



*Washington State
Investment Board*

*Nineteenth Annual Investment Report
June 30, 2000*



STATE OF WASHINGTON

STATE INVESTMENT BOARD

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June 30, 2000

To All Stakeholders:

I am pleased to submit the nineteenth annual report of the Washington State Investment Board (WSIB) for fiscal year 2000.

As of June 30, 2000, retirement fund assets were at an all-time high, increasing by \$4.7 billion to \$46.5 billion. The fiscal year investment return of 14.2 percent represents the sixth consecutive year of double-digit investment performance.


Combined with the self-directed defined contribution funds, the state deferred compensation program, industrial insurance (L&I) funds, permanent funds and other trusts, the WSIB manages \$59.0 billion in total as of June 30, 2000.

Contributing to the WSIB's strong performance this fiscal year was the continuing upward movement in global equity markets. The U.S. Equity portfolio returned 10.8 percent, while the non-U.S. equity portfolio posted a very strong return of 23.1 percent in fiscal year 2000. The Fixed Income portfolio earned 4.3 percent during the fiscal year. The Real Estate portfolio was up 11.5 percent while the Private Equity portfolio (including venture capital and buyout funds) had an exceptional year, finishing up 40.2 percent in fiscal year 2000.

During this past fiscal year, the WSIB began managing the \$750 million State Emergency Reserve Fund. During the coming fiscal year, the WSIB will begin investing the new Washington School Employees Retirement System (SERS) Plans 2 and 3, and the Developmental Disabilities Endowment Trust Fund. These additions will bring the total number of separate funds managed by the WSIB to 31 during fiscal year 2001.

Early in fiscal year 2001, WSIB will begin offering in-house managed self-directed investment options for participants in Deferred Compensation, Teachers' Retirement System Plan 3, SERS Plan 3 and Judicial Retirement. These new WSIB-managed options include three Horizon Funds; daily-valued balanced equity and bond funds geared for specific investment horizons and risk/return objectives. The WSIB also will offer participants in these plans a new WSIB-managed Bond Market Fund option.

I am pleased to take this opportunity to again thank the hard-working and dedicated board and its staff, who have worked diligently to create and implement successful investment programs for these many and varied funds under the WSIB's management.



Gary Moore, Chair



Nineteenth Annual Investment Report (Part 1)

Contents

Highlights of Fiscal Year 2000	1
Washington State Investment Board Overview	2
Board-Established Committees	3
Board Members	4
Washington State Investment Board Staff	5
Investment Responsibility	8
Assets Under Management	9
Washington State Investment Board Budget	11
Annual Financial Report	12
Investing in Washington	13
Defined Benefit Retirement Funds	15
Washington Pension System Policy Roles	17
Retirement Plans	18
Asset Growth	19
Retirement Fund Performance	20
Investment Growth and Returns	21
Asset Allocation	22
U.S. Equity Program	23
Non-U.S. Equity Program	24
Fixed Income Program	26
Private Equity Program	29
Real Estate Program	30
Defined Contribution Retirement Plans	33
Teachers' Retirement System Plan 3	35
Judicial Retirement Account	36
Deferred Compensation Funds	37
Industrial Insurance Funds	41
Permanent Funds & Other Trust Funds	47
Permanent Funds	49
Other Trust Funds	50
Glossary	53

Part 2 of the Annual Report, "Financial Statements and Schedules of Investments," is an integral part of this Annual Report. It contains detailed listings of WSIB's investment holdings.

HIGHLIGHTS OF FISCAL YEAR 2000

- Total assets managed by Washington State Investment Board (WSIB) grew to \$59.0 billion by June 30, 2000, an increase of \$6.1 billion from June 30, 1999.
- The Retirement Funds returned 14.2% in fiscal year 2000, the sixth consecutive year of double-digit investment returns. The Retirement Funds' performance for fiscal year 2000 was in the top 10% of public pension plans over \$1 billion in size.
- The Industrial Insurance Funds returned up to 5.7% in fiscal year 2000.
- The Permanent Funds accrued earnings for distribution totaled \$40.3 million in fiscal year 2000.
- Teachers' Retirement System (TRS) Plan 3 (defined contribution) assets grew by \$359 million in fiscal year 2000, from \$1.3 billion to \$1.65 billion, with net investment earnings of over \$157 million.
- State Deferred Compensation Program assets grew by \$277 million in fiscal year 2000, from \$1.3 billion to \$1.6 Billion, with net investment earnings of over \$121 million.
- Beginning in September 2000, the WSIB will serve as trustee and have full authority for the investment of the new School Employees' Retirement System Plan 3.
- Beginning in Fiscal Year 2001, the WSIB will serve as trustee and have full authority for investment of the new Developmental Disabilities Endowment Trust Fund.
- The WSIB received its eighth consecutive unqualified state audit (for fiscal year 1999).
- Beginning in September 2000, new WSIB-managed investment options for defined contribution retirement plans and deferred compensation will be introduced. These new daily-valued investment options are:
 - WSIB Short-Horizon Fund
 - WSIB Mid-Horizon Fund
 - WSIB Long-Horizon Fund
 - Washington State Bond Fund

WASHINGTON STATE INVESTMENT BOARD

The Washington State Investment Board (WSIB) was created by statute in 1981 to “. . . exercise all the powers and perform all duties prescribed by law with respect to the investment of public trust and retirement funds.” The law goes on to state “. . . the State Investment Board shall have full power to invest, reinvest, manage, contract, or sell or exchange investments acquired.”

As of June 30, 2000, the WSIB has management responsibility for 28 funds which are categorized as either retirement funds (defined benefit and defined contribution), deferred compensation funds, industrial insurance funds, permanent funds, or other trust funds. The Board is composed of nine voting members and five non-voting members.

Although governed by an independent board, the WSIB is part of the Executive branch of state government. As a state agency, Board members and staff are required to comply with all statutory requirements and rules established for all agencies, officials, and employees in the performance of their public duties.

In order to efficiently analyze investment issues, specific areas of responsibility have been assigned to Committees of the Board. The Committees consist of selected Board members and act as extensions of the Board. Their functions are to analyze investment issues under their jurisdiction in greater detail than would be possible for the full Board. Recommendations are brought to the Board at regular meeting dates for a full Board vote.

Investment Principle

“The Board shall establish investment policies and procedures designed exclusively to maximize return at a prudent level of risk.” (RCW 43.33A.110)

“The Board shall consider investments not in isolation, but in the context of the investment of the particular fund as a whole and as part of an overall investment strategy, which should incorporate risk and return objectives reasonably suited for that fund.” (RCW 43.33A.140)

“The Board shall diversify the investments of the particular fund unless, because of special circumstances, the Board reasonably determines that the purposes of that fund are better served without diversifying.” (RCW 43.33A.140)

Mission Statement

To invest and to manage the entrusted funds in a manner consistent with statutes, regulations, Board policies and the highest standard of professional conduct for the exclusive benefit of fund beneficiaries.

WASHINGTON STATE INVESTMENT BOARD

BOARD-ESTABLISHED COMMITTEES

The Board has established four Committees which are appointed by the Chair and approved by the Board as follows:

Administrative

This Committee is responsible for organizational, personnel, budget, and legislative issues, as well as strategic asset allocation matters.

Audit

This Committee oversees audit activities and nominates candidates for the nonvoting positions on the Board. In addition, the Audit Committee develops and monitors the Code of Conduct for the Board, reviews performance reporting requirements, and deals with corporate governance policies and issues.

Private Markets

This Committee is responsible for development of policy and structure for private market investments (real estate, venture capital, leveraged buyouts, etc.). The Private Markets Committee also reviews individual real estate transactions, partnerships, and private equity investments for recommendations to the Board.

Public Markets

This Committee deals with investments in the public markets, including both debt and equity.

OUTSIDE HELP AND ADVICE

Even with a highly skilled, professional staff, the Board must rely on a variety of outside experts to provide advice and counsel, as well as specific investment services. The following list includes the consultants and advisors currently utilized by the Board.

Money management firms hired by the Board to manage specific portions of the equity portfolio, and other assets managed by general partners in private equity and real estate, are listed on the pages describing those specific investment programs.

Legal Services

- Attorney General of Washington
- Foster, Pepper & Shefelman - Seattle, WA
- Goodwin, Procter & Hoar - Boston, MA
- Morrison & Foerster - Los Angeles, CA
- Preston, Gates & Ellis - Seattle, WA
- Song, Oswald & Mondress - Seattle, WA
- Testa Hurwitz - Boston, MA
- Paul, Hastings, Janofsky & Walker - Los Angeles, CA

Master Custodian

- State Street Bank - Boston, MA

Private Equity Consultant

- Brinson Partners - Chicago, IL

Real Estate Consultant

- Courtland Partners - Cleveland, OH

Insurance Portfolio Consultant

- Investor Force, Inc.- Wayne, PA

Investment Accounting Data System

- Financial Control Systems - Chadds Ford, PA

General Investment Consultants

- Pension Consulting Alliance - Encino, CA
- Callan Associates - Denver, CO
- R.V. Kuhns & Associates - San Francisco, CA
- Wilshire Associates - Minneapolis, MN
- Watson-Wyatt Investment Consulting, S.F., CA

BOARD MEMBERS

Ex-Officio Board Members

Michael J. Murphy	State Treasurer
John F. Charles, Vice-Chair	Director, Department of Retirement Systems
Gary Moore, Chair	Director, Department of Labor and Industries

Board Members Appointed by Governor

Patrick McElligott	Representative - Active Member, Law Enforcement Officers' and Fire Fighters' Retirement System
George Masten	Representative - Retired Member of a State Retirement System
Beverly Hermanson	Representative - Active Member, Public Employees' Retirement System

Board Member Appointed by Superintendent of Public Instruction

Tom Morris	Representative - Active Member, Teachers' Retirement System
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Board Member Appointed by Speaker of the House

Helen Sommers	State Representative
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Board Member Appointed by President of the Senate

Sid Snyder	State Senator
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Non-Voting Board Members Appointed by Voting Board Members

Charles Kaminski	Investment Professional
John Magnuson	Investment Professional
Robert S. Nakahara	Investment Professional
Paula Treneer	Investment Professional
Vacant	Investment Professional

STATE INVESTMENT BOARD STAFF

EXECUTIVE STAFF

James F. Parker

Executive Director

Formerly General Secretary and Chief Executive Officer for the General Board of Pension and Health Benefits of the United Methodist Church headquartered in Evanston, Illinois. Graduate of University of Michigan with a BBA and Garrett-Evangelical with a M. DIV. Holds doctorate from Adrian (Michigan) College.

Christopher J. Ailman

Chief Investment Officer

Formerly eleven years as the Chief Investment Officer for the Sacramento County Employees' Retirement System and the County of Sacramento. Previously six years with Kidder Peabody and Dean Witter. Graduate of University of California at Santa Barbara in Business Economics and a Certified Financial Planner from the University of Southern California.

Helen Small

Chief Operating Officer

Seventeen years in public finance, operations, and program management. Formerly Assistant Director for Management Services with the State of Washington and various positions of Director, Deputy Director, and Assistant Administrator with the State of Oregon. Graduate of Eastern Oregon State College and a Certified Government Financial Manager from the Association of Government Accountants.

Beth Vandehey, CPA

Internal Auditor

Executive Support

Sheila Geisler,

Executive Assistant

Kristi Bromley,

Administrative Assistant for Investments

Kristi Walters,

Administrative Assistant for Operations

Kathy Markos,

Office Assistant

SENIOR INVESTMENT OFFICERS

William P. Kennett, CFA

Fixed Income

Formerly a securities analyst at the Montana Board of Investments. Graduate of the University of Montana with an MBA and a BS in Business Administration.

Tom Ruggels

Private Equity

Formerly an Investment Officer in both public and private equity and Investment Accounting Controller for the SIB. Graduate of the University of Kansas in Accounting with an MBA from the University of Washington.

Nancy Calkins

Public Equity

Formerly Investment Officer for CALPERS, domestic and international external equity manager relations. Graduate with honors Master of Arts in Economics and Business Administration from California State University, Sacramento.

Jeffrey A. Habersetzer

Real Estate

Formerly worked in the real estate related fields of fee appraisal and title insurance, and as a commercial sales and leasing associate. Graduate of University of Washington in Business Administration.

STATE INVESTMENT BOARD STAFF

INVESTMENT STAFF

Investment Officers

Thomas E. Bosworth, Fixed Income
Kellie Craine, CFA, Fixed Income
Steven Draper, Real Estate
Isabelle Fowler, Private Equity
Gary Gallinger, Real Estate
Gary Holt, Private Equity
Linda Lester, Public Equity
Donna May Ong, CFA, Fixed Income
Toni Ritchey, Fixed Income
Maria Tosteson, Fixed Income
Diana Will, CFA, Asset Allocation

OPERATIONS STAFF

Investment Accounting

Sam Green, CPA, Investment Accounting Controller
Mike Donovan, Trade and Settlement Supervisor
Sandra Machado, Investment Accounting Supervisor
Tami Clark, Investment Accountant
Mimi French, Investment Accountant
Ted Hartnett, CPA, Investment Accountant
Nelly Haun, Settlement Accountant

Business Services

Sandra Joudrey, CPA, Financial Manager
John Lynch, JD, Contracts Specialist
Doug Anderson, Chief Accountant
Kathy Butler, Administrative Assistant
Barbara Schoenthal, Accountant 2
Renee Long, Financial Specialist

Management Services

Scott Huntley, Executive Analyst
Melanie Watness, Human Resource Administrator

Systems and Office Services

Jim Lee, Systems and Office Services Manager
Tom Edwards, LAN Administrator
Brad Christoffer, PC Support Specialist

Patricia Sheridan, Office Manager
Jeremy Bertrand, Office Assistant Senior
Anne Koppe, Office Assistant Senior
Shauna Raphael, Office Assistant

Operations Support

Kristen Shultz, Administrative Secretary
Beth Nail, Office Assistant Senior

Investment Support

Linda Buchanan, Administrative Secretary
Regina Cuccia, Office Assistant Senior
Celeste Wade, Office Assistant Senior

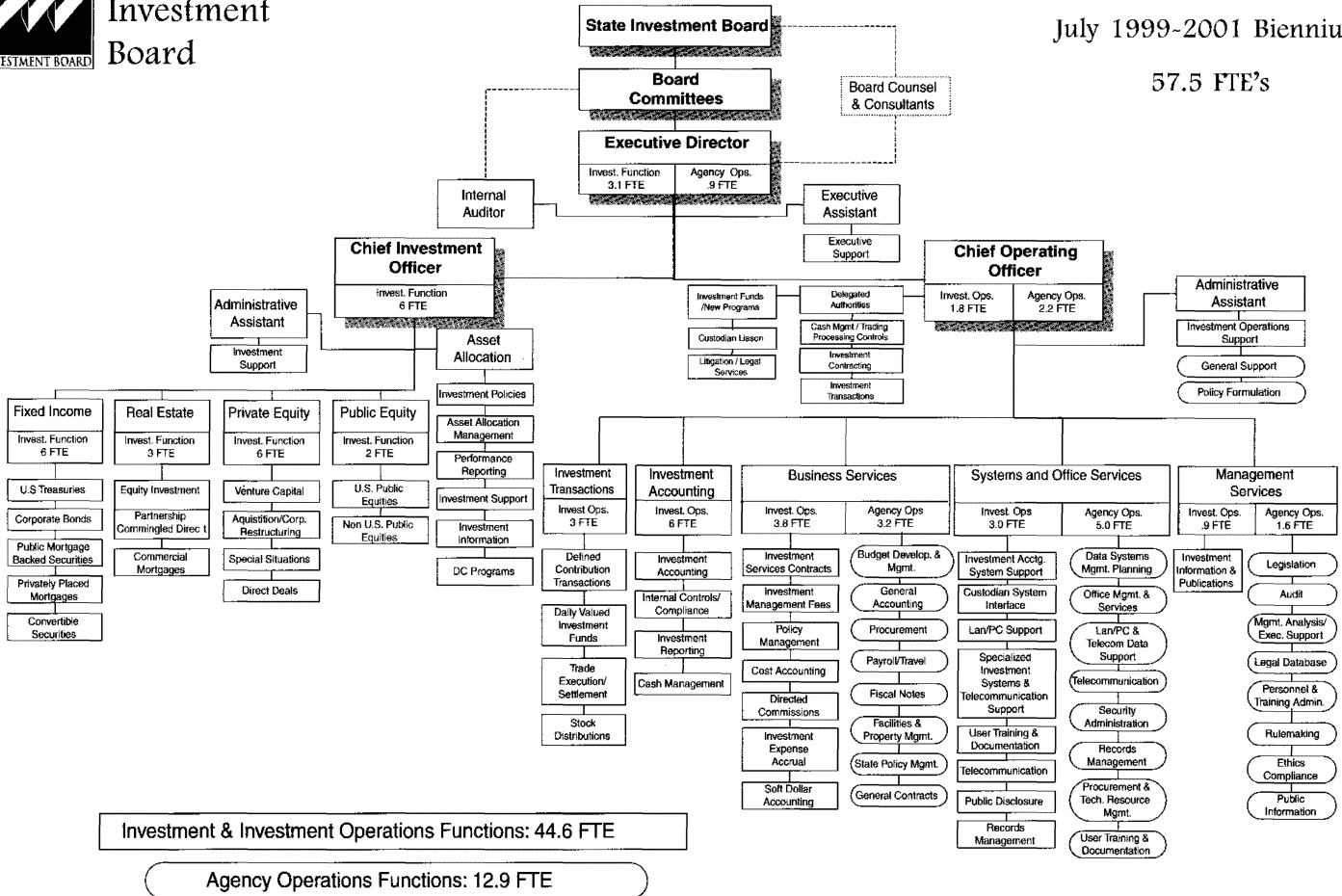
Staff as of September 2000



State Investment Board

Organizational Chart
July 1999-2001 Biennium

57.5 FTE's



7

INVESTMENT RESPONSIBILITY

As of June 30, 2000, The Washington State Investment Board has investment responsibility for the following twenty-eight funds:

RETIREMENT FUNDS

DEFINED BENEFIT

- Public Employees' Retirement System (PERS) Plan 1
- Public Employees' Retirement System (PERS) Plan 2
- Teachers' Retirement System (TRS) Plan 1
- Teachers' Retirement System (TRS) Plan 2/3
- Law Enforcement Officers' & Firefighters' (LEOFF) Plan 1
- Law Enforcement Officers' & Firefighters' (LEOFF) Plan 2
- Judicial Retirement System
- Washington State Patrol Retirement System (WSPRS)
- Volunteer Firefighters' Relief & Pension Fund

DEFINED CONTRIBUTION

- Teachers' Retirement System Plan 3 (Self-Directed)
- Judicial Retirement Account

DEFERRED COMPENSATION FUNDS

- State Deferred Compensation Plan

INSURANCE (LABOR & INDUSTRIES) FUNDS

- Accident Fund
- Medical Aid Fund
- Pension Reserve Fund
- Supplemental Pension Fund

PERMANENT FUNDS

- Agricultural Permanent Fund
- Common School Permanent Fund
- Millersylvania Park Trust Fund
- Normal School Permanent Fund
- Scientific Permanent Fund
- State University Permanent Fund

OTHER TRUSTS

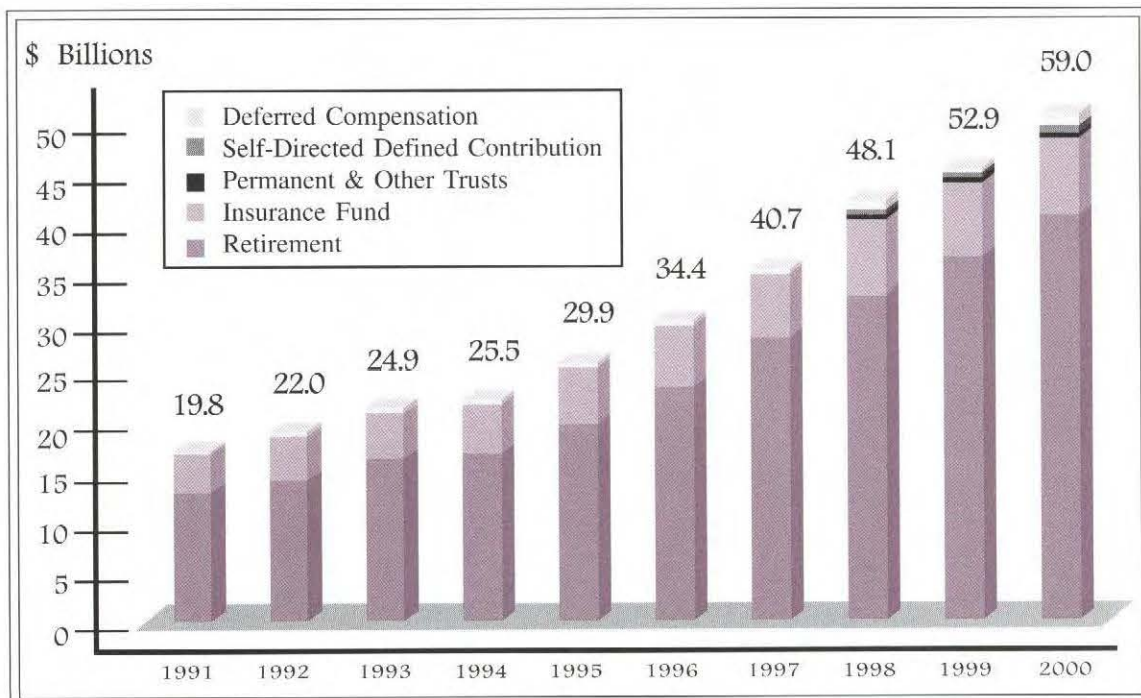
- Guaranteed Education Tuition Fund
- State Emergency Reserve Fund
- Game and Special Wildlife Fund
- State Employees Insurance Reserve
- Radiation Perpetual Fund
- Reclamation Revolving Fund

ASSETS UNDER MANAGEMENT

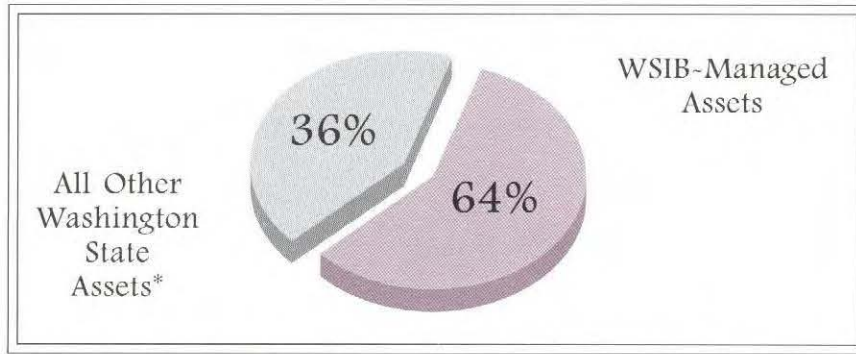
TOTAL ASSETS BY FUND
June 30, 2000
(Millions)

Retirement	\$ 46,552
Self-Directed Defined Contribution	851
Deferred Compensation	1,594
Industrial Insurance Funds	8,534
Permanent Funds	605
Other Trusts	850
TOTAL	\$ 58,986

GROWTH OF ASSETS
Past Ten Years
Fiscal Year Ending June 30, 2000



ASSETS UNDER MANAGEMENT

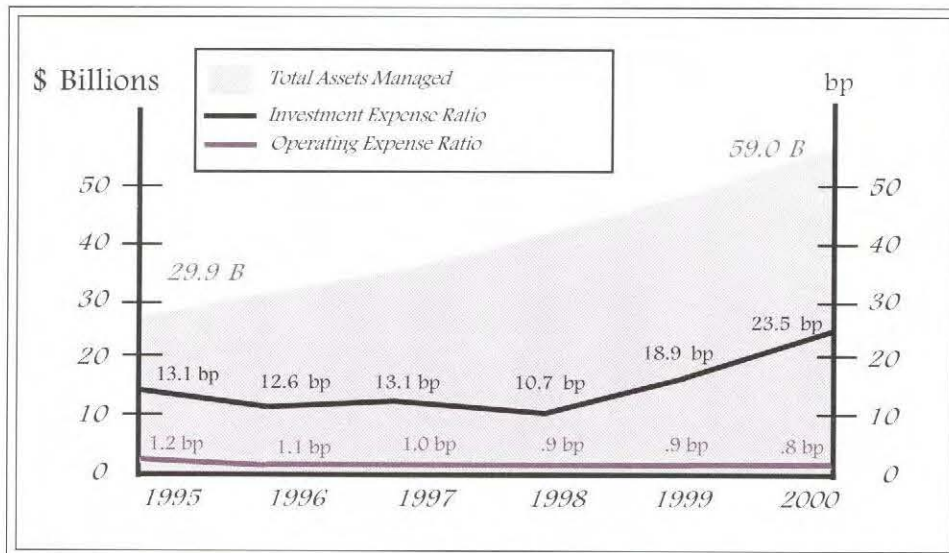


*State Assets include: cash, investments, receivables, capital facilities and capital assets - including public lands, but excluding renewable resources and infrastructure (such as roads and bridges).

WSIB COST OF MANAGEMENT (\$000)

FISCAL YEAR	TOTAL ASSETS	INVESTMENT EXPENSES	INV. COSTS TO ASSETS	OPERATING EXPENSES	OP. COSTS TO ASSETS	TOTAL EXPENSES	TOTAL COSTS TO ASSETS
1995	\$29,900,075	\$39,287	.131%	\$3,664	.012%	\$42,951	.144%
1996	\$34,418,945	\$43,263	.126%	\$3,668	.011%	\$46,931	.136%
1997	\$40,654,325	\$53,288	.131%	\$4,008	.010%	\$57,296	.141%
1998	\$48,060,437	\$51,715	.107%	\$4,251	.009%	\$55,966	.116%
1999	\$52,870,989	\$100,002	.189%	\$4,922	.009%	\$104,925	.198%
2000	\$58,985,827	\$138,593	.235%	\$4,626	.008%	\$143,199	.243%

RATIO OF TOTAL COSTS TO ASSETS MANAGED



STATE INVESTMENT BOARD BUDGET

The WSIB is referred to as a “non-general fund” agency for budgetary purposes. The WSIB receives no state tax monies; its funding comes from earnings on the assets managed. Portions of earnings are spent on appropriated and non-appropriated expenses.

THE BIENNIAL BUDGET (Appropriated Expenses)

The WSIB follows the same budget process as any other state agency. The Board receives a biennial (two-year) appropriation from the legislature, which covers normal department operations, including staff, facilities, equipment, supplies, etc.

The biennial budget is approved by the state legislature every odd-numbered year. The biennial budget funds the WSIB from July 1 of the odd-numbered year, following passage of the state budget, to June 30 of the next odd-numbered year.

Like any other state agency, the WSIB cannot operate in a deficit. The appropriated operating expenses are funded based on a formula established by statute whereby each fund invested by the WSIB pays a share proportional to the value of the assets of the fund. The WSIB’s operating budget is tiny in comparison to the assets managed. Currently, the two-year operating budget is 0.019 percent of the total assets managed (\$59.0 Billion). For fiscal year 2000, the appropriated operating expenditures were \$4,626,544 or .008 percent of the total assets managed.

INVESTMENT EXPENSES (Non-Appropriated)

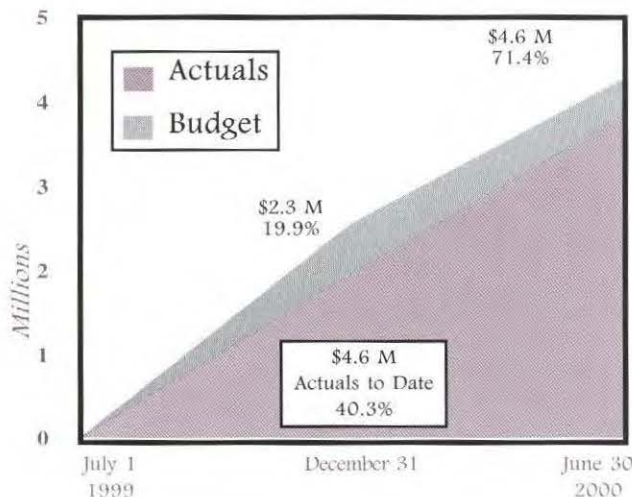
Fees and expenses associated with the management of investments typically include money manager, custodial bank, consultant, and legal fees specifically related to an investment or group of investments. These expenses are classified as non-appropriated expenditures which do not require specific legislative appropriation.

Statutory authority for these expenditures is codified in RCW 43.84.160, Investment counseling fees payable from earnings: “Investment counseling fees established by contract shall be payable from the investment earnings derived from those assets being managed by investment counsel.”

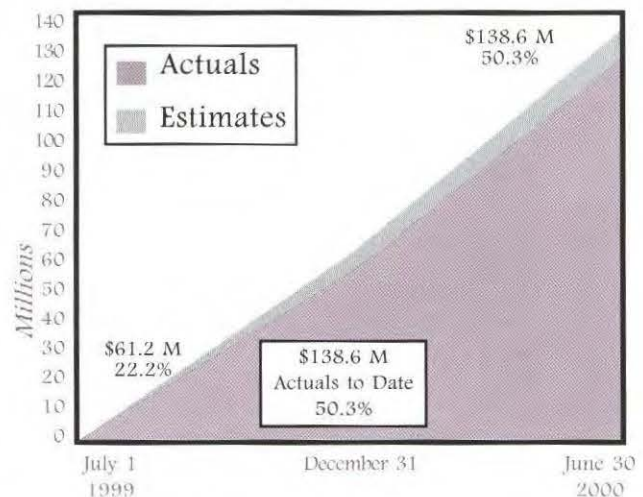
For fiscal year 2000, total non-appropriated expenditures were \$138,572,838 or .235 percent of the total assets managed.

Investment expenses in fiscal year 2000 grew due to increased private equity and real estate commitments, and the capturing of netted investment management fees.

Appropriated Expenditures
as of June 30, 2000



Non-Appropriated Expenditures
as of June 30, 2000



ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2000

Accrual Basis

<u>OBJECTS OF EXPENDITURE</u>	<u>BUDGET TO DATE</u>	<u>EXPENDITURES TO DATE</u>	<u>BUDGET VARIANCE</u>
<u>Appropriated</u>			
Salaries	\$ 2,800,055	\$ 2,518,659	\$ 281,396
Benefits	576,669	521,824	54,845
Personal Services	721,637	336,470	385,167
Goods & Services	1,142,298	1,094,746	47,552
Travel	162,811	154,845	7,966
Fixed Assets	7,802	-	7,802
<i>Subtotal Appropriated</i>	<i>\$ 5,411,272</i>	<i>\$ 4,626,544</i>	<i>\$ 784,728</i>
<u>Retirement Funds</u>			
U.S. Equity		\$ 479,719	
Non-U.S. Equity		15,889,262	
Private Equity		83,661,701	
Real Estate		18,038,373	
Commercial Mortgages (Fixed Income)		1,147,119	
General Pension Consultants		2,788,230	
Legal Fees		272,765	
Custodian Bank Fees		1,199,364	
Securities Lending Fees		9,323,221	
<i>Total Retirement</i>		<i>\$ 132,799,664</i>	
<u>Self-Directed Defined Contribution Funds</u>			
Self-Direct Managers TRS 3 Non U.S.		\$ 77,441	
Self-Direct Managers TRS 3 U.S.		264,993	
<i>Total Self-Direct DC*</i>		<i>\$ 342,434</i>	
<u>Industrial Insurance Funds</u>			
Consultants		\$ 186,130	
U.S. Equity		39,138	
Custodian Bank Fees		319,960	
Securities Lending		896,694	
<i>Total L & I</i>		<i>\$ 1,441,652</i>	
<u>Deferred Compensation Funds</u>			
Intermediate Bond		\$ 96,356	
U.S. Equity		3,655,918	
Non-U.S. Equity		175,484	
FedFund		584	
<i>Total Deferred Compensation Funds*</i>		<i>\$ 3,928,342</i>	
<u>Permanent/Other Funds</u>			
U.S. Equity		\$ 610	
Custodian Bank Fees		36,708	
Securities Lending		23,427	
<i>Total Permanent Funds</i>		<i>\$ 60,745</i>	
<i>Subtotal Non-Appropriated</i>		<i>\$ 138,572,838</i>	
TOTAL		\$ 143,199,382	

*Expenses are paid by participants.

