CORP	1,781,363
38,600	TAMBRANDS INC	1,794,900
14,141	TANDON COMPUTER PUR	0
58,740	TANDY CORP	1,762,200
50,800	TCF FINANCIAL CORP	1,714,500
50,400	TECO ENERGY INC	2,381,400
8,600	TECUMSEH PRODS CO	636,400
8,600	TECUMSEH PRODS CO	598,775
17,122	TEJAS GAS CORP DEL	813,295
49,200	TEKTRONIX INC	1,291,500
25,900	TELE COMMUNICATIONS I	589,225
36,250	TELEPHONE + DATA SYS I	1,604,063
129,690	TEMPLE INLAND INC	5,900,895
308,385	TENNECO INC	15,727,635
18,056	TENNIS LADY INC	1,129
101,748	TEXACO CDA PETE INC	73,790

NO. OF SHARES	SECURITY	MARKET VALUE
318,625	TEXACO INC	\$ 20,153,031
200	TEXAS AMERN BANCSHARE	0
33,208	TEXAS INDS INC	751,331
81,800	TEXAS INSTRS INC	5,715,775
196,300	TEXAS UTILS CO	8,980,725
68,400	TEXTRON INC	3,838,950
5,760	THERAPEUTIC DISCOVERY	30,240
100	THERMO ELECTRON CORP	5,938
58,100	THIOKOL CORP DEL	1,270,938
13,800	THOMAS + BETTS CORP	879,750
48,400	TIDEWATER INC	1,052,700
16,500	TIFFANY + CO NEW	532,125
288,900	TIME WARNER INC	11,158,763
135,700	TIMES MIRROR CO	3,935,300
44,200	TIMKEN CO	1,469,650
33,300	TJ INTL INC	1,082,250
28,331	TJX COS INC NEW	959,713
52,800	TNP ENTERPRISES INC	937,200
62,000	TOLL BROS INC	790,500
14,440	TOOTSIE ROLL INDS INC	1,046,900
21,650	TORCHMARK INC	1,150,156
2,100	TOTAL ASSETS PROTN INC	2,100
128,100	TOTAL PETE NORTH AMER	944,738
89,532	TOYS R US INC	3,290,301
200,666	TRANSAMERICA CORP	10,610,215
195,800	TRANSCANADA PIPELINES	3,034,900
84,300	TRANSCO ENERGY CO	1,412,025
207,700	TRAVELERS CORP	6,646,400
65,400	TRIBUNE CO NEW	3,515,250
9,600	TRINITY INDS INC	483,600
60,200	TRINOVA CORP	1,888,775
27,821	TRITON ENERGY CORP	935,481
4,800	TRUSTMARK CORP	204,000
49,300	TRW INC	3,112,063
78,600	TULTEX CORP	668,100
173,700	TURNER BROADCASTING S	3,560,850
40,900	TYCO LABS INC	1,692,238
40,200	TYCO TOYS INC	467,325
26,100	TYSON FOODS INC (DEL)	574,200
68,604	U S BANCORP OR	1,715,100
34,525	U S HEALTHCARE INC	1,639,938
38,400	U S LONG DISTANCE CORP	580,800
1,700	U S TR CORP	90,950
408,554	U S WEST INC	18,742,415
14,642	UAL CORP	1,804,627
65,900	UGI CORP NEW	1,663,975
40,400	UJB FINL CORP	989,800
11,600	ULTRAMAR CORP	262,450
43,550	UNIFI INC	1,464,369
51,300	UNION BK SAN FRANCISCO	1,372,275

**MINNESOTA STATE BOARD OF INVESTMENT**  
**TILTED INDEX EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
98,950	UNION CAMP CORP	\$ 4,205,375
153,491	UNION CARBIDE CORP	2,954,702
15,197	UNION CARBIDE CORP	0
90,600	UNION ELEC CO	3,748,575
187,000	UNION PAC CORP	11,407,000
51,700	UNION PLANTERS CORP	1,331,275
58,300	UNION TEX PETE HLDGS I	1,384,625
48,500	UNITED ASSET MGMT COR	1,988,500
20,100	UNITED DOMINION INDs L	263,813
27,200	UNITED HEALTHCARE CO	1,747,600
28,900	UNITED ILLUM CO	1,239,088
28,184	UNITED INVESTMENT MA	870,181
15,730	UNITED MO BANCSHARES	605,605
2,700	UNITED STATES CELLULA	74,925
2,000	UNITED STATES SURGICA	55,000
190,400	UNITED TECHNOLOGIES C	10,281,600
22,600	UNITED WIS SVCS INC	576,300
59,500	UNITRIN INC	2,707,250
14,237	UNIVERSAL FOODS CORP	491,177
145,260	UNOCAL CORP	4,248,855
53,000	UNUM CORP	2,862,000
182,600	UPJOHN CO	5,455,175
63,400	USAIR GROUP INC	1,046,100
99,700	USF + G CORP	1,807,063
1,489	USG CORP	19,357
34,950	USLIFE CORP	1,446,056
207,900	UST INC	6,159,038
216,884	USX MARATHON GROUP	3,659,918
54,616	USX U S STL	2,225,602
31,685	UTILICORP UTD INC	922,826
81,507	V F CORP	3,759,510
26,000	VALENCE TECHNOLOGY I	351,000
31,200	VALERO ENERGY CORP	686,400
36,900	VALLEY BANCORPORATIO	1,642,050
55,600	VALUE CITY DEPT STORES	820,100
24,500	VARIAN ASSOC INC	1,277,063
34,338	VENTURE STORES INC	588,038
56,376	VERMONT FINANCIAL SV	1,000,674
60,200	VIACOM INC	2,882,075
1,800	VICTORIA BANKSHARES I	39,150
61,100	VIGORO CORP	1,275,463
51,150	VORNADO RLTY TR	1,835,006
57,700	VULCAN MATLS CO	2,668,625
35,983	WABAN INC	490,268
377,994	WACHOVIA CORP NEW	12,993,544
1,692,420	WAL MART STORES INC	44,426,025
14,000	WALGREEN CO	565,250
36,000	WALLACE COMPUTER SER	936,000
118,600	WARNER LAMBERT CO	8,405,775
100,000	WARWICK INS MGRS INC	3,000

NO. OF SHARES	SECURITY	MARKET VALUE
60,720	WASHINGTON FEDERAL SA	\$ 1,578,720
27,100	WASHINGTON GAS LT CO	1,185,625
30,975	WASHINGTON MUT SVGS B	1,064,766
31,700	WASHINGTON NATL CORP	725,138
7,000	WASHINGTON POST CO	1,599,500
28,500	WASHINGTON WTR PWR CO	1,132,875
17,400	WATTS INDs INC	648,150
1	WAUSAU PAPER MLS CO	35
24,400	WD 40 CO	1,128,500
33,400	WEIS MKTS INC	885,100
40,800	WELLMAN INC	892,500
43,100	WELLPOINT HEALTH NETW	1,228,350
27,875	WELLS FARGO + CO	3,073,219
48,200	WEST INC	1,120,650
28,725	WEST ONE BANCORP	1,418,297
60,900	WESTCOAST ENERGY INC	1,020,075
15,500	WESTERN GAS RES INC	550,250
43,400	WESTERN RES INC	1,513,575
300	WESTERN SVGS + LN ASSN	141
25,400	WESTERN WASTE INDs	276,225
494,600	WESTINGHOUSE ELEC CORP	7,851,775
32,200	WESTMORELAND COAL CO	201,250
78,675	WESTVACO CORP	2,674,950
251,550	WEYERHAEUSER CO	10,722,319
77,000	WHEELABRATOR TECHNOL	1,386,000
80,100	WHIRLPOOL CORP	4,555,688
30,900	WHITEHALL CORP	536,888
126,472	WHITMAN CORP	1,723,181
40,700	WICOR INC	1,256,613
34,832	WILLAMETTE INDs INC	1,323,616
61,600	WILLIAMS COS INC	3,372,600
39,000	WILMINGTON TR CORP	1,062,750
42,400	WINN DIXIE STORES INC	2,374,400
77,850	WISCONSIN ENERGY CORP	2,150,606
24,500	WISCONSIN PUB SVC CORP	836,063
18,200	WISER OIL CO DEL	300,300
23,250	WITCO CORP	1,284,563
41,700	WMS INDUSTRIES INC	1,198,875
246,295	WMX TECHNOLOGIES INC	7,973,801
92,500	WOOLWORTH CORP	2,509,063
25,050	WORTHINGTON INDs IN	782,813
39,500	WPL HLDGS INC	1,397,313
56,600	WRIGLEY WM JR CO	1,881,950
150,800	WYMAN GORDON CO	772,850
42,900	WYNNS INTL INC	1,270,913
49,650	XEROX CORP	3,965,794
14,800	YORK INTL CORP NEW	606,800
12,064	ZENECA GROUP PLC	339,300
42,600	ZIONS BANCORP	1,704,000
27,000	ZURN INDs INC	864,000
	TOTAL EQUITY PORTFOLIO	\$ 3,520,295,567

**MINNESOTA STATE BOARD OF INVESTMENT  
TILTED INDEX EQUITY ACCOUNT  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

PAR				MARKET
VALUE	SECURITY	COUPON	MATURITY	VALUE
67,581	BALSA CHICA CO	12.0000%	03/15/02	\$ 12,840
270,339	BALSA CHICA CO	12.0000%	03/15/02	102,729
842	CHEROKEE INC	11.0000%	11/01/99	0
435,000	CUC INTL INC ZERO CV	00.0000%	06/06/96	1,200,600
238,400	D R HOLDINGS INC	15.5000%	01/30/02	32,184
3,000	DYNCORP	16.0000%	06/30/03	3,210
352	G - I HLDGS INC	12.8750%	03/15/05	365
100	MARY KAY CORP	15.0000%	11/30/00	101
31,858	MHS HOLDINGS CORP	16.8750%	09/22/04	956
600	SHONEY'S INC	12.0000%	07/01/00	631
<b>1,048,072</b>	<b>TOTAL FIXED INCOME PORTFOLIO</b>			<b>\$ 1,353,616</b>

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
1,900	20TH CENTY IND S CAL	\$ 53,675
3,000	3COM CORP	82,125
42,000	ABBOTT LABS	1,076,250
11,200	ACUSON	130,200
4,700	ADAPTEC INC	107,513
2,200	ADOBE SYS INC	135,850
5,000	ADVANCED MICRO DEVICE	120,625
8,400	ADVANCED TECHNOLOGY	144,900
2,300	ADVANTA CORP	105,225
2,300	ADVANTA CORP	88,550
3,730	AES CORP	112,833
5,900	AETNA LIFE + CAS CO	326,713
9,200	AFFILIATED PUBNS INC NE	126,500
5,125	AFLAC INC	145,422
20,100	AGENCY RENT A CAR INC	168,338
5,800	AHMANSO N H F AND CO	100,775
4,900	AIR PRODS + CHEMS INC	192,325
1,900	AIRBOURNE FREIGHT CORP	47,500
4,000	AIRGAS INC	130,500
2,500	ALBERTO CULVER CO	64,688
6,600	ALBERTSONS INC	356,400
11,300	ALCAN ALUM LTD	220,350
2,300	ALCO STANDARD CORP	112,125
5,200	ALDUS CORP	84,500
4,100	ALEX BROWN INC	97,375
2,800	ALEXANDER + ALEXANDE	77,350
3,700	ALEXANDER + BALDWIN I	95,275
500	ALEXANDERS INC	26,375
2,500	ALLEGHENY LUDLUM COR	111,563
2,700	ALLEGHENY POWER SYSTE	143,438
850	ALLEN GROUP INC	38,144
1,200	ALLEN ORGAN CO	35,400
4,300	ALLERGAN INC	105,350
600	ALLIANT TECHSYSTEMS IN	14,925
7,200	ALLIED SIGNAL INC	480,600
2,300	ALLMERICA PPTY + CAS C	127,938
4,300	ALLTEL CORP	230,050
1,084	ALLTRISTA CORP	15,447
6,000	ALLWASTE INC	29,250
4,300	ALUMINUM CO AMER	301,000
3,900	ALZA CORP	107,250
5,700	AMAX INC	132,525
2,500	AMBAC INC	104,688
5,700	AMDAHL CORP	31,350
4,600	AMERADA HESS CORP	225,400
5,700	AMERICAN BANKERS INS G	153,900
14,200	AMERICAN BARRICK RES C	358,550
10,200	AMERICAN BRANDS INC	339,150
3,900	AMERICAN CYANAMID	208,650
9,200	AMERICAN ELEC PWR INC	347,300

NO. OF SHARES	SECURITY	MARKET VALUE
25,400	AMERICAN EXPRESS CO	\$ 819,150
10,800	AMERICAN GEN CORP	341,550
2,300	AMERICAN GREETINGS COR	131,675
10,500	AMERICAN INTL GROUP IN	1,354,500
9,600	AMERICAN MED HLDGS INC	116,400
3,600	AMERICAN STORES CO NEW	166,950
67,388	AMERICAN TEL + TELE C	4,245,444
13,400	AMERITECH CORP	1,077,025
6,600	AMETEK INC	89,100
6,800	AMGEN INC	248,200
24,200	AMOCO CORP	1,327,975
5,300	AMP INC	324,625
3,800	AMR CORP DEL	240,350
4,600	AMSCO INTL INC	77,050
3,000	AMSOUL BANCORPORATI	98,250
3,300	AMWEST INS GROUP INC	33,825
23,700	ANACOMP INC	68,138
2,700	ANADARKO PETE CORP	108,675
5,700	ANALOG DEVICES INC	111,150
7,400	ANALOGIC CORP	118,400
3,700	ANDREW CORP	102,675
15,000	ANHEUSER BUSCH COS INC	727,500
3,300	AON CORP	175,313
3,700	APACHE CORP	102,675
6,000	APPLE COMPUTER	237,000
2,200	APTARGROUP INC	40,425
4,500	ARBOR DRUGS INC	96,750
16,316	ARCHER DANIELS MIDLAN	385,466
4,100	ARCO CHEM CO	167,075
3,000	ARGONAUT GROUP INC	94,500
9,824	ARKLA INC	97,012
13,200	ARMCO INC	95,700
3,200	ARMSTRONG WORLD IND S	103,200
2,015	ARROW FINL CORP	23,173
12,000	ARTISOFT INC	82,500
2,200	ASARCO INC	42,350
3,100	ASHLAND OIL CO	79,050
700	ASSOCIATED BANC CORP	25,200
3,600	AST RESH INC	53,550
3,600	ATLANTIC ENERGY INC N J	82,350
7,700	ATLANTIC RICHFIELD CO	895,125
3,800	ATWOOD OCEANICS INC	40,850
1,600	AUTODESK INCORPORATED	90,200
5,900	AUTOMATIC DATA PROCES	283,200
3,500	AUTOZONE INC	164,063
3,708	AVERY DENNISON CORP	108,923
3,500	AVNET INC	119,000
3,800	AVON PRODS INC	218,975
8,600	AYDIN CORP	135,450
2,000	BAIRNCO CORP	10,500

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
6,100	BAKER HUGHES INC	\$ 160,125
4,338	BALL CORP	122,549
16,200	BALLY MFG CORP	155,925
7,100	BALTIMORE GAS + ELEC C	181,938
13,471	BANC ONE CORP	757,744
2,000	BANCORP HAWAII INC	89,750
1,900	BANDAG INC	86,688
4,100	BANK NEW YORK INC	243,438
4,200	BANK OF BOSTON CORP	103,950
2,600	BANK SOUTH CORP	33,475
17,532	BANKAMERICA CORP	793,323
4,300	BANKERS TR NY CORP	318,738
3,600	BARD C R INC	99,900
600	BARNES GROUP INC	19,125
5,000	BARNETT BKS INC	238,750
1,687	BASSETT FURNITURE INDs I	55,249
11,700	BATTLE MTN GOLD CO	106,763
3,200	BAUSCH + LOMB INC	158,000
13,800	BAXTER INTL INC	395,025
2,600	BAYBANKS INC	111,800
2,500	BB&T FINL CORP	85,938
15,500	BCE INC	527,000
6,163	BEAR STEARNS COS INC	144,831
13,200	BEAUTICONTROL COSMETI	102,300
3,900	BECKMAN INSTRS INC NEW	81,900
4,200	BECTON DICKINSON + CO	168,000
20,836	BELL ATLANTIC CORP	1,237,138
23,700	BELLSOUTH CORP	1,315,350
2,100	BELO A H CORP	98,175
1,500	BENEFICIAL CORP	110,250
4,000	BERGEN BRUNSWIG CORP	72,000
2,100	BERKLEY W R CORP	81,638
100	BERKSHIRE HATHAWAY IN	1,540,000
5,100	BETHLEHEM STL CORP	95,625
1,900	BETZ LABORATORIES INC	83,838
8,100	BEVERLY ENTERPRISES INC	100,238
1,600	BHC COMMUNICATIONS IN	116,000
13,100	BINDLEY WESTN INDs INC	152,288
618	BINKS MFG CO	14,832
2,300	BIOGEN INC	74,463
9,800	BIOMATRIX INC	46,550
6,200	BIOMET INC	65,100
4,300	BJ SVCS CO	122,550
3,800	BLACK + DECKER CORPOR	82,175
2,250	BLACK HILLS CORP	56,813
2,294	BLOCK DRUG INC	105,524
3,800	BLOCK H + R INC	135,850
9,400	BLOCKBUSTER ENTMT COR	204,450
1,000	BLOUNT INC	13,625
1,500	BMC SOFTWARE INC	79,125

NO. OF SHARES	SECURITY	MARKET VALUE
2,400	BOATMENS BANCSHARES I	\$ 144,900
5,066	BOB EVANS FARMS INC	89,922
16,200	BOEING CO	599,400
3,200	BOISE CASCADE CORP	75,200
7,000	BORDEN INC	133,000
4,800	BORLAND INTL INC	108,600
2,700	BOSTON EDISON CO	82,688
6,000	BOSTON SCIENTIFIC CORP	84,000
2,400	BOWNE + CO INC	42,900
5,400	BRASCAN LTD	51,300
6,500	BREED TECHNOLOGIES INC	105,625
3,037	BRINKER INTL INC	104,017
25,800	BRISTOL MYERS SQUIBB CO	1,489,950
1,600	BROWN FORMAN CORP	139,400
8,100	BROWNING FERRIS INDs IN	219,713
5,500	BRUNOS INC	51,563
8,400	BRUNSWICK CORP	106,050
2,000	BRUSH WELLMAN INC	24,250
4,050	BURLINGTON COAT FACTO	94,669
3,900	BURLINGTON NORTHN INC	209,138
6,100	BURLINGTON RES INC	295,850
1,400	CABLETRON SYSTEMS INC	147,700
2,500	CAESARS WORLD INC	112,188
8,500	CAGLES INC	197,625
3,200	CALGON CARBON CORP	38,400
2,488	CALIFORNIA FED BK LOS A	3,732
920	CALIFORNIA FED BK LOS A	14,145
1,600	CALMAT CO	29,400
12,700	CAMPBELL SOUP CO	498,475
15,900	CANADIAN PAC LTD	252,413
76,200	CANAL CAP CORP	6,858
800	CAPITAL CITIES ABC INC	410,400
4,800	CAPITAL HLDG CORP DE	187,800
4,025	CAREMARK INTL INC	64,400
2,000	CARLISLE COS INC	58,250
2,000	CARMIKE CINEMAS INC	31,500
7,000	CARNIVAL CRUISE LINES IN	273,875
8,000	CAROLINA PWR + LT CO	261,000
3,900	CARTER WALLACE INC.	105,300
1,000	CASCADE NAT GAS CORP	26,000
10,675	CATELLUS DEV CORP	68,053
5,100	CATERPILLAR INC	381,863
3,000	CBI INDs INC	75,000
672	CBS INC	157,248
9,745	CELLULAR COMMS PUERTO	160,793
3,100	CELLULAR COMMUNICATIO	120,900
11,717	CELLULAR COMMUNICATIO	58,585
7,000	CENTERBANK WATERBURY	56,875
7,200	CENTERIOR ENERGY CORP	132,300
2,600	CENTEX CORP	88,725

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF		MARKET	
SHARES	SECURITY	VALUE	
5,200	CENTEX TELEMANAGEMEN	\$ 44,200	
15,500	CENTOCOR INC	127,875	
9,400	CENTRAL + SOUTH WEST C	305,500	
3,300	CENTRAL HUDSON GAS + E	113,438	
1,200	CENTRAL JERSEY BANCORP	24,000	
2,800	CENTRAL LA ELEC CO	73,150	
4,600	CENTRAL ME PWR CO	107,525	
3,600	CENTURY TEL ENTERPRISE	111,150	
3,700	CERIDIAN CORP	55,500	
8,400	CHAMBERS DEV INC	35,700	
4,300	CHAMPION INTL CORP	145,125	
1,800	CHAPARRAL STL CO	17,325	
7,600	CHARMING SHOPPES INC	104,500	
7,000	CHASE MANHATTAN CORP	225,750	
3,400	CHECKERS DRIVE IN RESTA	64,600	
12,444	CHEMICAL BKG CORP	508,649	
11,000	CHEMICAL WASTE MGMT I	101,750	
2,800	CHESAPEAKE CORP	50,750	
900	CHESAPEAKE UTILS CORP	12,375	
17,100	CHEVRON CORP	1,500,525	
600	CHICAGO MILWAUKEE COR	87,600	
2,700	CHIQUITA BRANDS INTL IN	28,350	
1,950	CHIRON CORP	125,288	
1,300	CHITTENDEN CORP	25,350	
2,035	CHRIS CRAFT INDS INC	71,225	
17,300	CHRYSLER CORP	817,425	
4,300	CHUBB CORP	373,563	
2,900	CHURCH + DWIGHT INC	87,000	
3,600	CIGNA CORP	219,150	
2,200	CILCORP INC	93,775	
4,200	CINCINNATI BELL INC	92,400	
2,400	CINCINNATI FINL CORP	141,600	
4,500	CINCINNATI GAS + ELEC C	122,625	
3,300	CINTAS CORP	88,275	
4,700	CIRCUIT CITY STORES INC	151,575	
3,000	CIRCUS CIRCUS ENTERPRIS	181,500	
5,300	CIRRUS LOGIC INC	92,088	
6,800	CISCO SYSTEMS INC	372,300	
18,600	CITICORP	560,325	
4,429	CITIZENS UTILS CO DEL	148,366	
8,025	CITY NATL CORP	58,181	
5,700	CLAIRE S STORES INC	83,363	
4,475	CLAYTON HOMES INC	102,925	
4,400	CLEARLY CDN INTL BEVER	39,600	
2,300	CLEVELAND CLIFFS INC	79,638	
2,700	CLOROX CO	140,738	
3,100	CNA FINL CORP	292,950	
5,300	COASTAL CORP	138,463	
66,100	COCA COLA CO	2,842,300	
6,300	COCA COLA ENTERPRISES I	90,563	
7,900	COLGATE PALMOLIVE CO	\$ 460,175	
5,900	COLTEC INDs INC	92,188	
2,500	COLUMBIA GAS SYS INC	61,875	
7,000	COMCAST CORP	154,000	
5,600	COMCAST CORP	114,800	
6,540	COMDISCO INC	95,648	
5,716	COMERICA INC	169,337	
4,200	COMINCO LTD	48,825	
3,700	COMMERCE CLEARING HOU	60,125	
2,700	COMMERCIAL METALS CO	91,463	
10,600	COMMONWEALTH EDISON	296,800	
7,700	COMMUNITY PSYCHIATRIC	88,550	
3,900	COMPAQ COMPUTER CORP	191,100	
1,300	COMPUSA INC	38,350	
8,500	COMPUTER ASSOC INTL INC	252,875	
1,500	COMPUTER SCIENCES CORP	125,063	
4,000	COMSAT CORP	121,000	
12,234	CONAGRA INC	308,909	
4,000	CONNER PERIPHERALS INC	39,000	
1,600	CONSECO INC	100,000	
9,600	CONSOLIDATED EDISON CO	338,400	
5,200	CONSOLIDATED FREIGHTW	83,200	
4,500	CONSOLIDATED NAT GAS C	237,938	
2,100	CONSOLIDATED PAPERS IN	112,350	
4,400	CONSOLIDATED RAIL CORP	235,950	
5,300	CONSOLIDATED STORES CO	94,075	
1,100	CONSUMERS WTR CO	20,488	
5,600	CONTEL CELLULAR INC	86,800	
3,400	CONTINENTAL BK CORP	81,175	
2,900	CONTINENTAL CORP	90,263	
4,500	CONTINENTAL MED SYS IN	34,313	
10,025	CONTROL DATA SYS INC	124,059	
5,000	COOPER INDs INC	252,500	
4,200	COOPER TIRE + RUBBER	106,050	
2,700	CORESTATES FINL CORP	155,925	
10,400	CORNING INC	345,800	
6,500	COSTCO WHSL CORP	107,250	
4,095	COUNTRYWIDE CR INDs IN	125,409	
7,500	CPC INTL INC	308,438	
3,850	CRACKER BARREL OLD CTR	110,688	
3,400	CRANE CO	98,600	
12,600	CRAY COMPUTER CORP	37,800	
1,700	CRAY RESEARCH INC	47,175	
2,500	CRESTAR FINL CORP	104,375	
4,700	CROMPTON + KNOWLES CO	102,813	
9,200	CROSS A T CO	154,100	
5,963	CROWN CORK & SEAL INC	223,613	
5,100	CSX CORP	364,650	
6,112	CUC INTL INC	169,608	
1,300	CUMMINS ENGINE INC	110,500	

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
3,400	CYPRUS MINERALS CORP	\$ 83,725
5,400	D & N SVGS FINL CORP	43,200
6,000	DAMON CORP	135,750
2,400	DANA CORP	130,200
3,000	DANAHER CORP	97,125
3,700	DAYTON HUDSON CORP	246,050
4,200	DE LUXE CORP	160,650
3,000	DEAN FOODS CO	80,250
3,200	DEERE + CO	212,400
2,600	DEKALB ENERGY CO	43,225
3,100	DEKALB GENETICS CORP	85,250
3,900	DELL COMPUTER CORP	73,125
3,700	DELMARVA PWR + LT CO	86,950
2,600	DELTA AIR LINES INC DE	125,775
4,400	DELTA WOODSIDE INDS INC	50,050
5,300	DESTEC ENERGY INC	95,400
7,700	DETROIT EDISON CO	267,575
2,600	DEXTER CORP	56,550
13,600	DIAGNOSTEK INC	125,800
2,800	DIAL CORP DEL	111,650
2,600	DIAMOND SHAMROCK INC	50,700
3,200	DIANA CORP	17,600
1,800	DIEBOLD INC	94,950
2,500	DIGITAL COMMUNICATION	32,188
6,500	DIGITAL EQUIP CORP	271,375
6,000	DILLARD DEPT STORES INC	217,500
16,800	DIME SVGS BK N Y FSB	119,700
2,700	DIONEX CORP	95,850
1,400	DISCOUNT CORP NEW YOR	10,325
26,500	DISNEY (WALT) CO	1,079,875
3,200	DOLE FOOD INC	114,400
4,083	DOLLAR GEN CORP	115,345
6,300	DOMINION RES INC VA	280,350
4,902	DOMTAR INC	27,574
1,350	DONALDSON INC	50,625
7,700	DONNELLEY R R + SONS C	217,525
290	DOVATRON INTL INC	4,930
2,900	DOVER CORP	135,938
13,000	DOW CHEM CO	736,125
5,000	DOW JONES + CO INC	138,750
1,200	DOWNEY SVGS & LN ASSN	19,500
5,400	DPL INC	109,350
3,100	DQE	107,338
5,750	DRESSER INDS INC	135,125
2,100	DREYFUS CORP	85,575
34,000	DU PONT E I DE NEMOURS	1,602,250
8,300	DUKE PWR CO	330,963
8,800	DUN + BRADSTREET CORP	518,100
6,400	DUPLEX PRODS INC	71,200
5,600	DURACELL INTL INC	173,600

NO. OF SHARES	SECURITY	MARKET VALUE
2,300	DUTY FREE INTL INC	\$ 59,513
2,800	DYNATECH CORP	72,800
10,400	E M C CORP MASS	232,700
2,000	E SYS INC	84,500
16,400	EASTMAN KODAK CO	820,000
3,400	EATON CORP	152,575
4,600	ECHLIN INC	128,800
1,800	ECI TELECOM LTD	67,725
5,400	ECOGEN INC	41,850
2,900	ECOLAB INC	124,338
4,000	EG + G INC	77,000
44,300	EL PASO ELEC CO	138,438
1,795	EL PASO NAT GAS CO	70,005
7,200	ELECTROCOM AUTOMATIO	104,400
4,400	ELECTRONIC ARTS	133,100
2,400	EMC INS GROUP INC	22,800
11,200	EMERSON ELEC CO	652,400
12,800	EMPLOYEE BENEFIT PLANS	99,200
3,300	ENGELHARD CORP	123,750
4,800	ENNIS BUSINESS FORMS IN	72,600
4,500	ENRON CORP	296,438
4,000	ENRON OIL AND GAS CO	163,000
4,700	ENSERCH CORP	85,188
8,800	ENTERGY CORP	319,000
5,721	EQUIFAX INC	118,711
7,100	EQUITABLE COMPANIES IN	142,000
2,750	EQUITABLE RES INC	104,500
5,900	ETHYL CORP	177,000
6,600	EVANS & SUTHERLAND CO	99,000
62,700	EXXON CORP	4,146,038
4,500	FARM & HOME FINL CORP	95,625
500	FARMER BROS CO	75,500
2,800	FEDERAL EXPRESS CORP	130,550
8,200	FEDERAL HOME LN MTG C	458,175
5,300	FEDERAL MOGUL CORP	113,950
13,100	FEDERAL NATL MTG ASSN	1,085,663
3,700	FEDERAL PAPER BRD INC	84,175
4,850	FEDERAL SIGNAL CORP	115,188
6,300	FEDERATED DEPT STORES I	150,413
5,240	FHP INTERNATIONAL CORP	142,790
3,000	FIFTH THIRD BANCORP	159,750
800	FINA INC	49,000
2,910	FIRST ALA BANCSHARES IN	98,213
2,752	FIRST AMER BK CORP	110,768
11,448	FIRST BK SYS INC	353,457
3,300	FIRST BRANDS CORP	96,938
2,400	FIRST CAP HLDGS CORP	2
4,400	FIRST CHICAGO CORP	180,950
1,500	FIRST COLONIAL BANKSHA	25,500
3,600	FIRST COLONY CORP	101,250

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
1,800	FIRST COML BANCORP INC	\$ 8,550	7,200	GANNETT INC	\$ 358,200
2,530	FIRST COML CORP	79,063	7,600	GAP INC	229,900
2,900	FIRST COMM CORP	107,300	2,500	GATX	93,438
5,500	FIRST DATA CORP	203,500	3,500	GEICO CORP	182,000
7,700	FIRST EASTN CORP PA	128,975	2,900	GENCORP INC	44,588
3,500	FIRST FIDELITY BANCORP N	171,938	5,600	GENENTECH INC	246,400
4,800	FIRST FINL CORP WIC	73,200	1,500	GENERAL DYNAMICS CORP	132,563
2,900	FIRST FINL MGMT CORP	122,163	43,100	GENERAL ELEC CO	4,126,825
3,800	FIRST INTST BANCORP	238,450	3,500	GENERAL INSTRUMENT CO	136,063
8,681	FIRST MICH BK CORP	224,621	8,300	GENERAL MLS INC	564,400
3,000	FIRST MISSISSIPPI CORP	28,875	34,900	GENERAL MTRS CORP	1,553,050
1,575	FIRST SEC CORP DEL	45,281	10,200	GENERAL MTRS CORP	298,350
3,900	FIRST TENN NATL CORP	157,950	4,700	GENERAL MTRS CORP	151,575
10,320	FIRST UN CORP	500,520	5,500	GENERAL PUB UTILS CORP	176,000
2,900	FIRST USA INC	120,713	4,200	GENERAL REINSURANCE C	479,325
1,600	FIRST UTD BK GROUP INC	40,400	3,800	GENETICS INST INC	117,800
3,500	FIRST VA BKS INC	127,750	2,400	GENSIA INC	55,800
3,200	FIRSTSTAR CORP NEW	104,000	6,300	GENUINE PARTS CO	218,138
2,200	FIRSTFED MICH CORP	62,700	2,100	GENZYME CORP	81,900
5,137	FISERV INC	97,603	4,800	GEORGE A HORMEL + CO	101,400
2,320	FISHER PRICE INC	48,430	4,400	GEORGIA GULF CORP	80,300
3,500	FLEET CALL	94,500	4,400	GEORGIA PAC CORP	256,850
6,400	FLEET FINL GROUP INC	216,000	4,000	GERBER PRODS CO	111,500
2,500	FLEMING COS INC	82,813	4,200	GEV CORP	1,176
2,200	FLIGHTSAFETY INTL INC	92,125	3,200	GIANT FOODS INC	79,200
4,300	FLORIDA PROGRESS CORP	147,275	10,400	GILLETTE CO	573,300
600	FLORIDA ROCK INDs INC	15,750	18,700	GITANO GROUP INC	39,738
4,100	FLUOR CORP	172,200	6,300	GLATFELTER P H CO	119,700
19,000	FM PPTYS INC	99,750	6,500	GLENFED INC	11,375
2,200	FMC CORP	99,550	11,600	GOLDEN ENTERPRISES INC	95,700
12,500	FMC GOLD CO	84,375	2,400	GOLDEN WEST FINL CORP	101,700
15,400	FOOD LION INC	96,250	2,300	GOODRICH B F CO	97,750
24,050	FOOD LION INC	153,319	6,200	GOODYEAR TIRE AND RUBB	263,500
2,300	FOOTE CONE + BELDING C	78,200	3,950	GORMAN RUPP CO	104,922
500	FORD MTR CO CDA LTD	46,500	2,700	GOULDS PUMPS INC	66,488
24,100	FORD MTR CO DEL	1,259,225	4,800	GRACE W R + CO	194,400
3,200	FOREST LABS INC	111,600	2,000	GRAINGER W W INC	124,000
3,914	FOREST OIL CORP	22,750	2,000	GREAT ATLANTIC + PAC T	63,500
2,100	FORTUNE BANCORP INC	44,100	3,100	GREAT LAKES CHEMICAL C	213,513
3,300	FOSTER WHEELER CORP	97,350	6,800	GREAT WESTN FINL CORP	113,900
7,100	FPL GROUP INC	270,688	2,400	GREEN TREE FINL CORP	100,800
2,900	FRANKLIN RES INC	113,825	6,300	GREYHOUND LINES INC	130,725
4,700	FREEPORT MCMORAN COPP	115,150	4,600	GROSSMANS INC	13,225
7,000	FREEPORT MCMORAN INC	129,500	2,300	GROW GROUP INC	38,813
5,550	FREMONT GEN CORP	136,669	46,995	GTE CORP	1,697,694
449	FRISCHS RESTAURANTS INC	7,521	12,900	GULF CDA RES LTD	54,019
3,800	FRUIT OF THE LOOM INC	126,825	800	GULF USA CORP	250
393	FUND AMERICAN ENTERPRI	31,931	13,500	GUNDLE ENVIRONMENTAL	91,125
6,900	FUQUA INDs INC	66,413	17,700	HADSON CORP	5,531
8,350	GALEN HEALTH CARE INC	156,563	4,800	HALLIBURTON CO	183,000

**MINNESOTA STATE BOARD OF INVESTMENT  
PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
9,500	HANCOCK FABRICS INC	\$ 80,750
3,500	HANDY + HARMAN	56,438
3,800	HARCOURT GEN INC	142,975
3,100	HARLAND JOHN H CO	84,863
3,000	HARLEY DAVIDSON INC	126,000
365	HARNISCHFEGER INDS INC	7,619
2,900	HARRIS CORP DEL	112,375
1,300	HARSCO CORP	49,238
1,900	HARTFORD STEAM BOILER I	103,788
4,250	HASBRO INC	160,438
2,900	HAWAIIAN ELEC INDS INC	110,200
8,100	HCA HOSP CORP AMER	157,950
3,248	HEALTHCARE COMPARE CO	43,848
13,700	HEALTHCARE SVCS GROUP	114,738
3,600	HEALTHSOUTH REHABILIT	60,750
7,100	HEALTHTRUST INC THE HO	137,563
6,200	HECHINGER CO	60,450
2,400	HEICO CORP NEW	24,300
12,800	HEINZ H J CO	472,000
2,700	HELENE CURTIS INDS INC	79,650
2,100	HELMERICH AND PAYNE IN	73,238
2,200	HERCULES INC	170,775
4,500	HERSHEY FOODS CORP	212,063
12,200	HEWLETT PACKARD CO	988,200
5,270	HIBERNIA CORP	35,573
3,600	HILLENBRAND INDS INC	153,450
2,500	HILTON HOTELS CORP	115,000
1,900	HOLLY CORP	52,369
21,266	HOME DEPOT INC	930,388
2,000	HOME OIL LTD NEW	32,250
1,700	HOMEFED CORP	638
6,900	HOMESTAKE MNG CO	131,963
6,900	HONEYWELL INC	256,163
10,200	HORSHAM CORP	128,775
1,500	HOUSEHOLD INTL INC	103,688
6,800	HOUSTON INDS INC	297,500
1,884	HUBBELL INC	107,624
5,300	HUFFY CORP	84,800
8,750	HUMANA INC	98,438
3,750	HUNT J B TRANS SVCS INC	76,875
4,343	HUNTINGTON BANCSHARES	117,804
3,300	IDAHO PWR CO	102,300
2,900	IES INDS INC	93,888
4,250	ILLINOIS CENT CORP	115,281
4,900	ILLINOIS PWR CO	124,338
4,600	ILLINOIS TOOL WKS INC	171,925
1,700	IMC FERTILIZER GROUP INC	49,938
4,200	IMCERA GROUP INC	126,000
1,900	IMMUNEX CORP NEW	59,375
8,900	IMPERIAL OIL LTD	330,413

NO. OF SHARES	SECURITY	MARKET VALUE
5,500	INCO LTD	\$ 123,750
1,430	INDRESCO INC	19,484
1,600	INFINITY BROADCASTING C	65,200
4,000	INFORMATION RES INC	139,000
5,000	INFORMIX CORP	135,000
4,200	INGERSOLL RAND CO	142,275
3,800	INLAND STL INDS INC	109,250
3,080	INTEGRA FINL CORP	144,375
21,000	INTEL CORP	1,155,000
3,600	INTERGRAPH CORP	32,400
27,200	INTERNATIONAL BUSINESS	1,343,000
2,000	INTERNATIONAL FLAVOUR	227,500
6,600	INTERNATIONAL GAME TEC	262,350
6,200	INTERNATIONAL PAPER CO	396,800
16,200	INTERNATIONAL SPECIALT	119,475
2,000	INTERPROVINCIAL PIPE LIN	43,750
4,000	INTERPUBLIC GROUP COS I	110,000
3,000	INTERSTATE PWR CO	91,500
5,100	INTERTAN INC	43,988
3,300	IOWA ILL GAS + ELEC CO	77,963
2,900	IPALCO ENTERPRISES	106,938
6,700	ITT CORP	571,175
4,350	IVAX CORP	109,838
3,900	JACOBS ENGR GROUP INC	85,800
4,300	JAMES RIV CORP VA	84,925
7,200	JAN BELL MARKETING INC	97,200
4,100	JEFFERIES GROUP INC	115,825
2,450	JEFFERSON PILOT CORP	122,194
32,700	JOHNSON + JOHNSON	1,357,050
2,300	JOHNSON CTLS INC	111,838
7,000	JONES INTERCABLE INC	78,750
3,900	JOSTENS INC	75,563
3,000	JUSTIN INDS INC	52,500
22,000	K MART CORP	462,000
1,500	K N ENERGY INC	54,750
2,400	K V PHARMACEUTICAL CO	20,700
2,400	K V PHARMACEUTICAL CO	21,000
4,400	KANSAS CITY PWR + LT CO	108,900
6,100	KAUFMAN + BROAD HOME	113,613
3,600	KAYDON CORP	96,300
12,000	KELLOGG CO	658,500
4,800	KELLWOOD CO	145,800
2,625	KELLY SVCS INC	66,938
3,000	KEMPER CORP	106,500
3,400	KENNAMETAL INC	113,900
2,600	KERR MCGEE CORP	130,000
2,041	KEYCORP	85,212
3,100	KEYSTONE INTL INC	85,250
7,600	KIMBERLY CLARK CORP	376,200
3,200	KING WORLD PRODTNS INC	106,800

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
4,800	KLM ROYAL DUTCH AIRLS	\$ 65,400
2,700	KNIGHT RIDDER INC	141,075
4,800	KNOWLEDGEWARE INC	44,400
5,200	KROGER CO	89,700
3,600	KU ENERGY CORP	109,800
5,500	LA Z BOY CHAIR CO	159,500
6,600	LAC MINERALS LTD NEW	66,825
2,300	LAFARGE CORP	37,088
13,800	LAIDLAW INC	108,675
3,700	LANCE INC	78,625
3,900	LAWSON PRODS INC	100,425
1,700	LEGENT CORP	60,775
1,000	LENNAR CORP	29,875
2,800	LG + E ENERGY CORP	108,850
6,400	LIBERTY MEDIA CORP	145,600
14,600	LILLY ELI + CO	719,050
19,700	LIMITED INC	421,088
2,700	LIN BROADCASTING CORP	267,975
4,400	LINCOLN NATL CORP IN	171,050
2,000	LINCOLN TELECOMMUNICA	56,500
5,000	LINEAR TECHNOLOGY COR	144,375
2,100	LITTON INDS INC	134,400
4,100	LIVE ENTMT INC	7,688
4,600	LIZ CLAIBORNE	142,600
3,000	LOCKHEED CORP	198,000
2,600	LOCTITE CORP	102,050
3,200	LOEWS CORP	302,800
1,800	LONGS DRUG STORES CORP	61,200
2,000	LORAL CORP	119,500
2,800	LOTUS DEV CORP	96,950
2,400	LOUISIANA LD + EXPL CO	102,000
5,100	LOUISIANA PAC CORP	163,200
3,600	LOWES COS INC	140,850
3,800	LUBRIZOL CORP	118,275
3,400	LUBYS CAFETERIAS INC	72,675
2,350	LUKENS INC	110,744
7,100	LUMEX INC	104,725
4,500	LYONDELL PETROCHEMICA	95,063
6,150	MACMILLAN BLOEDEL LTD	102,244
5,600	MACNEAL SCHWENDLER C	79,800
2,100	MAGNA INTL INC	82,950
1,400	MANITOWOC INC	44,975
5,250	MANOR CARE INC	103,688
6,600	MANPOWER INC WIS	100,650
2,000	MAPCO INC	112,000
13,700	MARION MERRELL DOW IN	232,900
5,000	MARRIOTT CORP	127,500
3,600	MARSH + MCLENNAN COM	314,550
6,900	MARSHALL + ILSLEY CORP	172,500
2,700	MARSHALL INDS	115,425

NO. OF SHARES	SECURITY	MARKET VALUE
2,300	MARTIN MARIETTA CORP N	\$ 181,413
4,200	MARVEL ENTMT GROUP IN	158,550
7,300	MASCO CORP	218,088
8,400	MASCOTECH INC	168,000
7,100	MAXUS ENERGY CORP	63,900
2,900	MAXXAM INC	76,488
12,400	MAY DEPT STORES CO	474,300
6,900	MAYTAG CORP	103,500
2,200	MBIA INC	144,925
4,900	MBNA CORP	143,325
9,600	MCCAW CELLULAR COMM	441,600
2,900	MCCLATCHY NEWSPAPERS	59,450
4,400	MCCORMICK + CO INC	102,300
3,300	MCDERMOTT INTL INC	94,875
18,400	MCDONALDS CORP	903,900
2,000	MCDONNELL DOUGLAS CO	148,250
9,300	MCFARLAND ENERGY INC	59,288
2,500	MCGRAW HILL INC	147,500
14,100	MCI COMMUNICATIONS CO	810,750
2,500	MCKESSON CORP	110,000
2,900	MCN CORP	101,138
2,300	MDU RES GROUP INC	68,713
2,600	MEAD CORP	116,350
2,400	MEASUREX CORP	44,100
8,200	MEDCO CONTAINMENT SVC	262,400
1,300	MEDIA GEN INC	27,138
6,312	MEDICAL CARE AMER INC	115,194
3,000	MEDICINE SHOPPE INTL IN	67,500
3,300	MEDTRONIC INC	222,750
2,900	MELLON BK CORP	163,488
5,400	MELVILLE CORPORATION	251,775
11,500	MENTOR GRAPHICS CORP	116,438
2,700	MERCANTILE BANCOPORA	132,975
3,000	MERCANTILE STORES INC	101,625
57,500	MERCK + CO INC	2,041,250
3,300	MEREDITH CORP	118,388
3,200	MERIDIAN BANCORP INC	104,000
6,000	MERRILL CORP	118,500
5,400	MERRILL LYNCH + CO INC	437,400
1,900	MGIC INVT CORP WIS	109,250
1,400	MICHIGAN NATL CORP	79,100
4,600	MICRON TECHNOLOGY INC	170,775
14,125	MICROSOFT CORP	1,243,000
1,500	MIDLAND CO	60,750
3,200	MIDLANTIC CORP	67,600
3,581	MIDWEST RES INC	66,249
4,800	MILLER HERMAN INC	122,400
10,600	MILLICOM INC	125,875
2,200	MILLIPORE CORP	70,950
1,600	MINE SAFETY APPLIANCES	70,400

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
10,800	MINNESOTA MNG + MFG C	\$ 1,166,400
2,600	MIRAGE RESORTS INC	114,400
1,500	MITCHELL ENERGY + DEV	37,500
1,500	MITCHELL ENERGY + DEV	38,438
9,700	MNC FINL INC	141,863
19,700	MOBIL CORP	1,472,575
6,800	MOBILE TELECOMMUNICAT	152,150
3,575	MOLEX INC	110,825
3,775	MOLEX INC	105,700
1,000	MONARCH CAP CORP	10
5,500	MONSANTO CO	324,500
3,600	MONTANA PWR CO	96,300
4,800	MOORE CORP LTD	79,800
9,500	MORGAN J P + CO INC	644,813
1,200	MORGAN PRODS LTD	8,100
3,800	MORGAN STANLEY GROUP I	262,675
2,800	MORRISON KNUDSEN CORP	71,050
2,600	MORTON INTL INC IND	201,175
14,500	MOTOROLA INC	1,266,938
3,300	MULTIBANK FINL CORP	91,163
2,740	MURPHY OIL CORP	109,943
5,000	MYCOGEN CORP	66,250
4,100	MYLAN LABS INC	111,725
5,600	NAC RE CORP	198,800
1,500	NACCO INDs INC	75,563
3,800	NALCO CHEM CO	131,575
1,700	NASHUA CORP	46,538
3,900	NATIONAL CITY CORP	196,463
7,600	NATIONAL DATA CORP	123,500
5,200	NATIONAL HEALTH LABS I	95,550
10,600	NATIONAL INTERGROUP IN	137,800
9,500	NATIONAL MED ENTERPRIS	99,750
1,600	NATIONAL PRESTO INDs IN	84,800
14,600	NATIONAL SAN SUPPLY CO	178,850
8,400	NATIONAL SEMICONDUCTO	135,450
3,200	NATIONAL SVC INDs INC	81,600
12,236	NATIONSBANK CORP	607,212
14,700	NAVISTAR INTL CORP (HLD	36,750
2,800	NBB BANCORP INC	83,650
7,880	NBD BANCORP INC	255,115
1,900	NEUTROGENA CORP	32,538
2,400	NEVADA PWR CO	60,300
5,300	NEW ENGLAND BUSINESS S	84,800
3,200	NEW ENGLAND ELEC SYS	133,600
4,100	NEW JERSEY RES CORP	113,775
2,250	NEW YORK BANCORP INC	72,844
3,600	NEW YORK ST ELEC + GAS	126,900
4,000	NEW YORK TIMES CO	97,500
3,400	NEWBRIDGE NETWORKS CO	161,500
3,600	NEWELL CO	119,700

NO. OF SHARES	SECURITY	MARKET VALUE
5,300	NEWMONT GOLD CO	\$ 253,075
3,600	NEWMONT MNG CORP	189,000
7,200	NIAGARA MOHAWK PWR C	173,700
3,800	NICOR INC	103,550
3,800	NIKE INC	209,475
3,700	NIPSCO INDs INC	120,713
3,600	NOBLE AFFILIATES INC	86,850
1,300	NOLAND CO	22,263
1,000	NORDSON CORP	42,000
4,000	NORDSTROM INC	112,000
6,500	NORFOLK SOUTN CORP	423,313
900	NORTANKERS INC	450
5,500	NORTEK INC	26,813
1,050	NORTH CAROLINA NAT GAS	28,219
8,200	NORTH FORK BANCORPORA	92,250
1,470	NORTH SIDE SVGS BK BRON	25,725
6,500	NORTHEAST UTILS	174,688
3,100	NORTHERN STS PWR CO MN	142,213
12,300	NORTHERN TELECOM LTD	327,488
2,600	NORTHERN TRUST CORP	109,200
2,900	NORTHROP CORP	121,075
2,400	NORTHWESTERN PUB SVC C	70,200
14,544	NORWEST CORP	398,142
17,700	NOVA CORP OF ALBERTA	132,750
4,600	NOVACARE INC	62,100
15,200	NOVELL INC	395,200
5,700	NOVELLUS SYS INC	146,775
7,600	NOWSCO WELL SVC LTD	117,800
1,600	NUCOR CORP	136,600
10,200	NYNEX CORP	923,100
12,200	OCCIDENTAL PETE CORP	256,200
3,800	OEA INC	97,375
3,900	OFFICE DEPOT INC	102,375
4,100	OGDEN CORP	107,625
5,600	OGDEN PROJS INC	126,700
7,600	OHIO EDISON CO	187,150
2,100	OKLAHOMA GAS + ELEC C	77,175
3,100	OLD KENT FINL CORP	103,850
3,080	OLD REP INTL CORP	72,380
3,000	OLD STONE CORP	6,750
2,100	OLIN CORP	93,188
2,400	OMNICOM GROUP	98,700
6,632	ONEITA INDs INC	48,911
5,100	ONEOK INC	133,238
7,200	ORACLE SYS CORP	354,600
1,600	OREGON STL MLS INC	33,800
4,300	ORYX ENERGY CO	88,150
2,400	OTTER TAIL PWR CO	81,000
2,900	OVERSEAS SHIPHOLDING G	53,288
2,300	OWENS CORNING FIBERGLA	96,025

**MINNESOTA STATE BOARD OF INVESTMENT**  
**PASSIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
4,900	OWENS ILL INC	\$ 56,350	1,300	POLICY MGMT SYS CORP	\$ 47,613
2,200	OXFORD HEALTH PLANS IN	151,800	8,500	POLYGRAM N V	231,625
5,900	OXFORD INDS INC	94,400	5,300	PONCE FED BK FSB P R	42,069
1,700	PACCAR INC	103,700	12,205	POOL ENERGY SVCS CO	111,371
4,700	PACIFIC ENTERPRISES	114,563	4,000	POPE & TALBOT INC	98,000
21,500	PACIFIC GAS + ELEC CO	717,563	3,500	PORTLAND GEN CORP	77,438
2,800	PACIFIC TELCOM INC	66,500	5,000	POTASH CORP SASK INC	99,375
20,000	PACIFIC TELESIS GROUP	972,500	2,000	POTLATCH CORP	83,500
14,000	PACIFICORP	266,000	5,600	POTOMAC ELEC PWR CO	151,900
4,600	PAINE WEBBER GROUP INC	133,975	4,800	PPG INDS INC	314,400
6,600	PALL CORP	117,150	2,100	PRATT & LAMBERT INC	32,288
5,400	PANHANDLE EASTN CORP	132,300	7,100	PRAXAIR INC	110,050
6,300	PARAMOUNT COMMUNICA	340,200	2,300	PREMARK INTL INC	132,825
1,600	PARKER + PARSLY PETE C	44,800	4,300	PREMIER INDL CORP	123,625
3,300	PARKER HANNIFIN CORP	109,313	3,700	PRESSTEK INC	76,775
1,350	PAYCHEX INC	55,350	2,400	PRICE CO	81,600
2,900	PEGASUS GOLD INC	68,150	2,800	PRIMARK CORP	34,300
3,000	PENN CENT CORP	96,000	7,350	PRIMERICA CORP NEW	386,794
10,800	PENNEY J C INC	487,350	33,400	PROCTER + GAMBLE CO	1,736,800
7,600	PENNSYLVANIA PWR + LT	223,250	3,300	PROGRESSIVE CORP OHIO	108,075
2,100	PENNZOIL CO	131,513	3,400	PROMUS COS INC	162,775
3,300	PENTAIR INC	126,225	1,500	PROTECTIVE LIFE CORP	55,500
1,100	PEOPLES BANCORP WORCE	31,900	3,900	PROVIDENT LIFE + ACC INS	109,200
3,100	PEOPLES ENERGY CORP	100,363	11,600	PS GROUP INC	126,150
4,509	PEOPLES HERITAGE FINL G	43,963	4,800	PSI RESOURCES INC	114,600
3,100	PEOPLES WESTCHESTER SV	124,388	3,200	PUBLIC SVC CO COLO	105,200
4,600	PEP BOYS MANNY MOE + J	103,500	9,300	PUBLIC SVC CO NM	126,713
40,130	PEPSICO INC	1,484,810	9,300	PUBLIC SVC ENTERPRISE G	318,525
3,000	PERKIN ELMER CORP	99,000	3,800	PUGET SOUND PWR + LT C	106,875
2,100	PERRIGO CO	91,613	2,310	PULITZER PUBG CO	68,145
5,800	PET INC	92,075	2,400	PULTE CORP	75,900
2,900	PETRIE STORES CORP	73,950	2,700	PURITAN BENNETT CORP	54,000
16,600	PFIZER INC	1,112,200	7,800	PYRAMID TECHNOLOGY CO	154,050
3,600	PHELPS DODGE CORP	160,650	3,700	QUAKER OATS CO	280,275
11,000	PHILADELPHIA ELEC CO	336,875	6,900	QUAKER ST CORP	81,075
45,200	PHILIP MORRIS COS INC	2,192,200	13,200	QUAL MED INC	184,800
12,100	PHILLIPS PETE CO	338,800	3,600	QUANTUM CORP	40,500
3,600	PHILLIPS VAN HEUSEN COR	110,700	6,900	QUARTERDECK OFFICE SYS	22,425
3,500	PICCADILLY CAFETERIAS I	33,250	7,700	QUEBECOR INC	119,350
2,000	PICTURETEL CORP	44,500	3,400	QUESTAR CORP	117,300
5,100	PINNACLE WEST CAP CORP	117,938	1,995	QUICK + REILLY GROUP IN	57,606
1,000	PIONEER GROUP INC	38,250	2,200	QVC NETWORK INC	139,700
4,500	PIONEER HI BRED INTL INC	124,313	4,125	R.P.M. INC OHIO	68,063
7,800	PITNEY BOWES INC	323,700	5,200	RALSTON PURINA CO	240,500
2,600	PITTSTON CO	47,450	12,500	RANGER OIL LTD	65,625
12,000	PLACER DOME INC	249,000	2,100	RAYCHEM CORP	82,950
1,400	PLAINS PETE CO	35,875	6,800	RAYTHEON CO	417,350
11,400	PNC BK CORP	373,350	6,000	READERS DIGEST ASSN INC	252,750
1,800	POGO PRODUCING CO	32,625	4,900	REEBOK INTL LTD	136,588
3,200	POLAROID CORP	122,400	2,700	REPUBLIC NY CORP	137,363

**MINNESOTA STATE BOARD OF INVESTMENT**  
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NO. OF		MARKET		NO. OF		MARKET	
SHARES	SECURITY	VALUE		SHARES	SECURITY	VALUE	
17,577	REVCO D S INC NEW	\$ 213,121		20,000	SEAGRAM LTD	\$ 522,500	
3,300	REYNOLDS + REYNOLDS C	121,688		16,500	SEARS ROEBUCK + CO	907,500	
3,200	REYNOLDS METALS CO	153,600		2,900	SELECTIVE INS GROUP INC	73,225	
6,900	RHONE POULENC RORER IN	324,300		2,800	SENSORMATIC ELECTRS CO	109,200	
3,500	RIGEL ENERGY CORP	63,000		200	SEQUA CORP	5,975	
2,196	RIGGS NATL CORP WASH D	16,745		1,500	SEQUA CORP	43,313	
4,200	RITE AID CORP	75,600		5,850	SERVICE CORP INTL	120,656	
57,300	RJR NABISCO HLDGS CORP	322,313		10,000	SERVICE MERCHANDISE CO	113,750	
2,000	ROADWAY SVCS INC	116,000		3,300	SFFED CORP	51,150	
1,100	ROBERTSON CECO CORP	309		5,200	SHARED MEDI CAL SYSTEM	121,550	
6,300	ROCHESTER CMNTY SVGS B	81,113		3,500	SHAW INDS INC	122,500	
2,900	ROCHESTER GAS + ELEC C	79,388		5,300	SHAWMUT NATIONAL CORP	126,538	
1,700	ROCHESTER TEL CORP	73,313		4,100	SHERWIN WILLIAMS CO	132,738	
10,200	ROCKWELL INTL CORP	339,150		4,600	SHONEY'S INC	85,100	
4,900	ROGERS CANTEL MOBILE C	110,250		2,300	SIERRA PAC RES	49,738	
2,900	ROHM + HAAS CO	155,513		4,300	SIERRA SEMI CONDUCTOR	32,250	
5,600	ROLLINS ENVIRONMENTAL	41,300		2,500	SIGMA ALDRICH	120,625	
8,100	ROLLINS TRUCK LEASING C	134,663		1,900	SIGNET BANKING CORP	114,713	
4,500	ROUSE CO	73,125		3,200	SILICON GRAPHICS INC	119,600	
5,200	ROYAL APPLIANCE MFG CO	29,250		5,400	SIZZLER INTL INC	41,175	
4,900	ROYAL INTL OPTICAL INC	4,900		2,900	SMUCKER J M CO	69,238	
1,200	RS FINL CORP	24,600		2,100	SMUCKER J M CO	46,988	
8,100	RUBBERMAID INC	229,838		2,900	SNAP ON TOOLS CORP	113,100	
2,800	RUSSELL CORP	83,300		4,200	SNAPPLE BEVERAGE CORP	160,650	
4,600	RYDER SYS INC	143,750		5,760	SOCIETY CORP	202,320	
3,200	SAFECO CORP	186,800		2,100	SONAT INC	140,175	
3,000	SAFETY KLEEN CORP	54,750		4,600	SONOCO PRODS CO	108,100	
5,500	SAFEWAY INC	83,875		510	SOUTH JERSEY INDS INC	12,623	
4,800	SALOMON INC	183,600		1,500	SOUTHDOWN INC	24,000	
5,700	SAN DIEGO GAS + ELEC CO	145,350		4,800	SOUTHEAST BKG CORP	5	
7,302	SANTA FE ENERGY RES INC	76,671		15,300	SOUTHERN CO	644,513	
9,463	SANTA FE PAC CORP	173,883		3,100	SOUTHERN NEW ENGLAND	106,950	
24,400	SARA LEE CORP	603,900		500	SOUTHERN UN CO NEW	9,750	
4,000	SAVANNAH FOODS + INDS	61,000		32,400	SOUTHLAND CORP	145,800	
	SBI MONEY FUND	1,210,753		5,400	SOUTHTRUST CORP	104,625	
2,400	SCANA CORP	114,900		4,700	SOUTHWEST AIRLS CO	205,038	
19,200	SCECORP	465,600		29,000	SOUTHWESTERN BELL COR	1,123,750	
10,000	SCHERING PLOUGH CORP	697,500		1,400	SOUTHWESTERN ENERGY C	67,550	
12,200	SCHLUMBERGER LTD	773,175		2,600	SOUTHWESTERN PUB SVC C	84,500	
2,550	SCHULMAN A INC	70,763		2,000	SPACELABS INC	40,500	
4,800	SCHWAB CHARLES CORP	136,800		2,600	SPRINGS INDS INC	90,675	
1,100	SCI MED LIFE SYS INC	68,200		11,791	SPRINT CORP	414,159	
5,700	SCI SYS INC	98,325		1,100	SPS TECHNOLOGIES INC	29,288	
4,550	SCIENTIFIC ATLANTA INC	147,306		2,500	ST JUDE MED INC	93,750	
5,928	SCIOS NOVA INC	33,345		2,100	ST. PAUL COMPANIES INC.	166,688	
3,400	SCOTT PAPER CO	112,625		2,200	STANDARD BRANDS PAINT	8,250	
2,300	SCOTTS CO	39,675		3,400	STANDARD MICROSYSTEMS	56,100	
1,700	SCRIPPS E W CO	43,775		2,250	STANDARD PRODS CO	77,906	
1,100	SCURRY RAINBOW OIL LTD	20,350		2,700	STANHOME INC	78,300	
4,300	SEA CONTAINERS LTD	117,175		2,300	STANLEY WORKS	92,288	
5,400	SEAGATE TECHNOLOGY	85,725					

**MINNESOTA STATE BOARD OF INVESTMENT**  
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NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
3,300	STAPLES INC	\$ 106,013	390	THERAPEUTIC DISCOVERY	\$ 2,048
2,400	STARRETT L S CO	57,900	1,500	THERMO ELECTRON CORP	89,063
4,000	STATE STREET BOSTON CO	132,500	1,900	THERMO INSTR SYS INC	76,713
4,800	STERLING CHEMS INC	18,600	2,000	THIOKOL CORP DEL	43,750
3,200	STEWART + STEVENSON SV	144,000	1,000	THOMAS + BETTS CORP	63,750
1,100	STEWART INFORMATION SV	26,125	1,100	TIFFANY + CO NEW	35,475
4,590	STONE CONTAINER CORP	41,310	18,440	TIME WARNER INC	712,245
5,500	STOP + SHOP COS INC NEW	110,000	6,400	TIMES MIRROR CO	185,600
2,300	STRATUS COMPUTER INC	75,325	1,800	TIMKEN CO	59,850
655	STRAWBRIDGE + CLOTHIER	14,901	1,400	TJ INTL INC	45,500
6,600	STRIDE RITE CORP	103,125	3,500	TJX COS INC NEW	118,563
4,400	STRUCTURAL DYNAMICS R	66,550	4,400	TNP ENTERPRISES INC	78,100
2,600	STRYKER CORP	67,275	2,400	TNT FREIGHTWAYS CORP	67,200
3,600	STUDENT LN MARKETING A	155,700	4,200	TOPPS INC	37,275
2,800	SUN GUARD DATA SYSTEM	86,100	3,600	TORCHMARK INC	191,250
5,300	SUN INC	127,200	13,600	TOYS R US INC	499,800
5,200	SUN MICROSYSTEMS INC	154,050	4,800	TRANS WORLD MUSIC CORP	81,600
3,000	SUNAMERICA INC	97,500	4,000	TRANSAMERICA CORP	211,500
6,700	SUNBEAM OSTER INC	113,063	8,700	TRANSCANADA PIPELINES	134,850
2,100	SUNDSTRAND CORP	93,188	1,800	TRANSCO ENERGY CO	30,150
6,300	SUNTRUST BKS INC	296,888	7,100	TRAVELERS CORP	227,200
3,500	SUPERVALU INC	117,688	3,200	TRIBUNE CO NEW	172,000
3,450	SURGICAL CARE AFFILIATE	61,669	2,700	TRINOVA CORP	84,713
1,900	SYBASE INC	141,075	2,200	TRITON ENERGY CORP	73,975
2,000	SYNERGEN INC	23,250	2,700	TRW INC	170,438
3,000	SYNOPTICS COMMUNICATI	108,000	7,200	TULTEX CORP	61,200
12,900	SYNTEX CORP	235,425	4,900	TURNER BROADCASTING S	99,225
9,300	SYSCO CORP	233,663	9,400	TURNER BROADCASTING S	192,700
3,900	T2 MED INC	62,400	16,700	TUSCON ELEC PWR CO	68,888
2,200	TAMBRANDS INC	102,300	2,500	TYCO LABS INC	103,438
6,000	TANDEM COMPUTERS INC	75,000	6,400	TYCO TOYS INC	74,400
3,700	TANDY CORP	111,000	1,400	TYLER CORP DEL	7,000
12,900	TCBY ENTERPRISES INC	90,300	7,400	TYSON FOODS INC (DEL)	162,800
3,800	TECH SYM CORP	66,025	4,850	U S BANCORP OR	121,250
2,900	TECO ENERGY INC	137,025	13,794	U S BIOSCIENCE INC	105,179
300	TECUMSEH PRODS CO	22,200	5,400	U S HEALTHCARE INC	256,500
1,500	TECUMSEH PRODS CO	104,438	20,150	U S WEST INC	924,381
4,250	TEJAS GAS CORP DEL	201,875	1,257	UAL CORP	154,925
21,160	TELE COMMUNICATIONS IN	481,390	4,100	UJB FINL CORP	100,450
4,500	TELEDYNE INC	95,063	4,500	ULTRAMAR CORP	101,813
2,700	TELEPHONE + DATA SYS IN	119,475	4,100	UNC INC	26,138
6,700	TELESPHERE COMMUNICAT	17	2,500	UNI MARTS INC	10,313
2,500	TEMPLE INLAND INC	113,750	3,350	UNIFI INC	112,644
600	TENNANT CO	25,200	3,600	UNION CAMP CORP	153,000
8,500	TENNECO INC	433,500	6,900	UNION CARBIDE CORP	132,825
12,700	TEXACO INC	803,275	5,200	UNION ELEC CO	215,150
1,900	TEXAS INDS INC	42,988	9,600	UNION PAC CORP	585,600
4,300	TEXAS INSTRS INC	300,463	4,300	UNION TEX PETE HLDGS IN	102,125
9,100	TEXAS UTILS CO	416,325	8,400	UNISYS CORP	101,850
4,500	TEXTRON INC	252,563	3,200	UNITED ASSET MGMT CORP	131,200