INVESTING IN WASHINGTON



While the WSIB continually seeks the best investment opportunities no matter where they might be located, the state of Washington is home to many tremendous companies that offer the WSIB excellent investment opportunities. Many Washington investments can be found in all of the WSIB's investment portfolios.

In the public markets (public equity and fixed income), the WSIB portfolio contains share ownership in and/or holds debt instruments issued by over 100 publicly-held companies headquartered in the state of Washington. Among the many Washington companies represented in the WSIB portfolio are:

- Advanced Radio Telecom
- Airborne Freight Corp.
- Applied Microsystems Corp.
- Amazon.Com
- Boeing
- Cell Therapeutics
- Cutter & Buck
- First Washington Bancorp
- Immunex
- Interwest Bancorp
- Longview Fibre
- Microsoft
- Microvision
- Nextel Partners, Inc.
- Nordstrom
- Paccar
- Pathogenesis Corp.
- Photoworks, Inc.
- Potlatch
- Puget Sound Energy
- Real Networks, Inc.
- Safeco
- Sonosite, Inc.
- Spacelabs Medical
- Starbucks
- Todd Shipyards, Corp.
- Trendwest Resorts
- VoiceStream Wireless
- Washington Mutual
- Weyerhaeuser

Several of the WSIB's real estate partners and managers have acquired or managed assets located in Washington. The following are some examples:

- 1551 Eastlake Avenue - Seattle
- Bellevue Galleria - Bellevue
- Columbia Technology Center - Vancouver
- Lenora Square - Seattle
- One & Two Union Square - Seattle
- Pacific Business Park North - Kent
- Southcenter Corporate Square - Seattle

The most direct impact the WSIB investments might have on the Washington economy is in private equity ownership. Some of the private equity portfolio companies headquartered in Washington include:

- | | |
|-----------------------|-------------------------|
| ➤ Apex Learning, Inc. | ➤ Leading Edge Ceramics |
| ➤ Asterion.com | ➤ Metawave |
| ➤ Avenue A Media | ➤ Communications |
| ➤ Bsquare Corp. | ➤ Point.com |
| ➤ Captura Software | ➤ Print Cafe, Inc. |
| ➤ Car Toys | ➤ Reflex Communications |
| ➤ Corixa Corp. | ➤ Restaurants Unlimited |
| ➤ Cybersafe Corp. | ➤ Skeltech |
| ➤ Data Channel Corp. | ➤ Spinal Dynamics Corp. |
| ➤ ESC Medical Systems | ➤ The Cobalt Group |
| ➤ F5 Networks | ➤ Therus |
| ➤ GST Network Funding | ➤ Tidewater Holdings |
| ➤ iCopyright.com | ➤ Traveling Software |
| ➤ Imandi.com | ➤ Xcyte Therapies |
| ➤ InterNAP Network | ➤ Your Pet's Choice |
| ➤ Services | |
| ➤ Laplink.com | |

DEFINED BENEFIT RETIREMENT FUNDS

- Washington Pension System Policy Roles
- Retirement Plans
- Asset Growth
- Fund Performance
- Investment Growth and Returns
- Asset Allocation

- U.S. Equity Program
- Non-U.S. Equity Program
- Fixed Income Program
- Private Equity Program
- Real Estate Program

WASHINGTON PENSION SYSTEM POLICY ROLES

LEGISLATIVE

HOUSE APPROPRIATIONS & SENATE WAYS AND MEANS COMMITTEES

- Reviews Retirement Funding and Benefit Bills

JOINT COMMITTEE ON PENSION POLICY

- Studies Issues
- Develops Retirement Policy
- Appoints State Actuary
- Recommends Legislation

OFFICE OF STATE ACTUARY

- Performs Actuarial Services
- Advises on Pension Benefit Funding & Investment Policy
- Recommends Actuarial Assumptions and Contributions
- Staffs Joint Committee on Pension Policy

PENSION FUNDING COUNCIL

- Adopts Economic Assumptions
- Establishes Employer Contribution Rate

EXECUTIVE

GOVERNOR

- Appoints Three State Investment Board Members
- Appoints Director of Department of Retirement Systems
- Appoints Director of Department of Labor and Industries

OFFICE OF FINANCIAL MANAGEMENT

- Analyzes Impact of Retirement Legislation
- Advises Governor

OFFICE OF STATE TREASURER

- Receipt and Disbursement Agent
- Member of the Investment Board

DEPARTMENT OF RETIREMENT SYSTEMS

- Collects Contributions
- Maintains Records
- Pays Retirement Benefits
- Provides Member Services
- Member of the Investment Board

EMPLOYEE RETIREMENT BENEFITS BOARD

- Recommends Types of Investment Options for Defined Contribution Retirement Plans
- Advises Department of Retirement Systems

WASHINGTON STATE INVESTMENT BOARD

- Trustee for all Defined Benefit and Defined Contribution Plans
- Establishes Investment Policies
- Invests & Manages Assets for Exclusive Benefit of Fund Beneficiaries
- Authorizes Self-Directed Investment Options for Defined Contribution Retirement Plans
- Monitors and Reports Investment Performance
- Accounts for Investments (Except Defined Contribution)

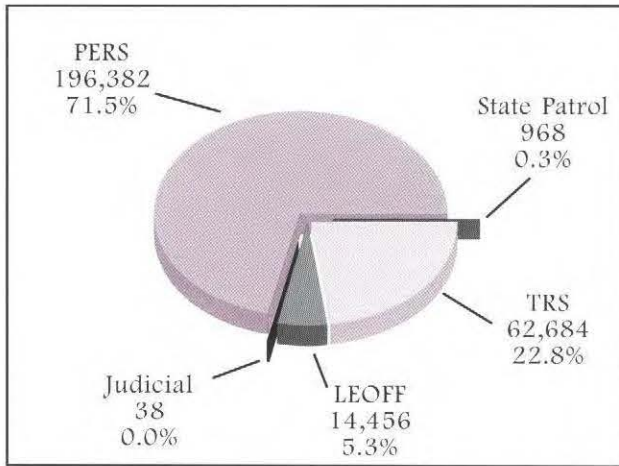
RETIREMENT PLANS

The Department of Retirement Systems (DRS) is the administrative arm of the State's multiple-employer retirement systems. Headed by a cabinet-level director, who also serves as a voting member of the WSIB, DRS administers the pension plans for state employees, teachers and classified educational employees; law enforcement officers and fire fighters; and other employees of participating political subdivisions.

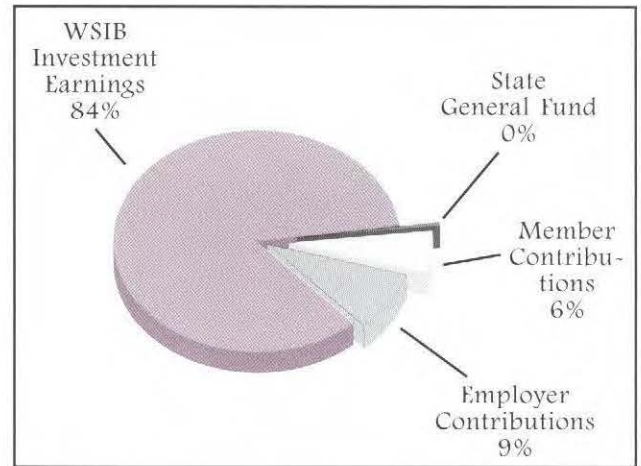
The retirement system membership has grown to 393,286 members as of June 30, 2000, including 21,589 inactive members.

Trust fund revenues totaled \$6,652 million for fiscal year 2000 (including TRS Plan 3 Self-Directed). This included \$420 million in member contributions and restorations, \$593 million in employer contributions, \$25 million in General Fund contributions, and \$5,614 million in investment earnings.

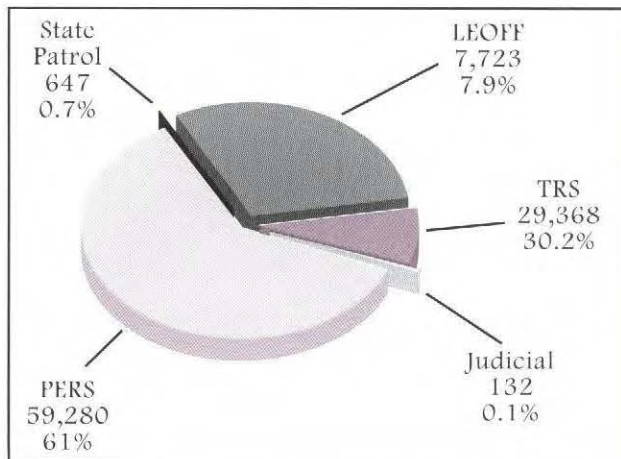
ACTIVE MEMBERS BY SYSTEM



TRUST FUND REVENUES



RETIRED MEMBERS BY SYSTEM



MARKET VALUE AS OF JUNE 30, 2000
(In \$000's)

PERS 1	\$ 11,285,994
PERS 2	12,491,532
TRS 1	9,792,238
TRS 2/3	4,185,439
LEOFF 1	5,540,962
LEOFF 2	2,401,307
WSP	718,559
Vol FF	126,598
JUDICIAL	9,150
TOTAL	\$ 46,551,779

ASSET GROWTH

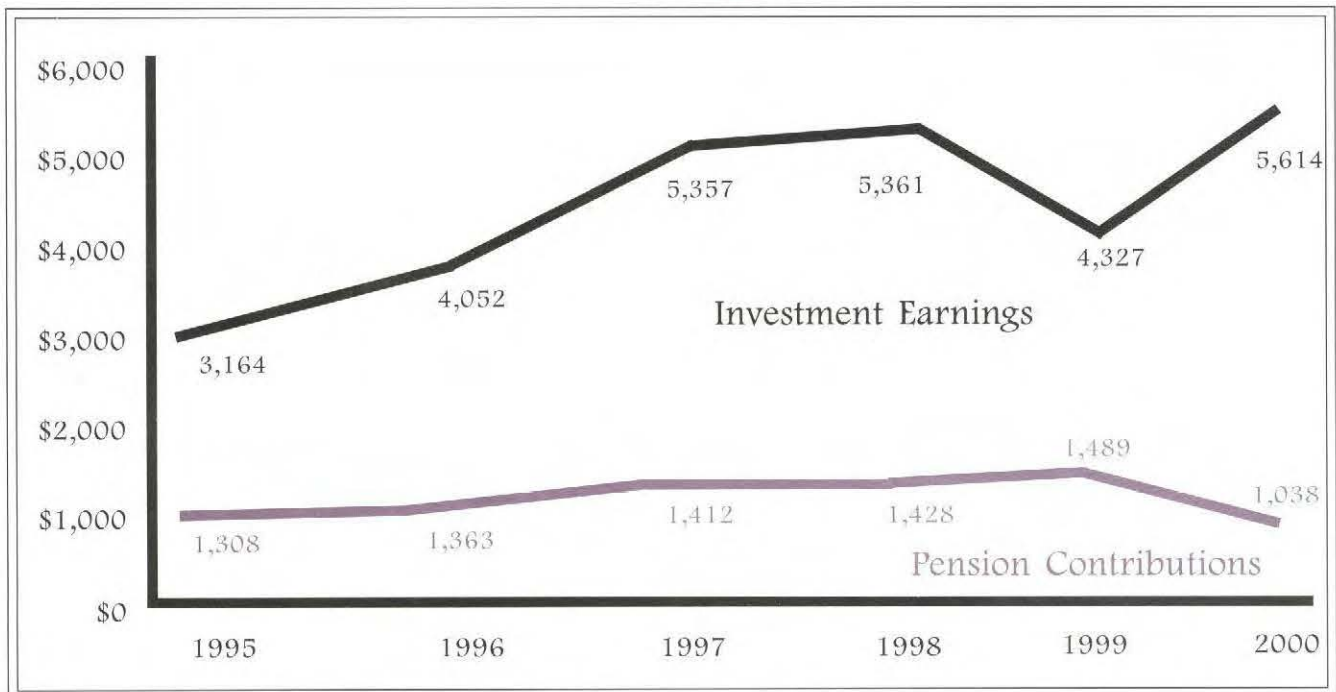
Over the past ten years, the assets of the Retirement Funds have grown from \$13.5 billion to \$46.5 billion (as of June 30, 2000), not including TRS Plan 3 Self-Directed. This growth has three components: employer contribution, employee contribution, and investment return.

Employer contributions are driven by the obligation of the employer to fund the plan in a systematic and deliberate manner consistent with actuarial projections, existing statutes and availability of funds.

The employee contributions are the most predictable of the three components since many are statutory and less likely to change.

Investment returns are primarily the result of capital market returns and asset allocation. The WSIB has no control over capital market returns; it does, however, have control over the Retirement Fund's asset allocation, investment strategies, risk-return objectives, and certain investment decisions. The asset allocation policy is regularly reviewed and revised when appropriate. (See the Asset Allocation section on page 22).

Retirement Trust Fund Revenues
(in Millions)



Note: Investment earnings and pension contributions include Teachers' Retirement System Plan 3 Self-Directed investment. Source of pension contributions: Department of Retirement Systems. Source of investment earnings: Washington State Investment Board and Department of Retirement Systems (for TRS Plan 3 Self-Directed investment earnings).

RETIREMENT FUND PERFORMANCE

The WSIB measures its performance by the achievement of expected returns on the assets under management, and comparisons to appropriate benchmarks.

An important part of the asset allocation policy process is to set an expectation for performance of the individual asset classes, as well as the Retirement Fund as a whole. Although returns will vary quarterly and annually, the long-term expectation should exceed the actuarially assumed rate over time.

Assets differ in their behavior and volatility. For example, since public market investments can be priced instantaneously, fair market value can be determined with certainty. However, the real estate and private equity investments are very illiquid, are not easily priced, and may take years before offering the expected return to the investor. These characteristics must be kept in mind when reviewing quarterly and annual returns.

The eight largest defined benefit retirement funds are invested through the Retirement Commingled Trust Fund (CTF). The CTF serves to pool the assets of the eight separate funds in order to provide for more efficient management and reduce administrative costs and investment fees.

RETIREMENT COMMINGLED TRUST FUND *Time-Weighted Returns* *Periods Ending June 30, 2000*

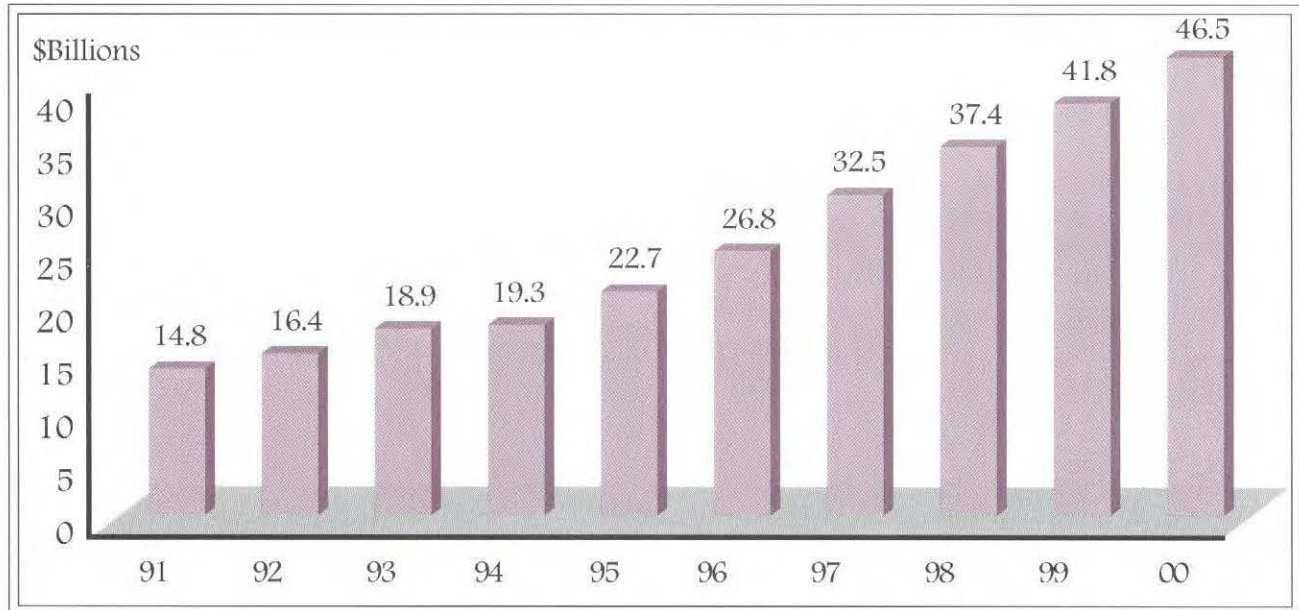
	-----Annualized-----		
	One Year	Three Years	Five Years
TOTAL FUND	14.2%	14.3%	15.2%
<i>TUCS Public Fund > \$1 B Median*</i>	<i>9.5</i>	<i>13.0</i>	<i>15.2</i>
<i>TUCS Public/Corporate Fund > \$1 B Median*</i>	<i>10.3</i>	<i>13.8</i>	<i>15.7</i>
U.S. EQUITY	10.8%	19.4%	22.4%
<i>S & P 500 Index</i>	<i>7.2</i>	<i>19.7</i>	<i>23.8</i>
<i>Wilshire 5000 Index</i>	<i>9.5</i>	<i>19.1</i>	<i>22.5</i>
NON-U.S. EQUITY	23.1%	8.0%	10.8%
<i>MSCI ACWI (ex U.S.) Index</i>	<i>18.1</i>	<i>9.5</i>	<i>11.1</i>
FIXED INCOME	4.3%	6.0%	6.3%
<i>Lehman Aggregate Bond Index</i>	<i>4.6</i>	<i>6.0</i>	<i>6.2</i>
REAL ESTATE	11.5%	11.0%	18.7%
<i>NCREIF Property Index</i>	<i>11.1</i>	<i>13.8</i>	<i>11.9</i>
PRIVATE EQUITY	40.2%	23.6%	27.6%
KKR Portfolio	<i>9.0</i>	<i>13.0</i>	<i>20.6</i>
Venture and Other Portfolio	<i>68.6</i>	<i>31.0</i>	<i>32.7</i>
LIQUIDITY	6.1%	5.6%	5.7%
<i>90 Day Treasury Bill</i>	<i>5.1</i>	<i>5.2</i>	<i>5.3</i>

* TUCS returns have been adjusted to reflect fees equivalent to those incurred by WSIB.

INVESTMENT GROWTH AND RETURNS

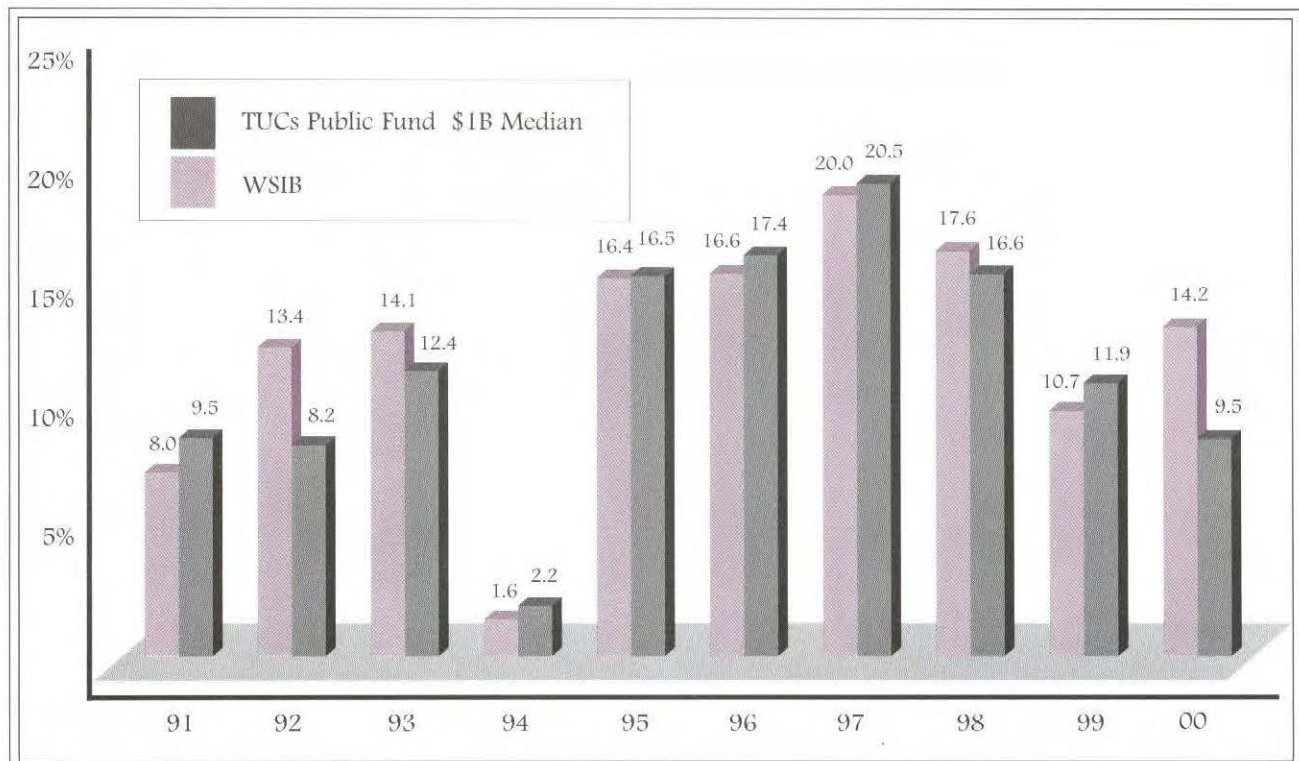
RETIREMENT FUND HISTORICAL MARKET VALUES

Fiscal years ending June 1991 to June 2000



RETIREMENT FUND HISTORICAL RATES OF RETURN

Fiscal years ending June 1991 to June 2000



ASSET ALLOCATION

Asset allocation is the driver of investment performance. Research consistently shows that a plan's asset allocation explains over 90 percent of the variation in investment return. Accordingly, the WSIB spends considerable time and effort developing, monitoring, and adjusting the asset allocation of the retirement fund portfolio. To control the risk of the asset mix, the Board has established tight policy ranges around each asset class. By placing the fund's assets in several investment areas, the Board reduces the overall investment risk. The retirement fund is spread across five basic asset types. The following pages outline how each asset type is further diversified in line with the Board's mandate of a maximum rate of return at a prudent level of risk.

The Board has established a long-term plan based upon the average investment returns of the past half-century. The Board formally reviews the plan every three to four years. The last study was performed in late 1996. At that time, the Board shifted ten percent of the assets in fixed income over to U.S. equity, private equity, and real estate. Further, the Board adopted a five-year implementation plan. At fiscal year-end, the WSIB is more than halfway through that time line. As a result of the historic climb of the U.S. equity market, the growth of the private investment portfolio has been partially hidden by the continued growth of the U.S. equity portfolio.

The actual asset mix is monitored monthly by the Board. The investment staff has directed several shifts during the fiscal year to move toward the long range targets. This resulted in the fund taking profits at key times in the U.S. equity market and the Non-U.S. equity market. Staff expects to achieve the long term targets within the desired goal by year-end 2001. Both real estate and private equity have open contractual commitments to top tier investment partners that will place them very close to their long-term targets over the next two years. At June 30, 2000, private equity has open commitments of \$4.3 billion and real estate has open commitments of \$839 million. It is expected that these commitments will be called over the next three to four years. The capital to fund these commitments will come from U.S. and non-U.S. equity and the fixed income portfolio.

RETIREMENT COMMINGLED TRUST FUND *June 30, 2000*

<u>ASSET CLASS</u>	<u>ALLOCATION</u>		<u>2000 YEAR-END TARGET</u>	<u>POLICY RANGE</u>	<u>LONG-TERM POLICY TARGET</u>
	<u>IN 000'S</u>	<u>PERCENT</u>			
U.S. Equity	\$ 17,913,849	38.5	38%	+/- 5%	36%
Fixed Income	11,391,181	24.5	26%	+/- 4%	25%
Non-U.S. Equity	8,013,952	17.2	16%	+/- 3%	15%
Private Equity	5,533,824	11.9	12%	-	15%
Real Estate	3,203,939	6.9	8%	-	9%
Liquidity	448,345	1.0	0%	0-5%	0%
Total CTF	\$ 46,505,090				
Plan Specific Investments*	\$ 46,689				
Total Retirement Funds	\$ 46,551,779				

Unallocated funds targeted for Private Equity and Real Estate are invested in U.S. Equities and Fixed Income.

* Plan-Specific Investments are short-term investment funds for each of the separate retirement plans.

U.S. EQUITY PROGRAM

THE PROGRAM

The U.S. Equity Portfolio is structured to capture the returns of the broad U.S. equity market. The WSIB uses a passively-managed U.S. Equity Market Index Fund to provide broad market exposure similar to the Wilshire 5000 index. This index measures the performance of all U.S. headquartered equity securities with readily available price data. Over 7,000 capitalization-weighted security returns are used to calculate the index.

As of June 30, 2000, the defined benefit retirement funds had \$17.9 billion invested in the U.S. Equity Market Index portfolio. Approximately 76 percent of the portfolio consisted of large-capitalization, S&P 500 companies. The remaining 24 percent of the index was comprised of mid-capitalization and small-capitalization companies. Accordingly, the large-cap component of the WSIB U.S. equity portfolio totaled \$13.6 billion, while the small/mid cap component represented \$4.3 billion.

FISCAL YEAR HIGHLIGHTS

Even with a significant downturn in the second quarter of 2000, the U.S. equity markets were strong once again over the fiscal year. Small-cap stocks outperformed large-cap stocks during the year, as the Wilshire 4500 Index returned 22.1 percent, while large stocks, as measured by the S&P 500 Index, returned 7.2 percent. The return of the U.S. equity portfolio was 10.8 percent for the year, which exceeded the 9.5 percent return of Wilshire 5000 Index.

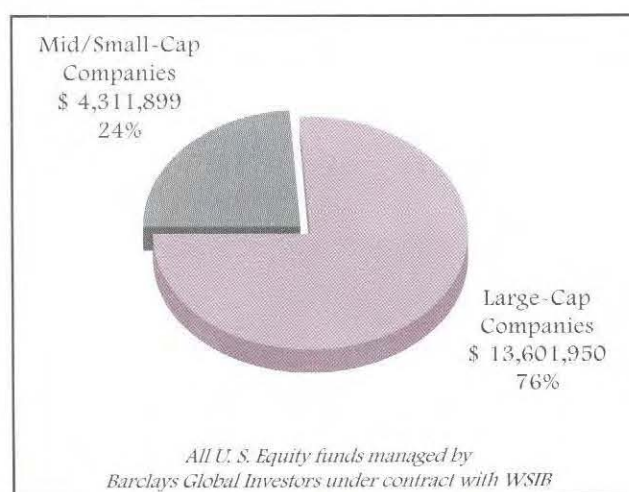
TEN LARGEST EQUITY HOLDINGS

June 30, 2000

	% of Portfolio
General Electric Company	3.18
Intel Corporation	2.71
Cisco Sytems Incorporated	2.68
Microsoft Corporation	2.55
Pfizer Incorporated	1.83
Exxon Corporation	1.65
Wal-Mart Stores Incorporated	1.56
Oracle Corporation	1.44
Citigroup Incorporated	1.23
Nortel Networks Corporation	1.22

U. S. EQUITY PORTFOLIO

June 30, 2000
(In \$000's)



NON-U.S. EQUITY PROGRAM



THE PROGRAM

As of June 30, 2000, the Non-U.S. Equity Program totaled \$8.0 billion and represented 17.2 percent of the total retirement fund.

The Non-U.S. program is designed to represent both developed and emerging markets except the United States, weighted by market value. The benchmark is the Morgan Stanley Capital International (MCSI) All Country World (ACWI), excluding the U.S.

For the developed markets, the program has a 50 percent active/50 percent passive mix. The program now has a structure that integrates all the developed international markets, using firms that manage money in Europe, Australia, and the Far East (EAFE), as well as Canada. These firms are allowed to invest up to ten percent of the assets in emerging markets as well. The active management portion of the developed markets program consists of six active international equity firms which were hired in 1999: Artisan Partners, Delaware International Advisers, Dresdner RCM Global Advisers, Nicholas Applegate, Putnam Investments and Pymford International. For the fifty percent of the developed markets program that is indexed, State Street Global Advisors passively manages to MSCI EAFE + Canada. The majority of the asset transition to the new structure began in mid-June 1999 and was completed in mid-July.

The Emerging Markets component makes up 9 percent of the Non-U.S. Equity Program totaling about \$721 million as of June 30, 2000. Seventy-six percent of the Emerging Markets component is actively managed by four firms: Genesis Asset Managers, Schroder Capital Management, Foreign & Colonial, and Grantam, Mayo, Van Otterloo & Co. In addition, State Street Global Advisors manages an emerging markets liquidity tier index fund.

FISCAL YEAR HIGHLIGHTS

The WSIB Non-U.S. equity portfolio returns for fiscal year 2000 were a very strong 23.1 percent, outperforming the MSCI ACWI ex. U.S. index return of 18.1 percent. While the emerging markets cooled slightly in fiscal year 2000, the WSIB's emerging markets composite earned a very respectable 11.1 percent return, slightly ahead of the IFC Investable Index (10.7 percent). A rebound in Europe propelled the developed markets, as measured by the MSCI EAFE plus Canada, to a strong 18.8 percent return. The WSIB's developed market component outperformed this index, returning 24.5 percent for fiscal year 2000.

NON-U.S. EQUITY PROGRAM

ALLOCATION TO NON-U.S. EQUITY

June 30, 2000

<u>DEVELOPED MARKETS</u>	<u>MARKET VALUE</u> <u>(IN 000'S)</u>
Active Managers	
<i>Artisan Partners</i>	\$ 451,266
<i>Delaware International</i>	826,269
<i>Dresdner RCM Global Investors</i>	797,522
<i>Nicholas Applegate</i>	380,117
<i>Putnam Investments</i>	888,889
<i>Pyrford International PLC</i>	287,973
Total Active	<u>\$ 3,632,036</u>
 Passive Manager	
<i>State Street Global Advisors</i>	\$ 3,661,294
 Total Developed Markets	<u>\$ 7,293,330</u>
 <u>EMERGING MARKETS</u>	
Active Emerging Markets Managers	
<i>Foreign & Colonial</i>	\$ 123,593
<i>Genesis Asset Managers</i>	182,197
<i>Grantham, Mayo, Van Otterloo & Co.</i>	113,848
<i>Schroder Capital Management</i>	126,827
Total Active Emerging Markets	<u>\$ 546,465</u>
 Passive Manager	
<i>State Street Global Advisors</i>	\$ 174,157
 Total Emerging Markets	<u>\$ 720,622</u>
 TOTAL NON-U.S. EQUITY	<u><u>\$ 8,013,952</u></u>

FIXED INCOME PROGRAM

THE PROGRAM

Fixed income securities constitute an important component of the portfolios of most institutional investors. Several factors make these instruments attractive in a pension portfolio. Fixed income securities offer diversification from a pure equity portfolio. Less risky than equities, fixed income securities help control the overall portfolio volatility.

The WSIB domestic fixed income program is internally managed with the Lehman Aggregate Index as the performance benchmark. The WSIB may invest in the following fixed income instruments:

- U.S. treasuries (TSY) and government agencies (Agency)
- Investment-grade and split-rated corporate bonds (Corporates or Credit)
- Publicly traded mortgage backed securities (MTG)
- Commercial Mortgage-Backed Securities (CMBS)
- Privately-placed mortgages
- Private placements of corporate debt
- Convertible securities
- Non-dollar bonds
- Asset-backed securities (ABS)
- Real estate mortgages
- Treasury Inflation Protection Securities (TIPS)

The fixed income management strategy is primarily one of sector selection. The portfolio is structured to be overweighted or underweighted relative to the index's major sectors: Treasuries, Agencies, Corporates, Mortgage-Backed Securities and Asset-Backed Securities. As of June 30, 2000, the portfolio was underweighted relative to the index in Governments and Mortgages, and overweighted in Corporates, Asset-Backed Securities and CMBS.

Not only is the total mortgage allocation lower than that of the index, about three-fourths of the mortgages are comprised of Collateralized Mortgage Obligations (CMOs), whose structure provides more stable cash flows than standard pass-through mortgages.

Individual sector structures may also be overweighted or underweighted relative to that of the index. For example, the corporate portfolio's allocation to industry and credit rating differ from the index, as do the mortgage portfolio's allocation to coupon and maturity.