**MINNESOTA STATE BOARD OF INVESTMENT  
PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
3,800	UNITED HEALTHCARE COR	\$ 244,150	600	WASHINGTON POST CO	\$ 137,100
3,600	UNITED INVESTMENT MAN	111,150	2,100	WASHINGTON WTR PWR CO	83,475
770	UNITED MO BANCSHARES I	29,645	800	WATTS IND INC	29,800
2,900	UNITED STATES CELLULAR	80,475	3,300	WAUSAU PAPER MLS CO	115,088
7,100	UNITED STATES SHOE CORP	69,225	1,600	WD 40 CO	74,000
3,000	UNITED STATES SURGICAL	82,500	1,500	WEIRTON STL CORP	13,125
5,600	UNITED TECHNOLOGIES CO	302,400	3,500	WEIS MKTS INC	92,750
2,600	UNITRIN INC	118,300	2,200	WELLFLEET COMMUNICATI	107,250
4,000	UNIVERSAL CORP VA	98,500	5,200	WELLMAN INC	113,750
3,100	UNIVERSAL FOODS CORP	106,950	2,700	WELLS FARGO + CO	297,675
6,000	UNIVERSAL HEALTH SVCS I	96,000	8,000	WENDYS INTL INC	117,000
5,900	UNO RESTAURANT CORP	44,250	4,900	WEST INC	113,925
11,100	UNOCAL CORP	324,675	700	WEST ONE BANCORP	34,563
4,300	UNR IND INC	30,100	1,100	WEST POINT PEPPERELL IN	52,800
3,400	UNUM CORP	183,600	3,500	WESTERN GAS RES INC	124,250
8,700	UPJOHN CO	259,913	7,000	WESTERN PUBG GROUP INC	114,625
4,100	US FACS CORP	37,413	3,167	WESTERN RES INC	110,449
2,200	USAIR GROUP INC	36,300	14,700	WESTINGHOUSE ELEC CORP	233,363
4,500	USF + G CORP	81,563	2,100	WESTMORELAND COAL CO	13,125
166	USG CORP	2,158	3,400	WESTVACO CORP	115,600
4,050	USLIFE CORP	167,569	10,300	WEYERHAEUSER CO	439,038
10,500	UST INC	311,063	8,800	WHEELABRATOR TECHNOL	158,400
14,200	USX MARATHON GROUP	239,625	3,700	WHIRLPOOL CORP	210,438
2,700	USX U S STL	110,025	2,100	WHITEHALL CORP	36,488
3,700	UTILICORP UTD INC	107,763	7,900	WHITMAN CORP	107,638
3,100	V F CORP	142,988	3,000	WICOR INC	92,625
5,000	VALASSIS COMMUNICATIO	63,750	1,000	WILEY JOHN + SON	45,250
5,700	VALHI INC NEW	22,800	2,700	WILLAMETTE IND INC	102,600
3,600	VANGUARD CELLULAR SYS	94,950	2,300	WILLIAMS COS INC	125,925
2,400	VARIAN ASSOC INC	125,100	11,300	WILLIAMS SONOMA INC	186,450
1,500	VARLEN CORP	48,938	4,000	WILMINGTON TR CORP	109,000
845	VENTURE STORES INC	14,471	3,800	WINN DIXIE STORES INC	212,800
4,000	VERMONT FINANCIAL SVCS	71,000	5,100	WISCONSIN ENERGY CORP	140,888
2,700	VIACOM INC	140,400	5,800	WISER OIL CO DEL	95,700
5,600	VIACOM INC	268,100	1,700	WITCO CORP	93,925
8,900	VIDEO LOTTERY TECHNOL	86,775	24,700	WMX TECHNOLOGIES INC	799,663
10,900	VIE DE FRANCE CORP	38,150	6,700	WOOLWORTH CORP	181,738
3,500	VIVRA INC	108,500	4,200	WORTHINGTON INDS IN	131,250
3,750	VORNADO RLTY TR	134,531	5,800	WRIGLEY WM JR CO	192,850
2,000	VULCAN MATLS CO	92,500	3,900	WYMAN GORDON CO	19,988
5,400	WABAN INC	73,575	1,500	WYNNS INTL INC	44,438
6,960	WACHOVIA CORP NEW	239,250	4,200	XEROX CORP	335,475
113,500	WAL MART STORES INC	2,979,375	3,000	XILINX INC	116,250
2,200	WALBRO CORP	55,550	1,600	XTRA CORP	68,400
6,100	WALGREEN CO	246,288	3,000	YELLOW CORP	57,750
2,600	WALLACE COMPUTER SER I	67,600	11,800	ZENITH ELECTRS CORP	87,025
6,700	WARNER LAMBERT CO	474,863	3,000	ZIONS BANCORP	120,000
2,600	WASHINGTON GAS LT CO	113,750	1,900	ZURN IND INC	60,800
3,550	WASHINGTON MUT SVGS B	122,031			
2,100	WASHINGTON NATL CORP	48,038			
				TOTAL EQUITY PORTFOLIO	\$ 226,923,750

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
85,000	77TH BANK	\$ 721,066	6,790	AXA	\$ 1,625,518
530	AARHUS OLIEFABRIK	24,250	2,182	BALTICA HLDGS AS	23,296
292,800	ABBEY NATIONAL	1,790,731	446,000	BANK OF TOKYO	6,354,569
16,900	ABERFOYLE	42,767	252,000	BANK OF YOKOHAMA	2,692,856
62,800	ABN AMRO HLDGS NV	1,823,848	52,000	BANYU PHARM	468,419
5,400	ACCOR	582,914	360,100	BARCLAYS	2,597,620
1,600	ACERINOX SA	104,948	40,300	BARRATT DEVEL	94,495
14,831	ADELAIDE BRIGHTON	19,654	13,000	BASF AG	1,809,215
800	AGIV AG	247,831	193,900	BASS	1,410,302
3,450	AGUILA SA(EL)	25,438	702,004	BAT INDUSTRIES	4,387,735
11,696	AHOLD NV	596,118	14,970	BAYER AG	2,406,603
20,000	AIDA ENGINEERING	145,854	4,450	BAYER HYPO/WECH BK	1,050,892
12,475	AIR LIQUIDE(L)	1,598,592	390	BAYER HYPO/WECH BK	92,101
144,000	AJINOMOTO CO INC	1,808,735	4,350	BAYER VEREINSBANK	1,084,701
10,400	AKZO NV	825,028	87,500	BBA GROUP	209,090
30,200	ALCATEL ALSTHOM	3,423,002	47,650	BCO BILBAO VIZCAYA	1,136,375
4,430	ALLIANZ AG HLDG	5,588,229	39,550	BCO CENTRAL HISPLAN	1,082,937
40,000	ALPS ELECTRIC CO	408,690	23,150	BCO ESP DE CREDITO	398,287
64,000	AMADA CO	659,903	853	BCO ESP DE CREDITO	14,676
18,000	AMANO CORPORATION	234,528	25,350	BCO SANTANDER SA	1,129,284
850	AMB AACH + MUN BET	543,598	950	BEIERSDORF AG	404,662
150	AMB AACH + MUN BET	96,633	207,500	BET	356,387
56,000	AMCOL HLDGS	104,105	1,400	BIC	305,177
118,944	AMCOR LIMITED	632,883	86,908	BICC	501,666
39,700	AMEC	53,363	700	BILFINGER + BERGER	357,519
43,400	AMPOLEX LTD	125,145	148,500	BLUE CIRCLE IND	558,898
129,800	AMSTRAD	64,942	105,400	BOC GROUP	1,075,931
66,000	ANGLIAN WATER	475,112	400	BONGRAIN SA	172,715
94,000	AOKI CORP	459,945	224,300	BOOTS CO	1,480,665
11,800	ARABIAN OIL CO	612,773	214,068	BORAL LIMITED	431,945
23,600	ARGENTARIA	833,810	4,300	BOUYGUES	494,119
58,300	ARGOS	269,920	106,700	BOWATER	770,489
250,300	ARGYLL GROUP	1,222,402	31,100	BOWTHORPE	156,994
181,100	ARJO WIGGINS APPLE	494,965	116,500	BPB INDUSTRIES	389,744
495,000	ASAHI BANK	5,707,133	47,209	BRAMBLES IND LTD	394,865
93,000	ASAHI BREWERIES	1,089,684	600	BRAU UND BRUNNEN	114,411
320,000	ASAHI CHEMICAL IND	2,048,700	3,350	BREMER VULKAN VERB	143,876
259,000	ASAHI GLASS CO	2,597,713	92,500	BRIDGE OIL LTD	32,032
20,000	ASAHI OPTICAL CO	85,113	171,000	BRIDGESTONE CORP	1,939,497
138,000	ASHIKAGA BANK	1,306,496	568,900	BRIERLEY INVMT LTD	338,872
67,400	ASHTON MINING LTD	96,052	84,100	BRITISH AEROSPACE	496,761
47,000	ASICS CORP	224,245	207,316	BRITISH AIRWAYS	956,746
700	ASKO DEUT KAUFHAUS	259,566	967,300	BRITISH GAS	4,297,872
7,600	ASLAND SA	93,688	10,847	BRITISH LAND CO	53,541
100,300	ASSOC BRIT FOODS	725,023	46,100	BRITISH LAND CO	226,862
144,102	AUST NATL IND	142,985	1,207,200	BRITISH PETROLEUM	5,553,097
600	AUSTRIAN AIRLINES	80,157	444,200	BRITISH STEEL	623,608
40,350	AUTOPISTAS CESA	24,483	1,379,700	BRITISH TELECOM	8,829,595
40,350	AUTOPISTAS CESA	418,384	362,967	BROKEN HILL PROPTY	3,412,998
			67,000	BROTHER INDUSTRIES	339,138

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
13,922	BSN	\$ 2,210,628
734,833	BTR	4,137,474
5,388	BTR	9,335
41,000	BURMAH CASTROL PLC	438,126
94,798	BURNS PHILP + CO	249,993
244,200	CABLE + WIRELESS	2,826,524
165,700	CADBURY SCHWEPPES	1,148,275
33,100	CALOR GROUP	116,666
40,200	CALTEX AUSTRALIA	64,250
172,000	CANON INC	2,112,066
7,835	CARLSBERG	304,719
6,365	CARLSBERG	247,548
44,100	CARLTON COMUNCTNS	512,417
18,100	CARNAUDMETALBOX	641,301
2,785	CARREFOUR	1,402,306
350,500	CARTER HOLT HARVEY	551,102
1,769	CARTER HOLT HARVEY	2,781
11,500	CASINO GUICH PERR	280,314
3,450	CASINO GUICH PERR	59,827
11,000	CERAMCO CORP LTD	44,449
1,400	CHARGEURS SA	241,314
172,000	CHIBA BANK	1,725,122
43,000	CHIYODA CORP	632,814
33,000	CHUAN HUP HLDGS	24,783
54,940	CHUBB SECURITY	260,928
55,000	CHUGAI PHARM CO	737,236
15,220	CIE DE ST GOBAIN	1,346,163
31,875	CIE DE SUEZ	1,698,208
19,369	CIE FIN PARIBAS	1,446,717
700	CIE GEN GEOPHYSIQU	72,760
69,000	CITIZEN WATCH CO	620,909
129,600	CITY DEVELOPMENTS	338,259
2,450	CLUB MEDITERRANEE	153,350
131,699	COATS VIYELLA	476,979
52,135	COCA COLA AMATIL	286,429
288,248	COLES MYER LIMITED	944,421
500	COLONIA KONZERN AG	337,365
100	COLONIA KONZERN AG	39,193
118,360	COMMERCIAL UNION	1,086,256
5,312	COMPAGNIE BANCAIRE	502,200
950	COMPTOIRS MODERNES	214,527
800	CONSTANTIA IND HLG	49,363
2,000	CONTINENTAL AG	252,642
3,000	CORP FIN ALBA	109,219
4,450	CORPORACION MAPFRE	170,894
126,000	COSMO OIL COMPANY	962,578
89,300	COURTAULDS	748,203
19,800	COURTAULDS TEXTILE	159,094
40	CPR CIE PAR REES	0
1,800	CPR CIE PAR REESCO	117,523

NO. OF SHARES	SECURITY	MARKET VALUE
132,700	CRA LIMITED	\$ 1,157,648
2,297	CREDIT FONC FRANCE	420,323
1,135	CREDIT NATIONAL	246,028
6,400	CREDITANSTALT BANK	324,901
3,500	CREDITANSTALT BANK	174,173
24,200	CSF(THOMSON)	733,135
14,000	CSK CORPORATION	384,506
194,116	CSR LIMITED	575,249
46,000	CYCLE + CARRIAGE	199,630
48	D/S 1912	830,917
35	D/S SVENDBORG	864,776
692,000	DAI ICHI KANGYO BK	14,205,544
166,000	DAI NIPPON PRINTNG	2,551,876
84,000	DAIDO STEEL CO	425,188
91,000	DAIEI INC	980,950
25,000	DAIFUKU CO	330,420
60,000	DAIICHI PHARM CO	899,868
52,000	DAIKIN INDUSTRIES	445,997
60,000	DAIMARU INC	379,632
10,650	DAIMLER BENZ AG	3,835,381
175,000	DAINIPPON INK+CHEM	820,192
35,000	DAINIPPON SCREEN	241,137
59,000	DAISHOWA PAPER MFG	884,870
106,000	DAIWA HOUSE INDS	1,460,599
298,000	DAIWA SECURITIES	3,491,676
2,450	DANISCO A/S	285,856
85	DANSKE LUFTFARTSEL	33,058
30,300	DAWSON INTL	94,126
138,000	DBS LAND	203,877
42,800	DE LA RUE	432,751
1,900	DEGUSSA AG	378,799
33,000	DELTA	255,299
11,760	DEN DANSKE BANK	608,034
105,000	DENKI KAGAKU KOGYO	388,771
10,440	DEUTSCHE BANK AG	4,213,032
92,000	DEV BANK SINGAPORE	821,173
550	DIDIER WERKE AG	38,401
250	DLW AG	59,186
50	DLW AG	11,984
650	DMC DOLLFUS MIEG	28,972
2,700	DOCKS DE FRANCE	230,345
95,100	DOMINION MINING	39,265
650	DOUGLAS HLDG AG	180,006
13,550	DRAGADOS Y CONSTR	187,331
762	DRESDNER BANK	166,091
8,400	DRESDNER BANK AG	1,858,030
300	DYCKERHOFF AG	124,796
250	DYCKERHOFF AG	69,673
1,600	EA GENERALI AG	423,494
100	EA GENERALI AG	14,612

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
48,700	EAST MIDLANDS ELEC	\$ 329,483	675,900	GLAXO HLDGS	\$ 5,683,242
60,300	EASTERN ELEC	425,074	1,135	GN STORE NORD	72,186
5,430	EAUX(CIE GENERALE)	2,072,333	111,900	GOLD MINES OF KALG	89,422
64,000	EBARA CORP	779,886	227,978	GOODMAN FIELDER LTD	227,729
7,800	EBRO AGRICOLAS	77,582	462,844	GRAND METROPOLITAN	2,958,583
1,790	ECCO STE	133,637	51,500	GREAT PORTLAND EST	134,986
57,000	EISAI CO	908,304	55,200	GREAT UNIV STORES	1,465,805
40,400	ELECTROCOMPONENTS	247,082	2,500	GRUP DURO FELGUERA	11,732
4,075	ELF SANOFI	663,374	1,950	GTM ENTREPOSE	142,561
14,700	ELSEVIER NV	1,063,838	193,600	GUARDIAN ROYAL EX	560,935
57,300	EMAIL LIMITED	147,673	447,600	GUINNESS	3,145,249
53,650	EMPRESA NAC ELEC	1,854,298	113,000	GUNMA BANK	1,249,879
2,350	EMPRESA NACL CELUL	16,227	41,000	HAI SUN HUP GROUP	53,001
59,700	ENGLISH CHINA CLAY	381,613	3,500	HAMMERSON PROP INV	1,934
5,050	ERID BEGHIN SAY	684,933	10,632	HAMMERSON PROP INV	5,875
2,150	ESP CARBUROS METAL	61,099	7,500	HAMMERSON PROP INV	35,844
3,250	ESPAÑ ACUMUL TUDOR	17,324	22,784	HAMMERSON PROP INV	98,681
1,800	ESSILOR INTL	143,535	190,000	HANKYU CORP	1,170,110
620	EURAFRANCE	180,272	36,000	HANKYU DEPT STORES	428,562
150	EUROPE 1	26,377	1,074,200	HANSON	3,633,780
29,000	EZAKI GLICO CO	304,455	80,422	HARDIE(JAMES)INDS	129,606
3,750	FAB AUTOM RENAULT	118,090	154,500	HARRISON+CROSFIELD	413,035
750	FAG KUGELFISCHER	43,344	95,000	HASEKO CORP	661,637
53,000	FANUC	1,848,104	9,800	HAVAS	718,336
1,200	FINEXTEL(SOC FIN)	27,579	35,000	HAW PAR BROS INTL	62,696
32,000	FIRST CAPITAL CORP	72,490	7,000	HAW PAR BROS INTL	0
8,000	FIRST CAPITAL CORP	18,122	71,000	HAZAMA CORP	340,085
23,200	FISHER + PAYKEL	59,137	700	HEIDELBERG ZEMENT	443,561
86,800	FKI	184,731	9,000	HEINEKEN NV	860,904
327,000	FLETCHER CHALLENGE	489,585	43,600	HEPWORTH	237,676
2,040	FLS INDUSTRIES	158,680	250	HERLITZ AG	46,175
3,400	FOM CONST Y CONTRA	298,746	300	HERLITZ AG	44,620
188,726	FORTE	639,828	49	HERLITZ AG	9,056
711,200	FOSTERS BREWING GP	549,394	57,000	HIGO BANK	406,600
16,600	FR GROUP	66,939	8,000	HIROSE ELECTRIC	367,446
38,000	FRASER + NEAVE	292,397	726,000	HITACHI	5,444,203
6,800	FRASER + NEAVE LTD	23,860	1,150	HOCHTIEF AG	717,238
642,000	FUJI BANK	14,081,812	83,000	HOKKAIDO BANK	438,020
114,000	FUJI PHOTO FILM CO	2,671,484	152,000	HOKURIKU BANK	1,161,205
110,000	FUJITA CORP	619,690	512	HOLLANDSCHE BETON	66,846
27,000	FUJITA KANKO INC	485,929	150	HOLSTEN BRAU AG	52,981
402,000	FUJITSU	2,675,421	216,000	HONDA MOTOR CO	2,490,385
145,000	FURUKAWA ELECTRIC	869,873	67,000	HONSHU PAPER CO	368,027
20,000	GAKKEN CO	184,660	3,500	HOOGOVENS + STAALF	63,736
8,500	GAS NATURAL SDG SA	486,376	76,000	HOTEL PROPERTIES	87,953
97,400	GENERAL ACCIDENT	905,532	20,000	HOUSE FOOD INDL CO	425,563
603,600	GENERAL ELECTRIC	3,060,514	23,000	HOYA CORP	388,068
164,863	GENERAL PROP TRUST	281,059	364,070	HSBC HLDGS	3,501,677
3,370	GETRONICS NV	66,835	182,200	HSBC HLDGS	1,815,012
58,200	GKN	391,148	180,500	IBERDROLA SA	1,109,084

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
66,200	ICI AUSTRALIA	\$ 310,359	71,000	KONICA CORPORATION	\$ 449,231
12,800	IHC CALAND NV	221,034	540	KORN OG FODERSTOF	73,300
2,400	IMETAL	187,577	43,000	KOYO SEIKO CO	288,595
72,100	IMI	297,739	312,000	KUBOTA CORP	1,848,329
159,500	IMPERIAL CHEM INDS	1,561,488	151,000	KUMAGAI GUMI CO	700,632
53,000	INAX CORPORATION	556,419	67,000	KURABO INDUSTRIES	283,243
35,000	INCHCAPE BERHAD	121,729	42,000	KUREHA CHEM IND CO	220,468
521,000	IND BANK JAPAN	14,406,796	41,000	KYOCERA CORP	2,056,105
3,200	INM MET VASCO CENT	91,676	99,000	KYOWA HAKKO KOGYO	1,020,788
71,492	INTL NEDERLANDEN	2,412,978	12,650	L OREAL	2,411,703
5,760	ISS INTERNATIONAL	165,158	242,900	LADBROKE GROUP	671,127
92,000	ITO YOKADO CO	3,742,702	11,850	LAFARGE COPPEE SA	801,134
316,000	ITOCHU CORP	1,643,947	18,140	LAING(JOHN)	72,336
51,000	ITOHAM FOODS INC	411,605	22,900	LAIRD GROUP	99,525
54,000	IWATANI INTL CORP	329,014	112,700	LAND SECURITIES	1,004,855
400	IWKA AG	72,519	166,800	LASMO	398,585
394,000	JAPAN AIR LINES CO	2,843,771	598	LAURITZEN(J)HLDGS	124,952
82,000	JAPAN STEEL WORKS	345,118	108,500	LEGAL + GENERAL GR	781,056
10,000	JEOL	63,741	620	LEGRAND	469,030
36,300	JOHNSON MATTHEY	232,036	44,700	LEND LEASE CORP	437,582
178,500	JOYO BANK	1,581,167	800	LENZING AG	41,882
22,000	JURONG SHIPYARD	147,614	18,500	LEX SERVICE	105,822
68,000	JUSCO CO	1,274,813	2,200	LEYKAM MURZTA PAPI	58,781
213,000	KAJIMA CORP	1,607,249	1,550	LINDE AG	683,428
50,000	KAMIGUMI CO	515,549	550	LINOTYPE HELL AG	151,345
99,000	KANEBO	399,963	59,000	LION CORP	388,790
78,000	KANEKA CORP	475,243	92,100	LION NATHAN LTD	168,041
214,800	KANSAI ELEC POWER	5,879,289	284,600	LLOYDS BANK	2,465,291
55,000	KANSAI PAINT CO	280,459	48,800	LONDON ELECTRICITY	333,803
133,000	KAO CORP	1,483,564	192,300	LONRHO	344,640
1,900	KARSTADT AG	583,583	26,000	LOW KENG HUAT(SIN)	16,645
350	KAUFHOF HOLDING AG	71,873	157,800	LUCAS INDUSTRIES	320,517
1,650	KAUFHOF HOLDING AG	464,683	600	LUFTHANSA AG	38,548
115,000	KAWASAKI KISEN	398,848	6,350	LUFTHANSA AG	439,630
721,000	KAWASAKI STEEL CP	2,399,227	36,000	LUM CHANG HLDGS	27,258
110,000	KEIHIN ELEC EXP RL	748,578	3,430	LVMH MOET HENNESSY	2,312,324
95,000	KEPPEL CORP	456,139	10,475	LYONNAISE DES EAUX	838,576
42,000	KIKKOMAN CORP	405,503	20,000	MAEDA ROAD CONST	416,189
37,000	KINDEN CORPORATION	721,394	21,000	MAKINO MILLING	145,076
123,300	KINGFISHER	1,112,257	36,000	MAKITA CORP	533,172
349,000	KINKI NIPPON RLWY	2,630,202	39,000	MALAYSIAN TOBACCO	56,417
233,000	KIRIN BREWERY CO	2,795,591	2,500	MAN AG	413,345
29,200	KLEINWORT BEN GP	175,531	1,000	MAN AG	139,346
11,800	KLM	159,926	7,350	MANNESMANN AG	1,152,274
1,750	KLOCKNER HUMB DEUT	105,551	23,400	MANWEB	185,049
425	KLOCKNER HUMB DEUT	25,459	620,800	MARKS + SPENCER	3,212,627
18,400	KNP BT (KON) NV	317,737	48,013	MARLEY	100,390
629,000	KOBE STEEL	1,933,892	331,000	MARUBENI CORP	1,492,385
29,000	KOKUYO CO	693,180	33,000	MARUDAI FOOD CO	272,829
222,000	KOMATSU	1,702,213	81,000	MARUI CO	1,138,896

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
34,260	MATRA HACHETTE SA	\$ 802,285	82,600	NEXT	\$ 213,418
465,000	MATSUSHITA ELC IND	5,492,008	79,000	NGK INSULATORS	836,784
101,000	MB CARADON	426,887	42,000	NGK SPARK PLUG CO	393,692
66,000	MEIJI MILK PRODUCT	580,303	61,000	NICHII CO	857,687
86,000	MEIJI SEIKA KAISHA	549,782	61,000	NICHIREI CORP	428,272
72,200	MEPC	433,480	72,000	NIHON CEMENT CO	568,942
14,440	MEPC	11,214	66,000	NIIGATA ENG	327,271
16,000	METRO HLDGS	52,200	239,000	NIKKO KYODO CO	1,196,319
3,775	MEYER INTL	20,466	25,000	NIPPON BEET SUGAR	128,419
22,100	MEYER INTL	115,852	18,000	NIPPON DENKO CO	80,145
23,950	MICHELIN(CGDE)	649,669	238,000	NIPPON EXPRESS CO	2,208,614
313,180	MIM HOLDINGS LTD	390,005	129,000	NIPPON FIRE+MARINE	927,455
86,000	MINEBEA CO	443,373	114,000	NIPPON LIGHT METAL	759,770
25,000	MISAWA HOMES CO	267,148	49,800	NIPPON MEAT PACKER	737,554
347,000	MITSUBISHI CORP	3,480,334	272,000	NIPPON OIL CO	1,953,014
475,000	MITSUBISHI ELEC CP	2,448,860	110,000	NIPPON PAPER	657,841
287,000	MITSUBISHI ESTATE	2,744,036	33,000	NIPPON SHARYO	399,035
98,000	MITSUBISHI GAS CHM	444,610	87,000	NIPPON SHEET GLASS	462,392
746,000	MITSUBISHI HVY IND	4,552,264	69,000	NIPPON SHINPAN CO	604,093
343,000	MITSUBISHI KASEI	1,630,083	44,000	NIPPON SHOKUBAI CO	367,071
77,000	MITSUBISHI OIL CO	721,048	1,528,000	NIPPON STEEL CORP	5,242,182
64,000	MITSUBISHI PAPER	397,142	66,000	NIPPON SUISAN	300,050
109,000	MITSUBISHI PETROCH	721,338	257,000	NIPPON YUSEN KK	1,404,460
23,000	MITSUBISHI STEEL	150,915	186,000	NIPPONDENSO CO	2,667,547
289,000	MITSUBISHI TR+BKG	3,440,402	557,000	NISSAN MOTOR CO	3,576,461
33,000	MITSUBISHI WAREHSE	479,461	22,000	NISSAN MOTOR IBER	65,731
335,000	MITSUI + CO	2,326,862	22,000	NISSAN MOTOR IBERICA	65,731
184,000	MITSUI ENG+SHIPBG	705,422	47,000	NISSHINBO IND INC	425,141
178,000	MITSUI FUDOSAN CO	2,052,262	29,000	NISSIN FOOD PRODS	752,983
161,000	MITSUI MARINE+FIRE	1,328,055	34,000	NITTO DENKO CORP	417,501
108,000	MITSUI MNG + SMELT	509,213	781,000	NKK CORP	2,262,128
240,000	MITSUI OSK LINES	994,354	1,665	NKT	55,867
173,000	MITSUI TOATSU CHEM	666,493	435,000	NOMURA SECURITIES	7,951,179
266,000	MITSUI TRUST + BKG	2,448,504	3,100	NORD EST	77,182
107,000	MITSUKOSHI	862,561	36,000	NORITAKE CO	320,578
20,000	MOCHIDA PHARM CO	523,048	80,000	NORTH WEST WATER	565,141
22,000	MORI SEIKI CO	437,186	24,200	NORTHERN ELECTRIC	187,400
1,700	MOULINEX	27,822	8,303	NOVO NORDISK AS	716,757
1,062,921	MSCI EQ INDEX FD MALAYS	10,560,118	124,000	NSK	748,540
70	MUNCHENER RUCKVERS	105,141	129,452	NTH BRKN HILL PEKO	234,483
1,450	MUNCHENER RUCKVERS	2,593,075	94,000	NTN CORPORATION	493,428
169,000	NAGOYA RAILROAD CO	999,594	119,000	O/SEAS CHINESE BK	871,711
284,700	NATIONAL POWER	1,564,734	24,000	O/SEAS UNION ENTPR	99,723
282,603	NATL AUSTRALIA BK	1,872,553	165,000	OBAYASHI CORP	994,495
42,000	NATSTEEL LTD	116,343	2,600	OCE V/D Grinten NV	69,659
332,000	NEC CORP	2,866,193	30,300	OCEAN GROUP	133,497
3,500	NEDLLOYD GROEP NV	62,454	156,000	ODAKYU ELEC RLWY	1,210,773
104,000	NEPTUNE ORIENT LNS	108,833	1,700	OESTER BRAU BETEIL	88,715
51,660	NEWCREST MINING	146,898	7,000	OESTER ELEKTRIZITA	330,228
383,775	NEWS CORPORATION	1,921,891	135,000	OJI PAPER CO	1,290,748

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
33,000	OKUMA CORP	\$ 296,029
55,000	OKUMURA CORP	402,644
51,000	OLYMPUS OPTICAL CO	564,105
50,000	OMRON CORP	623,346
5,350	OMV AG	317,608
103,000	ONODA CEMENT CO	593,772
33,000	ONWARD KASHIYAMA	368,102
30,953	OPSM PROTECTOR LTD	46,173
76,000	ORIENT CORP	555,669
13,000	ORIX CORP	381,413
561,000	OSAKA GAS CO	2,708,181
4,755	OSTASIATISKE KOMPA	78,324
10,800	OXFORD INSTRUMENTS	40,647
125,100	P + O	1,162,125
210,500	PACIFIC DUNLOP LTD	681,275
4,200	PAKHOED NV KON	81,758
49,700	PANCONTINENTAL MNG	43,026
60,000	PARKWAY HLDGS	69,436
121,900	PEARSON	864,774
59,000	PENTA OCEAN CONST	370,539
10,225	PERNOD RICARD	703,735
10,875	PEUGEOT SA	1,094,401
70,200	PHILIPS ELECTRONIC	1,105,706
175,600	PILKINGTON	333,068
3,002	PINAULT PRINTEMPS	386,255
40,000	PIONEER ELECTRONIC	839,877
196,721	PIONEER INTL LTD	303,930
1,200	PORTLAND VALDERRIV	77,974
3,450	PREUSSAG AG	762,917
8,000	PRIMA	30,286
3,800	PROMODES	533,259
1,350	PROSEGUR COMPANIA	20,738
206	PROSEGUR COMPANIA	3,164
29,750	PROVIDENT FINL	168,396
419,100	PRUDENTIAL CORP	2,146,926
1,450	PWA PAPIER WALDHOF	129,313
118,163	QCT RESOURCES	110,165
54,840	RACAL ELECTRONICS	180,188
600	RADEX HERAKLITH	17,133
1,330	RADIO METER AS	84,182
250	RADIOTECHNIQUE(LA)	12,209
69,700	RANK ORGANISATION	819,243
111,400	REDLAND	791,118
124,800	REED INTERNATIONAL	1,246,009
400	REININGHAUS BRAUER	44,921
44,663	RENISON GOLDFIELDS	110,048
55,000	RENOWN INC	329,952
61,900	REPSOL SA	1,530,889
97,800	REUTERS HOLDINGS	2,020,070
300	RHEINMETALL BERLIN	43,476

NO. OF SHARES	SECURITY	MARKET VALUE
13,700	RHONE POULENC SA	\$ 1,373,923
144,000	RICOH CO	1,013,702
44,100	RMC GROUP	484,754
13,000	ROBINSON + CO	64,019
215,900	ROLLS ROYCE	462,711
23,700	ROTHMANS HLDGS	112,847
175,230	ROYAL BK SCOT GRP	740,628
365	ROYAL COPENHAGEN	18,927
121,100	ROYAL DUTCH PETROL	11,210,064
108,400	ROYAL INSURANCE	509,971
230,173	RTZ CORP	2,315,247
65,200	RUGBY GROUP	262,916
4,050	RWE AG	765,144
7,690	RWE AG	1,757,381
119,600	SA BREWING HLDGS	286,727
79,000	SAGAMI RAILWAY CO	433,202
1,400	SAGEM (APPLIC GEM)	409,502
396,000	SAINSBURY(J)	2,886,159
1,250	SAINT LOUIS	262,903
156	SAINT LOUIS	32,810
735,000	SAKURA BANK	11,230,074
200	SALAMANDER AG	32,622
350	SALOMON SA	97,440
32,000	SANDEN CORPORATION	186,573
89,000	SANKYO COMPANY	2,010,549
17,000	SANRIO CO	369,696
111,616	SANTOS LIMITED	271,302
430,000	SANYO ELECTRIC CO	1,769,460
590	SAP AG	501,248
330	SAP AG	232,923
74,000	SAPPORO BREWERIES	707,521
8,750	SARRIO SA	27,756
497,352	SBI MONEY FUND	497,352
1,550	SCHERING AG	723,442
4,850	SCHNEIDER SA	569,987
28,400	SCHRODERS	404,219
49,200	SCHRODERS PTY FUND	73,392
92,900	SCOT + NEWCASTLE	642,395
233,600	SCOTTISH POWER	1,105,955
336,200	SEARS	494,583
24,000	SECOM CO	1,421,792
87,700	SEDWICK GROUP	261,960
25,000	SEEBOARD	193,968
3,200	SEFIMEG	267,430
27,000	SEIKO CORPORATION	331,545
34,000	SEINO TRANSPORTN	586,414
50,000	SEIYU	665,528
122,000	SEKISUI CHEMICAL	1,052,096
135,000	SEKISUI HOUSE	1,518,528
1,626	SELECTIBANQUE	48,976
49,000	SETTSU CORP	216,334