Treasury and Agency debt have the highest credit rating since they are backed by either the U.S. Treasury or governmental agencies. Most mortgage debt has agency equivalent ratings, but some structured product held may be Aaa or Aa. Investment grade Corporate debt ranges from Aaa (the highest) to Baa (the lowest). More than forty percent of all investment-grade corporate debt issued is A rated. The portfolio's overall credit allocation reflects its large allocation to Corporates, its Corporate concentration in Baa-rated companies, and the mortgage allocation to Agency and Aaa-rated structured mortgage product.

For most of the last year the duration of the portfolio was less than 10 percent longer than that of the index, and both started and ended the year at about 4 percent longer.

FIXED INCOME PROGRAM

FISCAL YEAR HIGHLIGHTS

The economy was strong during fiscal 2000, with continued low unemployment and low inflation. For the fiscal year, the one-year, ten-year, and thirty-year treasuries returned 5.1 percent, 3.1 percent, and 4.4 percent, respectively. The yield on the thirty-year treasury bond started the fiscal year at 6.0 percent and ended at 5.9 percent, a difference of only 9 basis points. During the year, however, it was somewhat volatile, rising to a high of 6.7 percent in January, 2000, and dropping to a low of 5.7 percent in April, 2000.

The WSIB's fixed income portfolio returned 4.3 percent for the fiscal year, lower than the Lehman Aggregate Index return of 4.6 percent. Corporates (Credit), which have the largest allocation within the portfolio, performed poorly for the second consecutive year. The portfolio's allocation to asset backed securities and cash performed the best for the year, both being very short duration assets. These were followed by mortgage-backed securities, treasuries and agencies, and lastly, corporates. Throughout the year, the portfolio's duration averaged almost 5.5 percent longer than that of the index, with a low of 0.1 percent in May, 2000 and a high of just over 10 percent longer in July, 1999.

ALLOCATION TO FIXED INCOME *June 30, 2000*

<u>SECTOR</u>	<u>MARKET VALUE</u> <u>(In \$000's)</u>
Liquidity	\$ 214,817
Long - Term	
US Treasuries	\$ 1,055,997
Agencies	280,839
Credit (Corporate)	6,464,567
Asset Backed	407,745
CMBS	2,590,785
Mortgages	376,431
	<hr/>
Total Long - Term	\$ 11,176,364
	<hr/>
Total Fixed Income	\$ 11,391,181

FIXED INCOME PROGRAM

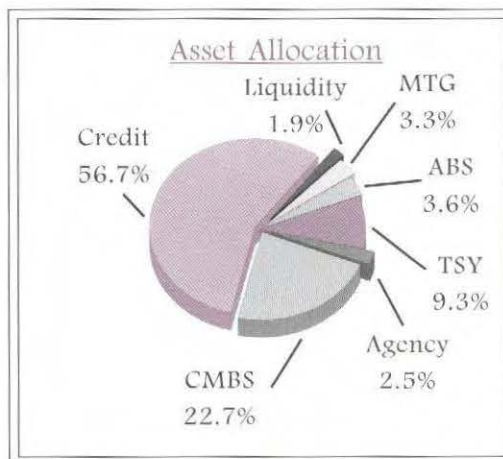
CHARACTERISTICS OF THE FIXED INCOME PORTFOLIO

June 30, 2000

<u>Sector Distribution</u>	<u>WSIB Portfolio</u>	<u>Lehman Aggregate Index</u>
Liquidity	1.9%	0.0%
Treasury	9.3%	29.7%
Agency	2.5%	9.7%
Credit (Corporate)	56.7%	23.2%
Asset-Backed	3.6%	34.4%
CMBS	22.7%	1.5%
Mortgages	<u>3.3%</u>	<u>1.5%</u>
	100.0%	100.0%

<u>Credit Distribution</u>	
TSY	9.3%
AGY	13.5%
Aaa	16.7%
Aa	8.3%
A	22.7%
Baa	26.8%
Other	<u>2.7%</u>
	100.0%

<u>Coupon Distribution</u>	
0 - 4.9%	3.7%
5 - 6.9%	44.9%
7 - 7.9%	33.4%
8 - 8.9%	11.0%
9 - 9.9%	4.8%
10+	<u>2.3%</u>
	100.0%



<u>Effective Duration</u>	
0 - 1 years	3.2%
1 - 3 years	20.0%
3 - 4 years	16.7%
4 - 6 years	25.9%
6 - 8 years	17.1%
8+	<u>17.1%</u>
	100.0%

PRIVATE EQUITY PROGRAM

THE PROGRAM

Private equity investments range from leveraged buyouts of corporations to the investment of initial capital in start up enterprises. These investments are very long term in nature (up to 12 years) and are highly illiquid. They are attractive to sophisticated institutional investors, because over long time horizons private equity investment can offer higher returns than traditional public equity investments.

The objective of the WSIB's private equity portfolio is to achieve, over a long term, annualized, risk adjusted returns of 400 basis points (or four percent) above the U.S. stock market. The WSIB's asset allocation target for private equity is 15 percent of the total retirement fund. Over the past fiscal year, the Board committed more than \$2 billion to Private Equity partnerships. The portfolio increased in value from \$3.46 billion to \$5.53 billion during the past fiscal year, 11.9% of the total retirement fund. At the current pace, the WSIB plans to meet the long-term target by year end 2001.

The portfolio is well-diversified across many subclasses of private equity including venture capital, (early stage, expansion, or late stage), distressed companies, buyouts of established companies (medium and large companies) and several other strategies.

Due to the long-term and private nature of these investments, the valuations of these investments are based on conservative estimates. The true return on investment can only be accurately measured upon liquidation of the investment. Many investments are carried at original cost for considerable periods, until some event allows for the estimation of a market value. Such events would include an initial public offering, a subsequent round of financing or a commitment to purchase the investment. The valuations contained in this report are made by the General Partners, and reviewed by the WSIB consultants in accordance with currently accepted accounting practices.

Since the inception of the program in 1981, the fund has achieved an annual 17.4 percent internal rate of return (IRR), which is net of partnership fees and expenses. The internal rate of return calculation is the industry standard method of investment performance. Time weighted returns, which represent performance independent of the timing of cash flows, are also calculated for the asset class; for fiscal year 2000 the portfolio earned a 40.2 percent return.

ALLOCATION TO PRIVATE EQUITY *June 30, 2000*

<u>SUB-ASSET CLASS</u>	<u>MARKET VALUE (In \$000's)</u>	<u>% of Private Equity</u>
Venture Capital	\$ 1,666,325	30.7%
Acquisition/Buyout	2,545,388	46.9%
Mezzanine	262,389	4.8%
International	476,196	8.8%
Special Situations & Other	151,918	2.8%
Distressed/Restructuring	324,415	6.0%
Delayed Settlements of Stock Distributions	107,193	
TOTAL	<u>\$ 5,533,824</u>	

REAL ESTATE PROGRAM

THE PROGRAM

The WSIB's real estate program is an externally managed pool of select partnership investments, intended to provide alternative portfolio characteristics when compared to traditional stock and bond investments. The majority of the WSIB's partnerships invest in institutional-quality real estate assets that are leased to third parties. The combination of income generated from bond-like lease payments, coupled with the hard asset qualities of commercial real estate, combine to generate returns that are expected to fall between the return expectations for fixed income and equities. The real estate portfolio is managed to deliver risk-adjusted returns that are consistent with the Board's long term return expectations for the asset class. The WSIB's real estate partnerships typically invest in private real estate assets that are held for long term income and appreciation. Many of the WSIB's investment partnerships do not involve co-investment with other financial entities, thereby providing the WSIB with control provisions related to liquidation, acquisition, and ongoing operational decisions like annual capital expenditures.

Volatility within the real estate portfolio is minimized through a combination of factors. First, the majority of the WSIB's partners own commercial real estate assets in a private investment form. Private investments are not subject to public market volatility and are generally held at cost or priced using appraisal-based pricing methodology. Second, real estate capital is diversified among a host of partners with varying investment styles. Third, partnership assets are invested in numerous economic regions, including international markets, and in various property types. Fourth, WSIB partners invest at different points within the asset's capital structure.

Each year the WSIB reviews market conditions and makes adjustments to its investment strategy. This strategy establishes funding and return objectives for the real estate program for the ensuing three-year planning period. The current plan forecasts that about one billion dollars in additional WSIB commitments will be required during the next three-year period to meet the Board's allocation objectives. The plan also establishes long term return expectations for the program. The current plan calls for a target benchmark of one to three percent above the NCREIF index.

FISCAL YEAR HIGHLIGHTS

During fiscal year 2000, real estate markets continued their recovery. For the one-year period ending June 30, 2000, the NCREIF Index posted a total net return of 11.1 percent. The WSIB's real estate portfolio returned 11.5 percent for the same time period. Over five years, the WSIB's real estate portfolio has significantly outperformed the NCREIF Index, 18.7 percent to 11.9 percent.

REAL ESTATE PROGRAM

During the fiscal year ending June 30, 2000, the WSIB made an equity commitment of \$100 million to Olympia Properties partnership. The WSIB's commitment to Olympia properties may take years to be drawn and will not be drawn unless acceptable investment opportunities are found by the partnership.

ESTIMATED REAL ESTATE VALUE *June 30, 2000*

<u>ADVISOR / PARTNER</u>	<u>INVESTMENT</u>	<u>MARKET VALUE</u> (In \$000's)
PM Realty Advisors	America West II	\$ 3,554
Pacific Realty Associates	Pactrust	257,392
Pacific Realty Associates	Pac-SIB	250,940
Lowe Enterprises	Union Square	347,343
Lowe Enterprises	Lowe NW	278,276
JE Robert Companies	JER Real Estate Partners	118,512
Sentinel Realty Advisors	SREF	24,525
Security Capital	Security Capital Group	68,742
TA Associates	Olympia Properties	516,645
Morgan Stanley	MSREF III International	97,249
Morgan Stanley	MSSS	52,483
Taylor Simpson Group	MCPI	93,672
Hudson Advisors	Lonestar I	31,460
Hudson Advisors	Lonestar II	183,855
Hancock Nat. Res. Group	ForesTree Washington	89,796
Hearthstone	Hearthstone Olympia Homebuilding Partners	15,958
Hearthstone	MSII	13,189
Transwestern	Home Town America	29,463
PRICOA	European Investor Properties	176,019
Cherokee Investment Services	Cherokee Investment Partners II	33,311
ING Realty Associates	ING Realty Partners	84,221
Principal Financial	Principal Enterprise Capital	121,765
Campbell Group	Hawthorne Timber Company	315,569
Total Real Estate Equity		\$ 3,203,939
Total as Percentage of Retirement Fund Assets		6.9%
WSIB Long-Term Real Estate Allocation Objective		9.0%

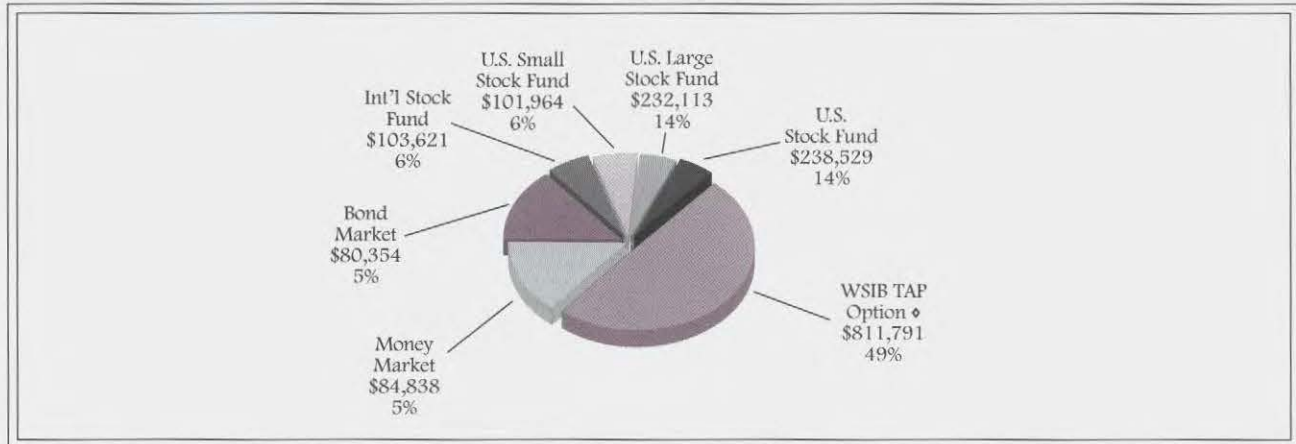
DEFINED CONTRIBUTION RETIREMENT FUNDS

- Teachers' Retirement System Plan 3
- Judicial Retirement Account

TEACHERS RETIREMENT SYSTEM PLAN 3

The WSIB is Trustee of the Teachers' Retirement System (TRS) Plan 3. The WSIB is responsible for the investment of TRS Plan 3 assets and for the provision of self-directed investment options to members of the plan. The Department of Retirement Systems is responsible for plan administration, accounting, and record-keeping.

TRS Plan 3 Defined Contribution Assets
June 30, 2000
(In \$000's)



♦ The WSIB Total Allocation Portfolio option, the statutory default option for TRS Plan 3, is invested in the Retirement Commingled Trust Fund. These moneys are included in the total for Retirement Funds shown elsewhere in this report. The remaining options are shown elsewhere in this report as self-directed defined contribution funds.

TRS Plan 3 Investment Options
Annualized Performance as of June 30, 2000

FUND	ONE YEAR	THREE YEARS	FIVE YEARS
WSIB TAP Option	13.6%	14.1%	15.8%
<i>Custom Benchmark*</i>	8.7%	13.3%	15.2%
US Stock Fund	10.1%	19.0%	**
<i>Russell 3000 Index</i>	9.6%	19.2%	
US Large Stock Fund	7.2%	19.7%	**
<i>S & P 500 Index</i>	7.2%	19.7%	
US Small Stock Fund	14.0%	10.0%	**
<i>Russell 2000 Index</i>	14.3%	10.6%	
International Stock Fund	16.8%	10.3%	**
<i>MSCI EAFE Index</i>	17.2%	10.2%	
Bond Market	4.0%	5.7%	**
<i>Lehman Aggregate Index</i>	4.6%	6.0%	
Money Market	6.0%	5.8%	**
<i>IBC's Tier One Index</i>	5.1%	5.2%	

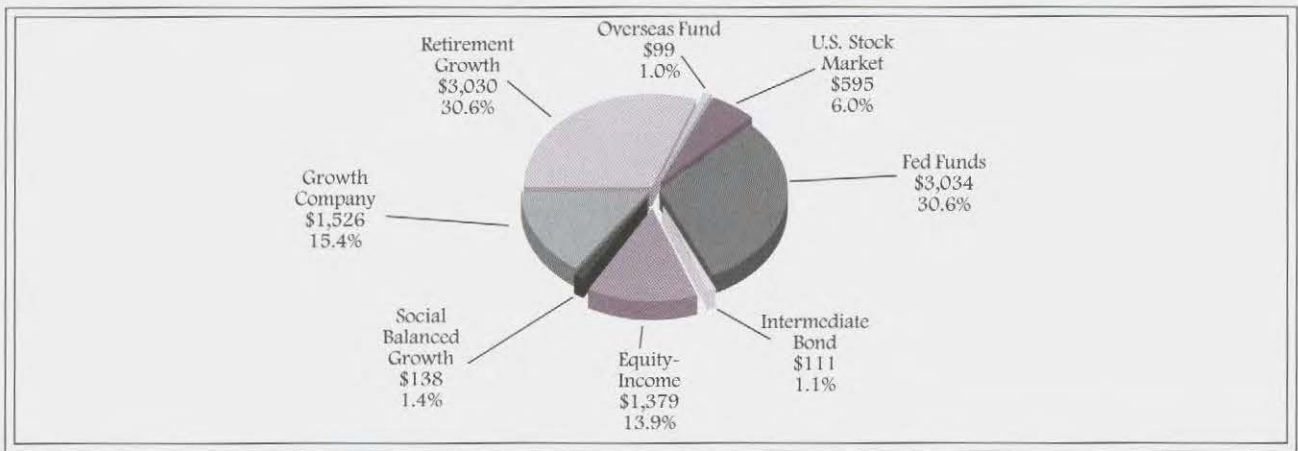
* Custom Benchmark: 60% Wilshire 5000 + 25% Lehman Aggregate + 15% MSCI ACWI ex U.S.

** Fund has not been in existence long enough to provide performance figures for these dates.

JUDICIAL RETIREMENT ACCOUNT

The Judicial Retirement Account is a \$9.9 million (as of June 30, 2000) defined contribution supplemental retirement fund for state judges. Investments are self-directed by participants in the Judges' Supplemental Retirement Program, utilizing the Deferred Compensation investment options offered by WSIB. The fund is administered by the Office of the Administrator for the Courts and the Department of Retirement Systems is responsible for plan accounting and record-keeping.

Judicial Retirement Account Assets
June 30, 2000
(In \$000's)



Judicial Retirement Investment Options
Annualized Performance as of June 30, 2000

FUND	ONE YEAR	THREE YEARS	FIVE YEARS
U.S. Stock Market Index Fund <i>Wilshire 5000</i>	10.7% 9.5%	19.5% 19.1%	22.6% 22.5%
Equity Income Fund <i>Russell 3000 Value</i>	-7.7% -8.4%	9.2% 10.3%	16.1% 17.2%
Growth Co. Fund <i>Russell 3000 Growth</i>	63.9% 25.8%	38.0% 27.0%	31.2% 27.4%
Overseas Fund <i>MSCI EAFE</i>	25.9% 17.2%	13.6% 10.2%	15.2% 11.3%
Retirement Growth <i>Russell 3000</i>	48.0% 9.6%	33.9% 19.2%	26.8% 22.8%
Social Balanced Fund	5.5%	11.8%	12.9%
Intermediate Bond <i>Lehman Govt/Credit Int</i>	4.3% 4.2%	5.4% 5.6%	5.5% 5.8%
Fed Funds <i>90-Day T-Bills</i>	5.6% 5.2%	5.4% 5.2%	5.4% 5.3%

DEFERRED COMPENSATION

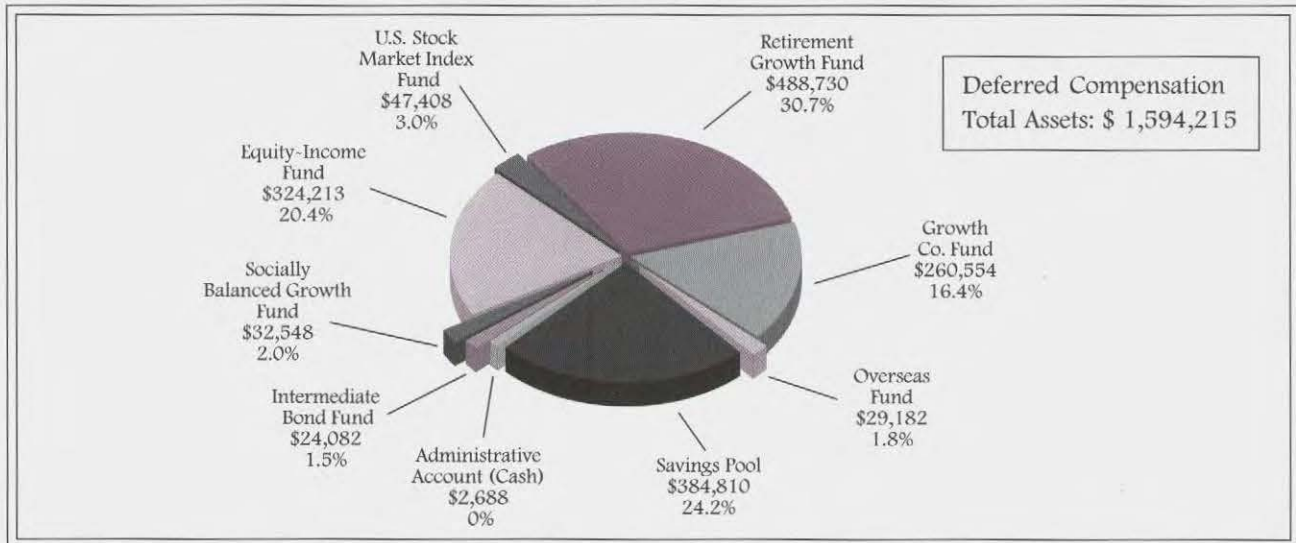
- Savings Pool

- Individual Funds
 - US Stock Market Index Fund
 - Intermediate Bond
 - Social Managed Growth
 - Equity-Income
 - Retirement Growth
 - Growth Company
 - Overseas

DEFERRED COMPENSATION

The WSIB is Trustee of State Deferred Compensation Plan assets. The WSIB is responsible for the investment of State Deferred Compensation funds and for the provision of investment options to participants in the program. The Department of Retirement Systems is responsible for Deferred Compensation Plan administration, accounting, and record-keeping.

DEFERRED COMPENSATION PLAN ASSETS June 30, 2000 (In \$000's)



DEFERRED COMPENSATION PLAN ASSETS Average Annual Total Returns Periods Ending June 30, 2000

	One Year	Three Years	Five Years
Savings Pool	6.5%	6.6%	6.7%
US Stock Market Index <i>Wilshire 5000</i>	10.7%	19.5%	22.6%
	9.5%	19.1%	22.5%
Intermediate Bond <i>Lehman Government/Credit Intermediate</i>	4.3%	5.4%	5.5%
	4.2%	5.6%	5.8%
Socially Balanced Growth	5.5%	11.8%	12.9%
Equity-Income <i>Russell 3000 Value</i>	-7.7%	9.2%	16.1%
	-8.4%	10.3%	17.2%
Retirement Growth <i>Russell 3000</i>	48.0%	33.9%	26.8%
	9.6%	19.2%	22.8%
Growth Company <i>Russell 3000 Growth</i>	63.9%	38.0%	31.2%
	25.8%	27.0%	27.4%
Overseas <i>MSCI EAFE Index</i>	25.9%	13.6%	15.2%
	17.2%	10.2%	11.3%

INDUSTRIAL INSURANCE FUNDS

- Accident Fund
- Medical Aid Fund
- Pension Reserve Fund
- Supplemental Pension Fund

INDUSTRIAL INSURANCE FUNDS

The WSIB manages Industrial Insurance funds on behalf of the Department of Labor and Industries (L & I). The Industrial Insurance Portfolio consists of four separate funds that total \$8.5 billion.

ACCIDENT FUND

This fund earns revenue from employer premiums for industrial insurance and investment interest. The primary use is to pay disability benefits for injured workers, such as time loss compensation, permanent partial disability, certain travel and retraining expenses, burial awards, and administrative costs.

MEDICAL AID FUND

The Medical Aid Fund earns income from premiums paid by both the employer and employee, as well as investment earnings. Payments are made for conservative medical care, hospital services, artificial appliances, physical and vocational rehabilitation, travel expenses, any other service required by the injured worker, and administrative costs.

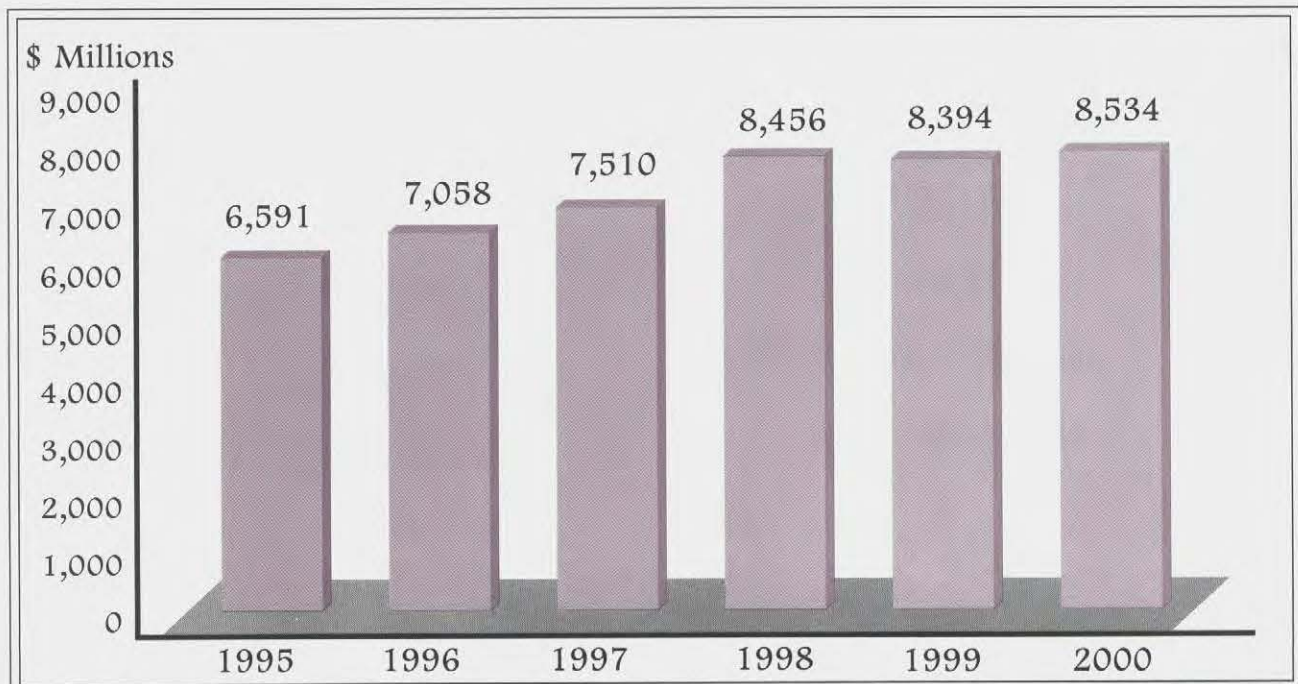
PENSION RESERVE FUND

This fund is maintained by transfers of money from the Accident Fund at the time that a new pensioner is setup. This pays the permanently disabled worker and survivors of deceased injured workers.

SUPPLEMENTAL PENSION FUND

The Supplemental Pension Fund receives income from employer and employee premiums and investment earnings. These funds are used to supplement time loss and pensions based on older, lower schedules and to compensate for cost of living increases.

HISTORICAL MARKET VALUES *June 30, 2000*



INDUSTRIAL INSURANCE FUNDS

ASSET ALLOCATION

June 30, 2000

The Industrial Insurance Fund portfolios are weighted strongly toward corporate bonds (credit) with a meaningful allocation to equities. Corporates allow the funds to hold assets with higher yields than government bonds as a result of their credit risk. Most of this weighting lies in A and Baa rated companies. The equity allocation provides diversification from fixed income assets, with equities providing both higher return and greater volatility. This allocation also acts as an inflation hedge for the Medical Aid Fund, which has the largest equity holding of the four funds. At the end of the fiscal year, the equity allocation was 16.4 percent.

<u>Assets</u>	<u>Market Value</u> <u>(In 000's)</u>	<u>Percent</u>
Short-Term (Cash)	\$ 169,975	2.0%
Long-Term Fixed Income		
US Government Securities	\$1,019,683	11.9%
Corporate Bonds (credit)	4,284,218	50.2%
Asset Backed Securities	183,136	2.1%
Mortgages and Mortgage-Backed Securities	1,413,716	16.6%
Total Fixed Income	<u>\$7,070,728</u>	<u>82.8%</u>
Equities		
U.S. Equity Market Index	\$1,173,830	13.8%
MSCI EAFE Index	221,899	2.6%
Total Equity	<u>\$1,395,729</u>	<u>16.4%</u>
Total Fixed Income and Equity	<u>\$8,466,457</u>	<u>99.2%</u>
Total Accruals	<u>\$ 67,406</u>	<u>0.8%</u>
TOTAL	<u>\$8,533,863</u>	<u>100.0%</u>

INDUSTRIAL INSURANCE FUNDS

TIME-WEIGHTED RETURN

June 30, 2000

	— Annualized —		
	<u>One Year</u>	<u>Three Years</u>	<u>Five Years</u>
Accident Fund	4.4%	7.3%	7.3%
Medical Aid Fund	5.7%	8.8%	9.5%
Pension Reserve Fund	4.2%	5.7%	7.7%
Supplemental Pension Fund	3.9%	5.7%	6.1%

BOND PORTFOLIO CHARACTERISTICS

June 30, 2000

<u>Sector Distribution</u>		<u>Effective Duration</u>	
Treasury	9.1%	0 - 1 years	3.0%
Agency	6.0%	1 - 3 years	14.3%
Corporate (Credit)	61.5%	3 - 4 years	12.1%
Asset Backed	2.6%	4 - 6 years	21.9%
Mortgages	16.8%	6 - 8 years	14.5%
CMBS	<u>4.0%</u>	8+	<u>34.2%</u>
Total	<u>100%</u>	Total	100%
<u>Credit Distribution</u>		<u>Coupon Distribution</u>	
TSY	9.0%	0 - 4.9%	3.7%
AGY	17.0%	5 - 6.9%	47.8%
Aaa	13.3%	7 - 7.9%	33.6%
Aa	7.1%	8 - 8.9%	11.1%
A	29.7%	9 - 9.9%	3.4%
Baa	22.9%	10 +	<u>0.4%</u>
Other	<u>0.9%</u>	Total	100%
Total	<u>100%</u>		

*PERMANENT FUNDS
&
OTHER TRUST FUNDS*

- Agriculture Permanent Fund
- Common School Permanent Fund
- Normal School Permanent Fund
- Scientific School Permanent Fund
- State University Permanent Fund
- Millersylvania Park Trust Fund

- Guaranteed Education Tuition Fund
- State Emergency Reserve Fund
- Game and Special Wildlife Fund
- State Employees Insurance Reserve
- Radiation Perpetual Fund
- Reclamation Revolving Fund

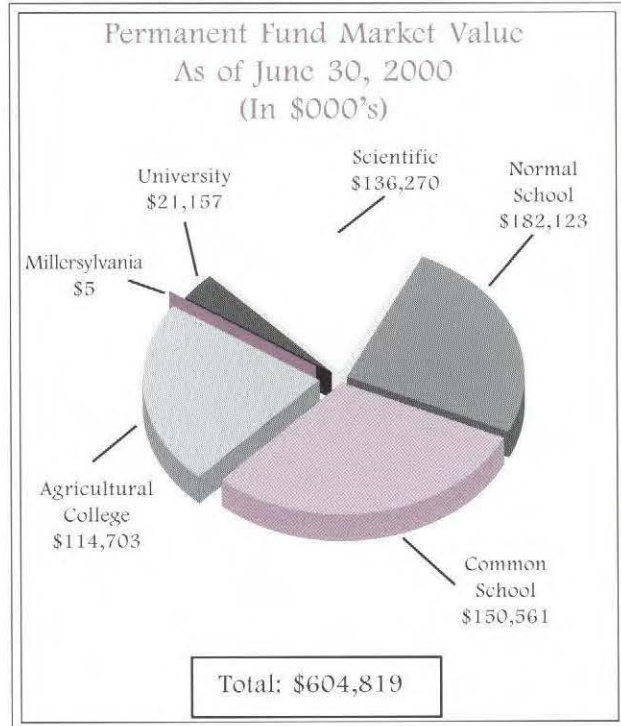
PERMANENT FUNDS

The WSIB manages assets for six Permanent Funds each with its own specific purpose and investment constraints. In aggregate, the assets of the Permanent Funds totals \$605 million. Permanent Funds are non-expendable trust funds in which the investment principal (corpus) remains intact as required by the Washington State Constitution.

The Permanent Funds are invested in fixed income and short-term holdings with the exception of the Common School Permanent Fund, which is also invested in the U.S. Equity Market Index Fund.

The five education Permanent Funds were established through land grants from the federal government to benefit the Washington State schools and colleges. Investment earnings are distributed to the schools, colleges and universities in the state for the purpose of bond repayment, capital development, and facilities maintenance.

The Millersylvania Park Trust fund was established from a gift of cash and securities. The earnings on investments are used for improvement, maintenance, and upkeep of the Millersylvania State Park.



Performance as of June 30, 2000	1 Year		3 Years		5 Years
	Total Return	Distribution Return	Total Return	Distribution Return	Total Return
Agricultural College Fund	4.0%	7.0%	5.7%	6.8%	6.2%
Common School Fund	3.7%	6.6%	5.7%	6.7%	6.1%
Normal School Fund	4.1%	6.8%	5.8%	6.7%	6.2%
Scientific University Fund	3.7%	6.5%	5.6%	6.5%	6.1%
State University Fund	4.1%	7.1%	5.8%	7.1%	6.2%
<i>Lehman Aggregate Index</i>	4.6%		6.0%		6.6%
Millersylvania Park Fund	5.8%	5.8%	5.5%	5.5%	5.5%
<i>90 Day T-Bill</i>	5.1%		5.2%		5.3%

Distribution returns include coupon interest, expenses and fees, realized gains and losses, and additional income. Total return also includes unrealized market gains and losses on the investments held based on values captured at a point in time (June 30, 2000).