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
69,000	SEVEN ELEVEN JAPAN	\$ 4,533,930	69,000	STRAITS STEAM LAND	\$ 112,557
33,000	SHANGRI LA HOTEL	91,412	58,000	STRAITS TRADING CO	106,752
230,000	SHARP CORP	2,673,358	696,000	SUMITOMO BANK	14,744,340
175,000	SHIMIZU CORP	1,354,958	70,000	SUMITOMO CEMENT CO	390,412
72,000	SHIN ETSU CHEM CO	1,140,583	360,000	SUMITOMO CHEMICAL	1,569,145
78,000	SHIONOGI + CO	707,015	236,000	SUMITOMO CORP	1,785,226
86,000	SHISEIDO CO	1,144,707	157,000	SUMITOMO ELEC INDS	1,618,825
178,000	SHIZUOKA BANK	2,335,908	131,000	SUMITOMO HEAVY IND	558,715
18,000	SHOCHIKU CO	209,219	148,000	SUMITOMO MAR + FIRE	1,316,545
23,000	SHOKUSAN JUTAKU CO	120,301	697,000	SUMITOMO METAL IND	2,149,495
230,000	SHOWA DENKO KK	758,889	111,000	SUMITOMO METAL MNG	1,061,282
12,730	SIEMENS AG	4,619,555	1,175	SUPERFOS A/S	67,741
2,850	SIMCO	249,593	97,800	T + N	262,916
221,000	SINGAPORE AIRLINES	1,360,414	7,100	TABACALERA SA	203,952
33,900	SINGAPORE PRESS HD	377,709	226,000	TAISEI CORP	1,355,801
100	SKIS ROSSIGNOL	20,963	75,000	TAISHO PHARM CO	1,455,256
22,000	SKYLARK CO	323,765	67,000	TAIYO FISHERY CO	298,316
49,900	SLOUGH ESTATES	159,858	24,000	TAIYO YUDEN CO	188,972
42,527	SMITH(HOWARD)	147,832	41,000	TAKARA SHUZO CO	262,490
292,600	SMITHKLINE BCH/BEC	1,708,663	49,000	TAKASHIMAYA CO	606,286
305,500	SMITHKLINE BEECHAM	2,012,126	194,000	TAKEDA CHEM INDS	2,327,659
66,500	SMITHS INDUSTRIES	359,530	47,000	TANABE SEIYAKU CO	431,749
63,950	SNOW BRAND MILK	482,552	162,900	TARMAC	339,391
16,900	SOC GENERALE	1,756,630	79,300	TATE + LYLE	445,314
55,950	SOC NATL ELF AQUIT	3,924,791	93,100	TAYLOR WOODROW	141,826
1,050	SODEXHO	179,157	216,000	TEIJIN	965,784
500	SOMMER ALLIBERT	131,452	52,000	TEIKOKU OIL CO	403,103
4,300	SONS OF GWALIA LTD	21,763	536,000	TELECOM CORP OF NZ	894,544
82,700	SONY CORP	3,325,604	191,200	TELEFONICA DE ESP	2,041,268
1,190	SOPHUS BERENDSEN	76,228	434,700	TESCO	1,389,341
3,965	SOPHUS BERENDSEN	250,964	87,700	THAMES WATER	623,465
60,300	SOUTHERN ELECTRIC	425,074	90,900	THORN EMI	1,231,336
37,500	SOUTHERN WATER	271,630	7,150	THYSSEN AG	795,383
850	SOVAC	195,053	72,400	TI GROUP	372,506
1,498,689	SSB INTL INDEX ITALY	16,493,067	126,400	TNT	97,643
621,709	SSB INTL INDEX BELGIUM	9,811,184	45,000	TOA CORPORATION	288,098
312,530	SSB INTL INDEX FINLAND	2,144,581	184,000	TOBU RAILWAY CO	1,398,770
884,411	SSB INTL INDEX HONG KON	28,744,242	3,100	TOHO CO	616,035
195,539	SSB INTL INDEX IRELAND	1,965,559	110,400	TOHOKU ELEC POWER	3,208,030
212,166	SSB INTL INDEX NORWAY	2,823,720	450,000	TOKAI BANK	6,242,836
768,280	SSB INTL INDEX SWEDEN	11,000,232	343,000	TOKIO MARINE + FIRE	4,018,943
2,096,792	SSB SWISS INDEX FD	36,601,605	35,000	TOKYO BROADCASTING	459,308
61,200	ST JAMES S PLACE	111,511	36,000	TOKYO DOME CORP	725,519
5,916	STAD ROTTERDAM	124,139	297,000	TOKYO ELEC POWER	9,799,565
1,600	STEYR DAIMLER PUCH	24,581	33,000	TOKYO ELECTRON	847,563
87,600	STOCKLAND TRUST GP	182,592	623,000	TOKYO GAS CO	3,118,437
3,862	STOCKLAND TRUST GROUP	8,050	23,000	TOKYO STYLE CO	381,600
4,200	STORK NV	71,868	55,000	TOKYOTOKEIBA CO	317,578
450	STRABAG BAU AG	156,831	243,000	TOKYU CORP	1,968,012
300	STRABAG OSTERREICH	35,469	150,000	TOPPAN PRINTING CO	1,771,616

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL PASSIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

JUNE 30, 1993

NO. OF SHARES	SECURITY	MARKET VALUE
309,000	TORAY INDs INC	\$ 1,879,797
48,000	TOSTEM CORP	1,475,784
41,300	TOTAL	1,978,872
75,000	TOTO	1,314,651
29,000	TOYO KANETSU KK	206,595
45,000	TOYO SEIKAN KAISHA	1,307,621
153,000	TOYOB0 CO	553,588
63,000	TOYODA AUTO LOOM	921,240
825,000	TOYOTA MOTOR CORP	11,754,528
234,646	TRAFALGAR HOUSE	369,718
24,800	TRANSPORT DEV GRP	84,819
43,000	TSUBAKIMOTO CHAIN	241,840
14,000	TSUGAMI CORP	65,353
60,900	TUBEMAKERS OF AUST	102,200
186,000	UBE INDUSTRIES	716,576
1,750	UNIBAIL SA	131,016
10,295	UNIDANMARK	307,753
52,000	UNIGATE	267,934
180,200	UNILEVER	2,774,717
35,950	UNILEVER NV	3,816,955
57,250	UNION ELEC FENOSA	216,780
1,650	UNION IMMOB FRANCE	175,240
114,400	UNITED BISCUITS	669,757
94,000	UNITED O/SEAS BANK	601,783
97,000	UNITED O/SEAS LAND	92,551
89,000	UNITIKA	329,530
700	UNIVERSALE BAU AG	55,467
9,550	URALITA	60,147
245,000	UTD INDUSTRIAL CP	161,372
7,000	VALLEHERMOSO SA	91,400
10,290	VEBA AG	2,278,501
2,200	VEITSCHER MAGNESIT	46,841
4,100	VIAG AG	861,190
73,400	VICKERS	165,531
4,600	VISCOFAN ENVOLTURA	50,170
224,400	VODAFONE GROUP	1,511,488
6,150	VOLKSWAGEN AG	1,308,022
1,450	VOLKSWAGEN AG	253,522
24,147	WARBURG(SG)GROUP	36,965
42,800	WARBURG(SG)GROUP	465,670
28,400	WELSH WATER	241,768
215,544	WESTERN MINING CP	832,527
34	WESTFIELD TRUST	38
6,523	WESTFIELD TRUST	11,120
149,366	WESTFIELD TRUST	254,640
395,395	WESTPAC BANK CORP	976,876
900	WIENERBERGER BAUST	236,337
108,200	WILLIAMS HLDGS	520,341
81,800	WILLIS CORROON GRP	280,987
19,800	WILSON + HORTON	86,065

NO. OF SHARES	SECURITY	MARKET VALUE
31,700	WILSON(C) HLDGS	\$ 84,746
23,225	WIMPEY(GEORGE)	5,723
64,400	WIMPEY(GEORGE)	158,699
52,900	WOLSELEY	498,924
13,603	WOLTERS KLUWER	666,976
38,000	YAMAHA CORP	395,380
268,000	YAMAICHI SECS CO	2,059,948
72,000	YAMANOUCHI PHARM	1,505,030
64,500	YAMATO TRANSPORT	665,059
49,000	YAMAZAKI BAKING CO	826,754
245,000	YASUDA TRUST + BKG	2,172,526
10,400	Z LANDERBK BK AUS	894,413
1,500	Z LANDERBK BK AUS	61,119
1,800	Z LANDERBK BK AUS	52,452
1,100	ZARDOYA OTIS	95,470
110	ZARDOYA OTIS	9,547
159,500	ZENECA GROUP	1,487,642
49,843	ZENECA GROUP	465,626
TOTAL EQUITY PORTFOLIO		\$ 843,864,335

**FOREIGN CURRENCY HOLDINGS**

AUSTRIAN SCHILLING	\$ 28,029
AUSTRALIAN DOLLAR	298,928
DEUTSCHE MARK	487,283
DANISH KRONE	43,623
SPANISH PESETA	95,917
FRENCH FRANC	13,042
POUND STERLING	1,493,568
JAPANESE YEN	1,705,334
NETHERLANDS GUILDER	487,984
NEW ZEALAND DOLLAR	18,289
SINGAPORE DOLLAR	106,409
TOTAL FOREIGN CURRENCY	\$ 4,778,406

**MINNESOTA STATE BOARD OF INVESTMENT  
DOMESTIC ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
<b>ALLIANCE CAPITAL MANAGEMENT</b>					
405,500	AMGEN INC	\$ 14,800,750	282,625	AFLAC INC	\$ 8,019,484
164,000	BANKAMERICA CORP	7,421,000	87,700	AMERICAN ELEC PWR INC	3,310,675
134,000	CISCO SYSTEMS INC	7,336,500	98,400	ATWOOD OCEANICS INC	1,057,800
618,700	COCA COLA CO	26,604,100	128,600	BALTIMORE GAS + ELEC CO	3,295,375
130,800	CONSOLIDATED RAIL CORP	7,014,150	70,475	BANK NEW YORK INC	4,184,453
437,400	DISNEY (WALT) CO	17,824,050	11,070	BANK OF BOSTON CORP	273,983
300,300	FEDERAL NATL MTG ASSN	24,887,363	37,400	BANKAMERICA CORP	1,692,350
160,000	FORD MTR CO DEL	8,360,000	27,500	BCE INC	935,000
130,000	GANNETT INC	6,467,500	365,560	BIOGEN INC	11,835,005
234,000	GENERAL ELEC CO	22,405,500	192,100	BURLINGTON NORTHN INC	10,301,363
301,000	GENERAL MTRS CORP	8,804,250	285,900	CALIFORNIA ENERGY INC	5,181,938
150,000	GENERAL REINSURANCE CO	17,118,750	32,500	CENTEX CORP	1,109,063
468,000	HOME DEPOT INC	20,475,000	103,600	CENTRAL + SOUTH WEST C	3,367,000
889,500	INTEL CORP	48,922,500	96,200	CHEMICAL BKG CORP	3,932,175
200,000	JOHNSON + JOHNSON	8,300,000	210,920	CITICORP	6,353,965
222,362	LIN BROADCASTING CORP	22,069,429	3,900	CONSOLIDATED RAIL CORP	209,138
530,000	LOUISIANA PAC CORP	16,960,000	202,000	CONTINENTAL BK CORP	4,822,750
350,800	MCDONALDS CORP	17,233,050	67,600	CSX CORP	4,833,400
216,000	MCI COMMUNICATIONS COR	12,420,000	43,300	DEVON ENERGY CORP	1,163,688
158,500	MEDCO CONTAINMENT SVCS	5,072,000	222,675	DIAMOND SHAMROCK INC	4,342,163
66,000	MEDTRONIC INC	4,455,000	161,400	DIASONICS INC	2,158,725
190,000	MERCK + CO INC	6,745,000	63,683	EL PASO NAT GAS CO	2,483,637
353,600	MERRILL LYNCH + CO INC	28,641,600	110,100	FERRO CORP	3,454,388
270,750	MICROSOFT CORP	23,826,000	230,800	FLEETWOOD ENTERPRISES I	4,587,150
105,000	MORGAN J P + CO INC	7,126,875	121,215	FORD MTR CO DEL	6,333,484
166,000	MORGAN STANLEY GROUP I	11,474,750	458,800	GENERAL MTRS CORP	14,796,300
279,000	MOTOROLA INC	24,377,625	350,132	HEALTHSOUTH REHABILITA	5,908,478
487,000	MULTIMEDIA INC NEW	16,192,750	113,500	HOUSTON INDS INC	4,965,625
1,050,000	NORWEST CORP	28,743,750	31,600	IMMUNEX CORP NEW	987,500
618,400	NOVELL INC	16,078,400	117,900	INTEL CORP	6,484,500
80,000	PARAMOUNT COMMUNICATI	4,320,000	14,400	INTERTRANS CORP	306,000
370,000	PEPSICO INC	13,690,000	67,100	LOMAS FINL CORP NEW	545,188
400,000	PHILIP MORRIS COS INC	19,400,000	121,000	LONG ISLAND LTG CO	3,297,250
228,600	PRIMERICA CORP NEW	12,030,075	54,200	MAGNETEK INC	1,029,800
342,200	STUDENT LN MARKETING AS	14,800,150	411,055	MARRIOTT CORP	10,481,903
885,000	TELE COMMUNICATIONS IN	20,133,750	65,900	MASCO CORP	1,968,763
600,320	TIME WARNER INC	23,187,360	244,100	MATTEL INC	6,285,575
324,437	TOYS R US INC	11,923,060	166,100	MCDONALDS CORP	8,159,663
207,000	UNITED HEALTHCARE CORP	13,299,750	27,900	MELLON BK CORP	1,572,863
617,800	WAL MART STORES INC	16,217,250	79,530	MICROSOFT CORP	6,998,640
<b>ALLIANCE CAPITAL MGMT. TOTAL.</b>		<b>\$ 637,159,036</b>	25,000	MORGAN J P + CO INC	1,696,875
			106,800	NELSON THOMAS INC	1,895,700
			134,020	NESTLE S A	5,052,973
			182,500	NOVELL INC	4,745,000
			202,775	OFFSHORE PIPELINES INC	3,041,625
			141,800	ORYX ENERGY CO	2,906,900
			177,950	PAINTE WEBBER GROUP INC	5,182,794
			151,800	PANHANDLE EASTN CORP	3,719,100
			58,400	PEOPLE SOFT INC	1,795,800

**MINNESOTA STATE BOARD OF INVESTMENT  
DOMESTIC ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
FORSTMANN-LEFF ASSOC. (cont:)		
415,040	PRICE CO	\$ 14,111,360
164,300	RAYCHEM CORP	6,489,850
50,200	RELIFE INC	665,150
152,100	SANTA FE ENERGY RES INC	1,597,050
135,330	SCECORP	3,281,753
99,350	SCHLUMBERGER LTD	6,296,306
1,514,512	SERVICE MERCHANDISE CO I	17,227,574
354,400	SHAWMUT NATIONAL CORP	8,461,300
94,700	SOCIETE NATIONALE ELF AQ	3,184,288
73,000	SONAT OFFSHORE DRILLING	1,487,375
191,100	SPX CORP	3,009,825
85,300	STANDARD FED BK TROY MI	1,993,888
140,300	TOSCO CORP	3,174,288
185,700	UNUM CORP	10,027,800
81,075	VALERO ENERGY CORP	1,783,650
216,700	WASTE MGMT INTL PLC	4,306,913
113,380	WEYERHAEUSER CO	4,832,823
FORSTMANN-LEFF ASSOC. TOTAL		<b>\$ 294,994,150</b>

**FRANKLIN PORTFOLIO ASSOC.**

118,300	AMERICAN STORES CO NEW	\$ 5,486,163
87,500	AMOCO CORP	4,801,563
195,890	ARCHER DANIELS MIDLAND	4,627,901
71,800	BANKERS TR NY CORP	5,322,175
134,200	BAXTER INTL INC	3,841,475
274,300	BEAR STEARNS COS INC	6,446,050
146,100	BECTON DICKINSON + CO	5,844,000
117,800	CHRYSLER CORP	5,566,050
99,300	COLUMBIA GAS SYS INC	2,457,675
3,900	COMMONWEALTH EDISON C	109,200
76,400	COMPAQ COMPUTER CORP	3,743,600
81,900	ENRON CORP	5,395,163
107,000	ENRON OIL AND GAS CO	4,360,250
62,900	FEDERAL NATL MTG ASSN	5,212,838
79,400	FIRST FIDELITY BANCORP N	3,900,525
143,300	FRUIT OF THE LOOM INC	4,782,638
25,200	GENERAL DYNAMICS CORP	2,227,050
103,500	GENUINE PARTS CO	3,583,688
145,000	HARCOURT GEN INC	5,455,625
91,000	HASBRO INC	3,435,250
133,800	HEINZ H J CO	4,933,875
80,400	INTEL CORP	4,422,000
103,800	JEFFERSON PILOT CORP	5,177,025
109,700	KING WORLD PRODTNS INC	3,661,238
126,000	LINCOLN NATL CORP IN	4,898,250
74,900	LITTON INDS INC	4,793,600

NO. OF SHARES	SECURITY	MARKET VALUE
FRANKLIN PORTFOLIO ASSOC. (cont:)		
101,100	LORAL CORP	\$ 6,040,725
149,500	LOUISIANA PAC CORP	4,784,000
57,200	MARION MERRELL DOW INC	972,400
2,000	MCKESSON CORP	88,000
189,400	NORWEST CORP	5,184,825
32,800	OHIO EDISON CO	807,700
131,100	PACIFIC GAS + ELEC CO	4,375,463
224,600	PANHANDLE EASTN CORP	5,502,700
111,800	PENNEY J C INC	5,044,975
39,900	POTLATCH CORP	1,665,825
65,500	PROGRESSIVE CORP OHIO	2,145,125
154,300	PUBLIC SVC ENTERPRISE GR	5,284,775
67,600	QUAKER OATS CO	5,120,700
279,000	RITE AID CORP	5,022,000
169,600	RYDER SYS INC	5,300,000
337,500	SANTA FE PAC CORP	6,201,563
168,900	T2 MED INC	2,702,400
401,600	UNISYS CORP	4,869,400
85,100	UNUM CORP	4,595,400
260,000	VONS COS INC	6,012,500
297,200	WENDYS INTL INC	4,346,550
98,400	WHIRLPOOL CORP	5,596,500

FRANKLIN PORTFOLIO ASSOC. TOTAL **\$ 206,148,389**

**GEO CAPITAL**

40,800	ADELPHIA COMMUNICATION	\$ 601,800
126,000	ALKERMES INC	913,500
102,800	AMERICAN BLDG MAINTENA	1,773,300
117,400	AMERICAN MED HLDGS INC	1,423,475
46,300	ANALOG DEVICES INC	902,850
71,900	ASK GROUP INC	772,925
50,000	BANYAN SYS INC	875,000
169,630	BEAR STEARNS COS INC	3,986,305
30,360	BHC COMMUNICATIONS INC	2,201,100
100,000	BMC SOFTWARE INC	5,275,000
37,500	CALGON CARBON CORP	450,000
82,000	CELLULAR COMMUNICATIO	3,198,000
106,600	CENTEX CORP	3,637,725
177,676	CENTURY COMMUNICATION	1,421,408
27,000	CHIRON CORP	1,734,750
15,500	COASTAL HEALTHCARE GRO	360,375
102,700	COMMUNITY PSYCHIATRIC	1,181,050
18,500	COMPUWARE CORP	527,250
85,100	CONTEL CELLULAR INC	1,319,050
181,500	CONTINENTAL MED SYS INC	1,383,938
57,500	COR THERAPEUTICS INC	761,875
47,700	CORVEL CORP	578,363

**MINNESOTA STATE BOARD OF INVESTMENT  
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ALPHABETICAL EQUITY HOLDINGS  
JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
<b>GEOCAPITAL (cont.)</b>		
40,000	CREDIT ACCEPTANCE CORP	\$ 1,180,000
123,200	CULLEN FROST BANKERS IN	4,265,800
47,300	CYTOTHERAPEUTICS	354,750
124,200	DOLE FOOD INC	4,440,150
109,500	EASEL CORP	739,125
63,000	ENVOY CORP	850,500
83,800	FOOTE CONE + BELDING CO	2,849,200
169,500	FOUNDATION HEALTH CORP	5,000,250
43,500	GENETICS INST INC	1,348,500
20,000	GREYHOUND LINES INC	415,000
66,750	HEALTH MGMT ASSOC	2,069,250
110,000	HEALTH RISK MGMT INC	935,000
179,200	INFORMATION RES INC	6,227,200
29,600	INFORMIX CORP	799,200
78,500	INTERSOLV INC	510,250
261,000	LA QUINTA INNS INC	8,384,625
47,500	LAKE SHORE BANCORP INC I	1,074,688
108,900	LEGENT CORP	3,893,175
109,400	LEGG MASON INC	3,008,500
20,600	LIBERTY CORP S C	625,725
81,400	MARRIOTT CORP	2,075,700
70,000	MAXICARE HEALTH PLANS I	752,500
48,300	MEDEX INC	652,050
78,840	MEDICAL CARE AMER INC	1,438,830
137,700	MENTOR GRAPHICS CORP	1,394,213
801,571	MERCURY FIN CO	12,724,934
159,400	MILLER HERMAN INC	4,064,700
132,300	MULTIMEDIA INC NEW	4,398,975
91,189	NEIMAN MARCUS GROUP IN	1,345,038
74,500	NETWORK SYS CORP	661,188
109,850	NORTHERN TRUST CORP	4,613,700
225,103	NOVACARE INC	3,038,891
78,000	ORACLE SYS CORP	3,841,500
45,000	PACIFIC PHYSICIAN SVCS IN	922,500
319,000	PARAMETRIC TECHNOLOGY	10,208,000
30,000	PENN TRAFFIC CO NEW	1,282,500
10,000	PEOPLE SOFT INC	307,500
36,900	POLICY MGMT SYS CORP	1,351,463
123,800	PRIMARK CORP	1,516,550
70,500	PROGRESS SOFTWARE CORP	3,207,750
129,000	QUANTUM HEALTH RES INC	2,483,250
56,500	REHABCLINICS INC	904,000
88,000	RELIFE INC	1,166,000
53,600	RICHFOOD HLDGS INC	1,594,600
27,200	RIVERWOOD INTL CORP	391,000
21,000	SANTA CRUZ OPERATION IN	191,625
45,500	SEACOR HLDGS INC	955,500
74,500	SEI CORP	2,272,250

NO. OF SHARES	SECURITY	MARKET VALUE
<b>GEO CAPITAL (cont.)</b>		
128,700	SERVICE CORP INTL	\$ 2,654,438
6,250	SHOLODGE INC	145,313
130,766	SHONEY'S INC	2,419,171
301,724	SIZZLER INTL INC	2,300,646
217,725	SOTHEBYS HLDGS INC	2,803,209
115,500	STATE OF THE ART INC	981,750
107,000	STEWART ENTERPRISES INC	3,611,250
166,000	STRUCTURAL DYNAMICS RE	2,510,750
73,800	SYMANTEC CORP	987,075
33,450	SYNERGEN INC	388,856
45,000	SYNOPTICS COMMUNICATIO	1,620,000
130,000	SYSTEMS CTR INC	1,332,500
151,000	T2 MED INC	2,416,000
38,100	TETRA TECHNOLOGIES INC	309,563
96,000	TOKOS MED CORP DEL	852,000
134,900	TOPPS INC	1,197,238
141,000	TRINZIC CORP	453,844
163,675	U S HEALTHCARE INC	7,774,563
89,250	U S HOMECARE CORP	423,938
102,500	U S TR CORP	5,483,750
210,150	UJB FINL CORP	5,148,675
30,000	UNITED HEALTHCARE CORP	1,927,500
105,000	VALUE HEALTH INC	3,491,250
61,500	VALUE LINE INC	1,891,125
95,000	VANGUARD CELLULAR SYS I	2,505,625
90,720	VIACOM INC	4,717,440
67,720	VIACOM INC	3,242,095
110,000	WELLFLEET COMMUNICATI	5,362,500
25,500	WILEY JOHN + SON	1,153,875
<b>GEOCAPITAL TOTAL</b>		<b>\$ 224,112,566</b>
<b>IDS ADVISORY</b>		
175,300	ALLEGHENY LUDLUM CORP	\$ 7,822,763
171,500	AMERICAN GEN CORP	5,423,688
65,900	AMERICAN INTL GROUP INC	8,501,100
60,700	AMOCO CORP	3,330,913
76,300	AMR CORP DEL	4,825,975
42,100	ARCO CHEM CO	1,715,575
121,300	BANKAMERICA CORP	5,488,825
104,300	CHRYSLER CORP	4,928,175
93,300	CISCO SYSTEMS INC	5,108,175
105,900	CONSOLIDATED RAIL CORP	5,678,888
180,000	CORNING INC	5,985,000
128,400	CSX CORP	9,180,600
156,400	CYPRUS MINERALS CORP	3,851,350
72,500	DILLARD DEPT STORES INC	2,628,125
83,100	EASTMAN KODAK CO	4,155,000

**MINNESOTA STATE BOARD OF INVESTMENT  
DOMESTIC ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
<b>IDS ADVISORY (cont.)</b>		
97,600	EATON CORP	\$ 4,379,800
29,200	EXXON CORP	1,930,850
107,000	FEDERAL NATL MTG ASSN	8,867,625
132,200	FIRST CHICAGO CORP	5,436,725
155,300	FORD MTR CO DEL	8,114,425
84,000	GENERAL ELEC CO	8,043,000
190,000	GENERAL MTRS CORP	8,455,000
48,700	GENERAL MTRS CORP	1,570,575
33,100	GENERAL REINSURANCE CO	3,777,538
80,000	GEORGIA PAC CORP	4,670,000
242,300	GOODYEAR TIRE AND RUBB	10,297,750
122,933	HOME DEPOT INC	5,378,319
43,000	INTEL CORP	2,365,000
38,200	LIN BROADCASTING CORP	3,791,350
207,000	LYONDELL PETROCHEMICA	4,372,875
8,600	MAYTAG CORP	129,000
65,000	MEDTRONIC INC	4,387,500
31,700	MICROSOFT CORP	2,789,600
123,900	MOBIL CORP	9,261,525
40,300	MOTOROLA INC	3,521,213
78,300	NOVELL INC	2,035,800
67,600	OCCIDENTAL PETE CORP	1,419,600
61,400	PACIFIC TELESIS GROUP	2,985,575
79,800	ROYAL DUTCH PETE CO	7,401,450
81,600	SAFECO CORP	4,763,400
120,000	SOUTHWEST AIRLS CO	5,235,000
38,400	SYNOPTICS COMMUNICATIO	1,382,400
114,600	TENNECO INC	5,844,600
80,000	TYCO LABS INC	3,310,000
245,000	WAL MART STORES INC	6,431,250
7,800	WELLMAN INC	170,625
158,000	WEYERHAEUSER CO	6,734,750
<b>IDS ADVISORY TOTAL</b>		<b>\$ 227,878,269</b>

INDEPENDENCE INVESTMENT ASSOC.		
24,400	ALBERTSONS INC	\$ 1,317,600
65,000	ALEXANDER + BALDWIN IN	1,673,750
14,300	ALLIED SIGNAL INC	954,525
142,400	AMERICAN EXPRESS CO	4,592,400
23,700	AMERICAN INTL GROUP INC	3,057,300
33,200	AMGEN INC	1,211,800
103,400	AMOCO CORP	5,674,075
17,200	ANADARKO PETE CORP	692,300
30,300	ARCHER DANIELS MIDLAND	715,838
25,100	AVON PRODS INC	1,446,388
46,500	BANC ONE CORP	2,615,625
26,900	BANKAMERICA CORP	1,217,225
47,850	BARNETT BKS INC	2,284,838

NO. OF SHARES	SECURITY	MARKET VALUE
<b>INDEPENDENCE INVESTMENT ASSOC. (cont.)</b>		
94,500	BAXTER INTL INC	\$ 2,705,063
5,800	BELL ATLANTIC CORP	344,375
44,900	CHRYSLER CORP	2,121,525
14,800	CINCINNATI MILACRON INC	360,750
50,300	CITICORP	1,515,288
108,400	COCA COLA CO	4,661,200
33,000	COMPAQ COMPUTER CORP	1,617,000
30,950	CONAGRA INC	781,488
26,800	CPC INTL INC	1,102,150
7,700	CSX CORP	550,550
45,500	DAYTON HUDSON CORP	3,025,750
11,200	DE LUXE CORP	428,400
43,000	DELTA AIR LINES INC DE	2,080,125
33,900	DIGITAL EQUIP CORP	1,415,325
8,400	DUKE PWR CO	334,950
20,400	DUN + BRADSTREET CORP	1,201,050
62,900	EASTMAN KODAK CO	3,145,000
21,000	EATON CORP	942,375
77,600	EQUIFAX INC	1,610,200
62,600	EXXON CORP	4,139,425
15,000	FEDERAL NATL MTG ASSN	1,243,125
108,200	FEDERATED DEPT STORES IN	2,583,275
75,300	FIRST UN CORP	3,652,050
60,000	FLEET FINL GROUP INC	2,025,000
40,500	FLEETWOOD ENTERPRISES I	804,938
72,600	FLOWERS INDs INC	1,197,900
28,600	GANNETT INC	1,422,850
91,000	GENERAL ELEC CO	8,713,250
96,700	GENERAL MTRS CORP	4,303,150
20,700	GENERAL SIGNAL CORP	1,355,850
5,500	GREAT LAKES CHEMICAL CO	378,813
73,500	GTE CORP	2,655,188
54,800	HEINZ H J CO	2,020,750
1,800	HERCULES INC	139,725
48,700	HEWLETT PACKARD CO	3,944,700
29,400	HILTON HOTELS CORP	1,352,400
53,400	INTEL CORP	2,937,000
103,500	ITT CORP	8,823,375
25,900	JONES APPAREL GROUP INC	573,038
45,700	K MART CORP	959,700
55,816	KEYCORP	2,330,318
22,600	LIMITED INC	483,075
46,770	LOCKHEED CORP	3,086,820
12,300	LORAL CORP	734,925
78,300	LOUISIANA PAC CORP	2,505,600
24,200	LOWES COS INC	946,825
62,100	MARSH + MCLENNAN COMP	5,425,988
71,600	MASCO CORP	2,139,050
17,550	MATTEL INC	451,913

**MINNESOTA STATE BOARD OF INVESTMENT**  
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**ALPHABETICAL EQUITY HOLDINGS**  
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NO. OF SHARES	SECURITY	MARKET VALUE
INDEPENDENCE INVESTMENT ASSOC. (cont.)		
46,800	MBNA CORP	\$ 1,368,900
128,000	MOBIL CORP	9,568,000
8,400	MORRISON RESTAURANTS IN	243,600
31,800	MORTON INTL INC IND	2,460,525
39,400	MOTOROLA INC	3,442,575
81,500	NATIONSBANK CORP	4,044,438
18,900	NORFOLK SOUTHN CORP	1,230,863
65,600	NORWEST CORP	1,795,800
88,800	NYNEX CORP	8,036,400
64,800	OGDEN PROJS INC	1,466,100
229,400	PACIFIC GAS + ELEC CO	7,656,225
98,651	PANHANDLE EASTN CORP	2,416,950
88,800	PENNEY J C INC	4,007,100
24,700	PEPSICO INC	913,900
70,400	PHILADELPHIA ELEC CO	2,156,000
127,500	PHILIP MORRIS COS INC	6,183,750
33,000	PHILLIPS PETE CO	924,000
90,600	PIONEER HI BRED INTL INC	2,502,825
95,900	PROCTER + GAMBLE CO	4,986,800
29,600	REEBOK INTL LTD	825,100
7,500	RYDER SYS INC	234,375
113,200	SOUTHWESTERN BELL CORP	4,386,500
46,500	STRATUS COMPUTER INC	1,522,875
13,800	SUNDSTRAND CORP	612,375
108,200	TENNECO INC	5,518,200
23,700	TERADYNE INC	506,588
12,400	TEXAS INSTRS INC	866,450
24,600	TEXTRON INC	1,380,675
6,750	TORCHMARK INC	358,594
109,300	TOYS R US INC	4,016,775
34,800	UNIVERSAL CORP VA	856,950
13,100	UNIVERSAL FOODS CORP	451,950
27,800	UNOCAL CORP	813,150
5,300	V F CORP	244,463
25,500	WHITMAN CORP	347,438
40,100	WMX TECHNOLOGIES INC	1,298,238
INDEPENDENCE INVESTMENT TOTAL		\$ 220,371,681

30,000	1ST SOURCE CORP	\$ 682,500
28,650	A L LABS INC	777,131
45,000	ADVANCED TECHNOLOGY L	776,250
80,000	AHMANSO H F AND CO	1,390,000
27,800	ALEXANDERS INC	1,466,450
25,000	ALLMERICA PPTY + CAS CO	1,390,625
39,000	ALLOU HEALTH + BEAUTY	370,500
74,200	AMBAC INC	3,107,125
25,600	AMERICAN SOFTWARE INC	198,400

NO. OF SHARES	SECURITY	MARKET VALUE
LIEBER & CO. (cont.)		
14,000	AMERIFED FINL CORP	\$ 367,500
20,000	AMSOUTH BANCORPORATIO	655,000
33,000	APPLE COMPUTER	1,303,500
50,000	APPLIED BIOSCIENCE INTL I	275,000
30,000	ARBOR DRUGS INC	645,000
52,500	ARCHER DANIELS MIDLAND	1,240,313
41,000	ARKANSAS BEST CORP	358,750
72,000	ATLANTIC SOUTHEAST AIRL	2,286,000
40,000	AUTODESK INCORPORATED	2,255,000
20,000	BB&T FINL CORP	687,500
12,200	BHC COMMUNICATIONS INC	884,500
110,000	BIOMET INC	1,155,000
8,000	BLAIR CORP	394,000
11,500	BLESSINGS CORP	281,750
23,600	BLOCK H + R INC	843,700
15,900	BOWNE + CO INC	284,213
20,000	BRAUNS FASHIONS CORP	192,500
34,698	BRISTOL MYERS SQUIBB CO	2,003,810
30,000	BROOKSTONE INC	412,500
45,000	BSB BANCORP INC	1,440,000
55,300	BURLINGTON COAT FACTOR	1,292,638
34,800	CALDOR CORP	870,000
49,700	CALGON CARBON CORP	596,400
170,000	CAREMARK INTL INC	2,720,000
40,000	CARENWORK INC	145,000
103,000	CASTLE AND COOKE HOMES	1,339,000
6,000	CCB FINL CORP	217,500
80,000	CEM CORP	740,000
25,000	CENTEX CORP	853,125
44,500	CHATTEM INC	467,250
23,500	CHEMFAB CORP	252,625
54,750	CLARCOR INC	999,188
25,000	COLUMBIA HOSP CORP	668,750
40,000	COMPRESSION LABS INC	515,000
49,500	CONSOLIDATED PRODS INC	408,375
34,500	CONTINENTAL HOMES HLDG	543,375
20,000	CORDIS CORP	640,000
20,000	CORESTATES FINL CORP	1,155,000
5,388	CRAFTMATIC CONTOUR IND	0
49,480	CROWN CRAFTS INC	643,240
49,970	CULLEN FROST BANKERS IN	1,730,211
37,500	DEP CORP	150,000
37,500	DEP CORP	178,125
20,000	DEPOSIT GTY CORP	585,000
21,000	DIAGNOSTIC PRODS CORP	443,625
25,000	DIONEX CORP	887,500
21,250	DONNELY CORP	422,344
38,800	EQK RLTY INVS	106,700
55,000	EXABYTE CORP	556,875

**MINNESOTA STATE BOARD OF INVESTMENT  
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ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
<b>LIEBER &amp; CO. (cont.)</b>		
45,000	EXAR CORP	\$ 1,271,250
50,000	EXCEL INDS INC	906,250
17,000	EXEL LTD	816,000
27,000	F+C BANCSHARES INC	489,375
20,000	FAMILY BANCORP	250,000
58,500	FINANCIAL FED CORP	950,625
50,000	FINGERHUT COS INC	2,150,000
40,000	FIRST AMERN CORP TENN	1,175,000
29,600	FIRST EMPIRE ST CORP	4,055,200
50,000	FIRST FIDELITY BANCORP N	2,456,250
75,000	FIRST FINL MGMT CORP	3,159,375
14,600	FIRST INTST BANCORP	0
15,000	FIRST VA BKS INC	547,500
25,600	FLORIDA ROCK INDS INC	672,000
70,000	FRANKLIN ELECTR PUBLISH	1,111,250
5,400	FRP PPTYS INC	69,525
65,000	FULLER H B CO	2,307,500
130,595	G + K SERVICES	2,285,413
32,000	GARAN INC	1,104,000
30,000	GOLDEN WEST FINL CORP D	1,271,250
26,700	GOODY PRODS INC	600,750
46,500	GRADCO SYSTEMS	93,000
16,000	GREAT LAKES CHEMICAL CO	1,102,000
40,500	GUARANTY NATL CORP NEW	901,125
64,750	GUNDLE ENVIRONMENTAL S	437,063
64,000	HANDEX ENVIRONMENTAL	384,000
25,000	HARDING ASSOC INC	225,000
75,000	HARPER GROUP INC	1,125,000
25,300	HILB ROGAL + HAMILTON C	341,550
34,875	HOOPER HOLMES INC	496,969
12,700	HOUSEHOLD INTL INC	877,888
20,662	HUBBELL INC	1,180,317
20,000	IDEXX LABS INC	790,000
22,700	ILLINOIS TOOL WKS INC	848,413
91,757	INSTEEL INDS INC	1,020,797
30,000	INTEGRATED WASTE SVCS I	202,500
46,000	INTERCARGO CORP	621,000
86,000	INTERFACE INC	924,500
15,000	INTERLAKE CORP	65,625
45,000	INTERTAN INC	388,125
45,000	IPL SYS INC	348,750
22,000	JAMES RIV CORP VA	434,500
105,000	JEFFERSON BANKSHARES IN	2,100,000
36,200	JOHN NUVEEN CO	1,343,925
10,000	JONES MED INDS INC	116,250
77,000	JUNO LTG INC	1,251,250
15,000	K TRON INTL INC	187,500
43,400	KEANE INC	1,334,550
20,500	KLLM TRANS SVCS INC	404,875

NO. OF SHARES	SECURITY	MARKET VALUE
<b>LIEBER &amp; CO. (cont.)</b>		
40,000	LA Z BOY CHAIR CO	\$ 1,160,000
10,000	LEGENT CORP	357,500
48,100	LILLIAN VERNON CORP	649,350
2,628	LIN BROADCASTING CORP	260,829
20,000	LINCARE HLDGS INC	500,000
10,000	LIVING CENTERS OF AMERIC	230,000
45,000	LUNAR CORP	528,750
35,300	MATERIAL SCIENCES CORP	688,350
28,000	MBIA INC	1,844,500
38,750	MEDICINE SHOPPE INTL INC	871,875
47,500	MEDIPLEX GROUP INC NEW	1,330,000
10,000	MERCANTILE BANCORPORA	492,500
22,500	MERCK + CO INC	798,750
65,000	MERISEL INC	771,875
24,000	MGIC INVT CORP WIS	1,380,000
60,000	MID ATLANTIC MED SVCS IN	1,492,500
40,700	NATIONAL RE CORP	1,338,013
10,000	NATURAL ALTERNATIVES IN	47,500
70,000	NEW ENGLAND BUSINESS SV	1,120,000
66,850	NEWELL CO	2,222,763
28,564	NICHOLS INSTITUTE	199,948
28,564	NICHOLS INSTITUTE	185,666
15,000	NIKE INC	826,875
48,000	NORTH FORK BANCORPORAT	540,000
140,000	NOVELL INC	3,640,000
39,400	OLD REP INTL CORP	925,900
45,000	ONBANCORP INC	1,462,500
54,000	OUTBOARD MARINE CORP	911,250
25,000	PCA INTL INC	481,250
25,500	PEOPLES BANCORP WORCES	739,500
73,000	PEOPLES WESTCHESTER SVG	2,929,125
111,500	PIONEER HI BRED INTL INC	3,080,188
43,100	POLICY MGMT SYS CORP	1,578,538
25,000	POWELL INDS INC	181,250
10,000	PRAXAIR INC	155,000
25,000	RASTEROPS	228,125
130,275	RAYMOND JAMES FINANCIA	3,094,031
50,000	RIGGS NATL CORP WASH DC	381,250
30,000	S + K FAMOUS BRANDS INC	607,500
50,000	SALICK HEALTH CARE INC	606,250
35,000	SANDWICH CO OPERATIVE B	310,625
45,000	SCHULMAN A INC	1,248,750
16,000	SCOR U S CORP	268,000
33,000	SCOTT PAPER CO	1,093,125
50,000	SEACOAST BKG CORP FLA	1,000,000
21,850	SEALRIGHT CO INC	355,063
41,731	SEITEL INC	432,959
60,000	SIERRA ON-LINE INC	727,500
20,000	SIGMA ALDRICH	965,000

**MINNESOTA STATE BOARD OF INVESTMENT**  
**DOMESTIC ACTIVE EQUITY ACCOUNT**  
**ALPHABETICAL EQUITY HOLDINGS**  
**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
<b>LIEBER &amp; CO. (cont.)</b>		
60,000	SPACELABS INC	\$ 1,215,000
25,000	SPORT SUPPLY GROUP INC	346,875
25,400	SPRINGS INDS INC	885,825
33,500	ST JOHN KNITS INC	494,125
45,000	ST PAUL BANCORP INC	1,085,625
40,000	STANDARD PAC CORP NEW	280,000
30,000	STATE AUTO FINL CORP	420,000
60,000	STATE O MAINE INC	1,492,500
35,000	STATE OF THE ART INC	297,500
20,000	STATE STREET BOSTON COR	662,500
80,000	STEWART ENTERPRISES INC	2,700,000
5,000	STRYKER CORP	129,375
31,650	SUPER FOOD SERVICES INC	300,675
47,000	SUSQUEHANNA BANCSHARE	1,445,250
32,300	TANDY CORP	969,000
27,500	TCA CABLE TV INC	556,875
45,000	TECNOL MED PRODS INC	855,000
41,400	TELEFLEX INC	1,288,575
35,000	TSENG LABS INC	542,500
10,000	U S ROBOTICS INC	233,750
21,000	UNICARE FINL CORP	328,125
77,500	UNITED CAROLINA BANCSH	1,743,750
34,400	UNITEL VIDEO INC	301,000
52,114	UNUM CORP	2,814,156
40,100	USAIR GROUP INC	661,650
40,000	VALLEY BANCORPORATION	1,780,000
71,036	VENTURE STORES INC	1,216,492
24,800	VIVRA INC	768,800
15,000	VORNADO RLTY TR	538,125
65,000	WABAN INC	885,625
42,500	WALBRO CORP	1,073,125
15,600	WALLACE COMPUTER SER I	405,600
77,000	WASHINGTON FEDERAL SAV	2,002,000
40,000	WASHINGTON MUT SVGS BK	1,375,000
40,000	WAUSAU PAPER MLS CO	1,395,000
9,000	WEBB DEL CORP	135,000
29,000	WESTAMERICA BANCOPOR	772,125
20,000	WESTERN WASTE INDS	217,500
50,000	WESTON ROY F INC NEW	550,000
30,000	WMX TECHNOLOGIES INC	971,250
30,100	YORK FINL CORP	586,950
55,000	YOUNKERS INC	1,546,875
35,000	ZURN INDS INC	1,120,000

LIEBER & CO. TOTAL

\$ 182,075,661

NO. OF SHARES	SECURITY	MARKET VALUE
<b>LYNCH &amp; MAYER</b>		
134,800	AMERADA HESS CORP	\$ 6,605,200
132,900	AMERICAN EXPRESS CO	4,286,025
134,300	AMERICAN TEL + TELE CO	8,460,900
76,910	BANC ONE CORP	4,326,188
109,500	CHEMICAL BKG CORP	4,475,813
189,600	CHRYSLER CORP	8,958,600
51,600	CIRCUS CIRCUS ENTERPRISE	3,121,800
98,000	COCA COLA CO	4,214,000
200,500	DISNEY (WALT) CO	8,170,375
106,900	ENRON CORP	7,042,038
262,600	EQUITABLE COMPANIES INC	5,252,000
119,800	ERICSSON L M TEL CO	5,286,175
115,700	FEDERAL NATL MTG ASSN	9,588,638
134,500	FEDERATED DEPT STORES IN	3,211,188
160,600	FIRST DATA CORP	5,942,200
45,300	GENERAL REINSURANCE CO	5,169,863
105,700	HALLIBURTON CO	4,029,813
95,200	IMPERIAL CHEM INDS PLC	3,772,300
144,000	MCCAW CELLULAR COMMU	6,624,000
124,600	MCDONALDS CORP	6,120,975
130,500	MCI COMMUNICATIONS COR	7,503,750
71,150	MICROSOFT CORP	6,261,200
98,500	MOTOROLA INC	8,606,438
47,600	NIKE INC	2,623,950
118,000	NOVELL INC	3,068,000
94,300	ORACLE SYS CORP	4,644,275
151,000	SILICON GRAPHICS INC	5,643,625
237,400	TELE COMMUNICATIONS IN	5,400,850
87,200	TELEFONOS DE MEXICO SA	4,076,600
58,900	TEXAS INSTRS INC	4,115,638
127,600	TIG HLDGS INC	3,253,800
120,300	TIME WARNER INC	4,646,588
137,400	TOYS R US INC	5,049,450
130,500	TRITON ENERGY CORP	4,388,063
246,200	TURNER BROADCASTING SY	5,047,100
81,400	U S HEALTHCARE INC	3,866,500
226,200	UNION TEX PETE HLDGS INC	5,372,250
59,200	WELLS FARGO + CO	6,526,800
1	ZENECA GROUP PLC	37

LYNCH & MAYER TOTAL

\$ 204,753,000

**MINNESOTA STATE BOARD OF INVESTMENT  
DOMESTIC ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE
<b>WADDELL &amp; REED</b>		
69,000	ALBERTSONS INC	\$ 3,726,000
58,100	ALLIED SIGNAL INC	3,878,175
75,000	ALLIED WASTE INDUSTRIES I	360,938
49,000	AMBAC INC	2,051,875
534,800	AMERICAN BARRICK RES CO	13,503,700
99,200	AMERICAN STORES CO NEW	4,600,400
89,900	ANALOG DEVICES INC	1,753,050
66,200	ANDREW CORP	1,837,050
66,600	AVNET INC	2,264,400
484,500	BEVERLY ENTERPRISES INC	5,995,688
40,200	BJ SVCS CO	1,145,700
531,800	BLOCKBUSTER ENTMT CORP	11,566,650
70,000	BMC SOFTWARE INC	3,692,500
106,000	BORLAND INTL INC	2,398,250
8,700	BRINKER INTL INC	297,975
131,600	CANADIAN PAC LTD	2,089,150
6,700	CAPITAL CITIES ABC INC	3,437,100
16,500	CBS INC	3,861,000
9,700	CENTURY TEL ENTERPRISES	299,488
100,500	CHECKERS DRIVE IN RESTAU	1,909,500
50,882	CHRIS CRAFT IND INC	1,780,870
45,800	CHRYSLER CORP	2,164,050
10,100	CHRYSLER CORP	1,406,425
91,100	CML GROUP INC	3,757,875
50,000	COAST SVGS FINL INC	762,500
89,900	COMPAQ COMPUTER CORP	4,405,100
67,600	COMPUTER ASSOC INTL INC	2,011,100
323,337	COUNTRYWIDE CR IND INC	9,902,196
108,600	DALLAS SEMICONDUCTOR C	1,601,850
147,950	DOWNEY SVGS & LN ASSN	2,404,188
32,900	DUN + BRADSTREET CORP	1,936,988
94,600	EDWARDS A G INC	2,412,300
43,000	ENVIROTEST SYS CORP	655,750
26,600	FEDERAL NATL MTG ASSN	2,204,475
66,100	FOREST LABS INC	2,305,238
100,000	FOUNDATION HEALTH CORP	2,950,000
29,600	HAEMONETICS CORP MASS	736,300
201,900	HARCOURT GEN INC	7,596,488
208,900	HARLEY DAVIDSON INC	8,773,800
99,600	HCA HOSP CORP AMER	1,942,200
96,200	HEALTHTRUST INC THE HOS	1,863,875
16,500	HEILIG MEYERS CO	624,938
24,700	HONG KONG TELECOMMUNI	1,034,313
99,800	INFORMIX CORP	2,694,600
49,900	INTEL CORP	2,744,500
93,300	INTERGROUP HEALTHCARE	2,787,338

NO. OF SHARES	SECURITY	MARKET VALUE
<b>WADDELL &amp; REED (cont.)</b>		
65,400	KROGER CO	\$ 1,128,150
34,400	LEGGETT + PLATT INC	1,272,800
200,200	LIMITED INC	4,279,275
21,100	LOCKHEED CORP	1,392,600
59,400	LORAL CORP	3,549,150
105,200	LSI LOGIC CORP	1,656,900
66,100	MAGNA INTL INC	2,610,950
203,700	MANOR CARE INC	4,023,075
138,500	MARGARETTEN FINL CORP	2,423,750
33,500	MATTEL INC	862,625
66,800	MEDTRONIC INC	4,509,000
219,900	MICRON TECHNOLOGY INC	8,163,788
70,000	PETROLEUM GEO SVCS AS	1,461,250
98,800	PLACER DOME INC	2,050,100
117,100	RHODES INC NEW	1,141,725
202,900	ROWAN COS INC	2,029,000
133,200	SANTA FE PAC CORP	2,447,550
29,700	SHAW IND INC	1,039,500
22,800	SOLECTRON CORP	1,071,600
234,700	SOUTHWEST AIRLS CO	10,238,788
27,000	STEWART ENTERPRISES INC	911,250
116,400	STOP + SHOP COS INC NEW	2,328,000
43,300	SUNDSTRAND CORP	1,921,438
16,500	SYNOPSYS INC	750,750
22,700	TELEFONICA DE ESPANA S A	726,400
42,400	TERADYNE INC	906,300
82,400	TEXAS INSTRS INC	5,757,700
53,800	TYSON FOODS INC (DEL)	1,183,600
47,600	VIACOM INC	2,278,850
58,400	WHEELABRATOR TECHNOLO	1,051,200
32,900	WILLIAMS COS INC	1,801,275

**WADDELL & REED TOTAL**

**\$ 221,096,178**

**MINNESOTA STATE BOARD OF INVESTMENT  
DOMESTIC ACTIVE EQUITY ACCOUNT  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	ATURIT	MARKET VALUE
ALLIANCE CAPITAL MANAGEMENT				
\$ 33,739,631	S B I MONEY FUND			\$ 33,739,631
FORSTMANN LEFF ASSOC.				
\$ 2,483,000	PHARMACEUTICAL MARKETING			\$ 2,532,660
43,508,838	S B I MONEY FUND			43,508,838
\$ 45,991,838				\$ 46,041,498
FRANKLIN PORTFOLIO ASSOC.				
\$ 5,527,814	S B I MONEY FUND			\$ 5,527,814
GEOCAPITAL				
\$ 5,542,613	S B I MONEY FUND			\$ 5,542,613
IDS ADVISORY				
\$ 35,963,847	S B I MONEY FUND			\$ 35,963,847
INDEPENDENCE INVESTMENT ASSOC.				
\$ 4,494,415	S B I MONEY FUND			\$ 4,494,415
LIEBER & CO.				
\$ 922,728	S B I MONEY FUND			\$ 922,728
LYNCH & MAYER				
\$ 12,081,166	S B I MONEY FUND			\$ 12,081,166
WADDELL & REED				
\$ 36,219,412	S B I MONEY FUND			\$ 36,219,412
\$ 180,483,464	TOTAL FIXED INCOME			\$ 180,533,124

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
<b>BARING INVESTMENT SERVICES</b>					
6,100,315	JPY TIME DEPOSIT	\$ 6,100,315	1,110	AXA	\$ 265,733
406,820	MSCI EQ INDEX FD MALAYSI	4,041,753	3,600	BANK MONTREAL QUE	73,342
910,357	MSCI EQ INDEX FD UK	15,551,629	3,400	BANK N S HALIFAX	66,947
201,419	MSCI EQ INDEX FUND	1,866,344	52,000	BANK OF TOKYO	740,891
1,369,465	S.B.I.MONEY FUND	1,369,465	113,400	BARCLAYS	818,023
86,557	SSB INTL INDEX ITALY	952,556	1,591	BASF AG	221,420
525,772	SSB INTL INDEX FRANCE	10,297,241	100,000	BAT INDUSTRIES	625,030
380,430	SSB INTL INDEX HONG KON	12,364,361	1,778	BAYER AG	285,834
2,087,014	SSB INTL INDEX JAPAN	19,651,322	643	BAYER HYPO/WECH BK	151,848
463,658	SSB INTL INDEX KOREA	5,384,922	553	BAYER VEREINSBANK	122,645
172,611	SSB INTL INDEX MEXICO	2,138,306	205	BBC BROWN BOVERI	109,597
216,990	SSB INTL INDEX NETHERLA	4,338,940	13,500	BCO BILBAO VIZCAYA	321,953
235,624	SSB INTL INDEX SINGAPORE	5,089,477	10,500	BCO CENTRAL HISPLAN	287,505
99,014	SSB INTL INDEX SWEDEN	1,417,676	6,600	BCO ESP DE CREDITO	113,551
377,188	SSB INTL INDEX THAILAND	5,244,417	6,500	BCO SANTANDER SA	289,560
168,415	SSB INYL INDEX GERMANY	2,852,948	203	BEIERSDORF AG	86,470
313,025	SSB SWISS INDEX FD	5,464,164	205	BEKAERT SA	92,787
<b>TOTAL BARING</b>		<b>\$ 104,125,836</b>	5,100	BELL CDA ENTERPRISES INC	176,979
<b>BRINSON PARTNERS INTL.</b>					
94,400	ABBEY NATIONAL	\$ 577,339	300	BIC	65,395
12,954	ABN AMRO HLDGS NV	376,212	27,000	BOC GROUP	275,618
1,875	ACCOR	202,401	42,000	BOOTS CO	277,253
163	ADIA SA	15,511	80,500	BORAL LIMITED	162,432
2,335	AG FIN	168,365	22,300	BRAMBLES INDS LTD	186,521
2,856	AHOLD NV	145,564	42,000	BRIDGESTONE CORP	476,368
2,271	AIR LIQUIDE(L )	291,014	17,000	BRIERLEY INVMT LTD	10,126
48,000	AJINOMOTO CO INC	602,912	62,500	BRITISH AIRWAYS	288,432
2,200	AKZO NV	174,525	223,000	BRITISH GAS	990,825
3,300	ALCAN ALUMINIUM LTD	64,335	170,000	BRITISH PETROLEUM	781,997
4,680	ALCATEL ALST(CGE)	530,452	102,000	BRITISH STEEL	143,197
544	ALLIANZ AG HLDG	686,230	182,000	BRITISH TELECOM	1,164,736
104	ALUSUISSE LONZA HD	32,920	105,900	BROKEN HILL PROPTY	995,783
113	ALUSUISSE LONZA HD	36,815	2,325	BSN	369,179
52,000	AMCOR LIMITED	276,684	125,666	BTR	707,562
4,700	AMERICAN BARRICK RES CO	118,658	15,000	BURMAH CASTROL PLC	160,290
2,000	ARGENTARIA	70,662	32,600	BURNS PHILP + CO	85,970
20,000	ARGOS	92,597	47,000	CABLE + WIRELESS	544,007
39,000	ARJO WIGGINS APPLE	106,591	3,500	CANADIAN IMPERIAL BK TO	88,022
56,000	ASAHI BANK	645,655	5,000	CANADIAN PAC LTD	79,931
125,000	ASAHI CHEMICAL IND	800,273	28,000	CANON INC	343,825
88,000	ASAHI GLASS CO	882,621	608	CARREFOUR	306,141
400	AULT FOODS LTD	5,147	92,371	CARTER HOLT HARVEY	145,238
			93,000	CATHAY PACIFIC AIR	120,100
			370	CBR CIMENTERIES	103,546
			400	CHARGEURS SA	68,947
			68,000	CHEUNG KONG(HLDGS)	233,588

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
<b>BRINSON PARTNERS INTL. (cont.)</b>					
44,000	CHINA LIGHT+POWER	\$ 227,286	420	GEVAERT PHOTO PROD	\$ 84,076
20,000	CHUBB SECURITY	94,987	111,200	GLAXO HLDGS	935,015
636	CIBA GEIGY AG	280,337	54,000	GOLD MINES OF KALG	43,153
2,880	CIE DE ST GOBAIN	254,727	95,100	GOODMAN FIELDER LTD	94,996
5,510	CIE DE SUEZ	293,557	1,535	GPE BRUXELLES LAM	158,460
3,400	CIE FIN PARIBAS	253,954	94,100	GRAND METROPOLITAN	601,504
102,800	COLES MYER LIMITED	336,816	12,400	GREAT UNIV STORES	329,275
3,300	COMINCO LTD	38,601	82,000	GUINNESS	576,207
1,325	COMPAGNIE BANCAIRE	125,266	37,000	HANG SENG BANK	279,523
336	CONTINENTAL AG	42,444	216,000	HANSON	730,680
2,200	CORPORACION MAPFRE	84,487	34,000	HARRISON+CROSFIELD	90,894
37,700	CRA LIMITED	328,887	1,550	HAVAS	113,614
114	CS HLDG	5,255	1,800	HEINEKEN NV	172,181
114	CS HOLDING	200,017	200	HOCHTIEF AG	124,737
4,500	CSF(THOMSON)	136,327	9,000	HOKURIKU BANK	68,756
68,300	CSR LIMITED	202,402	258	HOLDERBK FN GLARUS	112,869
68,000	DAI ICHI KANGYO BK	1,395,921	4,300	HOME OIL LTD NEW	70,836
1,148	DAIMLER BENZ AG	413,429	23,000	HONDA MOTOR CO	265,180
59,000	DAIRY FARM INTL	102,860	62,000	HONG KONG ELECTRIC	142,519
38,000	DAIWA HOUSE INDS	523,611	85,000	HONG KONG LAND HLD	174,532
40,000	DAIWA SECURITIES	468,681	280,000	HONG KONG TELECOMM	383,286
270	DEGUSSA AG	53,829	48,000	HONGKONG+CHINA GAS	89,261
3,915	DELHAIZE LE LION	145,114	122,000	HOPEWELL HLDGS	74,049
1,199	DEUTSCHE BANK AG	483,853	53,000	HSBC HLDGS	509,762
1,400	DOFASCO INC	15,830	95,000	HUTCHISON WHAMPOA	255,180
6,100	DRAGADOS Y CONSTR	84,333	66,300	IBERDROLA SA	407,381
1,019	DRESDNER BANK AG	225,397	2,100	IMASCO LTD	58,135
1,100	EAUX(CIE GENERALE)	419,810	29,000	IMPERIAL CHEM INDS	283,907
710	ELECTRABEL	123,070	3,200	IMPERIAL OIL LTD	119,156
3,335	ELECTRABEL	588,556	1,800	INCO LTD	40,180
825	ELF SANOFI	134,303	56,000	IND BANK JAPAN	1,548,523
2,900	ELSEVIER NV	209,873	12,200	INTL NEDERLANDEN	411,771
15,200	EMPRESA NAC ELEC	525,356	88,000	JAPAN AIR LINES CO	635,157
1,400	FAB AUTOM RENAULT	44,087	20,000	JARDINE MATHESON	130,431
11,900	FANUC	414,952	19,950	JOYO BANK	176,719
149,100	FLETCHER CHALLENGE	223,233	73,000	KAJIMA CORP	550,841
58,031	FORTE	196,739	24,000	KANSAI ELEC POWER	656,904
303,100	FOSTERS BREWING GP	234,141	54,000	KAO CORP	602,349
62,000	FUJI BANK	1,359,926	361	KARSTADT AG	110,881
18,000	FUJI PHOTO FILM CO	421,813	85,000	KAWASAKI STEEL CP	282,849
81,000	FUJITSU	539,077	31,000	KINGFISHER	279,643
29,000	GENERAL ACCIDENT	269,614	56,000	KIRIN BREWERY CO	671,902
115,000	GENERAL ELECTRIC	583,100	29,000	KLEINWORT BEN GP	174,329
146,800	GENERAL PROP TRUST	250,265	2,300	KLM	31,172
1,090	GENERALE BANQUE	245,588	4,600	KNP BT (KON) NV	79,434
			995	KREDIETBANK	195,770

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
<b>BRINSON PARTNERS INTL. (cont.)</b>					
6,000	KYOCERA CORP	\$ 300,893	4,500	NORTHERN TELECOM LTD	\$ 119,312
2,117	L OREAL	403,603	6,900	NOVA CORP OF ALBERTA	52,462
2,000	LABATT JOHN LTD	35,287	39,368	NTH BRKN HILL PEKO	71,309
87,700	LADBROKE GROUP	242,313	82,000	ORIENT CORP	599,537
3,280	LAFARGE COPPEE SA	221,748	1,100	OSHAWA GROUP LTD	19,086
3,700	LAIDLAW INC	28,853	22,800	P + O	211,802
47,000	LAND SECURITIES	419,061	86,500	PACIFIC DUNLOP LTD	279,954
220	LEGRAND	166,430	2,425	PERNOD RICARD	166,901
586	LINDE AG	258,380	1,715	PETROFINA SA	441,258
75,800	LION NATHAN LTD	138,301	2,100	PEUGEOT SA	211,333
898	LUFTHANSA AG	62,171	13,300	PHILIPS ELECTRONIC	209,486
538	LVMH MOET HENNESSY	362,691	71,000	PILKINGTON	134,669
6,600	MACLEAN HUNTER LTD	60,475	67,700	PIONEER INTL LTD	104,595
2,600	MACMILLAN BLOEDEL LTD	44,098	3,200	PLACER DOME INC	66,128
930	MANNESMANN AG	145,798	517	PREUSSAG AG	114,327
107,000	MARKS + SPENCER	553,723	2,200	PROSEGUR COMPANIA	33,795
47,000	MATSUSHITA ELC IND	555,106	108,000	PRUDENTIAL CORP	553,252
4,400	MEPC	3,417	23,000	RANK ORGANISATION	270,338
22,000	MEPC	132,085	42,735	REDLAND	303,487
5,150	MICHELIN(CGDE)	139,699	41,000	REED INTERNATIONAL	409,346
97,300	MIM HOLDINGS LTD	121,168	18,700	RENISON GOLDFIELDS	46,076
57,000	MITSUBISHI CORP	571,698	18,800	REPSOL SA	464,955
137,000	MITSUBISHI ELEC CP	706,303	196	ROCHE HLDGS AG	646,976
46,000	MITSUBISHI ESTATE	439,811	67,000	ROLLS ROYCE	143,593
158,000	MITSUBISHI HVY IND	964,153	5,500	ROYAL BK CDA MONTREAL	116,875
40,000	MITSUBISHI TR+BKG	476,180	23,400	ROYAL DUTCH PETROL	2,166,107
87,000	MITSUI + CO	604,290	1,055	ROYALE BELGE	139,488
29,000	MITSUI FUDOSAN CO	334,357	44,000	RTZ CORP	442,584
30,000	MITSUI TRUST + BKG	276,147	904	RWE AG	206,589
1,800	MOORE CORP LTD	30,003	2,683,185	S.B.I.MONEY FUND	2,683,185
171	MUNCHENER RUCKVERS	305,804	78,000	SAINSBURY(J)	568,486
44,000	NATIONAL POWER	241,828	74,000	SAKURA BANK	1,130,647
86,900	NATL AUSTRALIA BK	575,807	58	SANDOZ AG	119,969
949	NESTLE SA	715,564	156	SANDOZ AG	326,799
42,000	NEW WORLD DEVEL CO	106,308	47,000	SANTOS LTD	114,242
110,400	NEWS CORPORATION	552,868	597	SCHW BANKGESELLSCH	433,974
85,000	NIPPON OIL CO	610,317	608	SCHW BANKVEREIN	165,136
185,000	NIPPON STEEL CORP	634,688	213	SCHW RUCKVERSICHER	94,168
20,000	NIPPONDENSO CO	286,833	16	SCHWEIZ BANKVEREIN	301
88,000	NISSAN MOTOR CO	565,042	6,000	SEAGRAM LTD	157,327
15,800	NISSAN MOTOR IBER	47,207	900	SEFIMEG	75,215
15,800	NISSAN MOTOR IBERICA	47,207	29,125,199	SEK TIME DEPOSIT	3,765,320
135,000	NKK CORP	391,021	9,000	SEVEN ELEVEN JAPAN	591,382
37,000	NOMURA SECURITIES	676,307	50	SGS HOLDING	57,196
5,500	NORANDA INC	93,821	42,000	SHARP CORP	488,179
			83,000	SHIONOGI + CO	752,337

**MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL ACTIVE EQUITY ACCOUNT  
ALPHABETICAL EQUITY HOLDINGS**

**JUNE 30, 1993**

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
<b>BRINSON PARTNERS INTL. (cont.)</b>					
17,000	SHIZUOKA BANK	\$ 223,092	2,943	WOLTERS KLUWER	\$ 144,300
125,000	SHOWA DENKO KK	412,440	35,000	YASUDA TRUST + BKG	310,361
1,626	SIEMENS AG	590,055	29,000	ZENECA GROUP	270,480
50,000	SMITHKLINE BCH/BEC	291,979	70	ZURICH VERSICHERUN	113,334
53,000	SMITHKLINE BEECHAM	349,076	14,000	77TH BANK	118,764
2,857	SOC GENERALE	296,964			
9,500	SOC NATL ELF AQUIT	666,408			
660	SOLVAY	219,099			
11,000	SONY CORP	442,341			
74,000	SUMITOMO BANK	1,567,645			
39,000	SUMITOMO ELEC INDS	402,129			
60,000	SUMITOMO HEAVY IND	255,900			
67,000	SUMITOMO MAR+FIRE	596,003			
118,000	SUMITOMO METAL IND	363,903			
52,000	SUN HUNG KAI PROPS	258,538			
45,000	SWIRE PACIFIC	230,999			
3,300	TABACALERA SA	94,794			
10,000	TELECOM CORP OF NZ	16,689			
53,700	TELEFONICA DE ESP	573,306			
87,000	TESCO	278,060			
8,800	THOMSON CORP	112,371			
24,000	THORN EMI	325,105			
1,012	THYSSEN AG	112,577			
60,000	TOBU RAILWAY CO	456,121			
50,000	TOKAI BANK	693,648			
29,500	TOKYO ELEC POWER	973,357			
94,000	TOKYO GAS CO	470,519			
121,000	TORAY INDS INC	736,102			
6,500	TOTAL	311,445			
82,000	TOYOTA MOTOR CORP	1,168,329			
945	TRACTEBEL INV INTL	251,778			
3,100	TRANSALTA CORP	35,959			
3,100	TRANSCANADA PIPELINES L	48,348			
6,700	TRIZEC CORP LTD	6,270			
34,000	UNILEVER	523,532			
7,300	UNILEVER NV	775,070			
1,875	UNION MINIERE	116,189			
45,000	UNITED BISCUITS	263,453			
1,341	VEBA AG	296,936			
47,000	VODAFONE GROUP	316,577			
649	VOLKSWAGEN AG	138,034			
64,700	WESTERN MINING CP	249,900			
121,300	WESTPAC BANK CORP	299,688			
63,000	WHARF(HLDGS)	163,530			
29,640	WILSON + HORTON	128,837			
				<b>TOTAL BRINSON</b>	<b>\$ 101,436,991</b>

MINNESOTA STATE BOARD OF INVESTMENT  
INTERNATIONAL ACTIVE EQUITY ACCOUNT  
FOREIGN CURRENCY HOLDINGS

JUNE 30, 1993

NO. OF SHARES	SECURITY	MARKET VALUE	NO. OF SHARES	SECURITY	MARKET VALUE
BARING INVESTMENT SERVICES					BRINSON PARTNERS INTL.
5,314,550	JAPANESE YEN	\$ 49,819	47,237	AUSTRALIAN DOLLAR	\$ 31,457
			4,387,581	BELGIAN FRANC (FINANCI	125,292
			5,343	CANADIAN DOLLAR	4,167
			96,347	DEUTSCHE MARK	56,529
			58,935	FRENCH FRANC	10,261
			285,500	HONG KONG DOLLAR	36,870
			88,620	NETHERLANDS GUILDER	46,374
			4,295	NEW ZEALAND DOLLAR	2,305
			8,237	POUND STERLING	12,302
			7,087,493	SPANISH PESETA	54,439
			59,103	SWISS FRANC	39,058
			TOTAL FOREIGN CURRENCY		
					\$ 419,053

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**INVESTMENT ADVISERS**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 3,000,000	CAPITAL AUTO RECEIVABLES ASSET	05.750%	97/12/15	\$ 3,066,540
16,700,000	CAPITAL AUTO RECEIVABLES ASSET	04.700	97/05/15	16,793,854
1,500,000	CHASE MANHATTAN CREDIT CARD	08.750	99/08/15	1,653,270
300,000	FEDERAL NATL MTG ASSN	07.050	98/12/10	324,186
27,000,000	FHLMC GOLD 15YR JUL TBA	06.500	99/01/01	27,464,063
16,250,000	FNMA 30 YR TBA AUG	00.065	99/01/01	16,006,250
9,000,000	FNMA DWARF 15 YR TBA AUG	00.070	99/01/01	9,244,688
936,900	FNMA POOL # 002499	10.000	16/03/01	1,030,881
798,226	FNMA POOL # 049238	08.000	02/06/01	841,379
17,669,282	FNMA POOL 124654	07.000	08/02/01	18,232,402
5,556,724	FORD CREDIT TR	04.850	98/01/15	5,587,953
441,139	GNMA POOL # 170062	09.000	16/08/15	476,703
504,652	GNMA POOL # 170658	09.000	20/02/15	545,337
233,420	GNMA POOL # 190610	09.000	17/01/15	252,238
631,331	GNMA POOL # 290868	09.000	20/06/15	682,229
477,265	GNMA POOL 326084	09.000	22/07/15	515,743
5,450,000	MERRILL LYNCH ASSET BACKED CO	05.125	98/07/15	5,506,190
2,020,000	ML ASSET BACKED CORP	05.500	98/05/15	2,049,654
7,899,974	PREMIER AUTO TR	04.900	98/10/15	7,904,872
5,000,000	PREMIER AUTO TR	04.900	98/12/15	5,003,100
20,700,000	RESOLUTION FDG CORP	08.125	19/10/15	24,031,458
14,900,000	RESOLUTION FDG FBE CPN STRIPS	00.000	09/10/15	4,834,901
24,500,000	RESOLUTION FDG FBE CPN STRIPS	00.000	09/07/15	8,126,895
38,249,992	S B I MONEY FUND			38,249,992
11,000,000	UNITED STATES TREAS BDS	10.375	12/11/15	15,214,320
7,750,000	UNITED STATES TREAS BDS	11.625	04/11/15	11,365,840
800,000	UNITED STATES TREAS BDS	12.000	05/05/15	1,206,496
1,200,000	UNITED STATES TREAS BDS	09.375	06/02/15	1,551,744
1,200,000	UNITED STATES TREAS BDS	09.250	16/02/15	1,562,436
4,700,000	UNITED STATES TREAS BDS	08.000	21/11/15	5,462,293
9,000,000	UNITED STATES TREAS NTS	08.875	99/02/15	10,597,500
400,000	UNITED STATES TREAS NTS	08.000	97/01/15	443,124
14,350,000	UNITED STATES TREAS NTS	08.875	00/05/15	17,157,147
6,700,000	UNITED STATES TREAS NTS	08.750	00/08/15	7,982,447
20,000,000	UNITED STATES TRES SC STRP INT	00.000	02/02/15	12,082,400
20,000,000	UNITED STATES TRES SC STRP INT	00.000	02/05/15	11,867,600