Fiscal Year 2000 Distributions: Agricultural College Fund, \$8,008,818; Common School Fund, \$10,009,368; Normal School fund, \$12,106,162; Scientific University Fund, \$8,749,188; State University Fund, \$1,477,190; Millersylvania Park Fund, \$290.

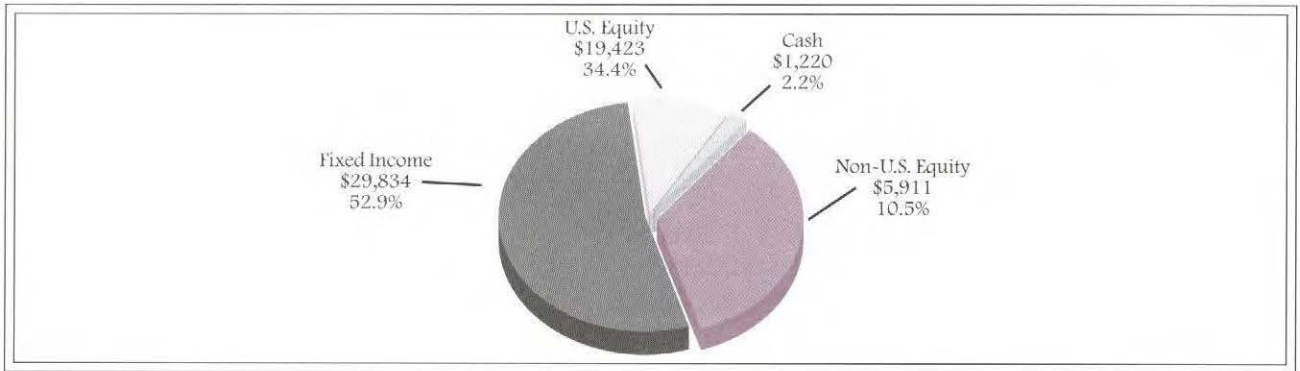
OTHER TRUST FUNDS

The WSIB manages assets for five other trust funds that total about \$850 million in aggregate. Each fund has its own specific purpose and investment constraints.

➤ **Guaranteed Education Tuition Fund (\$56.4 million)**

The GET Program allows individuals or groups to purchase state college and university tuition units for future use at current prices. Program administration is under the authority of the Committee on Advanced Tuition Payment. The WSIB serves as trustee for and invests the funds from advance tuition purchases in a mix of fixed income, U.S. equity, non-U.S. equity and short-term holdings.

GET Fund Asset Allocation
June 30, 2000
\$000



<u>Performance</u>	<u>1 Year</u>	<u>Since Inception (Sept. 1998)</u>
GET Fund	10.3%	8.4%
<i>CPI (Inflation) +4.5%</i>	8.2%	7.4%

➤ **State Emergency Reserve Fund (\$749.2 million)**

The State Emergency Reserve Fund was created under the guidelines of State Proposition 601 to provide the State of Washington with a budget reserve fund. The monies in the fund are managed by the Office of Financial Management and overseen by the budget committees of the state House of Representatives and Senate. WSIB began investing the State Emergency Reserve Fund in July, 1999. The fund is invested in fixed income and short-term holdings.

<u>Performance</u>	<u>1 Year</u>
Emergency Reserve Fund	5.1%
<i>90 Day T-Bill</i>	5.1%

OTHER TRUST FUNDS

➤ Game and Special Wildlife Fund (\$10.7 million)

This fund was created to hold moneys received as compensation for wildlife losses. The WSIB is authorized to invest surpluses in the Special Wildlife Fund. The program is under the authority of the State Fish and Wildlife Commission. The fund is invested in short-term holdings.

➤ State Employees Insurance Reserve (\$32.2 million)

This fund was created for the purpose of holding and investing reserves needed for the payment of claims in insurance programs under the Health Care Authority. The account is funded from the reserves of the public employees' and retirees' insurance account. The fund is invested in short-term holdings.

➤ Radiation Perpetual Fund (\$829 thousand)

This fund was created to provide moneys for the maintenance, surveillance, and other care of radioactive materials at sites no longer operating. Funding is from a charge imposed on each pound of uranium or thorium compound milled out of raw ore. The program is under the authority of the Department of Health. This fund is invested in short-term holdings.

➤ Reclamation Revolving Fund (\$947 thousand)

This fund was created to provide a source of funding for the reclamation and development of lands suitable, and economically available, for development as agricultural lands. This fund is invested in short term holdings and municipal water district bonds.

Performance as of <u>June 30, 2000</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>
Game and Special Wildlife Fund	5.8%	5.7%	5.8%
State Employees Ins. Reserve	5.8%	5.5%	5.5%
Radiation Perpetual Fund	5.8%	5.5%	5.5%
Reclamation Revolving Fund	4.8%	5.6%	6.0%
<i>90 Day T-Bill</i>	<i>5.1%</i>	<i>5.2%</i>	<i>5.3%</i>

GLOSSARY

Acquisitions/Buyouts. The acquisition of a company or division usually involving leverage or some financial restructuring of the balance sheet.

Active Management. A style of investment management with the objective of attaining excess risk-adjusted performance versus the benchmark as a result of structuring a portfolio differently from the benchmark.

Asset. Anything owned that has value and is measurable in terms of money.

Asset Class. Categories of investments that share certain characteristics and exhibit similar patterns of return.

Benchmark. The performance objective represented by a model portfolio used to define the return against which another portfolio is to be evaluated.

Beneficiary. The recipient of fund benefits.

Commingled Fund. An investment fund in which the manager pools the assets of several trust accounts to permit more efficient management and to reduce administrative costs.

Defined Benefit Plan. A pension plan that promises to pay a specified amount to each person who retires, generally based upon a formula combination of years of service, age at retirement, and final compensation.

Defined Contribution Plan. A pension plan in which the retirement benefit is based solely on the amount contributed to an individual account plus net investment earnings. Members receive a full market rate of return; however, there is no guaranteed rate of return and the value of the member's account will increase or decrease based on fluctuations in the market.

Distressed Entities. The investment of equity or debt capital into an entity with various degrees of management assistance to help fix the underlying problems of the company.

Diversification. A technique of reducing risk by spreading investments among different asset classes, industries and sectors.

Efficient Market. The hypothesis that prices of securities fully reflect all available information.

Ex-officio Member. A member by virtue of office or position.

Fiduciary. One who holds something or acts in trust for another.

Fixed Income. Securities representing debt obligations and having fixed payments and maturities, as opposed to, for example, stock, which has no set dividend payment and/or maturity. Different types of fixed income securities include money market instruments, government and corporate bonds, mortgage-backed securities (including collateralized mortgage-obligations), asset backed securities, preferred stock, and convertible issues.

Index. A group of securities that represents the universe of available investments in a specific class or subclass of assets.

Leveraged Buyout. The purchase of assets or stock in a company using borrowed funds, with the expectation that operation of the company will enable repayment of these funds.

Liquidity. Describe the ease with which assets can be turned into cash. Liquidity is also used to describe an asset class made up of cash equivalents and other short-term investment vehicles.

GLOSSARY

Nonvoting Members. Members, typically experts in the investment and economics fields, who are appointed by the board and act in an advisory capacity.

Passive Management. An investment strategy which seeks to attain specific benchmark performance at a low cost.

Private Debt. The infusion of debt capital into a company or entity with some type of equity participation.

Private Equity. The infusion of equity capital into a company conferring either a controlling interest or significant influence in the company's management.

Risk (investment). The degree of uncertainty and/or the amount of possible loss that characterizes some course of action. The greater the volatility of the investment, the greater the degree of uncertainty of future investment returns.

Self-Directed Investment. An investment program in which the individual members or participants choose the investment vehicles for his/her assets, usually from among a set of investment options provided by the trustee. Members or participants receive a full market rate of return.

Stock. Ownership of a corporation represented by shares that are claim on the corporation's earnings and assets.

Style Risk. Individual managers generally can be categorized as investing in certain segments of the market (e.g., market capitalization size or low/high price earning companies). Style risk

is the degree of uncertainty and/or the amount of possible loss resulting from a style of management that differs from expectations. Style risk can occur either at the manager level, asset class level, or the consolidated portfolio level.

Trustee. A person, agency, bank, or trust company that has responsibility over financial aspects (receipts, disbursements, and/or investment) of funds. One who acts in the capacity of trust as a fiduciary and to whom property has been conveyed for the benefit of another party.

TUCS Public Fund Median. Trust Universe Comparison Services Median return of other public funds.

TUCS Total Funds Median. Trust Universe Comparison Services Median return of corporate and public funds.

Venture Capital. Equity financing of early, expansion, and later stage emerging, small businesses. Companies grow from start-up to medium size businesses, and are then either sold to the public through an Initial Public Offering, or are sold to a trade or financial buyer.

Volatility. In financial matters, volatility of returns is the measurement used to define risk. It describes the spread of annual returns from lowest to highest over a particular period. The greater the volatility, the higher the risk.

Voting Members. The nine voting members of the board. They include four members which represent various stakeholders in the pension systems, three ex-officio members, and one legislator from each house.

The Washington State Investment Board is an equal opportunity and affirmative action employer. Every effort will be made to provide reasonable accommodation and accessibility to WSIB employees and the public we serve.

Special thanks to the following people for their work in producing
WSIB's 2000 Annual Report:

Scott Huntley - Project Supervisor

Patricia Sheridan - Project Coordinator

Jeremy Bertrand and Beth Nail - Graphics and Page Design

Sam Green - Financial Statements and Schedules

Tom Edwards and Brad Christoffer - Technical Support

Shauna Raphael - Cover Photograph

Cover Photo: Rialto Beach, Olympic National Park



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*Washington State
Investment Board*

*Financial Statements & Schedule of Investments
June 30, 2000*



Nineteenth Annual Investment Report (Part 2) Financial Statements and Schedules of Investments

Contents

Retirement Funds	1
Notes to Financial Statements	3
Statement of Investments	5
Schedule of Participation	6
Statement of Changes in Investment Balances	7
Schedule of Investment Expenses	8
Schedule of Investments	9
Insurance Funds	51
Notes to Financial Statements	53
Statement of Investments	55
Statement of Changes in Investment Balances	56
Schedule of Investments	57
Permanent Funds	81
Notes to Financial Statements	83
Statement of Investments	85
Statement of Changes in Investment Balances	86
Schedule of Investments	87
Other Trust Funds	109
Schedule of Investments	111
Broker Volume and Commissions Paid	116

This is Part 2 of the SIB Nineteenth Annual Investment Report. This booklet does not include information on Teachers' Retirement System Plan 3 self-directed investments or the State Deferred Compensation Plan assets. Summary information regarding the investment of assets in those programs is provided in Part 1 of the Annual Report. The Department of Retirement Systems is responsible for accounting and reporting on investments for those programs.

RETIREMENT FUNDS

- Notes to Financial Statements
- Statement of Investments
- Schedule of Participation
- Statement of Changes in Investment Balances
- Schedule of Investment Expenses
- Schedule of Investments

NOTE:

The information in this section includes the Teachers' Retirement System (TRS) Plan 3 Total Allocation Portfolio (TAP), but does not include TRS Plan 3 self-directed investment. See Note 5 under Retirement Funds Notes to Financial Statements.

Washington State Investment Board

Retirement Funds

Notes to Financial Statements
June 30, 2000

Note 1: Significant Accounting Policies

Retirement fund investments are reported at fair market value, with the exception of short-term investments, which are reported at cost, and commercial real estate mortgages, which are reported at unpaid principal, adjusted for estimated uncollectibles.

Interest and dividend income is accrued when earned. Capital gains and losses are recognized on a trade date basis. Purchases and sales of investments are also recorded on a trade date basis.

Monthly, the assets of the retirement Commingled Trust Fund (CTF) are adjusted to fair market value. Unrealized gains and losses are included as investment earnings on the Statement of Changes in Investment Balance.

The Washington State Investment Board (WSIB) reports collateral received under securities lending agreements where the state has the ability to spend, pledge, or sell the collateral without borrower default. Liabilities resulting from these transactions are also reported. Additionally, costs associated with securities lending transactions, and broker commissions paid, are reported in the accompanying statements. The Schedule of Investments and Statement of Investments do not include detailed holdings of securities lending collateral by investment classification.

Note 2: The Commingled Trust Fund

The CTF is a diversified pool of investments which is used as an investment vehicle for eight separate retirement plans. These plans hold "units" in CTF, which represent a percentage ownership in the pool of investments. Plans are allowed to purchase or sell units in the CTF, based on the market value of the underlying assets, on the first business day of each month.

In addition to unit ownership in the CTF, each retirement plan holds its own short-term investments. These short-term investments are referred to as "plan-specific investments" in the accompanying financial statements and are used to manage the cash needs of the retirement plans.

The Commingled Trust Fund consists of the Public Employees' Retirement System (PERS) Plans 1 and 2; the Teachers' Retirement System (TRS) Plans 1 and 2/3; the Law Enforcement Officer and Firefighters Plans 1 and 2; the Washington State Patrol Retirement System; and, the Volunteer Firefighters Retirement Plan.

Note 3: Fees and Expenses

Investment related fees and expenses are paid from non-appropriated funds. The Schedule of Investment Expenses is a listing of non-appropriated fees and expenses paid during the fiscal year ending June 30, 2000.

Note 4: Unfunded Commitments

The WSIB has entered into a number of agreements that commit the state, upon request, to make additional investment purchases up to a stated amount. As of June 30, 2000, the state had the following unfunded investment commitments:

Private Equity	\$	4,339,371,271
Real Estate	\$	305,117,544

Note 5: Teachers' Retirement System Plan 3

The financial information presented in this section includes the WSIB Total Allocation Portfolio (TAP) for TRS Plan 3, which is invested in the Commingled Trust Fund. It does not include TRS Plan 3 self-directed investments, which is accounted for and reported on by the Department of Retirement Systems (DRS).

Note 6: Derivatives

At June 30, 2000, no derivative securities were held directly by the WSIB; however, derivatives may include up to a portion of the WSIB's individual investment managers portfolios.

WASHINGTON STATE INVESTMENT BOARD
RETIREMENT FUNDS
Statement of Investments - Unaudited
June 30, 2000

	COMMINGLED TRUST FUND (NOTE 2)	PLAN-SPECIFIC INVESTMENTS (NOTE 2)	TOTAL	PERCENT OF TOTAL
Short - Term Securities	\$ 899,249,730	\$ 46,689,044	\$ 945,938,774	2.0%
U.S. Government Securities	1,336,835,186		1,336,835,186	2.9%
Foreign Government Securities	189,330,000		189,330,000	0.4%
Mortgages and Mortgage Backed Securities	2,944,529,299		2,944,529,299	6.3%
Asset Backed Securities	407,745,496		407,745,496	0.9%
Corporate Obligations - Domestic	4,750,671,740		4,750,671,740	10.2%
Corporate Obligations - Convertible	38,944,952		38,944,952	0.1%
Corporate Obligations - Yankee	1,277,001,848		1,277,001,848	2.7%
Corporate Obligations - Foreign	247,563,511		247,563,511	0.5%
Municipal Bonds	22,687,026		22,687,026	0.0%
Venture Capital	3,430,355,822		3,430,355,822	7.4%
Leveraged Buy-Outs	1,978,122,466		1,978,122,466	4.2%
Real Estate Equity	3,135,195,900		3,135,195,900	6.7%
Corporate Stock - Domestic	47,997,614		47,997,614	0.1%
Corporate Stock - Foreign	3,431,305,998		3,431,305,998	7.4%
Commingled Index Funds - Domestic	17,913,802,290		17,913,802,290	38.5%
Commingled Index Funds - Foreign	4,453,750,861		4,453,750,861	9.6%
Total Market Value, June 30, 2000	\$ 46,505,089,738	\$ 46,689,044	\$ 46,551,778,782	100.0%

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
RETIREMENT FUNDS
Statement of Participation - Unaudited
June 30, 2000

<u>RETIREMENT PLAN:</u>	<u>COMMINGLED TRUST FUND (NOTE 2)</u>	<u>PLAN-SPECIFIC INVESTMENTS (NOTE 2)</u>	<u>TOTAL</u>	<u>PERCENT OF TOTAL</u>
PERS I	\$ 11,284,104,459	\$ 1,889,333	\$ 11,285,993,792	24.2%
PERS II	12,486,278,171	5,254,024	12,491,532,195	26.8%
TEACHERS I	9,780,975,183	11,263,342	9,792,238,525	21.0%
TEACHERS II/3 (DC and DB Plans)	4,174,667,627	10,771,058	4,185,438,685	9.0%
VOLUNTEER FIREFIGHTERS	126,496,464	101,263	126,597,727	0.3%
WASHINGTON STATE PATROL	718,149,599	409,116	718,558,715	1.5%
LEOFF I	5,539,358,606	1,603,507	5,540,962,113	11.9%
LEOFF II	2,395,059,629	6,247,777	2,401,307,406	5.2%
JUDICIAL	N/A	9,149,625	9,149,625	0.0%
	\$ 46,505,089,738	\$ 46,689,044	\$ 46,551,778,782	100.0%

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
RETIREMENT FUNDS
Statement of Changes in Investment Balances - Unaudited
For the Fiscal Year Ended June 30, 2000

	COMMINGLED TRUST FUND (NOTE 2)	PLAN-SPECIFIC INVESTMENTS (NOTE 2)	TOTAL
Net Asset Value - June 30, 1999	\$ 41,740,820,166	\$ 79,808,027	\$ 41,820,628,193
<u>Fiscal Year 2000 Activity:</u>			
Net Withdrawal by Retirement Plans		\$ (614,834,001)	\$ (614,834,001)
Investments in Commingled Funds	\$ 334,807,183	\$ (334,807,183)	\$ -
Withdrawals from Commingled Funds	\$ (913,523,886)	\$ 913,523,886	\$ -
Investment Earnings (Note 1):			
Income	\$ 1,220,868,005	\$ 7,207,822	\$ 1,228,075,827
Capital Gains	2,637,616,326		2,637,616,326
Capital Losses	(541,582,159)		(541,582,159)
Market Gains and Losses (Unrealized)	2,301,196,211		2,301,196,211
Investment Expenses (Note 3)	(132,799,664)		(132,799,664)
Securities Lending Broker Rebates Paid	(84,327,904)		(84,327,904)
WSIB Operating Costs		(3,548,104)	(3,548,104)
Net Investment Earnings	\$ 5,400,970,814	\$ 3,659,718	\$ 5,404,630,532
Net Asset Value - June 30, 2000	\$ 46,563,074,278	\$ 47,350,447	\$ 46,610,424,725
<u>Net Asset Value Recap - June 30, 2000:</u>			
Investments (at Market Value)	\$ 46,505,089,738	\$ 46,689,044	\$ 46,551,778,782
Investment Earnings Receivable	212,646,765	661,403	213,308,168
Investment Management Fees Payable	(29,758,022)		(29,758,022)
Receivable for Investments Sold	44,837,727		44,837,727
Payable for Investments Purchased	(169,741,929)		(169,741,929)
Collateral Held Under Securities Lending Agreements	1,845,446,910		1,845,446,910
Obligations Under Securities Lending Agreements	(1,845,446,910)		(1,845,446,910)
Total Net Asset Value - June 30, 2000	\$ 46,563,074,278	\$ 47,350,447	\$ 46,610,424,725

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
RETIREMENT FUNDS
Schedule of Investment Expenses
For the Year Ended June 30, 2000

PUBLIC EQUITY SECURITIES:

Active Equity Managers	\$	-
Passive Equity Managers		479,719
Enhanced Equity Managers		-
Global Managers		-
International Active Equity Managers		15,288,947
International Passive Equity Managers		600,314

FIXED INCOME SECURITIES:

Commercial Mortgages	\$	1,147,119
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ALTERNATIVE INVESTMENTS:

Private Equity	\$	83,661,701
Real Estate		18,038,373

OTHER FEES:

Securities Lending Fees	\$	9,323,221
Consultants and Advisors		2,788,230
Custodians		1,199,364
Legal Fees		272,675

Total Investment Expenses	\$	132,799,664
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See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM SECURITIES:				
CURRENCIES				
Australia-Dollar				5
Britain-Pound				2,719,852
Canada-Dollar				278,055
Denmark-Krone				137
E.M.U.-Euro				6,002,638
France-Franc				21
Germany-Mark				2
Hong Kong-Dollar				76
Japan-Yen				2,452,986
Mexico-Peso				5,447
Netherland-Guilder				21
Singapore-Dollar				291,300
South Africa-Rand				294
South Korea-Won				121,782
Sweden-Krona				13,431
Switzerland-Franc				774
United States-Dollar				772,274
<i>TOTAL CURRENCIES</i>				<u>\$ 12,659,095</u>
CASH EQUIVALENTS				
STATE STREET BANK & TRUST CO			886,590,635	886,590,635
<i>TOTAL CASH EQUIVALENTS</i>				<u>\$ 886,590,635</u>
TOTAL SHORT - TERM SECURITIES				<u><u>\$ 899,249,730</u></u>

US GOVERNMENT SECURITIES:

TREASURIES

TREASURY INFLATION IX N/B	1/15/08	3.63	52,984,000	51,369,578
TREASURY INFLATION IX N/B	1/15/09	3.88	182,679,000	179,882,185
TREASURY INFLATION IX N/B	1/15/10	4.25	25,438,500	25,804,051
U.S.A. TREASURY BOND	5/15/11	13.88	31,000,000	42,053,360
U.S.A. TREASURY BOND	8/15/13	12.00	30,000,000	40,504,800
U.S.A. TREASURY NOTE	11/15/03	11.88	49,500,000	57,590,280
U.S.A. TREASURY NOTE	11/15/15	9.88	25,300,000	34,289,343

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
U.S.A. TREASURY NOTE	5/15/17	8.75	67,000,000	84,294,040
U.S.A. TREASURY NOTE	5/15/20	8.75	22,540,000	28,907,550
U.S.A. TREASURY NOTE	2/15/03	6.25	175,300,000	174,670,673
U.S.A. TREASURY NOTE	5/15/04	7.25	199,000,000	205,250,590
U.S.A. TREASURY NOTE	11/15/04	7.88	59,000,000	62,475,690
U.S.A. TREASURY NOTE	2/15/01	7.75	15,000,000	15,112,500
U.S.A. TREASURY NOTE	5/31/01	6.50	42,400,000	42,393,216
U.S.A. TREASURY NOTE	7/15/06	7.00	11,000,000	11,398,750
<i>TOTAL US TREASURIES</i>				<u>\$ 1,055,996,605</u>
AGENCIES				
FEDERAL HOME LN MTG CORP	9/15/05	8.20	463,831	473,075
FHLB	2/25/04	9.50	10,000,000	10,756,200
FHLB/GLOBAL SR NT	9/2/08	5.80	34,600,000	31,756,226
FNMA	3/21/06	6.63	25,000,000	24,414,000
FNMA	4/15/03	5.75	100,000,000	96,812,000
FNMA	6/15/05	5.75	100,000,000	94,750,000
FNMA MTN	8/22/05	6.85	12,000,000	11,878,080
TENNESSEE VALLEY AUTHORITY	9/15/34	8.25	10,000,000	9,999,000
<i>TOTAL US AGENCIES</i>				<u>\$ 280,838,581</u>
TOTAL US GOVERNMENT SECURITIES				<u>\$ 1,336,835,186</u>
FOREIGN GOVERNMENT SECURITIES:				
FED REPUBLIC OF BRAZIL	1/15/20	12.75	20,000,000	19,080,000
MEXICAN UTD SIS	2/1/10	9.88	125,000,000	130,625,000
REPUBLIC OF ARGENTINA	10/15/03		35,000,000	24,500,000
REPUBLIC OF ARGENTINA	10/15/04		25,000,000	15,125,000
<i>TOTAL FOREIGN GOVERNMENT SECURITIES</i>				<u>\$ 189,330,000</u>
MORTGAGES/MORTGAGE BACKED SECURITIES:				
PASS THROUGH MORTGAGES				
FHLMC G 10372	8/1/10	6.50	9,925,130	9,674,620
FHLMC GIANT NONGNOME 50-1731	12/1/04	8.00	412,055	413,567
FHLMC GIANT SWAP 30-4278	7/1/18	9.00	3,426,685	3,509,131
FHLMC GIANT SWAP 30-4281	7/1/18	9.00	3,622,337	3,709,491

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FHLMC GIANT SWAP 53-8318	12/1/19	10.00	1,090,301	1,147,542
FHLMC GIANT SWAP 538275	12/1/19	9.00	49,817	51,015
FHLMC GIANT WAM SWAP 30-6660	3/15/19	7.00	497,009	492,466
FHLMC GNOME 38-0021	5/1/03	9.00	614,397	620,879
FHLMC GOLD 15YR PL E00659	4/1/14	6.00	54,723,666	51,850,674
FHLMC GOLD 15YR PL E70075	5/1/13	6.00	5,288,398	5,010,757
FHLMC GOLD 15YR PL E70389	5/1/13	6.00	2,445,690	2,317,291
FHLMC GOLD 15YR PL E70491	5/1/13	6.00	5,780,130	5,476,673
FHLMC GOLD 15YR PL E70492	5/1/13	6.00	12,762,815	12,092,767
FHLMC GOLD 15YR PL E70494	5/1/13	6.00	2,437,430	2,309,465
FHLMC GOLD 15YR PL E70505	5/1/13	6.00	2,351,511	2,228,057
FHLMC GOLD 15YR PL E70506	5/1/13	6.00	788,555	747,156
FHLMC GOLD 15YR PL E75957	4/1/14	6.00	5,451,999	5,165,769
FHLMC GOLD 15YR PL E76340	4/1/14	6.00	3,687,095	3,493,523
FHLMC GOLD PL C00335	5/1/24	7.50	17,116,914	16,983,231
FHLMC GOLD PL D63625	9/1/25	7.50	616,074	609,913
FHLMC GOLD PL D65599	11/1/25	7.50	693,001	686,071
FHLMC GOLD PL D66023	12/1/25	7.50	257,584	255,008
FHLMC GOLD PL D66145	12/1/25	7.50	398,035	394,055
FHLMC GOLD PL D66251	12/1/25	7.50	522,734	517,507
FHLMC GOLD PL D66700	12/1/25	7.50	545,897	540,438
FHLMC GOLD PL D66758	12/1/25	7.50	305,544	302,488
FHLMC GOLD PLC80158	5/1/24	7.50	3,855,293	3,825,183
FHLMC GOLD PLC80321	6/1/25	7.50	678,578	672,430
FHLMC PC 16-0034	12/1/07	8.50	36,466	37,058
FHLMC PC 16-0037	1/1/08	8.50	39,332	39,971
FHLMC PC 16-0038	2/1/08	8.50	69,684	70,817
FHLMC PC 16-0039	3/1/08	8.50	173,194	176,008
FHLMC PC 16-0040	3/1/08	8.75	32,685	33,204
FHLMC PC 16-0045	5/1/08	8.75	3,387	3,441
FHLMC PC 16-0046	5/1/08	8.75	102,751	104,385
FHLMC PC 16-0047	5/1/08	8.75	34,373	34,966
FHLMC PC 16-0063	10/1/08	9.50	79,492	81,708
FHLMC PC 17-0019	2/1/08	8.50	211,586	215,024
FHLMC PC 17-0029	5/1/10	12.00	90,446	97,861
FHLMC PC 17-0141	9/1/15	11.00	54,328	57,935
FHLMC PC 17-0145	10/1/15	11.00	119,420	127,803
FHLMC PC 17-0147	11/1/15	11.00	517,852	559,897
FHLMC PC 17-0149	12/1/15	11.00	140,724	151,775
FHLMC PC 17-0186	8/1/16	9.50	382,473	397,772
FHLMC PC 17-0222	5/1/17	8.50	34,606	35,168

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FHLMC PC 36-0003	6/1/17	9.50	429,807	447,000
FHLMC SWAP 18-5401	5/1/12	9.25	71,107	73,105
FHLMC SWAP 25-6790	9/1/15	11.00	2,997	3,012
FHLMC SWAP 26-0847	1/1/17	8.50	1,652	1,679
FHLMC SWAP 28-0417	9/1/16	8.50	663	674
FHLMC SWAP 28-4973	5/1/08	8.50	2,879	2,905
FHLMC SWAP 28-5569	1/1/17	8.50	23,793	24,179
FHLMC SWAP 28-5709	1/1/17	8.50	11,490	11,677
FHLMC SWAP 28-7894	3/1/17	8.50	29,446	29,925
FHLMC SWAP 28-7948	3/1/17	8.50	8,863	9,007
FHLMC SWAP 28-9135	3/1/17	8.50	33,746	34,295
FHLMC SWAP 28-9144	2/1/17	8.50	7,515	7,637
FHLMC SWAP 28-9152	3/1/17	8.50	75,408	76,634
FHLMC SWAP 28-9214	3/1/17	8.50	49,743	50,552
FHLMC SWAP 28-9373	4/1/17	8.50	12,209	12,407
FHLMC SWAP 28-9376	3/1/17	8.50	33,266	33,807
FHLMC SWAP 28-9630	3/1/17	8.50	22,356	22,719
FHLMC SWAP 28-9884	4/1/17	8.50	163,666	166,326
FHLMC SWAP 29-0070	4/1/17	8.50	2,555	2,573
FHLMC SWAP 29-0303	4/1/17	8.50	44,817	45,545
FHLMC SWAP 29-0815	4/1/17	8.50	44,764	45,491
FHLMC SWAP 29-1140	4/1/17	8.50	1,290	1,311
FHLMC SWAP 29-1274	4/1/17	8.00	833,120	835,203
FHLMC SWAP 29-1424	3/1/17	8.50	40,354	41,009
FHLMC SWAP 29-1470	4/1/17	8.50	12,263	12,462
FHLMC SWAP 29-1802	4/1/17	8.50	13,440	13,658
FHLMC SWAP 29-2320	3/1/17	8.50	16,218	16,482
FHLMC SWAP 29-2624	5/1/17	8.50	17,982	18,274
FHLMC SWAP 29-4102	5/1/17	8.50	11,362	11,546
FHLMC SWAP 29-4881	6/1/17	8.00	94,117	94,352
FHLMC SWAP 29-9465	6/1/17	8.00	26,777	26,844
FHLMC SWAP 30-3198	3/1/18	8.00	17,122	17,164
FNMA 15 YR PL 322608	5/1/11	6.50	387,205	375,589
FNMA 15 YR PL 329775	1/1/11	6.50	271,147	263,696
FNMA 15 YR PL 339802	5/1/11	6.50	297,980	289,040
FNMA 15YR 344166	6/1/11	6.50	327,666	317,836
FNMA 15YR 346538	5/1/11	6.50	312,056	302,695
FNMA 16 YR PL 250613	6/1/11	6.50	564,817	547,872
FNMA 20YR	4/1/16	6.50	87,751	84,488
FNMA 20YR	4/1/16	6.50	658,373	633,888
FNMA 20YR	3/1/16	6.50	81,066	78,051