**\$ 316,818,906**

**TOTAL INVESTMENT ADVISORS**

**\$ 294,918,123**

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**ARK MANAGEMENT INC.**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 370,000	ANHEUSER BUSCH COS INC	08.750%	99/12/01	\$ 423,809
1,300,000	ATLANTIC RICHFIELD CO	08.250	22/02/01	1,432,964
700,000	BOSTON EDISON	07.800	23/03/15	707,994
2,500,000	CATERPILLAR FINL SVCS MTN	08.350	93/08/05	2,493,025
1,140,000	CHEMICAL BKG CORP	08.500	02/02/15	1,270,017
1,125,000	CHOICE CR CARD	07.200	99/04/15	1,261,406
570,000	COMMERCIAL CR GROUP INC	06.750	97/01/15	595,690
650,000	CONTINENTAL BK N A CHICAGO ILL	07.875	03/02/01	685,406
700,000	CROWN CORK + SEAL INC	06.750	03/04/15	709,856
1,150,000	DISCOVER CARD TR	08.625	98/07/16	1,257,445
975,000	DISCOVER CARD TR	06.125	98/05/15	996,626
1,075,000	DISCOVER CARD TR	06.800	00/08/15	1,114,302
570,000	DU PONT E I DE NEMOURS + CO	08.450	96/10/15	628,488
920,000	EASTMAN KODAK CO	09.625	99/11/15	978,392
358,860	FED HM LN PC # 380006	09.000	02/08/01	380,391
1,141,004	FED HM LN PC # 380018	09.000	03/02/01	1,209,465
988,430	FED HM LN PC 360031	10.000	18/07/01	1,080,779
1,225,001	FED HM LN PC A00946	08.500	21/07/01	1,298,880
2,265,031	FED HM LN PC A01020	09.000	20/11/01	2,417,921
980,000	FED HM LN PC A01032	08.500	20/01/01	1,039,104
1,969,783	FED HM LN PC C00205	07.000	23/01/01	2,006,717
980,001	FED HM LN PC D13413	08.500	18/04/01	1,039,104
4,200,000	FED HM LN PC D39113	00.065	23/08/01	4,082,341
431,852	FED HM LN PC E00038	08.500	06/07/01	455,738
2,829,656	FED HM LN PC E00044	08.000	06/07/01	2,980,845
2,115,934	FED HM LN PC E00165	07.500	07/11/01	2,210,474
3,290,941	FED HM LN PC G00124	09.500	22/12/01	3,555,236
1,000,000	FINANCING CORP	09.650	18/11/02	1,298,440
1,500,000	FIRST CHICAGO MASTER TR	08.400	98/06/15	1,639,215
660,000	FLEET FINL GROUP INC	07.625	99/12/01	708,154
2,036,545	FNMA POOL 050656	07.500	22/11/01	2,111,632
3,519,786	FNMA POOL 124837	10.000	21/11/01	3,872,856
2,526,733	FNMA POOL 208646	06.500	08/04/01	2,563,042
1,200,000	FORD MTR CR CO	08.875	96/08/01	1,326,468
1,000,000	GENERAL MTRS ACCEP CORP	07.500	95/10/15	1,043,680
500,000	GENERAL MTRS ACCEP CORP	09.625	01/12/15	582,705
213,208	GNMA POOL # 291109	10.000	20/06/15	235,927
1,423,161	GNMA POOL # 291929	10.000	20/07/15	1,574,814
2,050,187	GNMA POOL # 293407	09.500	20/11/15	2,239,829
748,920	GNMA POOL # 299191	10.000	21/02/15	828,725
2,852,180	GNMA POOL # 307571	09.000	21/07/15	3,082,123
1,248,464	GNMA POOL 318190	08.500	21/12/15	1,337,018
1,878,400	GNMA POOL 342365	07.500	23/01/15	1,955,282
2,359,894	GNMA POOL 346427	08.000	23/02/15	2,500,001
1,100,000	GTE CORP	09.375	00/12/01	1,291,829
1,000,000	ISRAEL ST	05.750	00/03/15	1,003,750
700,000	KFW INTL FIN INC	07.000	13/03/01	699,622
600,000	KOREA DEV BK	07.900	02/02/01	652,398
690,000	LOUISIANA LD + EXPL CO	07.625	03/04/15	686,564

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**ARK MANAGEMENT INC.**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 520,000	NATIONAL AUSTRALIA BK LTD	09.700%	98/10/15	\$ 628,612
1,200,000	ONTARIO HYDRO	09.250	95/05/01	1,300,260
1,340,000	PACIFIC BELL	07.500	33/02/01	1,345,025
960,000	PENNEY J C INC	09.050	01/03/01	1,106,784
1,100,000	PENNSYLVANIA PWR + LT CO	05.500	98/04/01	1,099,912
600,000	PETRO CDA	09.250	21/10/15	696,648
1,000,000	PHILIP MORRIS COS INC	08.875	96/07/01	1,098,600
620,000	PNC FDG CORP	06.875	03/03/01	639,511
630,000	PROCTER + GAMBLE PROFIT	09.360	21/01/01	774,547
2,750,000	PRUDENTIAL HOME MTG SECS CO	07.350	25/07/25	2,865,143
6,065,877	S B I MONEY FUND			6,065,877
700,000	SASKATCHEWAN PROV CDA	08.000	13/02/01	736,531
750,000	SEARS CR ACCOUNT TR	08.600	98/05/15	819,135
990,000	SHAWMUT CORP	08.875	96/04/01	1,069,596
700,000	SOUTHWESTERN BELL TEL CO	06.375	01/04/01	712,488
1,200,000	STANDARD CR CARD MASTER TR I	08.250	96/10/07	1,303,500
1,250,000	STANDARD CR CARD MASTER TR I	06.250	97/09/15	1,260,338
930,000	TELE COMMUNICATIONS INC	08.250	03/01/15	1,011,105
1,000,000	TENNESSEE VALLEY AUTH	08.375	99/10/01	1,146,250
700,000	TEXAS UTILS ELEC CO	06.750	03/03/01	704,452
4,120,000	UNITED STATES TREAS BDS	10.375	12/11/15	5,698,454
5,000,000	UNITED STATES TREAS BDS	07.250	16/05/15	5,332,800
1,730,000	UNITED STATES TREAS BDS	07.500	16/11/15	1,895,423
1,300,000	UNITED STATES TREAS BDS	07.875	21/02/15	1,486,875
275,000	UNITED STATES TREAS NTS	06.875	94/08/15	284,625
950,000	UNITED STATES TREAS NTS	06.250	97/01/31	998,688
1,100,000	UNITED STATES TREAS NTS	06.875	97/04/30	1,181,301
1,230,000	UNITED STATES TREAS NTS	06.375	02/08/15	1,283,038
9,230,000	UNITED STATES TREAS NTS	04.250	94/08/31	9,289,164
5,770,000	UNITED STATES TREAS NTS	05.125	95/11/15	5,890,824
1,900,000	UNITED STATES TREAS NTS	06.000	97/11/30	1,982,232
1,610,000	UNITED STATES TREAS NTS	09.125	99/05/15	1,922,694
1,725,000	UNITED STATES TREAS NTS	07.750	95/02/15	1,827,965
3,130,000	UNITED STATES TREAS NTS	07.875	98/01/15	3,499,246
1,250,000	VICTORIAN PUB AUTHS FIN AGY	08.450	01/10/01	1,417,750
770,000	WHITMAN CORP	07.500	03/02/01	814,144
1,070,000	WITCO CORP	07.750	23/04/01	1,085,440

**\$ 134,494,848**

**TOTAL ARK MANAGEMENT**

**\$ 143,821,465**

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**MILLER ANDERSON SHERRERD**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 1,025,000	AHMANSON H F + CO	08.250%	02/10/01	\$ 1,105,217
3,200,000	AMERICAN HSG TR	09.552	20/09/25	3,344,000
1,275,000	AMR CORP DEL MTN BOOK ENTRY	10.125	21/06/01	1,443,695
700,000	BARCLAYS NORTH AMERN CAP CORP	10.500	17/12/15	844,417
5,616,434	BEAR STEARNS MTG SECS INC	08.000	23/05/25	5,862,153
2,300,000	BEAR STEARNS SECD INV'S TR	05.250	23/03/25	2,288,500
2,358,818	CHEMICAL MTG CO	05.762	97/01/15	2,341,127
2,075,000	COASTAL CORP	09.625	12/05/15	2,329,457
900,000	COASTAL CORP	11.750	06/06/15	1,056,375
1,540,834	COLLATERALIZED MTG OBLIG TR 14	16.625	09/04/01	1,688,661
1,375,000	CONSECO INC	08.125	03/02/15	1,395,625
1,550,000	COUNTRYWIDE FDG CORP MTN	06.550	00/04/14	1,568,957
1,500,000	DEAN WITTER DISCOVER + CO	06.875	03/03/01	1,523,760
983,890	FED HM LN PC S10010	09.000	22/04/01	192,321
3,360,004	FED HM LN PC S10016	09.500	21/09/01	697,201
786,100	FED NATL MTG ASSN STRIPPED	09.500	19/01/01	167,777
2,100,000	FEDERAL EXPRESS CORP	09.650	12/06/15	2,450,175
5,300,000	FEDERAL HOME LN MTG CORP	08.950	20/08/15	5,767,036
2,850,000	FEDERAL HOME LN MTG CORP	08.500	20/10/15	3,122,517
5,895,891	FEDERAL HOME LN MTG CORP	08.500	07/02/15	608,043
4,000,000	FEDERAL HOME LN MTG CORP	09.500	18/12/15	4,340,000
2,200,000	FEDERAL HOME LN MTG CORP	08.950	20/11/15	2,375,296
780,824	FEDERAL NATL MTG ASSN	09.500	17/07/01	166,651
1,235,044	FEDERAL NATL MTG ASSN	09.500	18/06/01	262,447
546,317	FEDERAL NATL MTG ASSN	09.000	19/11/01	124,626
295,000	FEDERAL NATL MTG ASSN	16.865	20/11/25	331,506
9,000	FEDERAL NATL MTG ASSN	00.000	20/11/25	204,750
5,000,000	FEDERAL NATL MTG ASSN	07.950	20/03/25	5,321,850
101,510	FEDERAL NATL MTG ASSN	14.444	21/12/25	104,745
42,042	FEDERAL NATL MTG ASSN	01.000	22/01/25	756,765
2,100,000	FEDERAL NATL MTG ASSN	06.250	07/04/25	2,113,020
1,560,000	FEDERAL NATL MTG ASSN	10.000	19/05/01	1,837,883
2,500,000	FEDERAL NATL MTG ASSN	08.800	19/12/25	2,655,450
710,516	FEDERAL NATL MTG ASSN	09.500	21/08/01	153,201
5,000,000	FEDERAL NATL MTG ASSN GTD	09.300	19/03/25	5,342,150
2,150,000	FEDERAL NATL MTG ASSN GTD	09.000	19/05/25	2,367,688
4,500,000	FEDERAL NATL MTG ASSN GTD	00.065	08/07/25	4,315,078
1,746,790	FEDERAL NATL MTG ASSN STRIP	09.500	06/09/01	287,674
1,062,842	FEDERAL NATL MTG ASSN STRIP	09.000	22/02/25	247,770
1,573,503	FEDERAL NATL MTG ASSN STRIP	10.000	22/02/01	395,343
1,031,090	FEDERAL NATL MTG ASSN STRIP	09.000	22/06/01	239,399
1,212,230	FEDERAL NATL MTG ASSN STRIPPED	09.000	02/04/01	190,926
378,477	FEDERAL NATL MTG ASSN STRIPPED	09.500	17/04/01	80,426
480,845	FEDERAL NATL MTG ASSN STRIPPED	09.500	17/07/01	98,121
386,314	FEDERAL NATL MTG ASSN STRIPPED	10.000	16/11/01	88,972
410,517	FEDERAL NATL MTG ASSN STRIPPED	09.500	18/01/01	81,332
627,402	FEDERAL NATL MTG ASSN STRIPPED	09.500	18/08/01	134,107
177,380	FEDERAL NATL MTG ASSN STRIPPED	00.000	18/09/01	37,970
2,389,461	FEDERAL NATL MTG ASSN STRIPPED	09.500	18/07/01	510,747

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**MILLER ANDERSON SHERRERD**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 967,046	FEDERAL NATL MTG ASSN STRIPPED	09.500%	18/11/01	\$ 207,006
1,024,156	FEDERAL NATL MTG ASSN STRIPPED	09.500	18/12/01	218,586
944,844	FEDERAL NATL MTG ASSN STRIPPED	09.500	20/03/15	213,176
302,505	FEDERAL NATL MTG ASSN STRIPPED	09.500	20/09/01	65,132
1,635,561	FEDERAL NATL MTG ASSN STRIPPED	09.500	22/06/01	345,512
1,519,378	FEDERAL NATL MTG ASSN STRIPPED	09.000	22/07/01	353,726
594,268	FEDERAL NATL MTG ASSN STRIPPED	09.500	21/11/01	126,282
1,326,784	FEDERAL NATL MTG ASSN STRIPPED	09.500	17/02/01	281,942
8,600,000	FHLMC GOLD 15YR TBA JUL	09.000	99/01/01	9,180,500
14,225,000	FHLMC GOLD 15YR TBA JUL	09.500	99/01/01	15,291,875
650,000	FHLMC GOLD 15YR TBA JUL	10.000	99/01/01	702,410
7,000,000	FINANCING CORP PRINC FICO STRP	01.000	18/05/11	1,107,960
2,500,000	FIREMANS FD MTG CORP	08.875	01/10/15	2,852,400
1,376,586	FIRST BOSTON MTG SECS CORP	08.125	22/10/25	1,423,046
262,329	FIRST BOSTON MTG SECS CORP	09.488	18/05/16	52,710
1,400,000	FLEET MTG GROUP INC	06.840	03/05/01	1,419,250
2,800,000	FNBC 1993 A PASS THRU TR	08.080	18/01/15	2,841,944
2,650,000	FNMA 15YR TBA JUL	10.000	99/01/01	2,853,719
2,550,000	FNMA 15YR TBA JUL	09.500	99/01/01	2,736,469
9,800,000	FNMA 15YR TBA JUL	09.000	99/01/01	10,467,625
1,400,000	FNMA 30 YR JULY TBA	07.000	99/01/01	1,425,813
2,000,000	FORD MOTOR CREDIT MTN BK ENTRY	07.500	99/11/19	2,140,540
2,295,289	FORTUNE MORTGAGE CORP	07.943	03/05/01	2,339,772
1,500,000	GENERAL ELEC CAP CORP MTN	04.950	03/10/30	1,612,500
3,600,000	GENERAL MTRS ACCEP CORP MTN	07.500	97/11/04	3,790,980
1,675,000	GENERAL MTRS CORP 1991 A PASS	08.950	09/07/02	1,866,025
2,200,000	GM HUGHES ELECTRS	06.900	03/07/02	2,209,614
950,000	GNMA 15YR TBA JUL	09.500	99/01/01	1,030,750
2,500,000	GNMA 15YR TBA JUL	09.000	99/01/01	2,696,875
875,000	GREAT WESTN FINL CORP	08.600	02/02/01	965,143
2,125,513	GS TR 4	00.000	19/05/01	2,722,771
595,410	GS TR 4	06.420	19/10/27	694,766
900,000	HELLER FINL INC	06.500	00/05/15	925,290
1,400,000	HELLER FINL INC MTN BK ENT	08.200	99/05/19	1,544,018
2,000,000	HOUSEHOLD FIN CORP	03.562	03/10/08	1,965,000
2,100,000	HOUSEHOLD FIN CORP	03.537	04/05/05	2,042,250
3,250,000	HOUSEHOLD FIN CORP	03.537	04/12/20	3,138,298
1,700,000	ITT FINL CORP	09.250	01/07/15	1,928,293
1,775,000	KEARNEY STREET REAL ESTATE L P	07.700	01/07/15	1,795,200
1,925,000	MCDERMOTT INC	09.375	02/03/15	2,167,935
4,750,000	MID ST TR II	09.350	98/04/01	4,962,325
1,185,871	MIDWEST FEDERAL SVGS + LN	08.810	11/04/01	1,213,300
956,424	ML TR XII	01.000	16/09/01	1,029,954
1,800,000	NEWS AMER HLDGS INC	10.125	12/10/15	2,036,196
2,890,000	PRUDENTIAL HOME 30 YR MTG TR	07.900	22/11/25	3,034,500
5,500,000	PRUDENTIAL HOME MTG SECS CO	07.500	07/06/25	5,623,750
2,138,760	PRUDENTIAL HOME MTG SECS CO	07.500	22/11/25	2,163,484
2,793,225	PRUDENTIAL HOME MTG SECS CO	01.000	23/03/25	2,871,798
2,000,000	PRUDENTIAL INS CO AMER	06.875	03/04/15	2,006,400

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**MILLER ANDERSON SHERRERD**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 2,450,000	RESIDENTIAL FDG MTG SECS I MTG	07.470%	23/05/30	\$ 2,492,875
\$ 2,779,793	RESIDENTIAL FDG MTG SECS I MTG	00.080	23/01/25	2,888,427
11,500,000	RESOLUTION FDG FBE CPN STRIPS	00.000	10/10/15	3,436,315
9,500,000	RESOLUTION FDG FBE CPN STRIPS	00.000	14/04/15	2,131,230
2,700,000	RESOLUTION FDG FBE CPN STRIPS	00.000	16/04/15	518,859
20,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	16/10/15	3,706,800
1,825,000	RESOLUTION FDG FBE CPN STRIPS	00.000	18/04/15	302,713
4,000,000	RESOLUTION FDG FBE CPN STRIPS	00.000	15/01/15	843,240
1,500,000	RESOLUTION FDG FBE CPN STRIPS	00.000	18/07/15	244,365
2,121,827	RESOLUTION TR CORP MTG PASS	08.673	26/01/25	2,211,284
1,800,000	RHONE POULENC A3	08.620	21/01/05	1,923,750
1,225,000	RJR NABISCO INC	10.500	98/04/15	1,384,250
1,650,000	RJR NABISCO INC	07.625	03/09/15	1,612,875
4,717,493	RURAL HSG TR 1987 1	06.330	26/04/01	4,693,906
1,500,000	RURAL HSG TR 1987 1	06.830	26/04/01	1,517,813
2,615,502	RURAL HSG TR 1987 1	03.330	26/04/01	2,334,335
55,013,342	S B I MONEY FUND			55,013,342
2,650,000	SCOTIA PACIFIC HLDG CORP	07.950	15/07/20	2,698,336
4,725,000	SECURED FINANCE DELS	09.050	04/12/15	5,673,449
1,500,000	SECURITY PAC HOME EQUITY TR	08.900	06/03/10	1,606,395
1,000,000	SECURITY PAC HOME EQUITY TR	10.500	06/03/10	1,141,880
1,850,000	SOUTHBURY FINANCIAL CORP	07.750	99/04/01	1,935,729
2,703,117	TALMAN FED SVGS + LN	09.165	08/03/01	2,760,558
2,175,000	TELE COMMUNICATIONS INC	09.875	22/06/15	2,588,729
2,900,000	TIME WARNER INC	09.125	13/01/15	3,113,875
2,850,000	TORCHMARK INC	07.875	23/05/15	2,940,630
1,600,000	UNITED AIR LINES INC	10.250	21/07/15	1,835,296
3,450,000	UNITED STATES LEASING INTL INC	08.750	01/12/01	3,868,037
13,200,000	UNITED STATES TREAS BDS	08.750	20/08/15	16,539,204
25,750,000	UNITED STATES TRES BD STRP PRN	00.010	15/02/15	5,554,790
44,500,000	UNITED STATES TRES BD STRP PRN	09.125	18/05/15	7,551,650
58,000,000	UNITED STATES TRES BD STRP PRN	00.000	19/02/15	9,328,720
59,550,000	UNITED STATES TRES BD STRP PRN	00.000	20/08/15	8,651,424
7,000,000	UNITED STATES TRES SC STRP INT	00.000	06/08/15	2,996,700
15,000,000	UNITED STATES TRES SC STRP INT	00.000	09/08/15	5,024,100
-88	US TREAS NT SEPT FUTURE	00.000		0
3,051,701	VIRGINIA BEACH FED SVGS + LN	08.247	00/02/01	3,121,310
900,000	WELLS FARGO + CO	08.375	02/05/15	984,969

\$ 595,060,712

TOTAL MILLER ANDERSON SHERRERD

\$ 368,819,873

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**WESTERN ASSET MANAGEMENT**  
**ALPHABETICAL FIXED INCOME HOLDINGS**

**JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 7,500,000	ALLSTATE CORP	06.750%	03/06/15	\$ 7,618,650
4,350,000	BASS AMERICA INC	08.125	02/03/31	4,820,540
10,000	CIRCUS CIRCUS ENTERPRISES	10.625	97/06/15	11,452
7,500,000	CLEVELAND ELEC ILLUM CO	07.625	02/08/01	7,711,500
8,235,000	COASTAL CORP	09.750	03/08/01	9,445,133
1,900,000	DOW CORNING CORP	09.375	08/02/01	2,073,926
24,000,000	EASTMAN KODAK CO	00.000		4,020,000
251	EURODOLLAR 9/13/93 JUL CALL	00.000	16/07/15	6,275
315	EURODOLLAR DECEMBER FUTURE	00.000		0
630	EURODOLLAR SEPT FUTURE	00.000		0
3,889,658	FED HM LN PC # 220009	08.250	01/08/01	4,062,242
1,438,544	FED HM LN PC E00160	07.000	07/11/01	1,486,634
3,788,708	FEDERAL HOME LN MTG CORP	08.500	97/03/15	4,002,391
6,800,337	FEDERAL HOME LN MTG CORP	09.500	21/04/15	7,845,889
250,000	FEDERAL HOME LN MTG CORP	07.100	17/06/15	261,795
5,500,000	FEDERAL HOME LN MTG CORP	06.750	05/10/15	5,713,125
1,300,000	FEDERAL HOME LN MTG CORP	07.000	05/03/15	1,346,709
8,000,000	FEDERAL HOME LN MTG CORP	09.000	18/09/15	8,297,280
65,736	FEDERAL HOME LN MTG CORP	09.300	15/07/15	65,838
14,000,000	FEDERAL NATL MTG ASSN	00.000	14/07/05	2,988,160
8,000,000	FEDERAL NATL MTG ASSN	07.000	05/04/25	8,267,440
8,402,500	FEDERAL NATL MTG ASSN GTD	09.500	19/07/25	9,224,349
4,000,000	FEDERAL NATL MTG ASSN GTD	09.000	18/09/25	4,386,240
310,011	FEDERAL NATL MTG ASSN STRIPPED	06.500	09/03/01	312,336
1,461,931	FEDERAL NATL MTG ASSN STRIPPED	00.000	07/09/01	1,138,932
4,359,606	FEDERAL NATL MTG ASSN STRIP	05.000	06/01/01	4,260,120
13,128,362	FHA CITICORP 136	07.430	23/05/01	13,012,833
6,978,536	FHA GMAC 2	07.320	19/11/01	6,842,106
4,018,549	FHA REILLY PROJ POOL 48	07.430	23/07/01	3,983,185
4,107,856	FNMA POOL # 000797	07.250	23/01/01	4,214,906
780,101	FNMA POOL 124654	07.000	08/02/01	804,963
2,660,000	FORD CR AUTO LN MASTER TR	06.875	99/01/15	2,792,149
1,750,000	FORD MOTOR CREDIT MTN BK ENTRY	03.500	94/12/15	1,744,330
33,000	FRANKLIN SVGS ASSN OTTAWA KS	00.000	94/04/05	31,845
10,000	FRANKLIN SVGS ASSN OTTAWA KS	00.000	99/04/19	7,213
4,525,000	GENERAL ELEC CAP CORP	08.750	07/05/21	5,431,629
3,405,000	GENERAL MTRS ACCEP CORP	04.625	99/10/01	3,552,198
24,480,000	GENERAL MTRS ACCEP CORP	05.500	02/10/15	26,044,272
204,652	GNMA POOL # 291142	09.500	20/05/15	223,582
6,000,000	GTE CORP	07.830	23/05/01	6,195,060
4,800,000	HELLER FINL INC	06.500	00/05/15	4,934,880
5,700,000	HYDRO QUEBEC	08.875	26/03/01	6,589,941
2,520,000	KANSALLIS OSAKE PANKKI N Y	09.750	98/12/15	2,902,309
1,000,000	KANSALLIS OSAKE PANKKI N Y	10.000	02/05/01	1,185,370
11,473,000	LITTON INDs INC	12.625	05/07/01	13,279,998
11,645,000	LOEWS CORP	07.625	23/06/01	11,784,507
3,000,000	MANITOBA PROV CDA	00.000		165,900
2,500,000	MANUF HANOVER TST	05.308	97/04/30	2,507,000

**MINNESOTA STATE BOARD OF INVESTMENT**  
**ACTIVE BOND MANAGERS ACCOUNT**  
**WESTERN ASSET MANAGEMENT**  
**ALPHABETICAL FIXED INCOME HOLDINGS**  
**JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 1,750,000	MBNA MASTER CR CARD TR	07.750%	98/10/15	\$ 1,887,813
17,960,000	MCDONNELL DOUGLAS CORP	09.750	12/04/01	19,037,600
10,000,000	MCDONNELL DOUGLAS CORP	08.250	00/07/01	10,071,500
6,000,000	MID ST TR II	09.625	03/04/01	6,639,720
3,000,000	MONSANTO CO	08.700	21/10/15	3,448,920
2,350,000	NEWFOUNDLAND PROV CDA	09.000	19/06/01	2,777,019
17,259,000	NEWS AMER HLDGS INC	08.500	05/02/15	18,327,505
250,000	PHILIP MORRIS COS INC	08.750	01/06/01	282,145
22,770,000	RESOLUTION FDG CORP	08.875	30/04/15	29,230,988
5,300,000	RESOLUTION FDG FBE CPN STRIPS	00.000	15/01/15	1,117,293
5,300,000	RESOLUTION FDG FBE CPN STRIPS	00.000	15/07/15	1,077,649
5,300,000	RESOLUTION FDG FBE CPN STRIPS	00.000	16/01/15	1,037,157
5,300,000	RESOLUTION FDG FBE CPN STRIPS	00.000	16/07/15	1,000,269
2,490,174	RESOLUTION TR CORP MTG PASS	09.050	23/08/25	2,645,810
1,999,476	RESOLUTION TR CORP MTG PASS	08.750	24/05/25	2,129,442
3,799,480	RESOLUTION TR CORP MTG PASS	09.400	24/05/25	4,017,950
4,500,000	RESOLUTION TR CORP MTG PASS	07.050	25/03/25	4,533,750
7,103,281	RESOLUTION TR CORP MTG PASS	07.150	25/03/25	7,156,556
14,570,000	RJR NABISCO INC	08.750	04/04/15	15,152,800
8,030,000	RJR NABISCO INC	07.625	03/09/15	7,849,325
2,000,000	ROYAL BK CDA MONTREAL QUE	05.750	95/10/17	2,015,600
3,000,000	RTC MTG TR	06.500	03/03/15	2,966,250
8,959,035	RURAL HSG TR 1987 1	03.330	26/04/01	7,995,938
135,205,972	S B I MONEY FUND			135,205,972
6,000,000	SEAGRAM JOSEPH E + SONS INC	09.650	18/08/15	7,590,540
7,715,000	SEARS CREDIT ACCT MASTER TRI	05.900	98/11/15	7,931,946
4,365,000	STANDARD CR CARD MASTER TR I	08.500	96/06/07	4,763,306
2,500,000	STANDARD CR CARD MASTER TR I	09.000	97/08/07	2,731,250
1,600,000	STANDARD CR CARD TR	09.000	95/03/10	1,712,496
300,000	STUDENT LN MARKETING ASSN	10.950	93/07/07	300,000
9,000,000	SVENSKA HANDELSBANKEN N Y	08.350	04/07/15	10,011,510
3,000,000	SYSTEM ENERGY RES INC	14.000	94/11/15	3,358,290
2,000,000	TELE COMMUNICATIONS INC	09.875	22/06/15	2,380,440
14,290,000	TELE COMMUNICATIONS INC	09.250	23/01/15	15,666,556
22,090,000	TIME WARNER ENTMT CO L P	08.375	23/03/15	22,061,283
9,000,000	TIME WARNER INC	09.150	23/02/01	9,506,250
16,090,000	UNITED STATES TREAS BDS	07.625	22/11/15	17,988,137
3,100,000	UNITED STATES TREAS NTS	06.750	97/02/28	3,311,172
7,600,000	UNITED STATES TREAS NTS	04.125	95/05/31	7,617,784
870,000	UNITED STATES TREAS NTS	05.375	98/05/31	881,823
27,000,000	UNITED STATES TRES BD STRP PRN	00.000	17/05/15	4,931,820
5,300,000	UNITED STATES TRES SC STRP INT	00.000	17/02/15	978,645
5,300,000	UNITED STATES TRES SC STRP INT	00.000	17/08/15	944,301
743	US TREAS BD SEPT FUTURES	00.000		0
655	UST NT SEPT FUTURE SHORT	00.000		0
4,000,000	XEROX CR CORP MTN BK ENT	04.770	97/09/11	3,905,440

\$ 685,100,100

TOTAL WESTERN ASSET MANAGEMENT

\$ 633,775,093

**MINNESOTA STATE BOARD OF INVESTMENT  
SEMI-PASSIVE BOND MANAGERS ACCOUNT  
FIDELITY MANAGEMENT TRUST  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 4,455,000	AFRICAN DEV BK	09.500%	95/12/15	\$ 4,937,655
3,760,000	ARIZONA ST TRANSN BRD HWY REV	05.000	04/07/01	3,766,279
43,232	BEAR STEARNS SECD INVS INC	00.010	18/12/01	43,191
76,709	BEAR STEARNS SECD INVS INC	09.050	18/12/01	76,661
4,510,000	BLACK + DECKER CORP	07.500	03/04/01	4,608,995
11,240,000	CALIFORNIA ST	05.100	03/04/01	11,402,980
8,000,000	CHASE MANHATTAN CORP	05.250	95/11/10	7,940,000
8,380,000	CHRYSLER FINL CORP	10.340	08/05/15	9,370,516
5,850,000	CHRYSLER FINL CORP	09.500	99/12/15	6,610,500
6,575,000	CIRCUS CIRCUS ENTERPRISES	10.625	97/06/15	7,529,953
2,000,000	CITIZENS + SOUTHN CORP GA	05.250	97/12/19	1,985,000
250,000	COCA COLA ENTERPRISES INC	08.460	93/07/21	250,470
3,000,000	COMDISCO INC	08.950	95/05/15	3,166,050
7,340,000	COMDISCO INC	06.500	94/06/15	7,444,668
1,000,000	COMDISCO INC	07.750	99/09/01	1,033,130
2,250,000	COMDISCO INC MTN BOOK ENTRY	07.750	97/01/29	2,349,068
7,350,000	CONTINENTAL BANK CORP	09.875	96/06/15	8,240,967
10,963,333	DISCOVER CARD TR	08.850	96/05/16	11,182,599
12,500,000	DISCOVER CARD TR	08.100	96/08/16	12,789,000
1,690,000	DISCOVER CARD TR	06.125	98/05/15	1,727,484
282,870	FED HM LN PC 277830	07.000	05/06/01	289,764
308,884	FED HM LN PC # 140186	07.000	03/11/01	316,412
48,513	FED HM LN PC # 181535	08.500	09/06/01	51,121
37,324	FED HM LN PC # 183320	07.000	11/04/01	38,234
447,121	FED HM LN PC # 183352	09.000	08/12/01	475,625
527,434	FED HM LN PC # 183354	06.000	10/11/01	534,517
119,267	FED HM LN PC # 186988	09.000	09/01/01	126,871
254,275	FED HM LN PC # 188844	07.500	08/08/01	265,400
126,055	FED HM LN PC # 200007	11.500	00/02/01	135,863
142,360	FED HM LN PC # 210229	11.000	00/09/01	153,259
30,342	FED HM LN PC # 210388	11.250	00/10/01	32,736
162,602	FED HM LN PC # 210589	11.000	00/12/01	175,051
50,775	FED HM LN PC # 253863	09.250	10/03/01	54,012
94,695	FED HM LN PC # 255955	09.000	10/04/01	100,732
67,296	FED HM LN PC # 258115	09.000	09/11/01	71,586
142,322	FED HM LN PC # 271338	07.250	07/11/01	150,594
64,646	FED HM LN PC # 279794	09.000	11/03/01	68,767
293,511	FED HM LN PC # 287482	07.000	17/03/01	297,729
43,225	FED HM LN PC # 289436	08.500	17/03/01	45,441
1,344,372	FED HM LN PC # 305850	09.000	18/07/01	1,423,354
430,124	FED HM LN PC # 306381	09.000	17/11/01	457,544
611,341	FED HM LN PC 160099	12.500	10/01/01	693,107
1,457,776	FED HM LN PC A00281	10.000	10/12/01	1,600,361
5,687,137	FED HM LN PC A00335	10.000	21/03/01	6,243,396
400,074	FED HM LN POOL # 220008	08.250	01/08/01	417,825
287,821	FED HM LN POOL # 220015	08.250	01/10/01	300,591
4,600,000	FEDERAL AGRIC MTG CORP MTN	05.440	94/07/15	4,669,000
3,280,000	FEDERAL AGRIC MTG CORP MTN	07.630	01/01/16	3,554,700
4,900,000	FEDERAL EXPRESS CORP	09.875	02/04/01	5,780,236

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 1,350,000	FEDERAL HOME LN MTG CORP	08.800%	13/12/15	\$ 1,371,087
2,100,000	FEDERAL HOME LN MTG CORP	05.940	99/09/21	2,147,880
1,805,000	FINANCING CORP	10.700	17/10/06	2,548,425
4,945,000	FINANCING CORP	09.800	17/11/30	6,450,110
10,000,000	FINANCING CORP	09.800	18/04/06	13,140,600
2,430,000	FIRST BK SYS INC	09.390	96/03/06	2,728,428
3,750,000	FIRST NATL BK BOSTON MASS	08.375	02/12/15	4,134,638
7,540,000	FLEET MTG SECS INC	06.500	99/09/15	7,587,351
26,200,000	FNMA 15 YR TBA AUGUST	07.500	99/01/01	27,079,796
8,000,000	FNMA 7YR TBA	06.500	99/01/01	8,197,520
281,294	FNMA POOL 050247	08.500	19/11/01	297,995
1,202,429	FNMA POOL # 002494	08.000	08/04/01	1,268,563
285,039	FNMA POOL # 035497	08.500	17/04/01	302,674
427,188	FNMA POOL # 044049	08.000	08/04/01	450,683
583,375	FNMA POOL # 045373	08.000	17/04/01	613,273
49,253	FNMA POOL # 047072	08.000	17/05/01	51,777
302,057	FNMA POOL # 080147	08.500	19/11/01	319,990
495,801	FNMA POOL # 8245	08.000	08/12/01	523,070
6,373	FNMA POOL #089166	09.000	20/02/01	6,807
422,481	FNMA POOL 040514	08.500	17/01/01	448,092
322,697	FNMA POOL 044029	08.500	17/05/01	342,259
330,294	FNMA POOL 048154	08.500	17/05/01	351,555
338,471	FNMA POOL 048232	08.500	17/06/01	359,413
246,610	FNMA POOL 048601	08.500	17/07/01	261,868
204,495	FNMA POOL 049050	08.000	17/07/01	214,975
892,239	FNMA POOL 050288	08.000	20/02/01	936,851
722,531	FNMA POOL 050628	07.500	07/09/01	754,366
506,419	FNMA POOL 050637	08.000	22/12/01	531,740
74,784	FNMA POOL 050657	08.000	22/11/01	78,523
131,535	FNMA POOL 050705	08.500	23/01/01	139,344
471,632	FNMA POOL 050715	08.000	23/04/01	495,213
157,239	FNMA POOL 050733	07.500	08/05/01	164,216
232,770	FNMA POOL 051124	08.500	17/07/01	247,172
163,631	FNMA POOL 052554	08.500	17/07/01	173,550
109,746	FNMA POOL 057229	08.500	08/11/01	116,810
359,393	FNMA POOL 058194	08.500	17/10/01	381,179
343,052	FNMA POOL 058212	08.500	16/11/01	365,134
1,250,406	FNMA POOL 070801	12.000	16/05/01	1,418,423
798,446	FNMA POOL 083553	08.500	19/10/01	845,849
285,512	FNMA POOL 083786	08.500	18/11/01	303,891
18,949	FNMA POOL 114560	08.500	20/01/01	20,169
43,613	FNMA POOL 116885	08.000	17/08/01	45,903
374,191	FNMA POOL 124037	08.500	17/08/01	398,277
70,445	FNMA POOL 125113	07.500	07/06/01	73,548
435,697	FNMA POOL 125181	08.000	23/03/01	457,481
300,517	FNMA POOL 134108	08.500	18/11/01	318,735
422,759	FNMA POOL 146239	07.500	07/03/01	441,386
419,090	FNMA POOL 151493	08.500	19/05/01	445,019
781,678	FNMA POOL 158625	08.000	22/04/01	820,761

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 226,394	FNMA POOL 161570	08.000%	22/04/01	\$ 237,714
274,225	FNMA POOL 163198	08.000	22/05/01	287,936
461,685	FNMA POOL 164510	07.500	07/06/01	482,026
160,163	FNMA POOL 166365	07.500	07/06/01	167,220
170,444	FNMA POOL 167928	07.500	07/09/01	177,954
232,856	FNMA POOL 169488	08.500	18/10/01	247,263
351,677	FNMA POOL 170040	07.500	07/09/01	367,172
263,265	FNMA POOL 171024	08.500	22/09/01	278,895
916,986	FNMA POOL 171682	07.500	07/09/01	957,389
327,590	FNMA POOL 172490	08.500	21/02/01	347,039
439,124	FNMA POOL 172810	07.500	07/07/01	458,471
410,341	FNMA POOL 174073	08.000	22/12/01	430,858
81,645	FNMA POOL 174980	07.500	07/09/01	85,243
69,550	FNMA POOL 177032	07.500	07/08/01	72,615
185,442	FNMA POOL 177087	08.000	22/11/01	194,715
391,975	FNMA POOL 177916	08.000	22/09/01	411,574
682,164	FNMA POOL 178948	08.000	22/12/01	716,272
721,132	FNMA POOL 179037	07.500	07/09/01	752,905
334,057	FNMA POOL 179092	07.500	07/09/01	348,776
73,788	FNMA POOL 179407	07.500	07/09/01	77,039
102,055	FNMA POOL 179806	07.500	07/09/01	106,551
174,984	FNMA POOL 179944	07.500	07/09/01	182,694
63,136	FNMA POOL 181416	07.500	07/09/01	65,917
144,080	FNMA POOL 181473	07.500	07/09/01	150,428
351,324	FNMA POOL 181900	07.500	07/10/01	366,803
369,129	FNMA POOL 183163	07.500	07/10/01	385,393
355,032	FNMA POOL 183263	07.500	07/10/01	370,675
410,003	FNMA POOL 184138	07.500	07/12/01	428,067
64,945	FNMA POOL 184184	08.000	23/02/01	68,192
40,564	FNMA POOL 184826	07.500	07/11/01	42,352
323,499	FNMA POOL 185333	08.500	21/08/01	344,323
601,566	FNMA POOL 185721	08.000	22/11/01	631,645
102,545	FNMA POOL 185835	08.000	22/12/01	107,673
192,886	FNMA POOL 186553	07.500	08/02/01	201,384
664,254	FNMA POOL 186672	07.500	07/11/01	693,521
780,702	FNMA POOL 186793	08.000	22/11/01	819,737
947,127	FNMA POOL 187876	07.500	07/10/01	988,857
340,037	FNMA POOL 188942	08.000	22/11/01	357,039
274,588	FNMA POOL 189181	08.500	22/09/01	290,890
609,654	FNMA POOL 189317	07.500	07/11/01	636,515
53,917	FNMA POOL 189761	07.500	07/12/01	56,292
294,819	FNMA POOL 189960	08.000	22/07/01	309,560
219,064	FNMA POOL 191145	08.000	22/11/01	230,017
174,590	FNMA POOL 191288	08.000	22/11/01	183,319
426,915	FNMA POOL 191445	07.500	07/12/01	445,725
241,399	FNMA POOL 191451	08.000	22/12/01	253,469
363,146	FNMA POOL 191497	07.500	07/12/01	379,147
373,050	FNMA POOL 191549	07.500	07/12/01	389,487
402,650	FNMA POOL 191991	07.500	07/11/01	420,391

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 580,711	FNMA POOL 192055	07.500%	07/11/01	\$ 606,297
381,524	FNMA POOL 192161	08.000	22/12/01	400,601
397,472	FNMA POOL 192557	08.000	22/11/01	417,345
273,761	FNMA POOL 192821	08.000	22/11/01	287,449
189,244	FNMA POOL 193056	07.500	08/02/01	197,582
878,565	FNMA POOL 193192	07.500	08/02/01	917,275
297,060	FNMA POOL 193463	08.000	22/12/01	311,913
90,594	FNMA POOL 194322	07.500	07/12/01	94,586
35,404	FNMA POOL 194360	08.000	22/12/01	37,175
238,115	FNMA POOL 194591	08.500	23/01/01	252,252
113,362	FNMA POOL 194821	08.500	22/12/01	120,093
278,117	FNMA POOL 194899	08.500	22/12/01	294,629
356,324	FNMA POOL 194954	07.500	07/12/01	372,024
422,562	FNMA POOL 195101	08.000	22/12/01	443,690
404,547	FNMA POOL 195262	07.500	07/12/01	422,371
670,345	FNMA POOL 195418	08.000	22/12/01	703,863
318,826	FNMA POOL 195653	08.500	23/01/01	337,755
965,927	FNMA POOL 195713	07.500	08/02/01	1,008,486
287,461	FNMA POOL 195758	07.500	08/02/01	300,126
352,450	FNMA POOL 195863	07.500	08/02/01	367,979
394,737	FNMA POOL 195951	08.000	22/12/01	414,473
337,362	FNMA POOL 196206	07.500	07/12/01	352,227
685,881	FNMA POOL 196222	08.000	22/12/01	720,175
327,319	FNMA POOL 196409	08.500	22/05/01	346,751
983,162	FNMA POOL 196470	08.000	22/12/01	1,032,320
98,589	FNMA POOL 196471	08.000	22/12/01	103,519
108,859	FNMA POOL 196613	07.500	08/01/01	113,656
443,566	FNMA POOL 196615	07.500	08/01/01	463,109
369,527	FNMA POOL 197024	07.500	07/12/01	385,808
157,779	FNMA POOL 197080	07.500	08/01/01	164,731
630,052	FNMA POOL 197192	07.500	07/12/01	657,812
251,345	FNMA POOL 197269	07.500	08/02/01	262,419
952,849	FNMA POOL 197452	07.500	07/12/01	994,831
437,510	FNMA POOL 197668	07.500	08/03/01	456,787
391,346	FNMA POOL 198943	07.500	08/02/01	408,588
186,016	FNMA POOL 199507	07.500	08/02/01	194,212
225,605	FNMA POOL 199848	07.500	08/02/01	235,545
401,334	FNMA POOL 199927	07.500	08/01/01	419,016
270,529	FNMA POOL 199984	07.500	08/01/01	282,449
275,030	FNMA POOL 200435	08.000	22/06/01	289,469
351,216	FNMA POOL 200871	07.500	08/01/01	366,691
192,152	FNMA POOL 200956	08.000	23/02/01	201,759
15,122	FNMA POOL 201343	08.500	23/02/01	16,019
400,823	FNMA POOL 201382	07.500	08/01/01	418,483
351,064	FNMA POOL 201915	07.500	08/02/01	366,532
952,894	FNMA POOL 202004	07.500	07/07/01	994,879
357,107	FNMA POOL 202298	08.500	21/12/01	378,308
448,636	FNMA POOL 202413	07.500	08/02/01	468,403
463,670	FNMA POOL 202420	08.000	23/02/01	486,854

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PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 5,544,916	FNMA POOL 202429	07.500%	08/02/01	\$ 5,789,225
40,366	FNMA POOL 202567	07.500	08/02/01	42,145
879,827	FNMA POOL 202590	08.000	23/02/01	923,819
1,430,390	FNMA POOL 202823	08.000	23/03/01	1,501,910
405,933	FNMA POOL 202849	08.000	23/01/01	426,230
419,041	FNMA POOL 202851	08.000	22/12/01	439,993
105,167	FNMA POOL 202958	08.000	23/02/01	110,425
872,474	FNMA POOL 203030	07.500	08/02/01	910,916
98,253	FNMA POOL 203049	08.000	23/03/01	103,165
245,363	FNMA POOL 203188	08.000	23/02/01	257,631
26,023	FNMA POOL 203692	07.500	08/02/01	27,169
30,524	FNMA POOL 204108	08.000	23/03/01	32,050
204,335	FNMA POOL 204853	08.000	21/08/01	214,807
409,606	FNMA POOL 205398	08.500	23/03/01	433,924
350,512	FNMA POOL 205522	07.500	08/03/01	365,955
350,601	FNMA POOL 205892	07.500	08/04/01	366,049
498,534	FNMA POOL 206129	08.000	23/03/01	523,461
176,439	FNMA POOL 206405	07.500	08/05/01	183,055
572,363	FNMA POOL 206796	08.500	23/03/01	606,344
74,732	FNMA POOL 206959	08.000	23/03/01	78,469
837,176	FNMA POOL 206973	08.000	23/03/01	879,034
457,871	FNMA POOL 207545	07.500	08/03/01	478,045
289,748	FNMA POOL 207549	08.000	23/04/01	304,235
629,841	FNMA POOL 207766	08.000	23/04/01	661,333
351,609	FNMA POOL 208005	07.500	08/03/01	367,101
499,046	FNMA POOL 208020	08.000	23/03/01	523,998
531,514	FNMA POOL 210455	08.000	23/03/01	558,090
409,015	FNMA POOL 210680	07.500	08/04/01	427,036
282,519	FNMA POOL 212878	07.500	08/04/01	294,967
97,799	FNMA POOL 213558	07.500	08/05/01	101,466
198,000	FNMA POOL 215359	07.500	08/06/01	205,425
302,126	FNMA POOL 215397	07.500	08/06/01	313,456
50,713	FNMA POOL 215848	08.000	23/04/01	53,312
99,000	FNMA POOL 216535	08.000	23/04/01	104,074
288,335	FNMA POOL 217448	07.500	08/06/01	299,148
125,575	FNMA POOL 217978	07.500	08/06/01	130,284
189,177	FNMA POOL 221125	07.500	08/06/01	196,271
286,715	FNMA POOL 222171	07.500	08/06/01	299,438
400,000	FNMA POOL 222339	07.500	08/06/01	417,750
15,510,000	FORD CR AUTO LN MASTER TR	05.625	95/10/15	15,849,204
7,500,000	GENERAL MTRS ACCEP CORP MTN	06.000	94/06/09	7,581,150
20,400,000	GNMA 30 YR TBA JULY	09.000	99/01/01	22,044,648
10,500,000	GNMA 30YR TBA JUL	09.500	99/01/01	11,471,250
205,974	GNMA II POOL # 121529	12.000	15/02/20	233,781
99,468	GNMA POOL 039640	11.000	10/03/15	113,020
101,727	GNMA POOL 279468	09.000	19/11/15	109,929
474,057	GNMA POOL # 026667	09.000	08/09/15	515,238
337,472	GNMA POOL # 028628	09.000	09/01/15	366,788
419,568	GNMA POOL # 033506	11.000	10/01/15	476,734

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 29,192	GNMA POOL # 037029	11.000%	09/12/15	\$ 33,170
26,977	GNMA POOL # 038191	11.000	09/12/15	30,653
286,971	GNMA POOL # 038419	11.000	10/02/15	326,071
194,962	GNMA POOL # 038567	11.000	10/03/15	221,525
40,066	GNMA POOL # 039333	11.000	10/02/15	45,526
50,557	GNMA POOL # 039454	11.000	10/03/15	57,446
225,647	GNMA POOL # 039607	11.000	10/07/15	256,391
100,177	GNMA POOL # 039807	11.000	10/02/15	113,826
127,388	GNMA POOL # 040070	11.000	10/08/15	144,745
103,780	GNMA POOL # 040364	11.000	10/08/15	117,920
19,903	GNMA POOL # 041522	11.000	10/09/15	22,615
116,032	GNMA POOL # 042841	11.000	10/09/15	131,841
335,297	GNMA POOL # 043405	11.000	10/09/15	380,982
1,055	GNMA POOL # 046943	12.250	96/02/15	1,131
33,424	GNMA POOL # 050936	15.000	11/10/15	40,276
166,180	GNMA POOL # 051011	15.000	12/02/15	200,247
170,868	GNMA POOL # 052820	15.000	12/07/15	205,896
21,198	GNMA POOL # 054838	15.000	12/09/15	25,543
57,553	GNMA POOL # 061667	11.500	13/05/15	66,187
146,013	GNMA POOL # 064099	11.500	13/06/15	167,915
47,303	GNMA POOL # 068121	12.000	13/05/15	54,872
55,551	GNMA POOL # 115029	13.000	14/12/15	65,828
249,947	GNMA POOL # 128012	13.000	15/03/15	296,187
356,710	GNMA POOL # 128071	11.500	00/05/15	389,817
140,098	GNMA POOL # 146858	09.000	19/02/15	151,392
26,904	GNMA POOL # 149586	09.000	16/06/15	29,073
20,026	GNMA POOL # 153294	09.000	16/07/15	21,641
108,900	GNMA POOL # 156179	09.000	19/09/15	117,680
298,869	GNMA POOL # 156667	08.500	16/09/15	320,068
158,640	GNMA POOL # 158202	09.000	16/05/15	171,429
106,446	GNMA POOL # 159840	09.000	19/10/15	115,027
154,486	GNMA POOL # 173562	09.000	18/06/15	166,941
202,930	GNMA POOL # 174900	08.500	17/06/15	217,324
344,664	GNMA POOL # 186945	09.000	16/11/15	372,450
417,310	GNMA POOL # 187195	09.000	01/12/15	450,432
80,705	GNMA POOL # 194386	08.500	17/03/15	86,429
429,126	GNMA POOL # 198738	08.500	19/10/15	459,564
611,761	GNMA POOL # 201206	08.500	17/02/15	655,153
24,049	GNMA POOL # 218324	09.000	17/12/15	25,988
83,471	GNMA POOL # 219152	08.500	17/05/15	89,392
707,420	GNMA POOL # 220870	08.500	17/06/15	757,597
82,507	GNMA POOL # 221531	09.000	18/04/15	89,159
277,414	GNMA POOL # 226051	08.500	21/11/15	297,091
620,657	GNMA POOL # 226109	09.000	19/11/15	670,694
3,925,956	GNMA POOL # 232565	08.500	17/06/15	4,204,424
660,686	GNMA POOL # 253482	09.000	19/11/15	713,950
110,398	GNMA POOL # 253963	09.000	18/05/15	119,298
700,590	GNMA POOL # 274145	09.000	19/12/15	757,071
276,049	GNMA POOL # 278958	08.500	21/03/15	295,630

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JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 146,270	GNMA POOL # 281799	09.000%	19/10/15	\$ 158,062
356,643	GNMA POOL # 29011	09.000	08/12/15	387,625
737,200	GNMA POOL # 298076	08.500	21/03/15	789,490
1,740,213	GNMA POOL # 301034	08.500	21/09/15	1,863,646
3,655,207	GNMA POOL # 307646	08.500	21/06/15	3,914,471
1,587,315	GNMA POOL # 308210	08.500	21/06/15	1,699,903
364,033	GNMA POOL # 309056	09.000	21/09/15	393,381
3,619,302	GNMA POOL # 311994	08.500	21/07/15	3,876,019
430,624	GNMA POOL # 40167	11.000	10/06/15	489,297
65,945	GNMA POOL # 42799	11.000	10/08/15	74,930
303,776	GNMA POOL # 44607	11.000	10/09/15	345,166
376,593	GNMA POOL # 26157	09.000	08/10/15	409,307
918,512	GNMA POOL # 27245	09.000	08/12/15	998,304
553,193	GNMA POOL 235979	08.500	22/11/15	592,431
355,567	GNMA POOL 264200	08.500	22/10/15	380,788
462,347	GNMA POOL 306188	08.500	21/04/15	495,141
615,725	GNMA POOL 308136	08.500	22/02/15	659,398
528,557	GNMA POOL 317279	08.500	22/02/15	566,047
342,739	GNMA POOL 318168	08.500	21/12/15	367,050
1,022,240	GNMA POOL 318986	09.000	22/05/15	1,104,653
892,973	GNMA POOL 319359	08.500	22/04/15	956,311
354,909	GNMA POOL 320819	08.500	22/03/15	380,083
954,541	GNMA POOL 321249	08.500	22/11/15	1,022,246
993,715	GNMA POOL 322770	07.500	22/11/15	1,034,387
1,649,323	GNMA POOL 323097	09.000	22/05/15	1,782,291
944,399	GNMA POOL 323616	07.500	22/10/15	983,054
1,623,808	GNMA POOL 325167	09.000	22/06/15	1,754,719
1,795,377	GNMA POOL 326317	09.000	22/05/15	1,940,121
1,847,255	GNMA POOL 328182	08.500	22/08/15	1,978,281
557,967	GNMA POOL 328788	09.000	22/06/15	602,951
248,839	GNMA POOL 329200	09.000	22/06/15	268,900
316,946	GNMA POOL 329222	09.000	22/06/15	342,498
744,590	GNMA POOL 329236	09.000	22/05/15	804,619
1,824,477	GNMA POOL 329246	09.000	22/07/15	1,971,566
977,210	GNMA POOL 329978	07.500	22/12/15	1,017,208
3,184,064	GNMA POOL 334994	08.500	22/10/15	3,409,910
838,674	GNMA POOL 335958	08.500	22/11/15	898,162
498,297	GNMA POOL 338198	07.500	23/02/15	518,692
999,939	GNMA POOL 338347	07.500	22/11/15	1,040,867
976,694	GNMA POOL 338716	07.500	23/02/15	1,016,670
1,990,618	GNMA POOL 339105	07.500	22/12/15	2,072,094
89,411	GNMA POOL 339664	08.500	22/12/15	95,753
822,736	GNMA POOL 340659	07.500	23/02/15	856,410
626,163	GNMA POOL 342672	07.500	23/02/15	651,792
155,421	GNMA POOL 346419	07.500	23/01/15	161,783
70,833	GNMA POOL 347723	08.500	22/12/15	75,857
984,565	GNMA POOL 348996	07.500	23/02/15	1,024,863
230,946	GNMA POOL 349384	07.500	23/06/15	240,399
273,105	GNMA POOL 354056	07.500	23/06/15	284,283

**MINNESOTA STATE BOARD OF INVESTMENT  
SEMI-PASSIVE BOND MANAGERS ACCOUNT  
FIDELITY MANAGEMENT TRUST  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 696,450	GNMA POOL 357766	09.900%	23/05/15	\$ 724,956
980,000	GNMA POOL 359750	07.500	23/05/15	1,020,111
492,499	GNMA POOL 359757	07.500	23/06/15	512,657
7,110,000	GOLDEN WEST FINL CORP DEL	10.250	97/05/15	8,107,604
17,130,000	GOVERNMENT TR CTFS	09.400	02/05/15	20,344,616
4,700,000	HOUSEHOLD FIN CORP	06.875	94/11/15	4,852,985
5,000,000	HOUSEHOLD FIN CORP	07.625	96/12/15	5,364,850
3,000,000	INTER AMERN DEV BK	09.450	98/09/15	3,533,190
4,000,000	IRVING BK CORP	05.250	97/05/30	3,975,000
3,000,000	MANITOBA PROV CDA	09.125	18/01/15	3,638,400
5,000,000	MANITOBA PROV CDA	07.750	02/02/01	5,442,750
3,580,000	MARGARETTEN FINL CORP	06.750	00/06/15	3,619,416
1,975,609	MARYLAND NATL BK MTG	09.500	22/07/25	2,072,374
2,830,000	MARYLAND ST	05.000	04/04/15	2,866,960
3,750,000	MASSACHUSETTS MUN WHSL ELEC CO	05.000	04/07/01	3,700,088
8,150,000	MBNA MASTER CARD	07.250	99/06/15	8,715,366
3,825,000	MIDLAND AMERN CAP CORP	12.750	03/11/15	5,005,931
11,800,000	NEWS AMER HLDGS INC	08.625	03/02/01	12,546,114
1,440,000	PRINCE GEORGES CNTY MD	04.800	01/10/01	1,455,538
7,182,634	RAIL CAR TRUST	07.750	04/06/01	7,989,387
5,000,000	RJR NABISCO INC	08.875	98/03/01	5,204,200
7,790,000	RJR NABISCO INC	10.500	98/04/15	8,802,700
90,961,132	S B I MONEY FUND			90,961,132
5,000,000	SOVRAN FINL CORP	05.250	97/01/31	4,962,500
7,000,000	SOVRAN FINL CORP	09.750	99/06/15	8,228,150
2,060,000	STANDARD CR CARD MASTER TR I	09.000	97/08/07	2,250,550
1,585,000	STANDARD CR CARD MASTER TR I	08.250	94/09/07	1,654,344
5,050,000	STANDARD CR CARD MASTER TR I	05.875	95/07/07	5,182,563
15,755,000	SYSTEM ENERGY RES INC	14.000	94/11/15	17,636,620
440,000	TENNESSEE VALLEY AUTH	08.375	99/10/01	504,350
5,926,000	TENNESSEE VALLEY AUTH	08.250	96/11/15	6,552,615
4,200,000	TIME WARNER ENTMT CO L P	09.625	02/05/01	4,860,660
4,500,000	TRANSCO ENERGY CO	09.500	95/12/01	4,758,705
7,300,000	U S BANCORP MTN BK ENT	06.870	97/11/12	7,678,578
3,880,000	UJB FINL CORP	08.625	02/12/10	4,315,491
8,880,000	UNITED STATES TREAS BDS	12.000	13/08/15	13,759,826
7,430,000	UNITED STATES TREAS BDS	10.750	05/08/15	10,446,134
53,580,000	UNITED STATES TREAS BDS	08.000	21/11/15	62,270,140
21,240,000	UNITED STATES TREAS NTS	08.000	01/05/15	24,492,269
8,750,000	UNITED STATES TREAS NTS	06.375	00/01/15	9,220,313
14,000,000	UNITED STATES TREAS NTS	08.500	97/05/15	15,837,500
20,790,000	UNITED STATES TREAS NTS	08.875	97/11/15	24,009,124
16,800,000	UNITED STATES TREAS NTS	08.500	95/05/15	18,151,896
10,000,000	UNITED STATES TRES SC STRP INT	00.010	99/05/15	7,330,000
15,400,000	UNITED STATES TRES SC STRP INT	00.010	10/05/15	4,847,150
1,750,000	VIRGINIA BEACH VA	05.000	03/07/15	1,777,580
1,440,000	VIRGINIA ST PUB SCH AUTH	05.000	04/01/01	1,442,318

\$ 821,630,558      TOTAL FIDELITY MANAGEMENT TRUST

\$ 877,887,844

**MINNESOTA STATE BOARD OF INVESTMENT  
SEMI-PASSIVE BOND MANAGERS ACCOUNT  
LINCOLN CAPITAL MANAGEMENT  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 475,000	AFRICAN DEV BK	10.000 %	97/11/01	\$ 558,690
1,240,000	AFRICAN DEV BK	08.800	19/09/01	1,441,810
515,000	ALLIED SIGNAL INC	09.200	03/02/15	607,844
1,250,000	AMERICAN TEL + TELECO	08.625	31/12/01	1,403,125
385,000	AMOCO CO	07.875	96/08/15	388,850
105,000	ANALOG DEVICES INC	06.625	00/03/01	104,411
975,000	ASIAN DEV BK	09.125	00/06/01	1,152,421
725,000	ASSOCIATES CORP NORTH AMER	08.800	98/08/01	811,862
1,100,000	ATLANTIC RICHFIELD CO	08.750	32/03/01	1,274,845
785,000	BALTIMORE GAS + ELEC CO	07.125	02/01/01	800,912
525,000	BANK NEW YORK INC	07.875	02/11/15	570,019
300,000	BANK ONE COLUMBUS OHIO	07.375	02/12/01	318,690
965,000	BECTON DICKINSON + CO	07.875	96/12/15	1,044,477
625,000	BENEFICIAL CORP	08.400	08/05/15	695,594
4,560,000	BNY MASTER CR CARD TR	07.950	96/04/15	4,706,741
460,000	BOISE CASCADE CORP	09.850	02/06/15	520,453
775,000	BRITISH COLUMBIA HYDRO + PWR	15.000	11/04/15	1,011,437
3,700,000	CARCO AUTO LN MASTER TR	07.875	98/03/15	3,994,816
1,105,000	CAROLINA PWR + LT CO	07.375	01/01/01	1,126,824
635,000	CATERPILLAR INC	09.375	21/03/15	762,241
505,000	CENTRAL FID BKS INC	08.150	02/11/15	552,344
740,000	CHASE MANHATTAN CR CARD TR	08.450	97/11/15	775,609
2,720,000	CHASE MANHATTAN CR CORP	08.550	97/08/15	2,827,930
665,630	CHEMICAL BK GRANTOR TR	09.000	95/02/15	676,027
160,000	CHEMICAL BKG CORP	10.125	00/11/01	192,827
265,000	CHEMICAL BKG CORP	10.375	99/03/15	318,135
545,000	CHEVRON CAP U S A INC	07.875	97/03/01	561,350
590,000	CHEVRON CORP PROFIT SHARING/	08.110	04/12/01	669,213
895,000	CINCINNATI GAS + ELEC CO	09.250	16/04/01	952,701
500,000	CIT GROUP HLDGS INC	08.875	96/06/15	550,740
905,000	CIT GROUP HLDGS INC	08.750	96/02/15	990,577
275,000	CITICORP	09.500	02/02/01	319,083
800,000	CITICORP MTN BK ENTRY	10.150	98/02/15	932,696
1,250,000	COCA COLA ENTERPRISES INC	08.500	22/02/01	1,405,050
365,000	COMMERCIAL CR GROUP INC	09.875	95/12/01	406,563
600,000	COMMONWEALTH EDISON CO	08.000	03/10/15	620,250
515,000	COMMONWEALTH EDISON CO	09.875	20/06/15	622,707
950,000	CONNECTICUT LT + PWR CO	09.750	18/11/01	1,020,899
150,000	CONSOLIDATED NAT GAS CO	08.625	11/12/01	159,227
140,000	CONSOLIDATED RAIL CORP	09.750	00/06/01	165,977
490,000	CONSOLIDATED RAIL CORP	09.750	20/06/15	623,922
460,000	CORNING GLASS WKS	08.375	96/11/01	495,259
300,000	DAYTON HUDSON CORP	09.750	02/07/01	363,705
340,000	DAYTON HUDSON CORP	10.000	00/12/01	407,194
485,000	DAYTON HUDSON CORP	09.350	20/06/16	601,400
1,000,000	DETROIT EDISON CO	09.000	17/02/15	1,053,400
5,880,000	DISCOVER CARD TR	08.625	98/07/16	6,429,368
2,050,000	DISCOVER CARD TR	06.800	00/06/16	2,148,011
1,000,000	DISCOVER CREDIT CORP	08.730	96/08/15	1,089,140

**MINNESOTA STATE BOARD OF INVESTMENT  
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LINCOLN CAPITAL MANAGEMENT  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 460,000	DOW CAP B V	09.200%	10/06/01	\$ 551,328
550,000	DOW CHEM CO	09.000	21/04/01	651,096
960,000	EATON CORP	07.000	11/04/01	927,302
960,000	EUROPEAN INV'T BK	10.125	00/10/01	1,197,139
830,000	EXPORT DEV CORP	07.375	97/02/01	897,006
860,000	FARM CR CORP	07.500	96/12/24	923,107
237,537	FED HM LN PC # 170020	07.500	08/06/01	248,523
293,228	FED HM LN PC # 181020	07.500	09/06/01	304,224
608,973	FED HM LN PC # 181539	07.500	08/11/01	631,809
6,671	FED HM LN PC # 273361	08.500	16/06/01	7,013
1,018,472	FED HM LN PC # 278430	07.500	16/10/01	1,054,118
862,665	FED HM LN PC # 279044	09.000	16/10/01	914,425
113,319	FED HM LN PC # 286554	09.000	17/02/01	120,543
631,952	FED HM LN PC # 300165	08.500	17/05/01	664,339
349,079	FED HM LN PC 299561	08.500	17/07/01	366,969
1,295,451	FED HM LN PC C00137	09.000	22/05/01	1,381,274
579,295	FED HM LN PC C00164	09.000	22/06/01	617,673
618,806	FED HM LN PC D12345	09.000	21/11/01	659,802
650,347	FED HM LN PC D17102	08.500	22/04/01	687,944
873,441	FED HM LN PC D17614	09.000	22/04/01	931,307
668,986	FED HM LN PC D18211	09.000	22/05/01	713,306
532,800	FED HM LN PC D20385	09.000	22/06/01	568,098
766,132	FED HM LN PC D21087	09.000	22/07/01	816,888
635,328	FED HM LN PC D21166	09.000	22/07/01	677,418
383,473	FED HM LN PC D21626	09.000	22/06/01	408,878
2,002,427	FED HM LN PC E00075	07.500	07/02/01	2,091,895
647,469	FED HM LN PC E20034	07.500	08/05/01	676,398
42,386	FED HM LN PC E45183	07.500	08/01/01	44,280
99,697	FED HM LN PC E47252	07.500	08/05/01	104,152
599,797	FED HOME LN D21244	09.000	22/07/01	639,533
1,880,105	FED HOME LN PC E00070	07.500	06/12/01	1,964,108
887,901	FED HOME LN PC E42147	07.500	07/11/01	927,572
325,000	FEDERAL NAT'L MTG ASSN	11.500	95/02/10	362,983
225,000	FEDERAL NAT'L MTG ASSN	08.000	96/07/10	246,587
7,280,000	FHLMC 30 YR TBA SEPT	07.000	99/01/01	7,425,600
7,380,000	FHLMC GOLD 15 YR AUG	06.500	99/01/01	7,506,844
5,510,000	FHLMC GOLD 15 YR SEP	07.000	99/01/01	5,721,749
23,220,000	FHLMC GOLD 15 YR SEP TBA	06.500	99/01/01	23,619,094
2,800,000	FHLMC GOLD 15YR JUL TBA	06.500	99/01/01	2,848,125
7,100,000	FHLMC GOLD 30YR JUL TBA	07.500	99/01/01	7,375,125
8,285,000	FHLMC GOLD TBA AUGUST	07.500	99/01/01	8,603,393
230,000	FIRST CHICAGO CORP	11.250	01/02/20	290,373
285,000	FIRST FID BANCORPORATION NEW	09.625	99/08/15	332,700
300,000	FIRST INT'L BANCORP MTN BK ENT	09.375	98/11/15	344,040
550,000	FLEET NORSTAR FIN'L GROUP INC	09.900	01/06/15	655,875
510,000	FLORIDA PWR + LT CO	09.800	18/11/01	548,311
1,210,000	FNMA 15 YR SEP TBA	07.000	99/01/01	1,249,703
3,110,000	FNMA 15 YR TBA AUGUST	07.000	99/01/01	3,212,047
3,530,000	FNMA 30 YR JULY TBA	06.500	99/01/01	3,511,247