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FNMA 20YR	4/1/16	6.50	611,702	585,057
FNMA 20YR	4/1/16	6.50	863,175	824,514
FNMA 20YR	4/1/16	6.50	418,220	399,488
FNMA 20YR	5/1/16	6.50	501,690	479,837
FNMA 20YR	5/1/16	6.50	828,925	791,798
FNMA 20YR	5/1/16	6.50	640,267	611,590
FNMA 20YR	4/1/16	6.50	804,789	768,743
FNMA 20YR	5/1/16	6.50	916,220	875,182
FNMA 20YR	5/1/16	6.50	74,244	70,919
FNMA 20YR	5/1/16	6.50	843,730	805,939
FNMA 20YR	4/1/16	6.50	1,559,566	1,491,631
FNMA 20YR	5/1/16	6.50	291,352	278,303
FNMA 20YR PL 250582	4/1/16	6.50	1,108,343	1,067,124
FNMA 20YR PL 250591	5/1/16	6.50	1,629,039	1,568,455
FNMA 20YR PL 298169	3/1/16	6.50	309,822	298,300
FNMA 20YR PL 338386	4/1/16	6.50	295,003	284,032
FNMA 20YR PL 338403	5/1/16	6.50	1,984,143	1,910,353
FNMA 20YR PL 338427	5/1/16	6.50	1,195,465	1,141,920
FNMA CA 7423	5/1/14	11.25	101,408	110,148
FNMA CL 2463	9/1/15	11.00	184,169	198,652
FNMA DWARF PL 324308	9/1/08	6.50	22,239,450	21,740,619
FNMA GL 6222	4/1/16	9.00	1,667,073	1,711,433
FNMA MEGA 70449	12/1/19	11.00	1,345,013	1,458,492
FNMA MEGA 70453	12/1/19	10.50	846,930	908,333
FNMA PL 050965	1/1/24	6.50	61,720	58,653
FNMA PL 073014 OLIVE TOWER APT	6/1/20	9.02	1,433,502	1,461,112
FNMA PL 219662	8/1/23	7.00	516,259	501,577
FNMA PL 227422	8/1/23	7.00	1,209,667	1,175,264
FNMA PL 278016	4/1/24	6.00	2,164,227	1,999,205
FNMA POOL # 416155	4/1/28	6.50	4,956,722	4,679,443
FNMA POOL # 417065	3/1/28	6.50	3,295,908	3,111,535
FNMA POOL # 417316	3/1/28	6.50	3,119,326	2,944,831
FNMA POOL # 417759	3/1/28	6.50	7,075,904	6,680,078
FNMA POOL # 419368	3/1/28	6.50	2,907,419	2,744,778
GNMA 1 310560	8/15/21	8.50	143,715	147,442
GNMA 1 SF 178138	8/15/21	8.50	239,087	245,286
GNMA 1 SF 183602	12/15/21	8.50	41,628	42,707
GNMA 1 SF 184777	11/15/21	8.50	67,460	69,210
GNMA 1 SF 202092	6/15/21	8.50	91,476	93,848
GNMA 1 SF 278964	5/15/21	8.50	140,893	144,547
GNMA 1 SF 282707	11/15/19	8.50	102,243	105,133

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GNMA 1 SF 294371	7/15/21	8.50	22,730	23,319
GNMA 1 SF 294485	6/15/21	8.50	5,350	5,489
GNMA 1 SF 295503	7/15/21	8.50	111,163	114,045
GNMA 1 SF 296059	5/15/21	8.50	56,677	58,147
GNMA 1 SF 296567	2/15/21	8.50	40,154	41,195
GNMA 1 SF 298100	5/15/21	8.50	35,143	36,054
GNMA 1 SF 298323	6/15/21	8.50	224,739	230,567
GNMA 1 SF 298355	9/15/21	8.50	8,760	8,987
GNMA 1 SF 298516	5/15/21	8.50	31,830	32,656
GNMA 1 SF 298598	12/15/21	8.50	842,106	863,941
GNMA 1 SF 298756	5/15/21	8.50	10,232	10,497
GNMA 1 SF 299113	6/15/21	8.50	75,355	77,309
GNMA 1 SF 299457	5/15/21	8.50	42,034	43,124
GNMA 1 SF 299966	6/15/21	8.50	12,249	12,567
GNMA 1 SF 300164	6/15/21	8.50	17,058	17,501
GNMA 1 SF 300180	7/15/21	8.50	12,609	12,935
GNMA 1 SF 301253	7/15/21	8.50	17,628	18,085
GNMA 1 SF 301296	5/15/21	8.50	40,273	41,317
GNMA 1 SF 301362	5/15/21	8.50	88,927	91,233
GNMA 1 SF 301691	7/15/21	8.50	93,511	95,936
GNMA 1 SF 302066	6/15/21	8.50	5,874	6,027
GNMA 1 SF 303333	6/15/21	8.50	220,197	225,906
GNMA 1 SF 304083	7/15/21	8.50	3,502	3,592
GNMA 1 SF 304222	4/15/21	8.50	95,064	97,529
GNMA 1 SF 304229	7/15/21	8.50	23,636	24,248
GNMA 1 SF 304677	8/15/21	8.50	62,274	63,889
GNMA 1 SF 304909	3/15/21	8.50	5,021	5,151
GNMA 1 SF 305397	5/15/21	8.50	116,831	119,861
GNMA 1 SF 305680	8/15/21	8.50	78,983	81,031
GNMA 1 SF 305722	6/15/21	8.50	8,014	8,222
GNMA 1 SF 305800	5/15/21	8.50	113,148	116,082
GNMA 1 SF 305900	7/15/21	8.50	19,283	19,783
GNMA 1 SF 305956	7/15/21	8.50	31,303	32,114
GNMA 1 SF 305957	6/15/21	8.50	37,223	38,188
GNMA 1 SF 306080	8/15/21	8.50	38,353	39,347
GNMA 1 SF 306129	10/15/21	8.50	60,866	62,444
GNMA 1 SF 306346	6/15/21	8.50	29,304	30,064
GNMA 1 SF 306448	7/15/21	8.50	130,886	134,279
GNMA 1 SF 306540	10/15/21	8.50	58,591	60,110
GNMA 1 SF 306617	5/15/21	8.50	183,638	188,399
GNMA 1 SF 306673	8/15/21	8.50	140,749	144,399

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GNMA 1 SF 306871	6/15/21	8.50	258,523	265,226
GNMA 1 SF 307150	7/15/21	8.50	20,628	21,163
GNMA 1 SF 307425	11/15/21	8.50	234,560	240,642
GNMA 1 SF 307608	6/15/21	8.50	29,594	30,361
GNMA 1 SF 307626	7/15/21	8.50	86,923	89,177
GNMA 1 SF 307705	5/15/21	8.50	242,475	248,763
GNMA 1 SF 307780	6/15/21	8.50	77,405	79,412
GNMA 1 SF 307793	5/15/21	8.50	14,787	15,170
GNMA 1 SF 307797	5/15/21	8.50	222,533	228,303
GNMA 1 SF 307859	5/15/21	8.50	130,729	134,119
GNMA 1 SF 307895	6/15/21	8.50	215,646	221,237
GNMA 1 SF 307914	6/15/21	8.50	66,895	68,630
GNMA 1 SF 307926	6/15/21	8.50	70,301	72,124
GNMA 1 SF 307938	6/15/21	8.50	46,313	47,514
GNMA 1 SF 308571	5/15/21	8.50	41,885	42,971
GNMA 1 SF 308658	5/15/21	8.50	30,758	31,556
GNMA 1 SF 308905	7/15/21	8.50	72,391	74,268
GNMA 1 SF 309220	5/15/21	8.50	88,923	91,229
GNMA 1 SF 309221	5/15/21	8.50	75,742	77,706
GNMA 1 SF 309442	7/15/21	8.50	50,485	51,794
GNMA 1 SF 309875	8/15/21	8.50	78,217	80,245
GNMA 1 SF 309950	7/15/21	8.50	172,012	176,472
GNMA 1 SF 310213	6/15/21	8.50	153,723	157,709
GNMA 1 SF 310334	8/15/21	8.50	71,879	73,743
GNMA 1 SF 310529	7/15/21	8.50	43,700	44,833
GNMA 1 SF 310530	7/15/21	8.50	143,924	147,656
GNMA 1 SF 310562	8/15/21	8.50	84,779	86,978
GNMA 1 SF 310595	9/15/21	8.50	42,427	43,527
GNMA 1 SF 310843	8/15/21	8.50	272,613	279,682
GNMA 1 SF 311090	8/15/21	8.50	8,709	8,934
GNMA 1 SF 311340	8/15/21	8.50	48,098	49,345
GNMA 1 SF 311350	11/15/21	8.50	52,721	54,088
GNMA 1 SF 311660	7/15/21	8.50	36,113	37,049
GNMA 1 SF 311807	8/15/21	8.50	22,967	23,562
GNMA 1 SF 311994	7/15/21	8.50	83,675	85,844
GNMA 1 SF 312980	12/15/21	8.50	91,433	93,804
GNMA 1 SF 313010	7/15/21	8.50	37,137	38,100
GNMA 1 SF 313022	8/15/21	8.50	266,017	272,915
GNMA 1 SF 313176	7/15/21	8.50	51,185	52,513
GNMA 1 SF 313225	10/15/21	8.50	71,233	73,080
GNMA 1 SF 313899	10/15/21	8.50	13,164	13,506

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GNMA 1 SF 315047	10/15/21	8.50	163,824	168,072
GNMA 1 SF 315174	7/15/22	8.50	120,763	123,857
GNMA 1 SF 316731	9/15/21	8.50	66,739	68,469
GNMA 1 SF 316739	11/15/21	8.50	138,314	141,901
GNMA 1 SF 319273	11/15/21	8.50	567,695	582,415
GNMA 1 SF 323069	4/15/22	8.50	115,085	118,034
GNMA 1 SF 323417	5/15/22	8.50	84,735	86,906
GNMA 1 SF 324927	5/15/22	8.50	117,824	120,843
GNMA 1 SF 780052	12/15/08	7.00	9,184,210	9,117,165
GNMA 1 SF344991	7/15/23	7.50	182,308	181,568
GNMA 1 SF348915	8/15/23	7.50	804,048	800,784
GNMA 1 SF351889	8/15/23	7.50	539,668	537,477
GNMA 1 SF354008	4/15/23	7.50	166,890	166,213
GNMA 1 SF355249	8/15/23	7.50	507,169	505,110
GNMA 1 SF357258	9/15/23	7.50	813,216	809,914
GNMA 1 SF358214	6/15/23	7.50	956,306	952,424
GNMA 1 SF364223	10/15/23	7.50	920,861	917,122
GNMA 1 SF375092	7/15/25	7.50	991,892	986,308
GNMA 1 SF378496	10/15/23	7.50	1,341,466	1,336,019
GNMA 1 SF379646	8/15/25	7.50	960,207	954,801
GNMA 1 SF389658	7/15/25	7.50	1,161,995	1,155,453
GNMA 1 SF390366	7/15/25	7.50	756,287	752,029
GNMA 1 SF397840	7/15/25	7.50	1,157,239	1,150,724
GNMA 1 SF399725	7/15/25	7.50	939,987	934,695
GNMA 1 SF407645	7/15/25	7.50	893,794	888,762
GNMA 1 SF410088	8/15/25	7.50	2,705,129	2,689,899
GNMA 1 SF410615	7/15/25	7.50	1,188,982	1,182,288
GNMA 1 SF413883	7/15/25	7.50	626,392	622,865
GNMA 1 SF780166	6/15/25	7.50	915,690	911,973
GNMA 1 SSF 342587	12/15/22	8.50	83,664	85,807
GNMA GP 90133	5/15/09	9.00	186,120	190,460
GNMA GP 90150	8/15/09	9.00	56,689	58,011
GNMA GP 90178	5/15/09	9.00	69,056	70,666
GNMA GP 91485	5/15/09	9.00	144,720	148,095
GNMA I SF 352964	5/15/24	7.00	9,089,734	8,862,490
GNMA I SF 389464	3/15/24	6.50	1,392,917	1,328,927
GNMA II SF 120666	9/15/14	13.00	23,204	26,358
GNMA PL 325672	11/15/23	7.00	280,617	273,775
GNMA PL 346878	11/15/23	7.00	13,647,088	13,314,372
GNMA PL 357234	11/15/23	7.00	6,471,396	6,313,623
GNMA PL 364870	1/15/24	7.00	11,168,556	10,889,342

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GNMA PL 366529	11/15/23	6.50	896,673	856,323
GNMA PL 368817	11/15/23	7.00	529,746	516,831
GNMA PL 370890	11/15/23	7.00	9,296,563	9,069,913
GNMA PL 372887	10/15/23	6.50	647,591	618,450
GNMA POOL # 354778	3/15/09	7.00	4,442,258	4,406,142
GNMA SF 11025	11/15/05	7.25	50,307	50,543
GNMA SF 21705	6/15/08	8.25	183,330	188,153
GNMA SF 22602	5/15/08	8.25	84,690	86,919
GNMA SF 2733	6/15/03	6.50	20,750	20,375
GNMA SF 34245	12/15/09	10.00	177,260	185,300
GNMA SF 35292	1/15/10	10.00	160,534	168,242
GNMA SF 35888	12/15/09	10.00	110,208	115,499
GNMA SF 36127	11/15/09	10.00	42,305	44,336
GNMA SF 3617	10/15/03	7.00	64,994	64,957
GNMA SF 37913	12/15/09	10.00	205,668	214,997
GNMA SF 39407	1/15/10	10.00	34,442	36,004
GNMA SF 45231	12/15/10	10.50	83,855	88,722
<i>TOTAL PASS THROUGH MORTGAGES</i>				<u>\$ 303,608,320</u>
FHA PROJECT / SBA LOANS				
AUBURN VILLA	2/2/18	7.50	780,770	778,490
BEVERLY FINANCE CORP 144A	7/15/04	8.36	10,000,000	10,116,100
BURIEN HAUS	12/1/17	7.50	482,744	482,744
FHA PRJ-REILLY MTG GRP #55	3/1/24	7.43	7,810,256	7,482,381
FOXCROFT APTS	11/1/18	7.50	3,540,018	3,490,859
GNMA 383716 LOWELL EMERSON APT	3/15/29	7.00	4,389,514	4,202,648
MISSION TOWERS	6/1/18	7.50	1,696,630	1,671,531
PINECREST APT/JACK NETTLESHIP	2/1/12	8.50	456,149	446,593
ST MARY'S COMMUNITY HOSP	8/1/01	8.00	51,420	50,840
SUTTER VILLAGE	2/2/18	7.50	826,721	824,307
TERRACE MANOR	7/1/10	7.50	290,489	290,388
THE COTTAGES/WILDWOOD APTS	5/1/18	7.50	978,048	961,780
WATERS EDGE APTS	12/1/17	7.50	2,079,653	2,079,653
<i>TOTAL FHA PROJECT/SBA LOANS</i>				<u>\$ 32,878,314</u>
FHA / VA RESIDENTIAL				
CONTINENTAL MTG	4/1/03	7.30	15,677	15,269
EXECUTIVE HOUSE	6/1/11	11.50	7,760	7,763
GNMA POOL 404208	7/15/28	7.00	4,510,423	4,384,943

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GNMA POOL 458902	7/15/28	7.00	6,199,443	6,026,974
GNMA POOL 458909	7/15/28	7.00	4,799,003	4,665,495
GNMA POOL 463999	7/15/28	7.00	3,946,931	3,837,127
GNMA POOL 471729	7/15/28	7.00	3,732,599	3,628,758
GNMA POOL 471774	7/15/28	7.00	3,729,403	3,625,651
GNMA POOL 471802	7/15/28	7.00	3,020,992	2,936,948
GNMA POOL 471803	7/15/28	7.00	2,799,094	2,721,224
GNMA POOL 480120	7/15/28	7.00	8,191,782	7,963,887
IST NATIONWIDE MORTGAGE	1/1/02	6.75	13,358	13,103
METMOR FINANCIAL	2/1/02	6.63	1,889	1,841
NATIONSBANC	11/1/01	6.75	3,815	3,797
NATIONSBANC	3/1/02	6.00	9,537	9,336
SEATTLE MORTGAGE CO	7/1/02	6.75	29,439	29,207
SOURCE ONE	8/1/03	5.85	48,246	44,992
U S MORTGAGE	12/1/01	7.00	2,994	2,993
U S MORTGAGE	4/1/03	7.00	25,129	25,044
<i>TOTAL FHA/VA RESIDENTIAL</i>				<u>\$ 39,944,353</u>
CONVENTIONAL COMMERCIAL LOANS				
205 ASSOCIATES INC	7/15/07	8.43	4,494,769	4,494,769
2233, LP	8/15/06	8.08	6,129,947	6,129,947
225 FOXBOROUGH BLVD REALTY COR	1/15/10	8.16	4,526,375	4,526,375
300 CHUBB AVENUE, LLC	1/1/10	7.83	3,265,807	3,265,807
A&A EXEC CENTER II, LLC	2/15/04	7.82	5,110,926	5,110,926
AMERICAN NAT'L BK TR 60332	8/1/09	7.69	15,088,230	15,088,230
BARRY F ONEILL	12/15/07	8.28	4,367,323	4,367,323
BOHANNON TRUSTS PARTNERSHIP II	8/10/11	8.04	1,859,960	1,859,960
BRADFORD FINANCIAL LLC	4/15/10	8.62	4,092,181	4,092,181
CCSF-ADC, INC	2/1/06	7.27	5,094,920	5,094,920
CCSFERS BROOKHOLLOW	1/1/07	7.68	5,405,145	5,405,145
CCSFERS SACRAMENTO (1), INC	2/1/06	7.27	3,242,222	3,242,222
CCSFERS STADIUM BUSINESS (3),	2/1/06	7.27	4,631,746	4,631,746
CLB PROP & CARL COPPOLA	6/15/06	7.55	2,699,340	2,699,340
CMS INVESTORS	10/15/06	8.20	3,298,203	3,298,203
CMS PROPERTIES INC	12/15/19	8.25	6,062,411	6,062,411
COMMERS KLODT III	3/15/12	7.89	2,829,927	2,829,927
CSM INVESTOR INC	10/15/06	8.05	4,166,011	4,166,011
EAST 47TH BUSINESS CENTER LLC	7/15/10	8.22	11,850,000	11,850,000
ECLIPSE REALTY LLC	3/15/10	8.12	3,962,620	3,962,620
EJM DEVELOPMENT CO	6/15/06	7.89	4,558,112	4,558,112

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
EQUITY ONE (COMMONWEALTH) INC	2/15/18	7.00	3,107,923	3,107,923
FG DEERFIELD PARTNERS LTD	7/15/10	8.45	4,400,000	4,400,000
FIFTH AVENUE KOP LP	9/10/07	8.01	6,563,443	6,563,443
FULCRUM MCKINNEY PLAZA LTD	12/15/07	7.30	11,536,700	11,536,700
GWINNETT 316 ASSOCIATES	1/15/16	7.45	1,903,934	1,903,934
GWINNETT 316 ASSOCIATES	5/15/16	7.85	2,701,410	2,701,410
HANOVER ASSOCIATES, LP	2/15/07	7.61	2,799,570	2,799,570
HOLLISTER 1997 LLC	5/15/07	8.10	6,694,513	6,694,513
JEMCO PROPERTIES	11/15/07	7.63	4,328,462	4,328,462
JHE REALTY LLC	10/15/09	8.15	6,941,152	6,941,152
KERZNER ASSOCIATES	4/15/06	7.25	2,496,681	2,496,681
LANZCE J. DOUGLAS	8/1/15	8.67	2,962,403	2,962,455
MCDOWELL CORNERS II, LLC	5/15/15	8.04	3,835,641	3,835,641
MENLO BUSINESS PARK ASSOC, LLC	10/15/16	8.50	4,130,933	4,130,933
MORRISTOWN PLAZA ASSOC LLC	7/15/07	8.06	6,816,456	6,816,456
MPOV2 LTD	5/15/07	8.58	3,746,414	3,746,414
MUNGUSTA LLC	9/15/09	8.00	4,456,261	4,456,261
OKD TWO LTD	10/15/07	7.54	2,528,616	2,528,616
ONE CALIFORNIA STREET PARTNERS	11/1/06	7.79	19,385,893	19,385,893
PANOS ENTERPRISES	9/1/12	7.36	11,995,348	11,995,348
PANOS PROPERTIES LLC I	1/1/13	7.32	13,093,373	13,093,373
PANOS PROPERTIES LLC II	9/1/12	7.36	3,109,900	3,109,900
PANTHEON - JH PROPERTIES LLC	5/15/07	8.17	4,279,480	4,279,480
PLAZA EXECUTIVE CTR TRUST	6/15/07	8.38	6,724,739	6,724,739
PS BUSINESS PARKS LC	3/15/07	8.19	6,576,021	6,576,021
REIMER-CRANE INVESTMENT CO LP	9/15/08	7.22	2,635,321	2,635,321
SEVENTH & DON JULIAN INVT CO	5/1/10	8.72	9,491,123	9,491,123
SILVER OAK ASSOCIATES LTD	6/15/12	8.32	3,896,583	3,896,583
SOUTH HOLLAND LLC	8/15/09	7.75	4,160,392	4,160,392
SUMMIT REIT	7/15/12	8.25	10,548,410	10,548,410
VICTOR J. MAGGITT JR.	11/15/05	8.44	616,747	616,747
WOODMEN CENTER 99 LLC	8/10/09	7.87	9,800,000	9,800,000
YOUNG VENTURES, LP	2/15/12	7.88	4,854,574	4,854,574
ZOLINE FAMILY PARTNERSHIP	1/15/07	7.57	738,969	738,969
<i>TOTAL CONVENTIONAL COMMERCIAL LOANS</i>				<u>\$ 300,593,611</u>
CONVENTIONAL RESIDENTIAL MORTGAGES				
BANK OF AMERICA	3/1/10	11.25	67,975	67,991
BANK OF AMERICA	4/1/10	11.00	109,241	109,265
FHLMC GOLD 1998 PL C00650	9/1/28	7.00	8,074,870	7,812,436

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FNMA	3/1/15	7.00	25,788,513	25,296,726
FNMA	4/1/15	7.00	5,847,742	5,736,225
FNMA	3/1/15	7.00	9,566,204	9,383,776
FNMA	5/1/15	7.00	1,549,268	1,519,723
FNMA	5/1/15	7.00	1,844,129	1,808,961
FNMA	3/1/15	7.00	1,730,472	1,697,472
FNMA	5/1/15	7.00	4,514,448	4,428,358
FNMA POOL 252162	12/1/28	6.50	32,544,046	30,713,444
FNMA POOL 323215	7/1/13	6.00	2,489,006	2,357,537
FNMA POOL 349653	11/1/13	6.00	3,384,975	3,206,181
FNMA POOL 444885	11/1/13	6.00	6,221,732	5,893,100
FNMA POOL 446474	11/1/13	6.00	6,019,318	5,701,378
FNMA POOL 446762	11/1/13	6.00	11,987,767	11,354,573
FNMA POOL 451781	11/1/13	6.00	11,376,261	10,775,367
FNMA POOL 453597	11/1/13	6.00	9,501,634	8,984,935
FNMA POOL 455600	12/1/28	6.50	17,975,079	16,963,981
FNMA POOL 455819	12/1/28	6.50	4,599,294	4,340,584
NATIONSBANC	6/25/10	10.88	50,259	50,182
NATIONSBANC	9/1/10	12.25	540	588
NATIONSBANC	8/1/09	10.63	15,698	16,319
NATIONSBANC	12/1/09	10.63	46,013	48,419
<i>TOTAL CONVENTIONAL RESIDENTIAL MORTGAGES</i>				<u>\$ 158,267,521</u>
REAL ESTATE LOANS (SMALL LOAN PROG)				
CRYSTAL & SUNSET HOUSE	9/15/06	10.33	860,698	860,698
DREBICK INVESTMENTS/CHANDLER C	12/15/01	10.00	2,273,805	2,273,805
HARBOR CLUB APTS	4/15/02	9.72	1,397,499	1,397,499
L & L LAND/ PORTCO	12/15/01	9.88	1,554,052	1,552,836
MARINWOOD APT	12/15/00	10.38	596,624	596,624
MARVIN GARDEN APTS	6/15/01	10.38	3,483,929	3,483,929
MILLER VALENTINE PARTNERS	12/15/07	7.54	8,183,258	8,183,258
ROY STREET APARTMENTS	1/1/01	10.13	1,882,899	1,882,899
SHURGARD MINI-STORAGE	4/15/01	10.13	1,384,347	1,384,347
SPANISH HILLS APTS	5/15/01	9.88	1,842,652	1,842,652
TALISMAN APTS., DBSI INC.	1/15/01	9.75	2,780,386	2,780,386
VICTOR J. MAGGITT JR.	7/15/12	8.24	8,474,728	8,474,728
WENDOVER APARTMENTS	2/15/02	9.63	1,055,271	1,055,271
WILDERNESS WEST LTD	11/1/04	9.38	1,583,313	1,583,313
<i>TOTAL REAL ESTATE (SMALL LOANS)</i>				<u>\$ 37,352,245</u>

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
AMAC 1999-7 A4	11/25/14	6.50	15,400,000	14,093,618
AMAC 99-5 A10	8/25/29	6.75	26,085,585	23,998,738
BAMS 98/1	5/25/28	6.75	14,250,000	12,958,523
BEAR S MTG SEC INC 1993-08A6	8/25/24	6.50	15,110,000	14,911,606
BEAR STEARNS MTG 96-7A11	3/28/09	6.50	15,346,203	14,885,817
CCMSC 1999-2 A2	11/15/09	7.20	26,425,000	26,188,232
CHASE MTG FIN 1993-0 A4	12/25/09	5.90	9,586,828	9,320,123
CHASE MTG FIN 1993-0 A5	12/25/09	6.60	5,317,477	5,229,366
CHASE MTG FIN 1994-F A11	3/25/25	6.75	13,666,699	13,444,615
CHEM MTG SEC 1994-2 A2	2/25/24	6.50	20,559,214	19,910,160
CMC3 1998-2 A3	11/25/28	6.25	16,250,000	15,582,125
CMC3 SECS CORP 1994-B A11	2/25/09	6.75	28,368,899	27,801,521
CMSI 99-5 A6	8/25/29	7.00	24,895,000	23,634,566
COM MTG ACCEPT CORP 1998-C2 A3	9/15/30	6.04	15,000,000	13,413,953
COM MTG ACCEPT CORP 1999-C1 A2	5/15/09	7.03	37,300,000	36,200,396
COUNTRYWIDE 1998-19 A13	12/25/28	6.50	25,000,000	22,468,750
COUNTRYWIDE FDG CORP 1993-9 A5	1/25/09	6.50	33,827,931	32,030,653
COUNTRYWIDE MTG 1994-3 A7	3/25/24	6.75	6,416,032	6,287,711
COUNTRYWIDE MTG 1994-I CL A-11	7/25/09	6.25	22,724,000	21,353,288
CRIIMI MAE FIN CORP	1/1/33	7.00	5,481,072	5,237,548
CWFC 1994-8 A7	4/25/09	6.00	15,383,588	14,527,799
CWMBS 1994-G A6	4/25/24	6.50	7,402,437	7,224,260
DIJ CMC 1999-CG1 A-1B	1/10/09	6.46	30,000,000	28,107,000
DIJ MTG 1993-14 A2	8/25/23	6.63	6,507,000	6,193,818
DIJ MTG ACCEP CORP 1993-19 A-3	1/25/24	6.75	20,609,556	20,390,476
DIJCM 1999-CG2 A1B	6/10/09	7.30	22,500,000	22,161,195
DIJCM 1999-CG3 A1B	9/10/09	7.34	11,000,000	10,890,110
FHG 30 H	7/25/23	7.50	2,200,000	2,180,750
FHLMC 14121	5/15/21	6.75	10,811,000	10,378,560
FHLMC 1671 G	8/15/23	6.50	40,750,141	39,540,269
FHLMC 1675 Q	2/15/24	6.50	12,564,000	11,358,610
FHLMC 1702 B TC	11/15/22	6.50	5,000,000	4,848,400
FHLMC 1706 H	6/15/23	6.50	11,000,000	10,670,000
FHLMC 1727 Z	5/15/24	6.25	14,611,469	12,771,301
FHLMC 1992 1233 H	4/15/07	7.00	8,744,000	8,667,490
FHLMC 1992 1341 J	8/15/06	7.00	20,500,000	20,461,460
FHLMC 1992 1396 E	3/15/22	7.00	6,000,000	5,820,000
FHLMC 1993 1584 G	9/15/18	6.00	16,903,000	16,723,321
FHLMC 1993 1591 PN	6/15/19	5.95	10,000,000	9,878,100

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FHLMC 1994 1709 D	12/15/23	6.50	8,387,000	8,127,506
FHLMC 1996 1843A	4/15/19	6.50	15,088,788	14,984,978
FHLMC 1998 2046 G	4/15/28	6.50	16,600,000	14,903,646
FHLMC 1998 2070 C	7/15/28	6.00	26,744,000	22,347,821
FHLMC 1998 2080 C	8/15/28	6.50	25,000,000	22,578,000
FHLMC 1999 2113 VB	11/15/15	6.00	16,700,000	14,847,302
FHLMC 2139-B	3/15/29	6.50	21,454,000	19,402,354
FHLMC 90 1006C	10/15/20	9.15	1,829,040	1,890,770
FIRST UNION LEHMA BRO 98-C2 A2	11/18/08	6.56	41,115,000	39,023,024
FNMA 1991-13Z	3/25/21	8.25	16,884,847	17,117,014
FNMA 1993 134GB	1/25/08	6.50	19,000,000	18,631,780
FNMA 1993 137 PE	4/24/07	5.80	124,666	124,043
FNMA 1993 166E	1/25/17	5.75	1,869,704	1,859,757
FNMA 1993 201 H	9/25/21	6.50	21,000,000	20,409,270
FNMA 1993 28 Y6	3/25/08	7.00	21,727,000	21,455,413
FNMA 1993 44 PH	5/25/19	6.75	25,000,000	24,484,250
FNMA 1993 50 PW	1/25/22	5.50	15,987,000	14,708,040
FNMA 1993 53H	1/25/22	5.75	25,000,000	23,289,000
FNMA 1993 56 P6	2/25/21	6.75	10,000,000	9,800,000
FNMA 1993 85G	3/25/08	6.50	5,213,116	5,170,734
FNMA 1993 95 Y5	4/25/08	6.75	21,012,900	20,737,001
FNMA 1994 39PG	6/25/20	6.15	26,097,000	25,648,393
FNMA 1994 40 O	3/25/24	6.50	6,750,000	6,288,030
FNMA 1994 40 Y6	6/25/22	6.00	35,000,000	33,512,500
FNMA 1994 41PJ	6/25/23	6.50	25,000,000	24,203,000
FNMA 1994 50 PG	1/25/23	6.50	25,160,900	24,382,422
FNMA 1994 62 PH	11/25/23	6.90	10,000,000	9,859,300
FNMA 1996-1 A	12/25/08	6.00	35,862,124	33,429,955
FNMA 1997-41 E	8/18/21	7.50	15,633,224	15,662,458
FNMA G1993-15 H	4/25/23	7.25	5,100,000	4,860,912
FNMA G1994-2D	1/25/24	6.45	5,000,000	4,792,150
FNR 1999-19 VB	5/25/14	6.50	29,879,000	28,188,745
GE CAP MTG 1994-10A15	3/25/24	6.50	12,300,759	12,154,626
GE CAP MTG 1994-9 A4	2/25/24	6.50	13,642,000	13,445,828
GE CAP MTG 1996-8 2A3	8/25/05	7.00	8,440,088	8,411,054
GE CAP MTG SERV 1994-1 A8	1/25/24	6.50	13,000,000	12,159,030
GE CAP MTG SERV 1994-7 A11	2/25/09	6.00	15,643,000	14,963,468
GE CAP MTG SVCS 98-3 A1	1/25/28	7.00	25,000,000	23,554,500
GE CAPITAL MTG 1994-12 A-12	3/25/09	6.00	15,042,000	14,115,864
GE CAPITAL MTG SERV 1993-10A11	9/25/23	6.50	7,220,000	6,834,163
GE CAPITAL MTG SVC 94-8 A8	2/25/24	6.00	25,963,541	23,854,004