**MINNESOTA STATE BOARD OF INVESTMENT  
SEMI-PASSIVE BOND MANAGERS ACCOUNT  
LINCOLN CAPITAL MANAGEMENT  
ALPHABETICAL FIXED INCOME HOLDINGS  
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PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 11,405,000	FNMA 30 YR TBA JULY	08.000%	99/01/01	\$ 11,989,506
8,720,000	FNMA 30 YR TBA SEPT	07.000	99/01/01	8,880,775
1,731,260	FNMA POOL # 000072	07.500	08/09/01	1,816,733
69,790	FNMA POOL # 000557	07.500	08/11/01	73,235
34,655	FNMA POOL # 002458	11.500	15/07/01	39,204
246,351	FNMA POOL # 018531	11.500	15/09/01	278,684
428,426	FNMA POOL # 027757	07.500	10/03/01	448,506
71,310	FNMA POOL # 035575	09.000	08/08/01	76,167
261,036	FNMA POOL # 041740	08.500	17/03/01	277,839
33,929	FNMA POOL # 046655	11.500	16/01/01	38,382
68,623	FNMA POOL # 051614	11.500	16/02/01	77,630
48,053	FNMA POOL # 053161	11.500	17/07/01	54,359
244,354	FNMA POOL # 055534	11.500	99/04/01	276,425
752,390	FNMA POOL # 058949	09.000	17/01/01	803,642
2,616,506	FNMA POOL # 059124	07.000	08/03/01	2,700,706
200,783	FNMA POOL # 064642	09.000	18/01/01	214,460
43,688	FNMA POOL # 065744	11.500	10/11/01	49,422
674,014	FNMA POOL # 066072	09.000	09/06/01	719,927
227,125	FNMA POOL # 067743	11.500	16/02/01	256,935
492,285	FNMA POOL # 070338	11.000	19/07/01	553,048
283,906	FNMA POOL # 080819	11.500	16/01/01	321,169
78,954	FNMA POOL # 083007	11.500	16/01/01	89,316
178,706	FNMA POOL # 089127	09.000	05/02/01	190,769
378,811	FNMA POOL # 093039	09.000	05/04/01	404,380
25,079	FNMA POOL # 094925	09.000	05/05/01	26,772
46,966	FNMA POOL # 103024	09.000	05/09/01	50,136
506,842	FNMA POOL # 103424	09.000	05/08/01	541,054
243,391	FNMA POOL # 104706	09.000	05/09/01	259,820
29,736	FNMA POOL # 104743	09.000	05/09/01	31,743
156,144	FNMA POOL # 105545	09.000	05/09/01	166,683
427,829	FNMA POOL # 107580	09.000	19/10/01	456,973
45,736	FNMA POOL # 108047	09.000	05/11/01	48,824
220,318	FNMA POOL # 108241	09.000	05/11/01	235,189
60,881	FNMA POOL # 108953	09.000	05/11/01	64,990
1,049,372	FNMA POOL # 110514	09.000	15/11/01	1,120,855
821,051	FNMA POOL # 118363	09.000	14/06/01	876,981
532,801	FNMA POOL # 118365	09.000	14/06/01	569,096
669,195	FNMA POOL # 118369	09.000	08/10/01	714,781
56,285	FNMA POOL # 29017	11.500	14/03/01	63,673
395,987	FNMA POOL #050316	09.000	05/07/01	422,716
2,571,516	FNMA POOL #070582	08.000	20/06/01	2,712,949
3,011,447	FNMA POOL 048649	08.000	17/06/01	3,165,784
153,060	FNMA POOL 050361	09.000	05/11/01	163,392
154,668	FNMA POOL 050376	09.000	05/12/01	165,108
431,759	FNMA POOL 050406	09.000	06/02/01	460,903
198,279	FNMA POOL 050507	09.000	06/11/01	211,663
437,609	FNMA POOL 050690	07.500	08/01/01	456,890
54,171	FNMA POOL 050733	07.500	08/05/01	56,575
24,752	FNMA POOL 066094	07.500	07/02/01	25,974

**MINNESOTA STATE BOARD OF INVESTMENT  
SEMI-PASSIVE BOND MANAGERS ACCOUNT  
LINCOLN CAPITAL MANAGEMENT  
ALPHABETICAL FIXED INCOME HOLDINGS  
JUNE 30, 1993**

<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 180,394	FNMA POOL 070746	08.000%	06/02/01	\$ 190,146
68,396	FNMA POOL 070991	11.500	15/11/01	77,373
366,266	FNMA POOL 081019	11.500	15/12/01	414,338
266,266	FNMA POOL 093151	11.500	13/08/01	301,213
115,348	FNMA POOL 097401	09.000	05/06/01	123,134
516,244	FNMA POOL 111134	09.000	05/12/01	551,090
107,280	FNMA POOL 111178	09.000	05/12/01	114,521
34,880	FNMA POOL 111821	09.000	05/12/01	37,234
98,929	FNMA POOL 121265	09.000	06/06/01	105,607
615,913	FNMA POOL 124034	07.500	06/12/01	643,050
2,395,658	FNMA POOL 124099	07.500	07/01/01	2,501,210
1,845,249	FNMA POOL 124331	07.500	07/05/25	1,926,551
182,570	FNMA POOL 169003	11.500	13/07/01	206,532
31,662	FNMA POOL 175095	07.500	07/11/01	33,057
173,666	FNMA POOL 177360	07.500	07/09/01	181,317
504,835	FNMA POOL 180741	07.500	07/10/01	527,078
450,198	FNMA POOL 181354	07.500	07/09/01	470,034
29,232	FNMA POOL 184896	07.500	07/10/01	30,520
36,016	FNMA POOL 187314	07.500	07/11/01	37,603
369,148	FNMA POOL 191821	08.000	07/12/01	389,104
411,496	FNMA POOL 196268	07.500	07/12/01	429,627
459,757	FNMA POOL 197102	07.500	08/01/01	480,014
206,682	FNMA POOL 201830	08.000	08/02/01	217,855
28,242	FNMA POOL 203095	07.500	08/02/01	29,487
286,720	FNMA POOL 209880	07.500	08/05/01	297,472
735,332	FNMA POOL 210920	07.500	08/05/01	762,907
104,688	FNMA POOL 211642	07.500	08/04/01	109,300
66,106	FNMA POOL 212215	07.500	08/04/01	68,585
511,688	FNMA POOL 212216	07.500	08/05/01	530,877
69,677	FNMA POOL 212965	07.500	08/05/01	72,290
349,138	FNMA POOL 215638	07.500	08/05/01	362,231
156,917	FNMA PPOL 111601	09.000	05/12/01	167,509
5,160,000	FNMA TBA AUG 30YR	07.500	99/01/01	5,353,500
3,615,000	FNMA TBA JULY	07.500	99/01/01	3,750,563
12,145,000	FORD CR AUTO LN MASTER TR	06.875	99/01/15	12,748,364
2,400,000	FORD CR AUTO LN MASTER TR	05.625	95/10/15	2,452,488
1,110,000	FORD MTR CR CO	08.750	95/01/15	1,178,820
680,000	FORD MTR CR CO	09.250	98/06/15	775,152
1,255,000	GENERAL ELEC CAP CORP	08.300	09/09/20	1,460,983
1,675,000	GENERAL MTRS ACCEP CORP	05.500	01/12/15	1,528,789
360,000	GENERAL MTRS ACCEP CORP MTN	07.550	97/01/14	379,753
730,000	GENERAL MTRS ACCEP CORP MTN	07.650	97/02/03	772,588
500,000	GENERAL MTRS ACCEP CORP MTN	07.350	97/05/27	524,260
1,635,000	GNMA 30 YR TBA AUGUST	07.000	99/01/01	1,694,269
2,815,000	GNMA 30 YR TBA AUGUST	07.500	99/01/01	2,935,517
15,095,000	GNMA 30YR TBA JUL	09.500	99/01/01	16,491,288
423,404	GNMA POOL 174632	09.000	16/10/15	457,539
241,848	GNMA POOL 211646	09.000	17/09/15	261,346
282,852	GNMA POOL 299057	11.000	20/09/15	321,390

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 280,733	GNMA POOL # 046284	11.000 %	10/09/15	\$ 318,982
69,405	GNMA POOL # 059611	11.000	13/05/15	78,862
70,910	GNMA POOL # 064235	11.000	13/04/15	80,571
321,843	GNMA POOL # 065055	10.500	98/07/15	351,211
37,306	GNMA POOL # 129477	10.500	00/09/15	40,711
86,386	GNMA POOL # 133364	11.000	15/08/15	98,156
94,321	GNMA POOL # 135150	10.500	00/12/15	102,927
119,932	GNMA POOL # 140248	10.500	00/10/15	130,876
334,496	GNMA POOL # 140995	11.000	00/09/15	365,437
362,041	GNMA POOL # 146395	09.000	16/05/15	391,229
214,370	GNMA POOL # 149305	10.500	01/02/15	233,931
177,722	GNMA POOL # 149714	09.000	16/04/15	192,050
67,379	GNMA POOL # 149842	09.000	16/06/15	72,811
169,284	GNMA POOL # 149849	09.000	16/05/15	182,931
553,451	GNMA POOL # 150286	09.000	16/05/15	598,070
307,663	GNMA POOL # 151863	09.000	16/03/15	332,467
103,325	GNMA POOL # 153281	09.000	16/06/15	111,655
398,525	GNMA POOL # 153300	09.000	16/10/15	430,654
181,679	GNMA POOL # 154929	09.000	16/06/15	196,326
224,420	GNMA POOL # 155085	09.000	16/05/15	242,513
123,843	GNMA POOL # 156048	09.000	16/06/15	133,827
422,852	GNMA POOL # 156627	09.000	16/05/15	456,942
222,815	GNMA POOL # 156987	09.000	16/05/15	240,778
60,108	GNMA POOL # 158985	09.000	16/07/15	64,954
388,323	GNMA POOL # 159701	09.000	16/04/15	419,630
353,336	GNMA POOL # 160544	09.000	16/08/15	381,822
585,529	GNMA POOL # 160637	09.000	16/09/15	632,734
273,132	GNMA POOL # 161722	09.000	16/11/15	295,152
405,258	GNMA POOL # 161945	09.000	16/06/15	437,930
375,190	GNMA POOL # 162805	09.000	16/07/15	405,437
328,504	GNMA POOL # 162972	09.000	16/11/15	354,988
238,143	GNMA POOL # 165521	09.000	16/06/15	257,343
118,510	GNMA POOL # 165692	09.000	16/06/15	128,065
148,516	GNMA POOL # 166038	09.000	17/01/15	160,489
930,637	GNMA POOL # 166231	09.000	16/06/15	1,005,664
73,257	GNMA POOL # 166942	09.000	16/07/15	79,163
389,233	GNMA POOL # 167145	09.000	16/07/15	420,613
848,175	GNMA POOL # 167475	09.000	16/07/15	916,555
180,193	GNMA POOL # 167503	09.000	16/08/15	194,720
93,702	GNMA POOL # 169825	09.000	16/11/15	101,256
203,062	GNMA POOL # 171500	09.000	16/08/15	219,433
237,090	GNMA POOL # 172219	09.000	16/11/15	256,204
75,977	GNMA POOL # 172626	09.000	16/11/15	82,102
664,986	GNMA POOL # 174992	09.000	16/08/15	718,597
317,926	GNMA POOL # 176347	09.000	16/08/15	343,557
730,501	GNMA POOL # 178128	09.000	16/10/15	789,394
537,111	GNMA POOL # 178633	09.000	16/09/15	580,413
227,065	GNMA POOL # 178940	09.000	16/11/15	245,370
264,529	GNMA POOL # 179844	09.000	16/10/15	285,855

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 778,740	GNMA POOL # 179845	09.000%	16/09/15	\$ 841,522
117,581	GNMA POOL # 180538	09.000	16/11/15	127,060
280,131	GNMA POOL # 180569	09.000	16/12/15	302,715
1,230,170	GNMA POOL # 181527	09.000	17/01/15	1,329,346
1,083,698	GNMA POOL # 181573	09.000	16/09/15	1,171,066
798,299	GNMA POOL # 182458	09.000	16/12/15	862,658
412,341	GNMA POOL # 182628	09.000	16/10/15	445,584
691,199	GNMA POOL # 182836	09.000	16/10/15	746,923
40,772	GNMA POOL # 183068	09.000	16/10/15	44,059
496,450	GNMA POOL # 183111	09.000	16/12/15	536,474
723,564	GNMA POOL # 183173	09.000	16/11/15	781,898
1,557,839	GNMA POOL # 183934	09.000	16/10/15	1,683,432
817,255	GNMA POOL # 184197	09.000	16/10/15	883,142
560,583	GNMA POOL # 184979	09.000	16/12/15	605,777
520,558	GNMA POOL # 188013	09.000	16/11/15	562,525
575,744	GNMA POOL # 188777	09.000	16/11/15	622,160
133,315	GNMA POOL # 189909	09.000	16/11/15	144,063
451,091	GNMA POOL # 189979	09.000	16/11/15	487,457
230,119	GNMA POOL # 190416	09.000	16/12/15	248,671
283,580	GNMA POOL # 191876	09.000	17/02/15	306,442
251,602	GNMA POOL # 192560	09.000	16/11/15	271,886
421,994	GNMA POOL # 192809	09.000	16/11/15	456,015
375,742	GNMA POOL # 192885	09.000	16/12/15	406,035
349,801	GNMA POOL # 193175	09.000	17/08/15	378,002
37,930	GNMA POOL # 194518	09.000	17/01/15	40,988
2,081,508	GNMA POOL # 194632	09.000	17/01/15	2,249,319
46,857	GNMA POOL # 194909	09.000	16/12/15	50,635
487,713	GNMA POOL # 197501	09.000	16/12/15	527,033
221,585	GNMA POOL # 203616	09.000	17/01/15	239,449
248,772	GNMA POOL # 203663	09.000	17/02/15	268,828
275,115	GNMA POOL # 205189	09.000	17/09/15	297,295
13,441	GNMA POOL # 205370	09.000	17/05/15	14,524
486,692	GNMA POOL # 205916	09.000	17/02/15	525,929
362,501	GNMA POOL # 207385	09.000	17/06/15	391,725
215,060	GNMA POOL # 207398	09.000	17/07/15	232,398
367,393	GNMA POOL # 207606	09.000	17/03/15	397,013
99,514	GNMA POOL # 217787	11.000	17/11/15	113,073
242,129	GNMA POOL # 218531	09.000	17/06/15	261,649
527,731	GNMA POOL # 219058	09.000	17/06/15	570,277
152,535	GNMA POOL # 219276	09.000	17/10/15	164,832
257,633	GNMA POOL # 219367	09.000	17/07/15	278,403
112,162	GNMA POOL # 225183	09.000	17/07/15	121,205
89,427	GNMA POOL # 225263	09.000	17/09/15	96,637
191,967	GNMA POOL # 225908	09.000	17/08/15	207,443
88,869	GNMA POOL # 229947	09.000	17/08/15	96,034
411,820	GNMA POOL # 231186	09.000	17/08/15	445,020
276,258	GNMA POOL # 232522	09.000	17/09/15	298,530
208,791	GNMA POOL # 232687	09.000	17/09/15	225,624
130,740	GNMA POOL # 233672	09.000	17/11/15	141,281

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<b>PAR VALUE</b>	<b>SECURITY</b>	<b>COUPON</b>	<b>MATURITY</b>	<b>MARKET VALUE</b>
\$ 367,902	GNMA POOL # 234750	09.000%	17/09/15	\$ 397,563
20,825	GNMA POOL # 298076	08.500	21/03/15	22,302
46,020	GNMA POOL # 306374	08.500	21/06/15	49,284
20,672	GNMA POOL # 309403	08.500	21/06/15	22,138
222,664	GNMA POOL # 309798	08.500	21/06/15	238,457
720,681	GNMA POOL # 309870	08.500	21/08/15	771,799
248,219	GNMA POOL # 310226	08.500	21/07/15	265,825
786,335	GNMA POOL # 311888	08.500	21/06/15	842,110
221,934	GNMA POOL # 312924	08.500	21/08/15	237,675
459,093	GNMA POOL # 313557	08.500	21/09/15	491,656
432,981	GNMA POOL # 315309	08.500	21/11/15	463,692
49,770	GNMA POOL #106327	11.000	13/08/15	56,552
176,106	GNMA POOL #190421	09.000	16/12/15	190,304
125,259	GNMA POOL #63520	10.500	98/05/15	136,689
167,839	GNMA POOL 159872	09.000	16/06/15	181,371
452,067	GNMA POOL 162138	09.000	16/09/15	488,512
396,060	GNMA POOL 164599	09.000	16/10/15	427,990
271,109	GNMA POOL 170741	09.000	16/07/15	292,966
432,006	GNMA POOL 173018	09.000	16/08/15	466,834
417,238	GNMA POOL 264202	08.500	22/10/15	446,832
519,257	GNMA POOL 311274	08.500	21/06/15	556,088
478,480	GNMA POOL 312680	08.500	21/12/15	512,418
31,238	GNMA POOL 312717	08.500	21/11/15	33,454
271,110	GNMA POOL 314702	08.500	21/11/15	290,339
73,743	GNMA POOL 315850	07.500	22/01/15	76,761
476,083	GNMA POOL 316811	08.500	21/12/15	509,851
483,947	GNMA POOL 317727	08.500	22/03/15	518,273
41,069	GNMA POOL 321120	08.500	22/06/15	43,982
44,586	GNMA POOL 328703	07.500	22/05/15	46,411
321,516	GNMA POOL 336738	08.500	23/01/15	344,321
142,627	GNMA POOL 338036	08.500	22/12/15	152,744
95,524	GNMA POOL 340447	08.500	23/01/15	102,300
869,799	GNMA POOL 340922	07.500	23/04/15	905,400
369,335	GNMA POOL 347970	08.500	23/01/15	395,532
252,156	GNMA POOL 354982	07.500	23/04/15	262,477
1,531,882	GOVERNMENT BACKED TRS	09.400	96/11/15	1,661,847
885,000	GOVERNMENT BACKED TRS	00.010	93/11/15	874,539
505,000	GOVERNMENT TR CTFS	00.010	93/11/15	499,031
21,040,000	GOVERNMENT TR CTFS	09.250	01/11/15	25,030,657
1,680,000	GOVERNMENT TR CTFS	09.250	96/11/15	1,827,101
5,315,000	GOVERNMENT TR CTFS	09.400	02/05/15	6,312,413
370,000	GOVERNMENT TR CTFS	00.010	93/11/15	365,627
10,330,000	GOVERNMENT TR CTFS	08.550	97/11/15	11,020,664
985,000	GOVERNMENT TR P	00.010	93/11/15	973,357
2,875,000	GOVERNMENT TR P	00.010	94/05/15	2,788,836
210,000	HECHINGER CO	09.450	12/11/15	227,212
1,000,000	HERTZ CORP	08.000	95/04/01	1,049,710
1,100,000	HYDRO QUEBEC	09.400	21/02/01	1,329,284
350,000	INTEGRA FINL CORP	06.500	00/04/15	351,036

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PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 1,175,000	INTER AMERN DEV BK	08.875%	09/06/01	\$ 1,455,555
1,685,000	INTL BK FOR RECON + DEV	11.625	94/12/15	1,860,594
600,000	ITT FINL CORP	10.125	99/04/05	704,964
826,409	LEHMAN PASS THRU SECS INC	08.000	99/03/20	882,191
490,000	MANITOBA PROV CDA	07.750	16/07/17	532,512
1,505,000	MARTIN MARIETTA CORP	07.000	11/03/15	1,442,347
1,150,000	MAY DEPT STORES CO	09.750	21/02/15	1,412,177
300,000	MCGRAW HILL INC	09.430	00/09/01	349,941
13,319,905	MERRILL LYNCH MTG INV'S INC	06.850	12/04/15	13,665,290
665,000	MID ST TR II	09.350	98/04/01	694,726
8,620,000	NATIONAL CR CARD TR	09.450	97/12/31	9,643,625
955,000	NEW BRUNSWICK PROV CDA	09.750	20/05/15	1,207,617
1,415,000	NEW ENGLAND TEL + TELE CO	07.875	29/11/15	1,582,267
765,000	NEW JERSEY BELL TEL CO	07.850	29/11/15	868,160
445,000	NEWFOUNDLAND PROV CDA	10.000	20/12/01	553,513
1,665,000	NEWFOUNDLAND PROV CDA	09.875	20/06/01	2,056,641
210,000	NORANDA	08.625	02/07/15	224,171
510,000	NORWEST CORP	09.250	97/05/01	579,717
1,125,000	NOVA SCOTIA PROV CDA	09.125	21/05/01	1,315,530
1,500,000	OCCIDENTAL PETE CORP	09.250	19/08/01	1,803,660
675,000	ONTARIO PROV CDA	15.125	11/05/01	888,023
1,400,000	PACIFIC GAS + ELEC CO	07.875	02/03/01	1,537,424
920,000	PHILIP MORRIS COS INC	09.250	00/02/15	1,063,115
620,000	PHILIP MORRIS COS INC	08.625	99/03/01	696,000
1,455,000	PITNEY BOWES CR CORP	08.550	09/09/15	1,737,576
435,000	PROCTER + GAMBLE CO	08.000	29/10/26	493,542
1,000,000	RALSTON PURINA CO	09.000	96/06/15	1,095,000
705,000	REPUBLIC NY CORP	09.750	00/12/01	853,635
310,000	REPUBLIC NY CORP	08.250	01/11/01	345,845
12,030,000	RESOLUTION FDG CORP	08.625	21/01/15	14,706,675
1,760,000	RJR NABISCO INC	08.000	00/01/15	1,799,600
1,490,000	ROCKWELL INTL CORP	08.875	99/09/15	1,706,065
145,322,169	S B I MONEY FUND			145,322,169
700,000	SASKATCHEWAN PROV CDA	09.375	20/12/15	832,580
280,000	SASKATCHEWAN PROV CDA	09.125	21/02/15	325,200
1,250,000	SEAGRAM LTD	08.350	22/01/15	1,384,600
110,000	SECURITY PAC CORP	11.500	00/11/15	142,260
675,000	SECURITY PAC CORP	11.000	01/03/01	844,972
900,000	SOUTH CENT BELL TEL CO	08.250	17/03/01	937,791
1,480,000	STANDARD CR CARD MASTER TR I	08.000	97/10/07	1,605,800
660,000	STANDARD OIL CO	06.300	01/07/01	673,200
395,000	TENNECO INC	09.875	01/02/01	458,761
1,250,000	TEXACO CAP INC	08.875	21/09/01	1,470,900
1,150,000	TEXAS UTILS ELEC CO	09.500	99/08/01	1,328,089
200,000	TEXAS UTILS ELEC CO	08.000	02/06/01	216,106
985,000	TIME WARNER INC	07.450	98/02/01	1,024,400
985,000	TRANSAMERICA FIN CORP	06.500	11/03/15	895,946
300,000	TRANSAMERICA FIN CORP	08.375	98/02/15	331,053
700,000	TRANSAMERICA FIN CORP MTN	09.250	98/02/16	802,809
595,000	U S BANCORP OR	08.125	02/05/15	652,596

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PAR VALUE	SECURITY	COUPON	MATURITY	MARKET VALUE
\$ 875,000	UNION CARBIDE CHEMS + PLASTICS	07.000%	99/08/01	\$ 902,169
505,000	UNION OIL CO CA MTN BK ENT	09.400	11/02/15	599,359
10,415,000	UNITED STATES TREAS BDS	11.750	10/02/15	15,266,099
11,335,000	UNITED STATES TREAS BDS	12.750	10/11/15	17,829,615
3,970,000	UNITED STATES TREAS BDS	14.000	11/11/15	6,802,952
1,600,000	UNITED STATES TREAS BDS	12.000	13/08/15	2,479,248
6,520,000	UNITED STATES TREAS BDS	10.750	05/08/15	9,166,729
1,115,000	UNITED STATES TREAS BDS	08.750	17/05/15	1,388,175
6,865,000	UNITED STATES TREAS BDS	08.875	17/08/15	8,655,255
26,520,000	UNITED STATES TREAS BDS	08.125	19/08/15	31,074,014
20,780,000	UNITED STATES TREAS BDS	08.125	21/08/15	24,439,150
2,735,000	UNITED STATES TREAS NTS	07.875	98/04/15	3,066,619
710,000	UNITED STATES TREAS NTS	07.625	96/04/30	770,570
735,000	UNITED STATES TREAS NTS	07.000	94/05/15	756,477
1,680,000	UNITED STATES TREAS NTS	08.000	01/05/15	1,937,242
460,000	UNITED STATES TREAS NTS	07.875	96/07/31	504,491
3,120,000	UNITED STATES TREAS NTS	05.500	95/02/15	3,197,501
4,335,000	UNITED STATES TREAS NTS	05.875	95/05/15	4,479,962
10,940,000	UNITED STATES TREAS NTS	07.375	96/05/15	11,806,667
4,745,000	UNITED STATES TREAS NTS	07.250	96/11/15	5,132,002
2,115,000	UNITED STATES TREAS NTS	08.625	95/01/15	2,263,706
2,725,000	UNITED STATES TREAS NTS	09.250	98/08/15	3,233,812
10,045,000	UNITED STATES TREAS NTS	09.250	96/01/15	11,233,123
1,505,000	UNITED STATES TREAS NTS	08.875	99/02/15	1,772,138
20,150,000	UNITED STATES TREAS NTS	09.375	96/04/15	22,763,254
15,485,000	UNITED STATES TREAS NTS	08.000	96/10/15	17,096,369
14,290,000	UNITED STATES TREAS NTS	07.750	95/02/15	15,142,970
1,455,000	UNITED STATES TREAS NTS	08.500	97/04/15	1,643,015
13,795,000	UNITED STATES TREAS NTS	08.875	00/05/15	16,493,578
4,655,000	UNITED STATES TREAS NTS	08.750	00/08/15	5,546,014
32,040,000	UNITED STATES TREAS NTS	08.750	97/10/15	36,821,009
710,000	UNITED STATES TREAS NTS	08.500	00/11/15	837,353
775,000	UNITED TECHNOLOGIES CORP	08.750	21/03/01	881,787
510,000	USX CORP MTN BK ENT	08.210	00/01/21	558,465
440,000	VIRGINIA ELEC + PWR CO	08.750	21/04/01	490,134
690,000	WESTINGHOUSE ELEC CORP	08.375	02/06/15	739,031
610,000	WHIRLPOOL CORP	09.500	00/06/15	707,868
1,000,000	XEROX CORP	08.750	95/11/01	1,085,730

\$ 800,123,505 TOTAL LINCOLN CAPITAL MANAGEMENT

\$ 879,411,060

**MINNESOTA STATE BOARD OF INVESTMENT  
ALTERNATIVE INVESTMENT ACCOUNTS  
ASSETS HELD JUNE 30, 1993**

**REAL ESTATE ACCOUNT**

NO. OF SHARES	SECURITY	MARKET VALUE
2,500,000	AETNA GA 13354	\$ 2,376,529
20,744	AETNA REAL ESTATE FD	53,028,054
200	AMERICAN REPUBLIC REALTY FUND	1
12,953	EQUITABLE LIFE ASSUR	67,688,485
1,962	HEITMAN ADVISORY CORP.GRP.TR	13,824,805
400	HEITMAN ADVISORY III	15,828,919
600	HEITMAN ADVISORY REALTY II	29,232,891
20,000,000	HEITMAN ADVISORY V	20,426,720
6,019,808	LASALLE PARTNERS INCOME PKG FD	6,216,746
2,000	PAINE WEBBER MORTGAGE V	49,100
100	PAINE WEBBER QUALIFIED FD III	56,800
75	PAINE WEBBER QUALIFIED FUND I	22,500
125	PAINE WEBBER QUALIFIED FUND II	118,750
2,000	PAINE WEBBER QUALIFIED FUND IV	91,600
981,768	S.B.I.MONEY FUND	981,768
19,783	SSB REAL ESTATE FD III AEW	19,346,025
14,802	SSB REAL ESTATE FUND IV AEW	4,150,996
14,899	SSB REAL ESTATE FUND V	10,094,146
600	TCW REALTY FUND IV	24,487,929
7,473	THE RREEF FUNDS USA III	64,291,251
800	TRUST COMPANY OF THE WEST	29,978,141
27,932,546	ZELL/ML REAL ESTATE II	27,932,546
<b>TOTAL PORTFOLIO</b>		<b>\$ 390,224,701</b>

**RESOURCE ACCOUNT**

NO. OF SHARES	SECURITY	MARKET VALUE
14,635	AMERICAN GAS OIL INVEST	\$ 4,290,138
12,300,000	AMERICAN GAS + OIL IV	15,754,664
11,532,954	AMERICAN GAS + OIL V	15,589,982
7,130	AMGO II	5,934,855
30,000,000	APACHE CORP III	9,235,740
1	APACHE CORP LTD PARTNERSHIP II	0
1,000,000	BP ROYALTY TRUST	29,375,000
13,799,697	MORGAN J P PETROLEUM FUND II	14,850,793
6,904,150	OFS INVESTMENTS FUND II	7,412,841
7,054,957	S.B.I.MONEY FUND	7,054,957
<b>TOTAL PORTFOLIO</b>		<b>\$ 109,498,969</b>

**MINNESOTA STATE BOARD OF INVESTMENT  
ALTERNATIVE INVESTMENT ACCOUNTS  
ASSETS HELD JUNE 30, 1993**

**VENTURE CAPITAL ACCOUNT**

NO. OF SHARES	SECURITY	MARKET VALUE
3,044,335	ALLIED VENTURE PARTNERS	\$ 3,295,758
53,918	AMERICAN INCOME HLDG INC	1,294,032
116,103	ARTISOFT INC	798,208
10,000	BAREFOOT INC	257,500
6,833,401	CENTURY PTN III	7,641,184
3,843,308	CHURCHILL CAPITAL PARTNERS II	3,867,179
7,500	CYGNUS THERAPEUTIC SYS	50,625
9,705,960	DSV PARTNERS IV	10,304,226
5,000	DULUTH GROWTH CO	0
23,830	ERO INC	250,215
4,378	FIRST CHICAGO V.P.A.F	4,030,391
9,758	FIRST CHICAGO V.P.A.F. II	11,444,886
7,500,000	G + K VENTURE PARTNERSHIP	6,422,580
9,545,958	GTC L.P. FUND III	10,934,857
431,077	IAI VENTURE PARTNERS	388,275
5,562,125	IAI VENTURE PARTNERS II	5,648,833
588,000	IMR LTD PARTNERSHIP	184,864
12,107,607	K K R INVT FD	49,230,002
5,000,991	KKR INVT FUND II	27,149,999
139,356,919	KKR INVT FUND III	211,932,609
6,799,940	MATRIX PARTNERS II	4,795,467
6,003,832	MATRIX PARTNERS III L P	5,810,761
5,000,000	MIDWEST BANK FD III	4,919,010
4,484	NORTHWEST VENTURE PARTNERS	5,296,537
22,223	PLATINUM SOFTWARE CORP	544,464
10,692,498	S.B.I. MONEY FUND	10,692,498
7,785	SEAMAN FURNITURE INC	130,399
17,801,135	SUMMIT VENTURE II	20,233,321
6,094,817	SUMMIT VENTURE LTD PARTN	3,695,830
5,799,768	SUPERIOR VENTURE PARTNERS	6,734,076
50,000	SUPERMAC TECHNOLOGY INC	1,100,000
27,096	THERMOTREX CORP	419,988
15,000	VENTRITEX INC	375,000
5,000	XILINX INC	193,750
22,888	XYPLEX	537,868
23,134,964	ZELL/CHILMARK LTD PARTNERSHI	21,427,951
	TOTAL PORTFOLIO	\$ 442,033,141

## EXTERNAL STOCK AND BOND MANAGER FEES

### Total Payments for Fiscal Year 1993

#### Active Domestic Stock Managers (1)

Alliance Capital	\$ 2,844,245
Forstmann Leff Associates	775,696
Franklin Portfolio Associates	850,202
GeoCapital Corp.	884,454
IDS Advisory	471,783
Independence Investment Associates	659,532
Lieber & Company	428,332
Lynch & Mayer	635,371
Waddell & Reed	750,268

#### Passive Domestic Stock Manager (2)

Wilshire Associates	\$ 718,842
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#### Active Domestic Bond Managers (2)

Ark Asset Management	\$ 272,181
Investment Advisers Inc.	394,951
Miller, Anderson & Sherrerd	577,313
Western Asset Management	860,083

#### Semi-Passive Domestic Bond Managers (3)

Fidelity Management Trust	\$ 775,194
Lincoln Capital Management	498,984

#### International Stock Managers (2)

Baring International	\$ 54,374
Brinson Partners	63,517
State Street Global Advisers	108,629

(1) Active domestic stock managers are compensated on a performance-based fee formula. Fees earned may range from zero to twice the manager's base fee, depending on the manager's performance relative to an established benchmark.

(2) The passive domestic stock manager, international stock managers and active domestic bond managers are compensated based on a specified percentage of assets under management.

(3) The semi-passive domestic bond managers are compensated on a performance-based fee formula. Fees earned may range from 5 to 10 basis points of assets under management, depending on the manager's performance relative to an established benchmark.