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GECMS 1998-21 A3	11/1/28	6.25	24,579,132	21,975,218
GECMS 99-15 L (A25)	8/25/29	6.75	50,000,000	46,109,000
GNMA 1994-4 PH	10/16/22	7.50	27,545,200	27,510,769
GNMA 1996 19A CL H	1/1/49	7.00	21,123,637	21,083,925
GNMA 1998-14 PH	6/20/28	6.50	25,000,000	22,820,250
HEADLANDS 1997-3 A15 CMO	7/25/27	7.75	8,925,435	8,928,202
HOUSING SEC 1994-3 A7	11/25/24	7.25	15,000,000	14,085,900
MORGAN STANLEY CAP 1998-HF2 A2	11/15/30	6.48	24,759,000	23,324,959
MORGAN STANLEY CAP 198-HF1 A2	1/15/08	6.52	41,025,000	38,909,751
MSC 1999 FNV1 A2	3/15/32	6.53	49,600,000	46,586,740
NASCOR 98-10 A5	5/25/28	6.75	30,000,000	27,993,600
NLFC 1999-2 A2C	10/20/08	7.23	14,850,000	14,692,145
NORWEST ASSET SECS 1996-4 A-16	9/25/26	7.00	410,967	409,040
NORWEST ASST SEC 97-3 A4	3/25/27	7.25	24,316,465	24,232,816
NSCOR 1998-33 A5	1/25/29	6.25	37,800,000	33,523,686
PMAC 1999-C1 A2 CMBS	4/15/09	6.82	34,680,000	33,285,864
PRU HOME 93-43 A7	10/25/23	6.75	17,281,425	16,417,353
PRU HOME MTG 1994-17 A4	4/25/24	6.25	10,321,000	9,030,875
PRUD HOME MTG SECS 1993-38 A-3	8/25/23	6.15	7,762,688	7,592,840
PRUHOME MTG 1993-22 A5	7/23/25	6.50	7,380,940	7,205,643
PRUHOME MTG 1993-39 AB	10/25/08	6.50	22,123,341	21,611,628
PRUHOME MTG 1993-44 A18	11/25/23	6.75	10,000,000	9,406,200
RAST 1997-A5 A18 CMO	7/25/27	7.75	27,500,000	27,259,375
RAST 98-A6	7/25/28	6.75	30,000,000	27,656,100
RES FDG MTG SEC 99-S10 A2	4/25/14	6.25	18,409,000	16,326,390
RESIDENTIAL FD MTG 94-S5 A8	2/25/24	6.50	10,745,000	10,036,475
RESIDENTIAL FD MTG S43 A7	11/25/23	6.50	4,798,000	4,354,185
RESIDENTIAL FDG 97-S11 A7	8/25/12	7.00	17,608,880	17,234,692
RESIDENTIAL FDG MTG 96-S3 A5	1/25/26	7.25	23,817,994	22,827,880
RFMSI 1998/S8 M1	4/25/28	6.75	12,586,246	11,429,821
RFMSI 98-S8	4/25/28	6.75	40,000,000	37,062,400
RFMSI 98/S10 A4	1/25/22	6.75	24,414,250	22,682,303
RFMSI 99-S18	8/25/29	7.00	29,864,000	28,016,016
RFMSI01993-S22A6	6/25/23	7.00	1,825,443	1,815,732
SASI 1993-7 TA7	12/25/23	6.25	25,509,146	22,463,864
SBM7 2000-C1 A2	12/18/09	7.52	40,000,000	39,804,000
SECUR ASSET SALES 1993-2 A10	7/25/08	6.50	8,693,000	8,222,969

TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS

\$ 2,071,884,935

TOTAL MORTGAGES/MORTGAGE BACKED SECURITIES

\$ 2,944,529,299

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
ASSET BACKED SECURITIES:				
AFC MTG LN TR	3/25/28	7.03	11,500,000	11,420,880
CENTEX HEQ 2000-B A6	7/25/31	7.97	11,400,000	11,355,469
CENTEX HM EQ LN TR 98-1 A4 ABS	3/25/29	6.40	11,500,000	10,968,125
CENTEX HOME EQ 98-2 A5 ABS	7/25/28	6.41	12,700,000	12,049,125
CIT RV TRUST 97-A A7 ABS	8/15/13	6.40	24,700,000	24,178,830
CFTRV 1999-A A5	8/15/15	6.24	15,220,000	14,592,175
DELHE 2000-1 A2F	2/15/22	7.58	10,000,000	9,960,900
DIST FINL SVCS RV TR 99-1 A6	11/15/16	6.02	16,866,000	16,054,324
EQUICREDIT HEQ 1997-3 A5 ABS	9/15/12	6.45	18,330,000	18,152,437
EQUICREDIT HM EQ 1997-2 A7 ABS	2/15/20	6.89	36,269,000	35,964,340
FIDELITY GRANTOR 1996-1 144A	12/15/02	6.85	1,995,129	2,006,402
FIRSTPLUS HOME LN TR 1996-4 A5	7/10/11	6.53	8,563,987	8,546,859
FIRSTPLUS HOME LN TR 1996-4 A6	8/10/14	6.87	25,000,000	24,890,000
FLEETWOOD CR GR TR 1996-B CL A	3/15/13	6.90	10,229,182	10,099,271
FNMA 95-W1 A7	4/25/25	8.20	10,000,000	10,225,000
LMC HM EQ 1997-2 A4 ABS	6/20/16	7.25	9,208,154	9,147,657
LEHMAN HM EQ LN TR 98-3 A4 ABS	11/15/15	6.48	18,694,000	18,101,045
METRIS MASTER TR 1997-1 A	10/15/05	6.87	25,000,000	24,750,000
NBCMT 93-2 A	12/15/05	6.00	17,050,000	16,533,044
PNBMT 1997-4 A	6/15/07	6.25	35,600,000	34,932,500
PROV BK HEQ LN TR 97-B A2 ABS	9/25/04	6.53	3,217,939	3,193,302
RFMS2 1999-HI1 A3	9/25/29	6.31	10,100,000	9,836,451
STANDARD CR CARD MASTER TRUST	4/7/06	7.25	12,000,000	11,940,000
STD CR CARD 1995-9A ABS	10/7/07	6.55	15,000,000	14,573,400
UNION ACCEP CORP 2000-B CL B	1/8/08	7.73	19,219,016	19,623,961
WFS FINANCIAL 1997-C ABS	3/20/05	6.30	25,000,000	24,650,000
TOTAL ASSET BACKED SECURITIES				\$ 407,745,496
CORPORATE OBLIGATIONS - DOMESTIC:				
360 COMMUNICATIONS CO	3/1/06	7.50	13,900,000	13,641,460
360 COMMUNICATIONS CO	4/1/09	7.60	14,000,000	13,586,300
ADOLPH COORS CO	7/15/02	6.76	15,000,000	14,803,500
AIRTOUCH COMM	7/15/06	7.50	15,000,000	14,839,200
ALBERTSON'S INC	6/15/26	7.75	10,000,000	9,516,600
ALBERTSON'S INC	8/1/09	6.95	85,000,000	78,103,950
AMERICAN STORES	5/15/05	7.40	15,100,000	14,761,911
AMERICAN STORES	6/1/26	8.00	35,000,000	33,877,200

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
ANR PIPELINE	2/15/24	7.38	10,000,000	9,109,800
ASSOCIATES CORP NORTH AME	9/30/01	7.88	10,000,000	10,055,800
AT & T CORP	3/15/09	6.00	50,000,000	44,460,500
AT & T CORP	3/15/04	5.63	77,000,000	72,364,600
B F PROPERTIES	2/25/02	7.50	336,266	334,676
BANK OF NEW YORK	7/15/02	7.63	10,000,000	10,066,400
BANK ONE CORP	8/1/02	7.25	7,000,000	6,970,670
BANK ONE CORP	9/15/03	8.74	16,000,000	16,440,480
BANKAMERICA CORP	5/15/10	6.60	13,285,000	12,010,304
BENEFICIAL CORP MTN	9/26/02	6.60	25,000,000	24,551,000
BNY CAPITAL I	12/31/26	7.97	25,000,000	22,759,500
BOEING CO	8/15/21	8.75	20,000,000	22,024,200
BOEING CO	2/15/38	6.63	25,000,000	21,747,750
BOMBARDIER CAPITAL INC 144A	1/15/02	6.00	25,000,000	24,302,000
BOMBARDIER CAPITAL LTD	8/15/04	7.50	62,000,000	61,287,682
BRASCAN LTD	10/1/02	7.38	22,000,000	21,539,980
BURLINGTON NO SANTA FE	12/15/05	6.38	6,250,000	5,871,000
BURLINGTON NORTHERN INC	8/1/02	7.00	25,000,000	24,714,750
CARGILL INC	10/1/25	7.38	8,000,000	7,745,040
CARGILL INC	9/1/06	7.50	10,000,000	9,829,200
CARGILL INC MTN	6/18/27	7.41	7,800,000	7,725,744
CARNIVAL CRUISE	10/1/23	7.20	14,000,000	11,878,860
CARTER HOLT HARVEY LTD	12/1/04	8.88	7,250,000	7,505,200
CARTER HOLT HARVEY LTD	12/1/24	9.50	12,000,000	12,523,440
CASE CORP	8/1/05	7.25	22,000,000	20,239,560
CASE CORPORATION	10/21/07	6.75	11,500,000	10,122,070
CASE CREDIT	2/15/03	6.13	35,000,000	32,586,050
CENTRAL BANKSHARES OF THE SOUT	5/1/03	7.00	10,000,000	9,859,500
CHESAPEAKE & POTOMAC TEL MD	10/1/08	6.63	1,000,000	942,800
CHESAPEAKE & POTOMAC TEL WA	2/1/09	7.00	100,000	100,607
CINCINNATI GAS & ELEC	6/1/25	6.90	30,000,000	27,816,300
CIRCUS CIRCUS ENTERPRISE	2/1/06	6.45	9,000,000	7,756,560
CITICORP	5/1/05	7.63	17,000,000	17,040,460
CITICORP CAPITAL	2/15/27	8.02	50,000,000	46,213,000
CITIGROUP INC	6/6/02	7.45	23,000,000	23,063,020
COLONIAL PIPELINE, 144A	8/15/07	7.45	10,000,000	10,180,200
COLORADO INTERSTATE GAS	6/15/05	10.00	12,595,000	13,599,703
COMMERCIAL CREDIT CO	9/15/02	6.38	12,470,000	12,218,355
CONAGRA	9/15/04	7.40	26,000,000	25,351,300
CONAGRA INC.	10/1/28	7.00	45,000,000	35,993,700
CONRAIL	6/15/20	9.75	10,000,000	10,932,600

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CONSOLIDATED NATURAL GAS	10/1/04	7.25	15,000,000	14,752,650
CORP ANDINA DE FOMENTO	3/15/05	6.75	20,000,000	18,852,000
CS FIRST BOSTON	5/15/06	7.75	20,000,000	19,975,200
CSX CORP	5/15/22	8.63	10,000,000	10,108,600
CSX CORP	8/15/06	9.00	28,100,000	29,257,158
CSX CORP	5/1/27	7.95	50,000,000	47,047,000
DEAN WTR DISCV	3/1/03	6.88	5,000,000	4,935,150
DEAN WTR DISCV	10/15/13	6.75	10,000,000	8,968,600
DEER PARK REFINING LP 144A	12/15/08	6.47	3,861,250	3,676,644
DEERE & CO	6/15/19	8.95	9,000,000	9,377,730
DEERE & CO	10/1/28	6.55	10,000,000	8,333,800
DEN DANSKE BANK	6/15/10	7.40	50,000,000	48,323,500
DEUTSCHE TELECOM FIN	6/15/05	7.75	18,000,000	18,050,400
DEUTSCHE TELECOM FIN	6/15/10	8.00	35,000,000	35,072,450
DEUTSCHE TELECOM FIN	6/15/30	8.25	65,000,000	65,474,500
DIMONT CORP	3/1/06	9.88	1,608,642	1,608,642
DR INVESTMENTS 144A	5/15/02	7.10	10,000,000	9,906,400
EASTMAN CHEMICAL	2/1/27	7.60	20,000,000	17,375,600
ELEC DATA SYSTEM	5/15/05	7.13	15,000,000	14,997,900
ENRON CORP	7/15/28	6.95	10,000,000	8,824,300
ENRON CORP	7/15/06	6.40	10,000,000	9,388,200
ENRON CORP	5/15/19	7.38	50,000,000	47,065,500
EOP OPERATING LP 144A	2/15/03	6.38	6,000,000	5,766,840
EOP OPERATING LTD PARTNERSHIP	6/15/04	6.50	25,000,000	23,785,500
ERP OPERATING LP	4/13/05	6.63	25,000,000	23,501,500
EXPORT IMPORT BK KOREA	2/10/02	6.50	22,500,000	21,998,700
FALCONBRIDGE LTD	11/1/06	7.35	30,000,000	27,565,200
FBG FINANCE LTD	11/15/05	6.75	20,000,000	19,671,200
FBG FINANCE LTD	6/1/16	7.88	27,000,000	27,842,940
FEDERATED DEPARTMENT STORES	2/15/28	7.00	10,000,000	8,409,500
FEDERATED DEPT STORES 144A	4/1/09	6.30	20,000,000	17,574,000
FIRST UNION INST CAP I	12/1/26	8.04	20,000,000	17,442,600
FIRST WARD PROPERTIES	11/15/06	8.00	1,432,598	1,403,158
FLORIDA GAS TRANSMISSION	11/1/04	8.63	8,000,000	8,318,320
FORD MOTOR CO	2/15/28	6.63	25,000,000	21,078,750
FORD MOTOR COMPANY	10/1/28	6.63	25,000,000	21,051,250
FORD MOTOR CREDIT	9/10/02	6.55	37,000,000	36,278,130
FORD MOTOR CREDIT CORP	11/15/02	7.75	10,000,000	10,043,900
FORD MOTOR CREDIT CORP	2/15/02	8.20	20,000,000	20,199,800
GEN MOTORS ACCEPT MTN	10/20/03	6.63	10,000,000	9,721,000
GEN MTRS ACCEPT CORP MTN	10/18/02	6.50	12,500,000	12,239,875

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GENERAL ELECTRIC CAP CORP	3/1/02	7.00	50,000,000	49,883,000
GENERAL MTRS ACCEPT CORP	10/15/02	9.00	21,000,000	21,636,930
GENERAL MTRS ACCEPT CORP	1/1/03	8.50	25,000,000	25,538,250
GENERAL REINSURANCE CORP	9/12/09	9.00	15,000,000	15,834,900
GEORGIA-PACIFIC	4/30/25	8.63	15,000,000	14,028,600
GMAC	2/7/02	6.75	5,000,000	4,941,800
GOLDMAN SACHS	7/15/02	6.60	27,000,000	26,509,950
GOLDMAN SACHS GR	1/15/03	7.88	12,000,000	12,084,480
GOLDMAN SACHS GROUP	5/15/09	6.65	57,000,000	52,327,140
GOLDMAN SACHS GROUP LP 144A	12/1/04	6.63	10,000,000	9,718,700
GTE CORP	6/1/03	9.10	5,000,000	5,198,950
GTE CORP	5/1/23	7.83	15,000,000	13,988,850
GTE HAWAII	2/1/06	7.00	10,000,000	9,638,500
GUIDANT CORP	2/15/06	6.15	20,000,000	18,133,000
HANSON OVERSEAS	9/15/05	6.75	5,000,000	4,779,900
HANSON PLC	1/15/03	7.38	21,000,000	20,866,230
HELLER FINANCIAL	3/19/04	6.00	13,000,000	12,165,920
HONAM OIL REFINERY	10/15/05	7.13	7,000,000	6,573,630
HOUSEHOLD FINANCE CORP	6/17/08	6.40	24,000,000	21,775,440
HSBC AMERICAS INC	11/1/06	7.00	39,500,000	37,730,795
ICI WILMINGTON	9/15/04	6.95	30,000,000	28,869,300
INDIANA BELL TEL INC	6/1/03	4.38	650,000	600,919
INDIANTOWN COGENERATION	12/15/10	9.26	15,436,550	15,368,784
INDIANTOWN COGENERATION	12/15/20	9.77	15,000,000	15,556,200
INTL BK FOR RECON & DEV	10/15/02	12.38	5,000,000	5,563,600
JOHN DEERE CAP	8/1/19	8.63	2,000,000	1,997,560
JPM CAP TRUST I	1/15/27	7.54	50,000,000	42,884,500
KANSAS GAS & ELEC	9/29/16	8.29	24,500,000	19,523,560
KERN RIVER FUNDING CORP	9/30/01	6.72	27,500,000	27,236,550
KEYCORP	3/15/06	6.75	25,000,000	23,523,250
KN ENERGY INC	3/1/03	6.45	35,000,000	33,892,250
KROGER CO.	6/1/29	7.70	5,000,000	4,545,500
KROGER COMPANY	12/15/18	6.80	25,000,000	20,969,750
LAND O LAKES CAP TR I 144-A	3/15/28	7.45	40,025,000	34,076,885
LASMO (USA) INC	6/30/06	7.50	29,225,000	28,457,844
LEGRAND	2/15/25	8.50	50,840,000	50,562,414
LEHMAN BROS HLDG	11/1/09	7.88	25,000,000	24,218,250
LEHMAN BROTHERS HOLDING	1/15/05	7.75	25,000,000	24,768,250
LEHMAN BROTHERS HOLDING	6/15/07	8.25	50,000,000	49,965,500
LG-CALTEX OIL CORP	7/1/06	7.88	24,000,000	23,299,200
LOCKHEED MARTIN CORP	6/15/04	7.45	47,000,000	46,679,930

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
LOCKHEED MARTIN CORP	12/1/29	8.50	14,800,000	14,944,744
LOCKHEED MARTIN CORP	12/1/09	8.20	20,000,000	20,243,200
LORAL CORP	6/15/04	7.63	10,000,000	9,939,100
LOUISVILLE & NASHVILLE RR CO	4/1/03	2.88	25,000	21,875
LS POWER FUNDING	6/30/10	7.19	4,000,000	3,868,400
MAY DEPT STORES	9/15/28	6.70	20,000,000	16,798,800
MBIA INC	10/1/28	6.63	10,000,000	8,227,700
MCI COMMUNICATIONS CORP	8/20/04	7.50	10,000,000	9,897,000
MCI COMMUNICATIONS CORP	1/20/23	8.25	9,000,000	9,138,510
MCI COMMUNICATIONS CORP	3/23/25	7.75	15,000,000	13,767,900
MCI COMMUNICATIONS CORP	4/15/10	6.50	15,000,000	13,609,650
MELLON FINANCIAL CO.	11/15/03	5.75	8,500,000	8,018,305
MIDAMERICAN FNDG	3/1/09	6.34	40,000,000	35,711,600
MIDLAND BANK PLC	6/15/06	7.63	49,355,000	49,089,470
MIRAGE RESORTS INC	8/1/17	7.25	29,200,000	25,545,620
MONSANTO COMPANY 144A	12/1/18	6.50	40,000,000	35,170,400
MORGAN STANLEY	10/1/13	7.00	15,500,000	14,286,505
MORGAN STANLEY & CO INC	5/15/06	7.28	10,000,000	10,137,900
MORGAN STANLEY GROUP INC	12/15/03	6.38	8,200,000	7,930,220
MOUNTAIN STS TEL & TELEG CO	6/1/05	5.50	100,000	92,153
NCNB CORP	9/15/09	9.38	15,000,000	16,295,850
NEW ENGLAND TEL & TELEG CO	10/1/06	6.13	200,000	184,724
NEW YORK TEL CO	7/15/31	9.38	14,250,000	15,219,713
NIPSCO CAPITAL MKTS SENIOR NTS	12/1/27	6.78	20,000,000	19,611,400
NORANDA FOREST INC	11/15/05	6.88	23,000,000	21,617,930
NORCEN ENRGY RESOURCES	7/2/02	6.80	25,000,000	24,445,000
NORFOLK SOUTHERN	5/15/05	8.38	17,000,000	17,465,970
NORFOLK SOUTHERN CORP	5/15/17	7.70	32,414,000	31,038,998
NORTHERN TELECOM	6/15/26	7.88	10,000,000	9,702,200
NORTHWEST PIPELINE CORP	12/1/07	6.63	32,000,000	29,869,760
NRG ENERGY CORP	2/1/06	7.63	20,000,000	19,400,000
OCCIDENTAL PETE	4/1/28	7.20	20,000,000	17,613,000
OCCIDENTAL PETE	4/1/05	6.50	16,000,000	15,172,640
OCCIDENTAL PETROLEUM	2/15/06	7.65	20,000,000	19,805,800
PACIFICORP	7/15/04	6.75	8,000,000	7,711,920
PACIFICORP	6/1/07	6.63	7,000,000	6,630,540
PACIFICORP HOLDINGS	4/1/06	7.20	10,000,000	9,784,200
PANHANDLE EASTERN	8/15/13	7.20	6,000,000	5,250,060
PANHANDLE EASTERN PIPELINE	3/15/23	7.95	10,000,000	9,576,400
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	5,000,000	5,028,500
PDV AMERICA INC	8/1/00	7.75	9,250,000	9,259,250

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
PDV AMERICA INC	8/1/03	7.88	36,000,000	34,045,560
PG&E GAS TRANSMISSION	6/1/05	7.10	15,000,000	14,688,450
PHILLIPS PETE	5/25/10	8.75	15,000,000	15,801,300
PHILLIPS PETE	5/25/05	8.50	15,000,000	15,496,200
PHILLIPS PETROLEUM	1/1/23	8.49	15,000,000	14,616,000
PHILLIPS PETROLEUM	4/15/23	7.92	10,000,000	8,913,800
PLACER DOME INC	5/15/03	7.13	4,500,000	4,227,210
PLACER DOME INC	6/15/15	7.75	15,000,000	13,086,600
POHANG IRON & STEEL	7/15/04	7.13	15,000,000	14,389,950
PRICE COSTCO INC	6/15/05	7.13	10,000,000	9,411,200
PUBLIC SERVICE CO OF COLO	1/1/24	7.25	5,000,000	4,344,150
PUBLIC SERVICE CO OF COLORADO	4/15/03	6.00	25,000,000	23,998,500
RITE AID CORP	9/15/02	10.50	18,500,000	14,892,500
RITE-AID CORP 144A	12/15/08	6.13	10,000,000	4,700,000
RITE-AID CORP 144A	12/15/28	6.88	10,000,000	4,250,000
ROYAL CARIBBEAN CRUISES	7/28/04	8.13	21,000,000	20,178,060
ROYAL CARIBBEAN CRUISES	3/15/18	7.25	20,000,000	15,076,000
SAKS INCORPORATED	12/1/04	7.25	15,000,000	13,615,350
SAKS INCORPORATED	12/1/10	7.50	29,550,000	24,800,724
SAKS INCORPORATED	2/15/19	7.38	20,000,000	14,885,600
SANTANDER FIN ISSUANCES	4/15/05	7.88	20,000,000	20,164,800
SANTANDER FIN ISSUANCES	7/15/05	6.80	35,300,000	34,121,686
SCOTLAND INT FINANCE	2/15/11	6.50	36,500,000	33,186,165
SECURITY CAPITAL GROUP 144A	6/15/05	6.95	25,000,000	22,979,000
SHOPPING CENTER	5/15/05	7.63	25,000,000	24,122,250
SOCIETE GENERAL INSTL	11/8/05	6.75	25,000,000	23,883,750
SOCIETY NATIONAL BANK	6/1/05	7.25	17,750,000	17,489,963
SOLOMON SMITH BARNEY HLD	5/15/03	6.25	20,000,000	19,343,800
SOUTHERN NATURAL GAS	9/15/08	6.13	15,000,000	13,606,950
SOUTHERN NEW ENGLAND TEL CO	12/1/01	4.38	1,475,000	1,418,699
SOUTHWEST GAS CO	8/1/06	7.50	8,000,000	7,896,960
SOUTHWESTERN BELL TELE	10/15/26	7.20	5,000,000	4,344,750
SPIEKER PROPERTIES	7/1/09	7.13	10,000,000	9,280,700
SPRINT CAP CORP	5/1/19	6.90	35,000,000	31,120,600
SPRINT CAP CORP	5/1/09	6.38	35,000,000	31,598,700
SPRINT CAPITAL CORP	11/15/08	6.13	10,000,000	8,913,700
SPRINT CAPITAL CORP	11/15/28	6.88	15,000,000	13,039,050
ST GEORGE BANK LTD	6/18/07	7.15	17,400,000	16,782,300
STAR BK NA, OH TR SB 00001	12/15/06	6.63	10,000,000	9,525,300
SURWAY ASSOC (SAFeway)	4/1/05	13.90	16,343,013	16,343,013
TIME WARNER ENTERTAINMENT	10/1/12	8.88	25,120,000	26,260,448

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
TIME WARNER INC	1/15/13	9.13	44,250,000	48,493,575
TIME WARNER INC	8/15/07	8.18	30,000,000	30,590,700
TRANSCANADA PIPELINE	5/15/12	8.63	5,000,000	5,191,000
TRANSOCEAN OFFSHORE INC	4/15/27	8.00	22,265,000	22,134,304
TRIBUNE COMPANY	10/6/08	5.50	15,000,000	12,908,250
U S BANCORP	10/15/05	6.75	27,000,000	26,121,150
U S BANCORP CAP I SER B	12/15/26	8.27	38,100,000	34,251,138
UNION PACIFIC CO	5/1/05	7.60	4,000,000	3,978,640
UNION PACIFIC CO	5/1/25	8.35	25,000,000	24,113,500
UNION PACIFIC CORP	2/1/06	6.40	25,300,000	23,735,448
UNION PACIFIC CORP MTN	11/9/07	6.79	10,000,000	9,508,900
UNION PACIFIC RESOURCES	5/15/05	6.50	15,000,000	14,320,950
UNION PACIFIC RR	1/16/16	7.62	18,370,714	18,143,652
UNIV OF PUGET SOUND	7/1/02	8.25	175,000	185,773
UNIV PUGET SOUND WA REV	7/1/00	8.25	150,000	150,014
UNIV PUGET SOUND WA REV	7/1/01	8.25	165,000	170,570
US BANK NA	7/15/08	6.30	50,000,000	45,103,500
US WEST CAP FUNDING INC	7/15/28	6.88	35,000,000	30,063,250
UTILICORP UNTIED	7/15/04	7.00	47,000,000	44,891,110
WASH MUTUAL CAP	6/1/27	8.38	21,000,000	18,619,440
WASHINGTON MUTUAL INC	8/15/05	7.25	20,460,000	20,023,588
WASHINGTON MUTUAL INC	4/1/10	8.25	45,000,000	44,474,850
WELLS FARGO & CO	5/1/02	8.75	4,500,000	4,608,360
WELLS FARGO & CO	5/15/02	8.38	5,000,000	5,090,550
WELLS FARGO & CO	8/15/06	7.13	15,000,000	14,611,800
WELLS FARGO CAP I	12/15/26	7.96	10,000,000	9,046,700
WESTERN RESOURCES INC	8/15/03	6.25	32,000,000	29,936,000
WILLAMETTE INDUSTRIES	2/1/18	7.00	25,200,000	22,300,488
WILLIAMS COMPANIES, INC	8/1/06	6.50	48,700,000	45,564,207
WILLIAMS COS	7/15/19	7.63	80,000,000	76,400,800
WILLIAMS HLDGS OF DEL	2/1/06	6.25	15,000,000	13,970,400
WORLD COM INC	4/1/04	7.55	15,000,000	14,881,050
WORLD COM INC	8/15/05	6.40	35,000,000	33,317,200
WORLD COM INC	8/15/28	6.95	25,000,000	22,022,500
YORKSHIRE POWER	2/25/03	6.15	16,000,000	15,384,960
YORKSHIRE POWER	2/25/08	6.50	25,000,000	22,257,250
TOTAL CORPORATE OBLIGATIONS - DOMESTIC				\$ 4,750,671,740
CORPORATE OBLIGATIONS - CONVERTIBLE:				
SECURITY CAPITAL CONV SUB DEB	3/29/16	6.50	37,500,000	38,944,952

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
TOTAL CORPORATE OBLIGATIONS - CONVERTIBLE				\$ 38,944,952
CORPORATE OBLIGATIONS - YANKEE:				
ABBEY NATIONAL PLC	10/15/06	7.35	10,225,000	9,534,301
ABBEY NATL PLC	10/26/29	7.95	10,000,000	9,884,000
ABN-AMRO BNK NV (CHICAGO)	5/31/05	7.25	10,000,000	9,906,200
AEGON NV	8/15/06	8.00	12,840,000	12,740,362
APACHE FINANCE CANADA	12/15/29	7.75	26,000,000	25,461,800
BANK OF SCOTLAND 144A	11/20/07	7.00	10,000,000	9,818,500
CANADIAN NATL RR	5/15/03	6.63	7,000,000	6,793,150
CANADIAN NATL RR	3/15/04	7.00	35,500,000	34,551,085
CANADIAN NATIONAL RAILWAY CO	7/15/28	6.90	50,000,000	43,205,000
CANADIAN NATL RR 96-A A2	1/3/14	7.90	9,904,808	10,063,978
CERRO NEGRO FINANCE LTD	6/1/28	8.03	25,000,000	19,000,000
CIA DE TELECOMM CHILE	1/1/06	8.38	20,000,000	19,970,000
CODELCO INC	5/1/09	7.38	25,000,000	25,092,750
COMPANIA TELECOM CHILE	7/15/06	7.63	25,000,000	24,093,750
CORP ANDINA DE FOMENTO	3/1/17	7.79	23,000,000	22,688,580
CROWN CORK + SEAL FIN PLC	12/15/06	7.00	10,000,000	8,920,400
CROWN CORK + SEAL FIN SA	12/15/03	6.75	11,600,000	10,892,052
EDPERBRASCAN CORP	12/16/03	7.13	25,000,000	23,465,750
EMPRESA NACIONAL ELECTRI	7/15/08	7.75	15,000,000	13,988,550
ENDESA-CHILE OVERSEAS	4/1/06	7.20	10,000,000	9,327,200
ENERGY GROUP OVERSEAS BV	10/15/27	7.55	20,000,000	16,974,000
FLETCHER CHALLENGE CAP CAN	6/20/16	8.25	30,700,000	28,277,463
FLETCHER CHALLENGE LTD	3/24/05	6.75	16,750,000	15,437,805
FLETCHER CHALLENGE LTD	3/24/08	6.88	7,500,000	6,750,525
GLAXO WELLCOME	1/25/06	6.13	50,000,000	47,247,500
GRUMA SA DE CV	10/15/07	7.63	36,265,000	30,961,244
HYDER PLC	12/15/28	7.38	15,000,000	11,143,050
HYDRO QUEBEC	1/15/22	8.40	27,000,000	29,076,570
HYDRO-QUEBEC	2/1/13	8.00	16,000,000	16,639,680
HYDRO-QUEBEC	1/15/02	6.38	5,000,000	4,954,150
MANITOBA PROV CDA	1/15/18	9.13	9,000,000	10,474,560
MANITOBA PROV CDA	12/1/18	9.63	5,000,000	6,068,250
MERITA BANK	4/1/09	6.50	50,000,000	45,414,500
MONTREAL CITY OF	11/1/04	5.00	654,000	599,450
NATL WESTMINISTER BANK	10/16/07	7.75	8,190,000	7,851,262
NORSK HYDRO	11/15/25	7.15	15,000,000	13,476,150
NORSK HYDRO A/S	1/15/29	7.15	50,000,000	44,717,500

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
NORSK HYDRO A/S	1/15/09	6.36	50,000,000	45,511,500
NORSK HYDRO A/S	7/15/14	9.13	25,900,000	28,250,166
NORSK HYDRO A/S	7/15/04	8.40	9,000,000	9,164,700
NOVA SCOTIA PROV CDA	5/1/21	9.13	10,000,000	11,449,400
PDVSA FIN LTD	11/15/28	7.50	25,000,000	18,452,175
PDVSA FIN LTD	8/15/16	7.40	20,000,000	15,668,000
PETROLEOS MEXICANOS	9/15/07	8.85	15,000,000	14,550,000
PETROLEOS MEXICANOS 144A	3/30/05	8.38	20,000,000	19,241,380
PETROLEUM NASIONAL BERHAD	8/15/15	7.75	10,000,000	9,146,800
PETROLIUM NASIONAL BERHAD	7/1/03	6.88	15,000,000	14,540,100
PETROLIUM NASIONAL BERHAD	8/15/05	7.13	10,000,000	9,547,700
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	38,600,000	36,758,780
QUEBEC PROV CDA	7/15/23	7.50	17,500,000	17,251,500
QUEBEC PROVINCE CDA	1/19/05	8.63	39,000,000	41,096,250
RIO ALCOM LTD CDA	11/1/05	7.05	20,000,000	18,566,000
ROYAL BANK OF SCOTLAND	2/1/11	6.38	10,000,000	8,838,300
ROYAL BANK SCOTLAND PLC	4/1/09	6.40	35,000,000	31,777,550
ROYAL BK CDA NY BRH	10/24/11	6.75	25,000,000	23,687,000
ROYAL CARIBBEAN CRUISES	10/15/27	7.50	10,650,000	7,877,060
SASKATCHEWAN CDA	7/15/13	7.38	19,000,000	18,822,160
SKANDINAVISKA ENSKILDA 144A	3/29/49	7.50	4,000,000	3,572,120
SOCIEDAD QUIMICA 144A	9/15/06	7.70	6,115,000	5,817,114
SVENSKA HANDELSBANKEN	3/7/07	7.13	25,000,000	23,368,500
TRANS-CANADA PL	1/21/09	6.49	20,000,000	18,357,600
VENEZUELA	8/15/18	13.63	25,000,000	23,250,000
VODAFONE AIRTOUCH	2/15/05	7.63	40,000,000	40,029,200
VODAFONE AIRTOUCH	2/15/10	7.75	5,600,000	5,462,576
YPF SOCIEDAD ANONIMA	2/24/09	9.13	20,000,000	20,064,600
YPF SOCIEDAD ANONIMA	3/15/03	7.25	19,335,000	18,672,196
YPF SOCIEDAD ANONIMA GLOBAL	2/15/04	8.00	10,800,000	10,594,692
YPF SOCIEDAD ANONIMA SA	8/27/07	7.75	23,750,000	22,155,663
TOTAL CORPORATE OBLIGATIONS - YANKEE				\$ 1,277,001,848
CORPORATE OBLIGATIONS - FOREIGN:				
EMBOTELLADORA ARICA SA 144A	3/15/06	9.88	20,000,000	20,658,000
KIMBERLY-CLARK DE MEXICO	8/1/09	8.88	42,740,000	43,274,250
KOREA DEV BANK 144A	10/1/02	7.63	40,000,000	39,654,000
PEMEX FINANCE LTD 144A	8/15/09	9.69	50,000,000	51,900,500
PEMEX FINANCE LTD 144A	8/15/17	10.61	45,000,000	51,121,800

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
PEREZ COMPANC 144A	1/30/04	9.00	10,000,000	9,550,000
PEREZ COMPANC S.A. 144A	5/1/06	9.00	20,000,000	17,400,000
SKANDINAVISKA ENSKILDA	9/6/06	8.13	14,650,000	14,004,961
TOTAL CORPORATE OBLIGATIONS - FOREIGN				\$ 247,563,511
MUNICIPAL BONDS:				
WA ST HSG COMM 1998 4T	6/1/30	6.75	4,780,000	4,391,529
WA ST HSG COMM 1999 1T	6/1/30	6.45	2,960,000	2,662,106
WA ST HSG FIN COMM 2000 3T	12/1/31	8.60	7,000,000	7,032,760
WA ST HSG FINANCE COMM 1997 4T	6/1/29	7.07	6,860,000	6,465,756
WA ST HSG FIN COMM	12/1/27	7.82	2,145,000	2,134,876
TOTAL MUNICIPAL BONDS				\$ 22,687,026
VENTURE CAPITAL:				
ACCEL VIII LP			37,500	4,126,879
ADVENT VIII LP (TA)			126,172	17,210,807
APA EXCELSIOR V, LP			79,470	8,577,669
APAX EUROPE IV-A, LP			591,801	68,233,931
APEX INV FD III LP			44,366	5,911,755
APEX INV FUND IV			45,000	7,249,177
ASTORG II			103,886	8,502,064
AUSTIN VENTURES IV-B			129,207	54,085,879
AUSTIN VENTURES V, LP			120,457	33,925,172
AUSTIN VENTURES VI			190,193	35,112,183
AUSTIN VENTURES VII			166,836	16,166,839
BANC FUND IV TRUST			200,000	17,354,048
BANC FUND V TRUST			150,000	11,923,007
BATTERY VENTURES IV, LP			89,819	60,173,111
BATTERY VENTURES V, LP			103,354	18,485,007
BC EUROPEAN CAPITAL VI			173,523	15,315,930
BC EUROPEAN CAPITAL VII			56,688	5,751,300
BLACKROCK FUND INVESTORS III			35,807	6,152,854
BOSTON VENTURES LP, V			274,317	32,604,547
BRENTWOOD ASSOCIATES IV			75	33,706
CAPITAL RES LENDERS II, LP			1,049,765	15,249,691
CAPITAL RES LENDERS III, LP			240,222	25,341,746
CAPITAL RESOURCE PRTN IV, LP			202,193	19,431,755
CCP VI LP, NO 2.1			279,665	25,446,733

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CHL MEDICAL PARTNERS, LP			27,048	2,867,644
CINVEN CAPITAL PARTNERS, LP			261,728	38,392,973
CINVEN SECOND FUND			574,837	54,832,797
CLAYTON DUBILIER & RICE VI LP			430,293	38,804,438
CLAYTON, DUBILIER & RICE			393,933	33,094,934
CODE HENNESSY & SIMMONS II			74,500	7,957,825
CODE HENNESSY & SIMMONS III, LP			221,580	24,890,069
CODE HENNESSY & SIMMONS IV, LP			296,080	29,369,312
CONTRARIAN CAP FD II, LP			400,000	38,295,607
CORNERSTONE EQUITY INV IV			218,075	22,528,556
CYPRESS MERCHANT BK PART. LP			388,209	27,729,090
CYPRESS MRCHNT BKG PTNS II, LP			207,518	20,214,917
DOUGHTY HANSON & CO FUNDS II			22,072	2,522,223
DOUGHTY HANSON & CO III, LP			485,357	44,087,889
EDGEWATER PRIVATE EQ FD III			70,691	6,670,588
EL DORADO VENTURES IV, LP			88,946	24,981,222
ELDORADO VENTURES V LP			68,250	7,408,577
EQUITY-LINKED INVESTORS, L.P.			1	489,201
ESSEX WOODLANDS HEALTH IV, LP			53,103	13,056,168
EVERGREEN I, L.P. (HANCOCK)			113,676	30,994,796
EVERGREEN III, L.P. (HANCOCK)			72,057	1,058,084
FIRST RESERVE FUND VIII, LP			267,630	39,998,000
FORTRESS INVESTMENT FUND LLC			395,035	37,815,158
FRANCE PRIVATE EQUITY II			57,466	4,508,144
FRANCISCO PARTNERS LP			39,000	3,900,000
FRAZIER HEALTHCARE II LP			82,553	10,215,489
FRAZIER HEALTHCARE III			190,000	18,685,945
GEOCAPITAL EUROFUND, LP			54,000	6,571,602
GEOCAPITAL V, LP			65,000	7,893,990
GILBERT GLOBAL EQ PARTNERS, LP			522,388	50,644,320
GREAT HILL EQUITY PARTNERS LP			92,000	16,305,836
GREEN MOUNTAIN PARTNERS LP			210,178	21,081,231
GREEN MOUNTAIN PTNR'S II, LP			229,788	22,689,312
GRYPHON PARTNERS II, LP			29,504	2,166,090
GTCR CAPITAL PARTNERS LP			192,500	19,462,870
GTCR FUND VII, LP			93,826	8,596,297
HARBORVEST PRTRN VI, PARTNERS			309,951	36,713,777
HARBOURVEST INTL PRTRN III-DIR			391,077	45,712,310
HARBOURVEST INTL PTNR II-DIR			31,520	4,166,496
HARBOURVEST INTL PTNR II-PTNR			233,685	26,255,050

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
HARBOURVEST INTL PTNR III PTNR			168,000	16,059,026
HERITAGE FUND III, LP			62,696	5,470,227
INTERWEST PARTNERS VI			90,220	20,154,289
JOHN HANCOCK PARTNERS II			47,162	989,658
JOSEPH LITTLEJOHN & LEVY FD II			248,346	23,114,470
JOSEPH LITTLEJOHN LEVY FD III			838,711	77,643,330
KBEMF III LP			114,059	10,569,389
KPS SPECIAL SITUATIONS FUND, LP			28,780	2,393,782
MADISON DEARBORN CAP PTNS III			523,228	70,402,956
MATERIA VENTURES			1,779	864,963
MENLO EVERGREEN V, L.P.			94,017	2,914,233
MENLO VENTURE PARTNERS IV			80	9,479,748
MENLO VENTURES VI, LP			15,046	2,764,328
MENLO VENTURES VII			170,762	64,419,748
MENLO VENTURES VII, LP			53,626	20,613,317
MENLO VENTURES VIII LP			227,500	28,497,413
MORGAN STANLEY VEN PTN III			230,834	96,048,974
NORDIC CAPITAL FUND III			392,448	35,924,823
OAK INVESTMENT PARTNERS IX			208,320	21,575,070
OAK INVESTMENT PTNRS VIII, LP			176,568	42,272,300
OCM OPPORTUNITIES FD III, LP			500,000	50,050,000
OCM OPPORTUNITIES FUND II LP			750,000	83,379,000
OCM OPPORTUNITIES FUND LP			185,826	36,436,000
OLYMPIC VENTURE PARTNERS IV			47,381	15,451,098
OLYMPIC VENTURE PARTNERS V			41,250	4,255,616
OLYMPUS GROWTH FUND III, LP			62,031	6,070,675
ONELIBERTY VENTURES 2000 LP			7,546	723,387
PALAMON EUROPEAN EQUITY LP			96,177	9,202,244
PARAGON PARTNERS II			370,172	907,539
PHOENIX PARTNERS II			3,610	217,611
PHOENIX PARTNERS III			70,723	16,424,786
RICE PARTNERS II LP			237,628	23,354,108
RICHLAND VENTURES III, LP			67,500	7,480,882
RSTW PARTNERS III, LP			278,517	27,893,251
SILVER LAKE PARTNERS, LP			110,149	9,936,552
SOFTBANK TECH VENTURES VI			139,463	13,573,031
SPC PARTNERS II, LP			6,988	589,581
SPECTRUM EQ INV II, LP			81,262	28,914,236
SPECTRUM EQ INV II, LP			33,859	12,047,595
SPECTRUM EQUITY INV III, LP			158,172	25,277,889
SPECTRUM EQUITY INVESTORS IV			25,000	2,259,512

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SPECTRUM INVESTORS EQUITY IV			6,250	564,878
SPROUT CAPITAL VII LP			169,346	30,142,878
SPROUT CAPITAL VIII-LP			461,552	62,521,113
SWANDER PACE CAPITAL FUND LP			54,270	5,001,935
TECHNOLOGY CROSSOVER II Q LP			37,603	8,153,450
TECHNOLOGY CROSSOVER VENT III			88,716	18,555,959
TELECOM PARTNERS III, LP			240,266	30,281,862
THOMAS WEISEL CAPITAL PARTNERS			476,727	43,438,189
TPG PARTNERS III, LP			151,556	13,639,742
TSG CAPITAL FUND II LP			292,346	30,326,725
TSG CAPITAL FUND III LP			501,655	47,134,977
US VENTURE PARTNERS V, LP			98,280	38,152,687
US VENTURE PARTNERS VI LP			119,773	39,890,627
US VENTURE PARTNERS VII, LP			116,100	11,494,862
VANTAGEPOINT COMM PTRNS, LP			67,211	17,849,454
VANTAGEPOINT VEN PTNS III, LP			41,231	5,923,547
VANTAGEPOINT VENTURE PRINRS IV			12,500	1,150,979
VARDE SELECT FUND LP			160,000	15,496,440
VESTAR CAPITAL PARTNERS IV, LP			27,052	2,397,622
VESTAR CAPITAL PTNRS III, LP			132,560	16,286,476
VISION EXTENSION LP			27,500	7,195,038
WARBURG PINCUS EQ PTNR'S, LP			1,786,189	188,873,731
WARBURG PINCUS INTL PTNRS			100,000	10,068,945
WARBURG PINCUS VENTURES			838,087	218,319,671
WCAS CAPITAL PTNRS III, LP			600,000	87,395,690
WELSH CARSON ANDER. STOWE VIII			1,327,417	174,947,275
WORLDVIEW TECHNOLOGY PTNS I, LP			48,211	12,539,817
TOTAL VENTURE CAPITAL				\$ 3,430,355,822
LEVERAGED BUY-OUTS:				
ACCURIDE CORP, KKR 96			146,585	14,658,500
ALLIANCE IMAGING, INC KKR 96			639,810	63,980,999
AMPHENOL CORP, KKR 96			299,291	125,111,646
BIRCH TELECOM SER F, KKR 96			147,300	15,265,734
BORDEN (RJR NABISCO)			3,406,756	343,370,815
BOYDS COLLECTION, LTD KKR 96			201,359	34,780,741
BRISTOL WEST INS GR, KKR96			119,840	11,426,000
CAIS INTERNET INC KKR-96			135,710	13,571,000
CHANNEL ONE ASSOC LP KKR			75,042	44,534,655

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
DAW FOREST PRODUCTS CO.			83,200	-
DAYTON POWER & LIGHT CO KKR 96			451,220	45,122,000
DILLINGHAM HOLDING, INC.			2,622	-
EVENFLO, SPALDING HLDGS KKR96			382,020	34,638,986
FIELD PUBLICATIONS 87			84,250	32,352,000
FIRSTMARK COMMS-KKR EUROPEAN			121,830	12,182,998
FIRSTMARK COMMUNICATIONS-KKR96			20,890	2,089,000
FLEET/NORSTAR FINANCIAL GROUP			268,001	133,857,306
GILLETTE CO KKR 87 (DURACELL)			149,571	154,159,082
GOLF ASSOCIATES LP KKR87			31,030	9,557,240
INTERMEDIA COMM KKR-96			272,760	27,276,000
JWC ASSOCIATES, KKR 86			150,670	7,308,447
K-III HOLDINGS, INC 87			106,580	71,132,096
K-III PRIME CORPORATION 8			193,078	73,522,176
KLC ASSOCIATES LP, KKR 93			261,860	38,314,252
KSL RECREATION CORP. - KKR 96			143,340	19,379,568
MEDCATH INC KKR96			148,040	14,290,000
NEXSTAR FINANCIAL CORP, KKR96			53,570	5,357,000
NXS ASSOC LP, KKR 93			99,793	42,642,494
OWENS-ILLINOIS, INC. 86			204,630	42,644,810
PRIMEDIA INC COMMON STK KKR 96			282,050	48,418,583
PUBLISHING ASSOC. LP, KKR 87			115,740	28,645,650
RANDALLS FOOD MARKETS, KKR1996			1	-
RED LION INNS			100	-
REGAL CINEMAS INC, KKR 96			724,750	69,860,000
RESORT ASSOCIATES L.P.			256,850	79,109,800
RHINE REINSURANCE CO LTD KKR96			393,815	30,632,307
SHOPPERS DRUG MART KKR 96			383,310	38,331,324
STRATA ASSOCIATES LP KKR 93			655,010	27,201,397
TENOVIS GMBH-KKR 1996			33,600	3,360,000
TENOVIS GMBH-KKR EUROPEAN			142,820	14,282,000
TI GROUP PLC, KKR 96			150,870	12,295,548
WALTER INDUSTRIES KKR 93			104,896	8,976,862
WASSALL PLC KKR 96			64,330	6,433,000
WASELL PLC KKR EURO			273,640	27,364,000
WELSH,CARSON,ANDERSN,STOWE VII			362,587	64,948,450
WILLIS CORROON GRP PLC, KKR 96			385,090	42,196,000
WINCOR NIXDORF KKR-96			55,280	5,528,000
WINCOR NIXDORF KKR-EUROPEAN			235,920	23,592,000
WORLDCREST GROUP KKR 1996			22,780	2,278,000
ZHONE TECHNOLOGIES, INC KKR96			121,440	12,144,000

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
TOTAL LEVERAGED BUY-OUTS				<u>\$ 1,978,122,466</u>
REAL ESTATE EQUITY:				
AMERICA WEST I			77,430	-
AMERICA WEST II			98,510	3,554,232
CENTENNIAL LIMITED PARTNERSHIP			6	-
CHEROKEE INV PARTNERS II, LP			303,907	33,310,898
EUROPEAN INV PROP LIMITED			1,751,912	176,018,598
FORESTREE WASHINGTON LP			866,520	89,796,103
HA WTHORNE TIMBER LLC			3,000,000	315,568,599
HEARTHSTONE MSII-HIMBLDG INV			132,567	13,188,792
HEARTHSTONE-OLY HOMEBLDG. LLC			144,235	15,958,527
HOMETOWN AMERICA, LLC			262,597	29,463,200
ING REALTY PARTNERS LP			826,742	84,221,158
JER REAL ESTATE ADVISORS, LP			996,878	118,511,593
LONE STAR FUND II			1,769,425	183,854,664
LONE STAR OPPORTUNITY FD LP			298,002	31,459,567
LOWE NORTHWEST INV PROP LLC			2,396,062	278,275,552
MEZZANINE CAPITAL PROP INV INC			800,000	93,672,392
MORGAN STAN SPEC SITUATIONS LP			696,094	52,482,681
MSREF III INTL-TE			912,303	97,248,943
OLYMPIA PROPERTIES LLC			4,827,765	516,645,136
PACTRUST REALTY ASSOC L.P.			773,154	257,392,099
PACTRUST/WISB-LLC			5,481,806	250,939,531
PRINCIPAL ENTERPRISE CAPITAL I			1,205,820	121,765,444
RREEF REAL ESTATE EQUITY FD			5,000	-
SENTINEL REAL ESTATE FUND			200,000	24,524,809
UNION SQUARE LP			2,489,732	347,343,382
TOTAL REAL ESTATE EQUITY				<u>\$ 3,135,195,900</u>
CORPORATE STOCK - DOMESTIC:				
ALTEON WEBSYSTEMS INC			5,222	522,526
ARIBA, INC			86,192	8,450,856
CENSTOR CORP			169,489	-
CENSTOR CORP SERIES A PFD			42,914	-
CENSTOR CORP SERIES B PFD			22,150	-
COPPER MOUNTAIN NETWORKS, INC			7,389	651,156
EMUSIC.COM INC			54,200	128,996

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
INTERNET CAPITAL GROUP			34,953	1,293,960
INTERNET PICTURES CORP			14,963	226,390
IVILLAGE INC			20,919	176,556
METASOLV SOFTWARE INC			57,502	2,530,088
NBC INTERNET INC			5,936	74,200
PER-SE TECHNOLOGIES INC			5,017	47,034
SECURITY CAPITAL GROUP CLASS A			45,820	27,247,500
SECURITY CAPITAL GROUP CLASS B			150,000	2,550,000
TUT SYSTEMS			6,038	346,430
WATCHGUARD			20,494	1,125,889
WIRELESS FACILITIES INC			51,554	2,626,032
TOTAL CORPORATE STOCK - DOMESTIC				\$ 47,997,614
CORPORATE STOCK - FOREIGN:				
ABB AG			113,676	13,649,663
ABB AG			6,290	732,936
ABBNEY NATIONAL			763,100	9,126,526
ABITIBI CONSOLIDATED INC			188,400	1,766,250
ABN AMRO HLDGS NV			247,441	6,086,403
ACCOR			58,000	2,386,829
ADVA AG ORD SHS			7,470	4,260,592
AEGIS GROUP			998,623	2,940,479
AEGON NV			59,442	2,123,661
AHOLD (KON) NV			355,176	10,496,622
AIR LIQUIDE(L)			18,464	2,417,736
AIXTRON			24,200	3,340,491
AKZO NOBEL NV			241,009	10,280,771
ALCATEL			729,200	48,021,511
ALLEANZA ASSICURAZ			243,600	3,257,496
ALLIANCE AND LEI PLC			398,500	3,468,911
ALLIANZ AG			53,028	19,316,181
ALSTOM			78,000	2,116,737
ALTADIS SA			653,400	10,077,843
AMCOR LIMITED			3,810,100	13,362,230
AMDOCS LIMITED			67,400	5,172,950
ANDERSON EXPL LTD			99,300	1,802,810
ARES SERONO SA			12,408	10,377,740
ARM HLDGS			512,300	5,491,039
ASATSU CORP			180,600	7,425,320

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
ASM LITHOGRAPHY HLDG N V			434,180	19,158,193
ASR VERZEKERINGSGR			31,785	1,654,453
ASSOCIATED BRITISH FOODS PLC			987,000	6,813,636
AT + T CDA INC			407,600	13,527,225
AUDIOFINA			2,800	362,347
AUDIOFINA			11,000	1,412,960
AUTOGRILL SPA			353,300	3,782,938
AUTONOMY COPORATION PLC EASDA			20,520	2,482,920
AUTOSTRADE SPA			295,900	2,223,788
AVENTIS SA			52,000	3,810,775
AVENTIS SA			221,288	15,930,530
AXA UAP			187,769	29,698,893
BAER HLDGS AG ORD			3,316	13,153,349
BALLARD PWR SYS INC			25,300	2,272,256
BANGKOK BANK			1,076,000	1,316,754
BANK N S HALIFAX			166,990	4,091,152
BANPU CO			906,600	439,158
BANQUE NATIONAL DE			120,030	11,597,991
BANYU PHARM			195,000	4,782,777
BASS			1,568,152	17,638,998
BAYER AG DEM5			421,000	16,465,491
BAYER VEREINSBK			386,710	25,244,393
BAYERISCHE MOTOREN WERKE AG			281,608	8,530,304
BBVA (BILB VIZ ARG)			1,370,580	20,561,328
BCA INTESA SPA			475,400	2,137,295
BCE INC			51,368	1,216,881
BCE INC			221,600	5,276,850
BCO SANT CENT HISP			1,961,200	20,773,831
BG GROUP			4,078,595	26,365,462
BILLITON			643,200	2,619,360
BIOVAIL CORP			58,400	3,237,550
BIPOP CARIRE			820,470	6,480,706
BK OF IRELAND			647,400	4,067,971
BLUE CIRCLE ORD			2,360,000	15,238,000
BOC GROUP			870,872	12,524,917
BOMBARDIER INC			87,800	2,382,150
BOOTS CO.			3,128,139	23,820,505
BOUYGUES			24,238	16,263,995
BP AMOCO			3,360,705	32,256,451
BRAMBLES INDS LTD			66,000	2,034,330
BRITISH AEROSPACE			511,563	3,190,754

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
BRITISH AIRWAYS			3,403,500	19,579,711
BRITISH TELECOM			576,675	7,455,657
BULGARI SPA			195,300	2,620,974
CABLE + WIRELESS OPTUS			1,502,100	4,491,419
CABLE AND WIRELESS			1,758,917	29,796,988
CANON INC			703,496	35,107,807
CARLTON COMMUNCTNS			1,100,583	14,162,459
CARREFOUR			166,450	11,424,291
CARSO GLOBAL TELEC			963,856	2,751,584
CARTER HOLT HARVEY			6,579,000	5,729,625
CELANESE AG			1	19
CELLTECH GROUP			353,830	6,856,485
CENTRICA			2,402,920	8,021,301
CENTROS COMERCIALE			194,100	2,789,071
CHARLES VOGELE HLD			36,400	7,185,691
CHARTERED SEMI CONDUCTORS			695,000	6,069,771
CHECK POINT SOFTWARE TECH LT			42,400	8,978,200
CHEUNG KONG(HOLDS)			842,000	9,316,510
CHINA TELECOM			5,401,400	47,638,830
CIE DE ST GOBAIN			107,000	14,523,773
CIFRA SA DE CV			1,700,200	3,990,031
CLARIANT			10,914	4,067,417
CLASS EDITORE			113,100	1,663,108
CLEARNET COMMUNICATIONS INC			210,300	5,839,111
CLP HOLDINGS			917,500	4,272,625
CLUB MEDITERRANEE			62,200	8,460,679
CMNWLTH BK OF AUST			218,329	3,629,859
CMNWLTH BK OF AUST			350,091	5,591,366
COGNOS INC			122,358	5,062,562
COLT TELECOM GROUP			205,620	6,848,335
COMPASS GROUP			288,700	3,804,631
CONTACT ENERGY			695,000	932,447
CONTINENTAL AG			284,000	4,764,187
CORUS ENTMT INC			136,633	3,642,514
CREDITO ITALIANO			1,068,000	5,129,103
CRH			418,821	7,587,919
CSL LIMITED			202,429	4,015,156
CSR LIMITED			5,990,100	16,688,120
DAIKIN KOGYO CO			127,000	2,958,890
DAIWA SECURITIES			1,395,400	18,464,387
DANONE			54,844	7,307,627

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
DBS GROUP HLDGS			659,482	8,467,719
DE VERE GROUP			174,500	813,660
DEUTSCHE BANK AG			184,130	15,250,031
DEXIA (EX DEXIA BEL			45,181	2,166
DEXIA (EX DEXIA BEL NPV			23,181	3,555,368
DIAGEO			1,060,166	9,517,557
DRESDNER BANK AG			192,700	8,016,852
EISAI CO			828,000	26,608,317
ELAN CORP			124,355	5,823,180
ELAN PLC ADR			64,100	3,104,844
ELECTRABEL NPV			55,400	13,749,099
ELECTRICITY GENRTG			1,299,500	1,391,479
ELSEVIER NV			1,750,810	21,297,718
EM TV MERCHANDISIN			57,900	3,424,492
EMAP			182,400	2,935,317
EMBRATEL PARTICIPACOES S A			177,700	4,198,163
EMI GROUP			570,245	5,179,760
ENDEMANN INTERNAT			6,895	327,169
ENDESA S.A.			251,600	4,893,562
ENERGIS PLC			85,020	3,189,476
ENI (ENTE NAZION-			1,918,400	11,125,690
EPCOS			111,500	11,265,433
EQUANT NV			61,500	2,509,049
ERICSSON (LM) TEL			1,975,182	39,297,693
ERICSSON LM TEL			393,600	7,872,000
EUROPOLITAN HLDGS			125,600	1,568,080
FANUC CO.			42,500	4,334,296
FERNZ CORP			463,900	917,209
FINMECCANICA SA			2,641,000	3,645,552
FLETCHER CHALLENGE - BLDG			1,096,088	1,166,134
FLETCHER CHALLENGE LTD			588,300	1,924,767
FLEXTRONICS INTERNATIONAL			40,800	2,802,450
FOCUS SYSTEMS CORP			48,500	1,961,976
FOMENTO ECONOMICO MEXICANO			105,200	4,530,175
FORTIS B			68,300	1,995,575
FOSTERS BREWING GR			7,717,400	21,778,313
FRANCE TELECOM			52,802	7,410,097
FRASER & NEAVE			255,200	907,750
FUJI TELEVISION NETWORK INC			92	1,443,458
FUJISAWA PHARM CO			31,600	1,281,305
FUJITSU			1,258,482	43,653,716

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FUNAI ELEC			37,000	5,798,216
FUNAI ELECTRIC CO			18,500	3,087,952
FURUKAWA ELECTRIC			441,000	9,232,525
GEBERIT			6,175	2,069,644
GIVAUDAN AG			936	285,797
GKN			1,359,000	17,343,788
GLAXO WELLCOME			1,639,210	47,820,404
GLOBAL TELESYSTEMS GROUP INC			494,200	5,961,288
GRANADA GROUP			2,240,560	22,387,080
GREAT UNIVERSAL			3,148,600	20,258,317
GRUPO IUSACELL SA DE CV NEW			27,300	426,563
GRUPO PRISA SA ORD SHS			12,000	279,525
GRUPO TELEVISION SA DE CV			39,957	2,754,536
GUCCI GROUP NV			140,820	13,342,695
H & CB			9,902	229,190
HALIFAX GROUP			1,654,100	15,876,251
HANG SENG BANK			445,000	4,224,485
HAVAS ADVERTISING			250,920	5,760,673
HEINEKEN NV			55,500	3,391,608
HELSINGIN PUHELIN			82,300	8,094,306
HITACHI ORD			1,979,000	28,618,402
HON HAI PRECISION IND LTD			105,900	2,647,500
HONDA MOTOR CO.			6,540	223,148
HONG KONG & CHINA GAS			128,000	143,681
HONG KONG ELECTRIC			4,459,500	14,359,586
HSBC HLDGS			747,243	8,531,667
HUTCHISON WHAMPOA			524,470	6,593,694
I+I AG			5,318	655,064
IBERDROLA SA			1,375,470	17,799,890
IFIL(IST FIN ITAL			313,000	2,610,334
IND BANK OF JAPAN			510,000	3,875,559
INFINEON TECHNOLOGIES AG ORD N			47,000	3,739,456
ING GROEP NV			637,004	43,232,250
INTERSHOP COMMUNICATIONS AG			8,400	3,808,666
INVESTOR AB			695,359	9,553,459
JAPAN AIR LINES			606,000	2,308,266
JARDINE MATHESON			1,548,800	6,783,744
KA WASAKI STEEL CRP			2,552,000	3,666,337
KDD			22	2,225
KEPPEL TATLEE BANK			484,000	823,006
KINGFISHER			625,500	5,695,868

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
KON KPN NV			237,810	10,680,022
KONINKLIJKE PHILIPS ELECTRS NV			130,900	6,217,750
KOREA ELEC POWER			101,150	3,138,858
KOREA TELECOM			235,730	11,403,439
KYOCERA CORP.			58,700	9,981,077
LAFARGE			64,905	5,064,481
LAGARDERE S.C.A.			102,589	7,867,255
LEGAL & GENERAL GP			2,626,000	6,142,146
LEND LEASE CORP.			135,839	1,737,891
LERNOUT + HAUSPIE SPEECH PRODS			39,200	1,727,250
LLOYDS TSB GROUP			1,835,800	17,342,308
LOGICA			128,800	3,049,647
LUFTHANSA AG			209,009	4,908,666
LVMH MOET-			29,325	12,140,977
LYONNAIS DES EAUX			39,650	6,974,478
MAGNA INTL INC			40,200	1,886,999
MARCONI			371,300	4,834,152
MARKS & SPENCER			1,340,000	4,711,481
MATSUSHITA COMMUN			59,689	6,984,303
MATSUSHITA ELEC IND			1,035,382	26,911,720
MEDIASET			675,208	10,355,951
MISYS			273,800	2,312,941
MITSUBISHI ELEC CORP			444,000	4,817,625
mitsui FUDOSAN CO			216,000	2,347,793
MUNCHENER RUCKVERS			39,400	12,557,995
MURATA MANUFACTNG			4,153	597,427
NATL AUSTRALIAN BK			2,226,494	37,294,944
NEC CORP.			1,582,365	49,803,407
NESTLE CHAM AND			11,568	23,227,559
NETCOM AB			67,829	5,034,553
NEW WORLD DEVEL			466	520
NEWS CORP LTD			251,800	13,723,100
NEWS CORP.			641,750	8,862,354
NICHIDO FIRE + MAR			1,312,000	7,192,336
NIHON UNISYS			75,600	1,532,700
NIKKO SECURITIES			1,999,000	19,838,565
NINTENDO CO			22,800	3,991,021
NIPPON SHEET GLASS			309,000	4,304,910
NIPPON TEL&TEL CO			2,863	38,154,750
NIPPON TV NETWORK			6,340	4,134,724
NIPPON TV NETWORK			11,690	7,645,903

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
NOKIA (AB) OY			1,132,570	58,029,013
NOKIA CORP ADR			258,000	12,883,875
NOMURA SECURITIES			836,000	20,504,623
NORDBANKEN HOLDING			378,200	2,867,528
NORTEL NETWORKS CORP			490,490	33,475,943
NORTEL NETWORKS CORP			240,681	16,682,486
NORTHERN ROCK			432,500	2,226,189
NOVARTIS AG			6,776	10,767,825
NIL INC			119,600	7,161,050
NTT MOBILE COMMUNI			1,056	28,645,339
O/SEAS CHINESE BK			1,757,050	12,093,211
OCE NV			141,462	2,325,607
OIL CO LUKOIL			29,700	1,529,550
OLIVETTI SPA			1,612,900	5,890,672
OPEN TEXT CORP			36,100	776,150
ORICA LTD			1,261,000	5,737,531
P4 RADIO HELE NORG			99,000	544,372
PACIFIC CENTURY			961,000	1,898,568
PAPERLINX			1,270,034	2,417,297
PEARSON			88,200	2,804,044
PETROCHINA CO			9,510,000	1,976,412
PETROLEO BRASILEIRO SA PETRO			98,100	2,979,788
PHARMACIA CORP			108,358	5,600,754
PHILIPS ELEC(KON)			520,868	24,665,337
PIONEER ELECTRONIC			117,000	4,567,137
POHANG IRON & STEEL CO			1,730	146,780
POHANG IRON + STEEL LTD			84,800	2,035,200
PORSCHE AG			1,914	5,229,007
PORTUGAL TELECOM			156,800	1,767,607
POWERGEN			1,608,000	13,754,076
PRECISION DRILLING CORP			71,700	2,769,413
PROMISE CO ORD			119,000	9,425,386
PROSIEBEN MEDIA AG			73,067	9,175,400
PRUDENTIAL CORP.			422,190	6,187,002
PUBLICIS			8,278	3,261,367
QBE INS GROUP			1,203,197	5,903,648
QIAGEN NV			24,500	4,274,348
QIAGEN NV			10,080	1,753,920
QLT PHOTOTHERAPEUTICS			48,500	3,749,656
RANDSTAD HLDGS NV			44,900	1,667,825
RECKITT & COLMAN			317,000	3,551,305

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
RENTOKIL INITIAL			3,159,000	7,173,611
REUTERS GROUP			135,467	2,311,290
REUTERS GROUP PLC			32,400	3,237,975
RHODIA			85,900	1,449,233
RICHEMONT(CIE FIN)			4,910	13,270,964
RIO TINTO ZIMC			732,500	11,976,456
ROCHE HOLDINGS AG			936	9,140,889
ROGERS COMMUNICATIONS INC			94,300	2,669,883
ROHM COMPANY			5,261	1,541,481
ROLLS-ROYCE			730,474	2,593,251
ROYAL BANK OF SCOT			514,100	8,607,949
ROYAL DUTCH PETROL			461,100	28,774,549
ROYAL+SUN ALLIANCE			627,500	4,075,379
RWE AG			440,300	14,856,748
RYOHIN KEIKAKU CO			39,200	5,001,819
SAATCHI + SAATCHI			1,009,800	6,489,481
SAINSBURY(J)			364,000	1,653,178
SAMSUNG ELECTRONIC			54,850	18,152,344
SAMSUNG ELECTRS			93,500	8,543,563
SANDVIK AB			121,816	2,569,452
SANLAM			6,001,000	7,089,913
SANOFI SYNTHELABO			210,721	10,079,542
SANTA FE INTERNATIONAL CORP			59,000	2,061,313
SAP AKTIENGESELLSCHAFT			8,400	394,275
SASOL			978,800	6,568,862
SCHLUMBERGER LTD			43,200	3,223,800
SCHNEIDER SA			85,800	6,004,026
SCHRODERS			162,300	2,918,985
SCHW RUCKVERSICHER			7,269	14,863,751
SCOT + SOUTHERN EN			723,000	6,632,967
SCOT POWER			714,441	6,056,913
SEAGRAM LTD			59,700	3,462,600
SEBACORP MARINE			3,672,000	1,380,469
SHARP CORP ORD			100	1,772
SHELL TRNSPT&TRDG			5,504,054	45,954,192
SHIN-ETSU CHEMICAL			162,206	8,248,165
SHISEIDO CO.			300,000	4,650,217
SIEBE			1,554,349	5,835,756
SIEMENS AG NPV (REGD)			263,960	39,852,090
SINGAPORE AIRLINES			258,900	2,560,582
SINGAPORE PRESS HD			255,816	3,994,864

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SINGAPORE TELECOMM			2,817,000	4,122,094
SK TELECOM LTD			454,080	16,488,780
SKANDIA FORSAKRING			471,300	12,520,390
SKF AB			66,840	1,066,913
SMH AG NEUENBURG CHF50(BR)			5,075	6,473,019
SMH NEUNBURG AG			5,670	1,483,695
SMITH & NEPHEW			1,988,000	7,343,501
SMITHS INDUSTRIES			134,156	1,746,648
SOC GENERALE			467,100	28,208,685
SODEXHO ALLIANCE			15,400	2,804,831
SOFTBANK CORPORATION			69,600	9,472,833
SOFTWARE AG DARMST			49,100	4,541,938
SONERA YHTYMA OYJ			256,895	11,758,758
SONY CORP			12,000	1,131,750
SONY CORP.			259,300	24,263,076
SPIR			9,217	694,456
ST MICRO ELECTRONICS N V			435,270	27,938,893
STORA ENSO OYJ			217,847	1,994,286
SUMITOMO CORP.			692,400	7,807,386
SUN LIFE FINL SVCS INC			234,100	3,942,035
SUNCOR ENERGY INC			67,400	1,555,731
SVENSKA HANDELSBANKEN SERIES A			394,470	5,756,897
SYNTHES STRATEC			4,630	2,118,439
TAB CORP HLDGS LTD			749,430	4,319,741
TAKEDA CHEMICAL			122,000	8,025,595
TAKEFUJI CORP			47,153	5,709,084
TDK CORP			500	72,022
TELE DANMARK A/S			50,000	3,379,528
TELE NORTE LESTE PARTICIPACOES			92,145	2,176,929
TELE SUDESTE CELULAR PARTICIPA			5,700	173,850
TELECOM CORP OF NZ			5,495,500	19,273,388
TELECOMASIA			1,204,900	1,336,261
TELECOMUNICACOES BRASILEIRAS			52,600	5,108,775
TELECOMUNICACOES DE SAO PAULO			111,700	2,066,450
TELEFONICA CA			2,108,089	45,467,794
TELEFONOS DE MEXICO S A			335,187	19,147,557
TELLA			270,600	2,560,769
TELSTRA CORP			866,879	3,528,934
TESCO			4,023,306	12,516,757
TEVA PHARMACEUTICAL INDS LTD			101,100	5,604,731
TF1 TV FRANCAISE			347,630	24,326,102

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
TI GROUP ORD 25P			67,600	368,422
TOHO CO. Y500			14,500	2,475,107
TOKYO BROADCASTING			211,000	9,133,896
TOMKINS			2,119,227	6,889,815
TOSHIBA CORP			835,575	9,453,394
TOTAL SA SER B ORD			607,784	93,567,974
TOYO INFORMATION			63,900	3,557,331
TREND MICRO INC			12,500	2,067,551
UBS AG			92,700	13,625,101
UNILEVER			928,785	5,624,347
UNIOLOG SA			32,178	3,143,154
UNITED O/SEAS BANK			915,187	5,981,345
UNITED UTILITIES			658,039	6,515,178
UNITEDGLOBALCOM			216,600	10,126,050
UTFORS AB			34,000	755,924
VALEO			53,852	2,890,828
VENTURE MANUFACT			21,000	213,768
VITASOY INTL			1,628,000	323,719
VIVENDI			141,200	12,513,363
VNU N.V.			203,770	10,567,443
VODAFONE GROUP			15,279,726	61,762,343
WEST JAPAN RAILWAY			4,512	18,337,735
WHARF(HLDGS)			3,645,000	6,523,096
WILLIAMS			270,500	1,576,612
WING LUNG BANK			323,700	1,071,382
WOLTERS KLUWER			405,187	10,836,577
WOODSIDE PETROLEUM			469,000	3,660,763
WPP GROUP			636,463	9,298,168
YAHOO JAPAN CORP			18	7,153,962
YAMATO TRANSPORT			101,000	2,515,418
ZARDOYA OTIS			178,100	1,584,325
ZENECA GROUP PLC			220,502	10,298,279
ZURICH ALLIED AG			21,806	10,808,692
TOTAL CORPORATE STOCK - FOREIGN				\$ 3,431,305,998
COMMINGLED INDEX FUNDS - DOMESTIC:				
BGI US EQUITY MKT			266,995,363	17,913,802,290
TOTAL COMMINGLED INDEX FUNDS - DOMESTIC				\$ 17,913,802,290

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
COMMINGLED INDEX FUNDS - FOREIGN:				
ARGENTINA EMERGING MKTS INDEX			651,753	6,168,195
BRAZIL EMERGING			685,536	16,552,944
CHILE EMERGING MKTS INDEX			832,466	6,300,102
CHINA EMERGING			697,670	6,396,236
COLUMBIA EMERGING MKTS INDEX			228,835	736,391
CZECH REPUBLIC			189,358	1,646,656
EGYPT EMERGING MKTS INDEX			232,526	1,308,189
FOREIGN COLONIAL EM MKT GP TR			10,736,626	123,592,596
GENESIS EMERGING			1,078,770	182,197,177
GMO TR			11,194,506	113,848,130
GREECE EMERGING			327,979	8,967,261
HONG KONG COMMON			1,106,901	71,154,945
HUNGARY EMERGING			51,888	1,218,539
INDIA EMERGING MKTS INDEX			824,349	5,525,608
INDONESIA EMERGING			1,294,991	5,028,451
ISRAEL EMERGING MARKETS			435,514	6,402,049
JORDAN EMERGING			129,056	915,912
KOREA EMERGING MKTS			1,962,089	15,930,203
MALAYSIA EMG MKTS CTF			1,107,704	5,393,409
MEXICO EMERGING MKTS INDEX			1,021,167	16,361,135
MOROCCO EMERGING MARKETS			214,626	2,360,671
MSCI - AUSTRALIA			3,484,295	94,389,542
MSCI - AUSTRIA			381,048	7,682,693
MSCI - BELGIUM INDEX FUND			742,188	28,972,783
MSCI - CANADA			5,121,385	182,592,734
MSCI - DENMARK			548,380	28,855,754
MSCI - FINLAND			791,019	108,523,912
MSCI - FRANCE			6,074,452	400,421,793
MSCI - GERMANY			5,442,735	299,236,109
MSCI - IRELAND			563,196	13,254,810
MSCI - ITALY			4,925,162	154,866,798
MSCI - JAPAN			87,717,306	932,171,808
MSCI - NETHERLANDS			2,505,163	188,503,462
MSCI - NEW ZEALAND			399,268	5,187,289
MSCI - NORWAY			557,791	14,736,837
MSCI - PORTUGAL			1,371,636	16,817,631
MSCI - SINGAPORE			1,062,930	30,075,611
MSCI - SPAIN			2,752,021	93,857,669
MSCI - SWEDEN			1,155,036	109,003,017

WASHINGTON STATE INVESTMENT BOARD

Retirement Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
MSCI - SWITZERLAND			3,571,200	201,965,624
MSCI - UNITED KINGDOM			15,256,254	679,025,369
PAKISTAN EMERGING MKTS INDEX			400,199	1,194,193
PERU EMERGING MKTS INDEX			207,778	1,715,419
PHILIPPINES EMERGING MKTS INDX			2,260,243	5,881,152
POLAND EMERGING MKTS INDEX			109,267	1,395,672
PUTNAM INTL SMALL CAP TRANS FD			3,536,936	71,835,172
RUSSIA EMERGING MARKETS INDEX			160,726	1,154,176
SCHRODER EMERGING			50,871	126,826,998
SLOVAK REPUBLIC EMERGING MKT			217,175	616,560
SOUTH AFRICA IFC			2,342,396	16,581,823
SRILANKA EMERGING			356,163	1,137,940
TAIWAN EMERGING MKTS INDEX			750,487	15,110,309
THAILAND EMERGING MKTS INDEX			3,664,227	5,631,917
TURKEY EMERGING			533,350	12,725,186
VENEZUELA EMERGING MKTS INDEX			211,399	1,880,184
ZIMBABWE EMERGING MKTS INDEX			223,245	1,918,117
TOTAL COMMINGLED INDEX FUNDS - FOREIGN				\$ 4,453,750,861
TOTAL MARKET VALUE OF RETIREMENT FUND INVESTMENTS				\$ 46,505,089,738

INDUSTRIAL INSURANCE FUNDS

- Notes to Financial Statements
- Statement of Investments
- Statement of Changes in Investment Balances
- Schedule of Investments

Washington State Investment Board

Industrial Insurance Funds

Notes to Financial Statements
June 30, 2000

Note 1: Significant Accounting Policies

Industrial Insurance (Labor & Industries) funds are enterprise funds for financial reporting purposes. Enterprise funds use the full accrual basis of accounting where revenues are recorded in the period earned and expenditures in the period incurred.

Investments are reported at fair market value, with the exception of short-term investments, which are reported at cost.

Interest and dividend income is accrued when earned. Capital gains and losses are recognized on a trade date basis. Purchases and sales of investments are also recorded on a trade date basis.

Unrealized gains and losses are included as investment earnings on the Statement of Changes in Investment Balance.

The WSIB reports collateral received under securities lending agreements where the state has the ability to spend, pledge or sell the collateral without borrower default. Liabilities resulting from these transactions are also reported. Additionally, costs associated with securities lending transactions, including broker commissions paid, are reported as investment management expenses in the accompanying statements. The Schedule of Investments and Statement of Investments do not include detailed holdings of securities lending collateral by investment classification.

WASHINGTON STATE INVESTMENT BOARD
INDUSTRIAL INSURANCE FUNDS
Statement of Investments - Unaudited
June 30, 2000

	ACCIDENT FUND	MEDICAL AID FUND	ACCIDENT RESERVE FUND	SUPPLEMENTAL PENSION FUND	TOTAL	PERCENT OF TOTAL
FIXED INCOME INVESTMENTS:						
Short-Term (Cash)	\$ 123,420,126	\$ 24,779,890	\$ 18,630,162	\$ 3,144,364	\$ 169,974,542	2.0%
US Government Securities	486,606,403	245,419,026	273,074,814	14,582,850	1,019,683,093	12.0%
Mortgages and Mortgage Backed Securities	630,209,153	661,794,986	106,883,670	14,827,772	1,413,715,581	16.7%
Asset Backed Securities	58,354,392	103,587,580	14,016,163	7,178,310	183,136,445	2.2%
Corporate Obligations	1,833,131,829	1,461,467,410	936,447,286	53,171,313	4,284,217,838	50.6%
Total Fixed Income Investments	\$ 3,131,721,903	\$ 2,497,048,892	\$ 1,349,052,094	\$ 92,904,609	\$ 7,070,727,498	83.5%
EQUITY INVESTMENTS:						
Commingled Index Funds	\$ 538,456,574	\$ 857,272,920	\$ -	\$ -	\$ 1,395,729,494	16.5%
Total Equity Investments	\$ 538,456,574	\$ 857,272,920	\$ -	\$ -	\$ 1,395,729,494	16.5%
Total Equity and Fixed Income Investments	\$ 3,670,178,477	\$ 3,354,321,812	\$ 1,349,052,094	\$ 92,904,609	\$ 8,466,456,992	100.0%
ACCRUALS:						
Accrued Investment Income Receivable	\$ 52,982,932	\$ 35,510,007	\$ 26,642,687	\$ 1,784,127		
Accrued Management Fees Payable	(5,102,465)	(2,464,281)	(2,003,641)	(33,485)		
Payable for Investments Purchased	(29,979,300)	-	(14,989,650)	-		
Receivable for Investments Sold	5,032,500	-	26,415	-		
Collateral Held Under Securities Lending Agreements	237,234,353	162,232,980	84,078,825	1,503,500		
Obligations Under Securities Lending Agreements	(237,234,353)	(162,232,980)	(84,078,825)	(1,503,500)		
Total Accruals	\$ 22,933,668	\$ 33,045,726	\$ 9,675,810	\$ 1,750,642		
Total Market Value of Investments, June 30, 2000	\$ 3,693,112,145	\$ 3,387,367,538	\$ 1,358,727,904	\$ 94,655,251		

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
INDUSTRIAL INSURANCE FUNDS
Statement of Changes in Investment Balances - Unaudited
Fiscal Year Ended June 30, 2000

	ACCIDENT FUND	MEDICAL AID FUND	ACCIDENT RESERVE FUND	SUPPLEMENTAL PENSION FUND	TOTAL
Market Value of Investments, June 30, 1999	\$ 3,625,223,663	\$ 3,341,006,563	\$ 1,317,576,021	\$ 110,242,296	\$ 8,394,048,543
Net Amount Contributed (Withdrawn)	\$ (155,770,624)	\$ (141,840,701)	\$ 1,708,624	\$ (19,791,954)	\$ (315,694,656)
INVESTMENT EARNINGS:					
Interest, Dividends and Other Investment Income	\$ 247,459,344	\$ 181,088,615	\$ 103,123,199	\$ 7,025,436	\$ 538,696,594
Capital Gains	57,550,291	85,549,576	1,667,643	244,592	145,012,102
Capital Losses	(53,646,424)	(72,356,228)	(4,868,051)	(523,253)	(131,393,957)
Market Gains & Losses (Unrealized)	(72,675,523)	1,061,305	(39,689,183)	(2,441,765)	(113,745,166)
Investment Expenses	(15,742,688)	(6,837,926)	(5,613,585)	(90,741)	(28,306,939)
WSIB Operating Costs	(307,791)	(283,666)	(111,866)	(9,360)	(712,683)
<i>Net Investment Earnings</i>	<u>\$ 162,637,208</u>	<u>\$ 188,201,676</u>	<u>\$ 54,506,157</u>	<u>\$ 4,204,909</u>	<u>\$ 409,549,950</u>
OTHER CHANGES IN FUND BALANCE:					
Residual Equity Transfers	\$ 61,021,898		\$ (15,062,898)		\$ 45,959,000
<i>Net Other Changes in Fund Balance</i>	\$ 61,021,898		\$ (15,062,898)		\$ 45,959,000
Market Value of Investments, June 30, 2000	<u>\$ 3,693,112,145</u>	<u>\$ 3,387,367,538</u>	<u>\$ 1,358,727,904</u>	<u>\$ 94,655,251</u>	<u>\$ 8,533,862,838</u>

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			123,420,126	<u>\$ 123,420,126</u>
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY	5/15/08	5.63	30,000,000	28,940,700
U.S.A. TREASURY NOTE	11/15/12	10.38	6,100,000	7,503,000
U.S.A. TREASURY NOTE	5/15/16	7.25	9,140,000	10,058,296
U.S.A. TREASURY NOTE	11/15/16	7.50	98,720,000	111,322,595
U.S.A. TREASURY NOTE	5/15/17	8.75	26,200,000	32,962,744
U.S.A. TREASURY NOTE	2/15/20	8.50	16,850,000	21,109,849
U.S.A. TREASURY NOTE	2/15/21	7.88	16,900,000	20,092,579
US TREASURY BOND	2/15/27	6.63	110,000,000	116,651,700
<i>TOTAL US TREASURIES</i>				<u>\$ 348,641,463</u>
AGENCIES				
FHLB	2/25/04	9.50	4,500,000	4,840,290
FNMA	10/9/19		35,000,000	9,169,650
FNMA	6/1/17		31,000,000	9,417,490
RESOLUTION FDG CORP	10/15/19	8.13	51,300,000	58,273,722
RESOLUTION FDG CORP	5/15/08		16,000,000	9,717,280
RESOLUTION FDG CORP	1/15/13		26,200,000	11,582,758
TENNESSEE VALLEY AUTHORITY	9/15/34	8.25	10,000,000	9,999,000
TENNESSEE VALLEY AUTHORITY	5/1/30	7.13	25,000,000	24,964,750
<i>TOTAL US AGENCIES</i>				<u>\$ 137,964,940</u>
TOTAL US GOVERNMENT SECURITIES				
				<u>\$ 486,606,403</u>
MORTGAGES/MORTGAGE BACKED SECURITIES:				
PASS THROUGH MORTGAGES				
FHLMC GIANT SWAP 30-4272	6/1/18	8.50	2,297,360	2,334,692
FHLMC GIANT SWAP 30-4278	7/1/18	9.00	776,146	794,820
FHLMC GIANT SWAP 30-4281	7/1/18	9.00	819,711	839,433

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FHLMC GIANT WAM SWAP 30-6660	3/15/19	7.00	308,418	305,599
FHLMC GIANT WAM SWAP 30-6661	3/15/19	8.50	492,262	498,183
FHLMC PC 16-0011	10/1/05	8.50	6,368	6,414
FHLMC PC 16-0012	12/1/05	8.50	1,068	1,076
FHLMC PC 16-0016	8/1/06	8.50	55,885	56,558
FHLMC PC 16-0034	12/1/07	8.50	189,622	192,704
FHLMC PC 16-0038	2/1/08	8.50	10,453	10,623
FHLMC PC 16-0039	3/1/08	8.50	252,863	256,972
FHLMC PC 16-0040	3/1/08	8.75	9,805	9,961
FHLMC PC 16-0043	4/1/08	8.75	10,355	10,520
FHLMC PC 16-0049	7/1/08	8.75	175,280	178,305
FHLMC PC 16-0079	5/1/09	10.25	249,260	258,936
FHLMC PC 17-0018	2/1/08	8.50	91,878	93,371
FHLMC PC 17-0019	2/1/08	8.50	10,579	10,751
FHLMC PC 17-0029	5/1/10	12.00	105,521	114,171
FHLMC PC 17-0040	12/1/10	14.50	25,474	29,255
FHLMC PC 17-0149	12/1/15	11.00	371,779	400,975
FHLMC PC 17-0186	8/1/16	9.50	206,685	214,952
FHLMC SWAP 28-4854	12/1/16	8.50	61,035	62,027
FHLMC SWAP 28-8013	3/1/17	8.50	58,285	59,232
FHLMC SWAP 28-8307	3/1/17	8.50	62,388	63,401
FHLMC SWAP 28-9754	3/1/17	8.50	122,773	124,768
FHLMC SWAP 28-9978	4/1/17	8.50	13,482	13,701
FHLMC SWAP 29-1274	4/1/17	8.00	36,358	36,449
FNMA CA 7423	5/1/14	11.25	9,433	10,246
FNMA CL 2463	9/1/15	11.00	19,467	20,998
FNMA GL 6222	4/1/16	9.00	305,324	313,449
GNMA SF 45231	12/15/10	10.50	22,009	23,287
GNMA SN 1470	12/15/02	6.50	39,780	41,949
<i>TOTAL PASS THROUGH MORTGAGES</i>				<u>\$ 7,387,778</u>
OTHER MORTGAGES				
HEATHERWOOD VALLEY	1/1/19	7.50	1,222,038	1,218,470
U S MORTGAGE	3/1/02	6.75	1,074	1,067
MCCORD MANOR	2/1/19	7.50	1,273,742	1,270,023
STRONGSVILLE SR CTR	7/1/19	7.50	2,830,308	2,999,306
WESTIN INTERNATIONAL	7/1/02	7.66	29,427,479	29,377,746
BANCOSTON (MERIDIAN)	8/1/09	10.25	93,021	93,021

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
BANCBOSTON (MERIDIAN)	3/1/10	10.38	81,088	79,642
FNMA POOL 380250	5/1/08	6.50	20,280,248	19,364,865
<i>TOTAL OTHER MORTGAGES</i>				<u>\$ 54,404,139</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
BOAMS 1999-7 A24	7/25/29	6.50	29,425,000	26,546,647
CHASE 1998-S7 A4	11/25/28	6.25	28,270,162	26,397,264
CRIIMI MAE FIN CORP	1/1/33	7.00	5,548,169	5,301,664
DIJ CMC 1998-CF2 A1B	10/12/08	6.24	36,985,000	34,125,305
DIJ CMC 1999-CG1 A-1B	1/10/09	6.46	10,000,000	9,369,000
DIJCM 1999-CG2 A1B	6/10/09	7.30	10,000,000	9,849,420
DIJCM 1999-CG3 A1B	9/10/09	7.34	34,750,000	34,402,848
FHLMC 1648 HD	7/15/23	6.00	21,520,000	19,670,571
FHLMC 1671 G	8/15/23	6.50	15,000,000	14,554,650
FHLMC 1697 PJ	7/15/08	6.00	15,000,000	14,479,650
FHLMC 1993 1489 H	10/15/07	6.25	10,000,000	9,778,100
FHLMC 1993 1515 Y7	2/15/08	6.50	8,406,000	8,258,895
FHLMC 1993 1639 M	12/15/08	6.00	13,500,000	12,635,055
FHLMC 1998 2046 G	4/15/28	6.50	10,000,000	8,978,100
FHLMC 1998 2070 C	7/15/28	6.00	25,000,000	20,890,500
FHLMC 1998 2075 D	8/15/28	6.50	25,000,000	22,429,500
FHLMC 2100 GS	12/15/13	6.50	26,666,000	24,774,314
FHLMC 2139-B	3/15/29	6.50	32,908,000	29,761,008
FHR 1897 K	9/15/26	7.00	10,480,000	9,703,746
FHR 2113 MW	1/15/29	6.50	16,000,000	14,580,000
FNMA 1994 19B	1/25/24	5.00	16,800,000	15,744,624
FNMA 1994 40 Y6	6/25/22	6.00	10,000,000	9,575,000
FNMA 1994 51 PH	1/25/23	6.50	15,000,000	14,531,250
FNMA 1994 62 PH	11/25/23	6.90	10,000,000	9,859,300
GE CAP MTG 1994-6A10	3/25/24	6.50	15,320,000	13,424,150
GE CAPITAL MTG 1994-12 A-12	3/25/09	6.00	15,000,000	14,076,450
GECMS 1998-10 2A7	5/25/13	6.50	9,315,000	8,476,650
GNMA 1998-12 EB	5/20/28	6.50	23,387,140	21,494,185
LBCMT 1999-C2 A2	9/15/09	7.33	20,000,000	19,775,400
NLFC 1999-2 A2C	10/20/08	7.23	25,000,000	24,734,250
PNCMS 1999-6 1A4	7/25/29	6.75	20,550,142	18,893,184
PRU HOME 93-51 A14	12/25/23	6.75	6,250,000	5,974,563

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
PRUHOME MTG 1993-44 A18	11/25/23	6.75	13,000,000	12,228,060
RFMSI 1998-S31 A2	12/25/25	6.50	25,600,000	23,143,936
<i>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 568,417,237</u>
TOTAL MORTGAGES/MORTGAGE BACKED				<u>\$ 630,209,153</u>
ASSET BACKED SECURITIES:				
CENTEX HOME EQUITY 2000-A	3/25/31	7.88	17,500,000	17,467,188
DISCOVER CARD TR 1993-3 A ABS	11/15/03	6.20	7,000,000	6,796,510
MBNAM 1998-J A	2/15/06	5.25	10,688,000	10,113,520
MID STATES TRUST IV	4/1/30	8.33	2,887,932	2,886,777
STANDARD CR CARD MASTER TRUST	4/7/06	7.25	14,000,000	13,930,000
STD CR CARD 1995-9A ABS	10/7/07	6.55	7,370,000	7,160,397
TOTAL ASSET BACKED SECURITIES				<u>\$ 58,354,392</u>
CORPORATE OBLIGATIONS:				
AETNA SERVICES INC	8/15/06	7.13	8,500,000	7,977,760
AIRTOUCH COMM	7/15/06	7.50	5,000,000	4,946,400
ALBERTSON'S INC. MTN	2/23/28	6.57	33,500,000	29,914,830
AMERICAN STORES CO MTN	6/9/03	7.20	5,000,000	5,007,400
ANHEUSER BUSCH COS INC	12/1/09	9.00	20,000,000	22,061,200
ANHEUSER BUSCH COS INC	7/1/23	7.38	5,000,000	4,747,900
ASSOCIATED DRY GOODS	3/1/06	8.85	1,900,000	1,987,856
AT & T CORP	3/15/09	6.00	30,000,000	26,676,300
BANK OF NEW YORK	12/15/04	8.50	5,500,000	5,712,300
BANK ONE DAYTON	4/15/03	6.63	5,100,000	4,994,634
BENEFICIAL CORP MTN	11/25/02	7.64	10,000,000	10,026,200
BOC GROUP INC 144A	6/15/06	7.45	10,000,000	10,220,700
BOEING CO	8/15/21	8.75	15,000,000	16,518,150
BOEING CO	2/15/38	6.63	25,000,000	21,747,750
BURLINGTON NO SANTA FE	12/15/25	7.00	10,000,000	8,629,000
BURLINGTON NORTHERN RR	10/1/06	9.25	4,000,000	4,228,640
CARNIVAL CRUISE	10/1/03	6.15	8,500,000	8,015,585
CARTER HOLT HARVEY LTD	12/1/04	8.88	6,000,000	6,211,200
CASE CREDIT	2/15/03	6.13	10,000,000	9,310,300
CENTURY TELEPHONE ENTPRS	1/15/28	6.88	25,000,000	20,955,750
CHEMICAL BANK	6/1/05	7.00	10,000,000	9,733,000
CHEMICAL BANK	11/1/08	6.13	3,075,000	2,750,618

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CHESAPEAKE & POTOMAC TEL MD	6/1/04	5.88	750,000	714,630
CHESAPEAKE & POTOMAC TEL MD	10/1/08	6.63	490,000	461,972
CHICAGO & NWESTN TRANS	7/30/12	6.25	4,407,809	3,866,970
CINCINNATI GAS & ELEC	6/1/25	6.90	5,000,000	4,636,050
CINCINNATI GAS & ELEC	2/15/04	6.45	8,000,000	7,606,240
CINERGY CORP	12/16/08	6.53	30,000,000	26,861,700
CIRCUS CIRCUS ENTERPRISE	2/1/06	6.45	11,850,000	10,212,804
COLORADO INTERSTATE GAS	6/15/05	10.00	4,750,000	5,128,908
CONAGRA	9/15/04	7.40	10,000,000	9,750,500
CONSOLIDATED NATURAL GAS	10/1/04	7.25	10,000,000	9,835,100
CSR AMERICA INC	7/21/05	6.88	5,000,000	4,718,600
CSW INVTS	1/1/06	7.45	15,000,000	14,630,100
DAYTON HUDSON	3/1/03	6.63	13,000,000	12,807,600
DEAN WTR DISCV	3/1/03	6.88	10,000,000	9,870,300
DEUTSCHE TELECOM FIN	6/15/30	8.25	30,000,000	30,219,000
DR INVESTMENTS	5/15/07	7.45	20,000,000	20,028,400
ELEC DATA SYSTEM	5/15/05	7.13	10,000,000	9,998,600
ENRON CORP	7/15/28	6.95	20,000,000	17,648,600
EOP OPER LTD PARTNERSHIP	2/15/18	7.25	6,000,000	5,197,380
FEDERATED DEPARTMENT STORES	2/15/28	7.00	35,000,000	29,433,250
FIRST UNION CORP	2/15/03	7.25	17,000,000	16,807,900
FLORIDA GAS TRANSMISSION	11/1/04	8.63	10,000,000	10,397,900
FLORIDA GAS TRANSMISSION	11/1/24	9.19	3,000,000	3,384,660
FORD MOTOR CO	2/15/28	6.63	25,000,000	21,078,750
FORD MOTOR COMPANY	7/16/31	7.45	8,000,000	7,565,840
FORD MOTOR COMPANY	1/15/22	8.88	7,000,000	7,608,650
GEORGIA-PACIFIC	4/30/25	8.63	5,000,000	4,676,200
GOLDMAN SACHS 144A	2/15/06	6.75	15,000,000	14,445,750
GOLDMAN SACHS GROUP LP 144A	12/1/04	6.63	5,000,000	4,859,350
GTE CORP	11/1/21	8.75	15,000,000	16,135,950
HANSON OVERSEAS	9/15/05	6.75	20,000,000	19,119,600
HANSON PLC	1/15/03	7.38	10,000,000	9,936,300
HERSHEY FOODS CORP	2/15/21	8.80	10,000,000	10,923,200
HOUSEHOLD FINANCE CO	2/15/05	8.25	10,000,000	10,184,600
HOUSEHOLD FINANCE CORP	3/1/03	6.88	15,000,000	14,681,850
HOUSEHOLD FINANCE CORP	6/17/08	6.40	10,000,000	9,073,100
HSBC USA INC-NEW	2/15/07	8.38	1,000,000	1,005,200
HYDER PLC 144A	12/15/17	7.25	25,000,000	20,567,500
ICI WILMINGTON	9/15/04	6.95	12,400,000	11,932,644
INDIANTOWN COGENERATION	12/15/10	9.26	4,854,261	4,832,951
INTER AMERN DEV BK	3/15/11	8.50	20,000,000	22,018,750

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
INTL BUSINESS MACHINES	11/1/19	8.38	15,000,000	16,686,000
KANSAS GAS & ELEC	9/29/03	6.76	5,468,070	5,256,566
KN ENERGY INC	3/1/28	7.25	25,000,000	22,354,500
KOREA ELECTRIC POWER	12/1/03	6.38	5,000,000	4,748,100
LEGRAND	2/15/25	8.50	8,925,000	8,876,270
LOCKHEED MARTIN CORP	12/1/05	7.95	15,000,000	15,085,500
LORAL CORP	6/15/04	7.63	6,000,000	5,963,460
MBIA INC	10/1/28	6.63	15,000,000	12,341,550
MCI COMMUNICATIONS CORP	8/20/04	7.50	10,000,000	9,897,000
MCI COMMUNICATIONS CORP	3/15/24	7.75	5,000,000	4,594,650
MELLON FINANCIAL	2/15/10	6.38	25,000,000	22,817,000
MERRILL LYNCH	7/15/18	6.50	5,000,000	4,243,250
MONSANTO COMPANY 144A	12/1/28	6.60	15,000,000	13,243,200
MORGAN STANLEY & CO INC	5/15/03	7.03	10,000,000	10,038,400
MORGAN STANLEY GROUP INC	12/15/03	6.38	7,500,000	7,253,250
NATIONAL RURAL UTILITIES	2/10/03	7.38	20,000,000	20,070,400
NCNB CORP	9/15/09	9.38	5,000,000	5,431,950
NEW YORK TEL CO	11/15/10	8.63	15,000,000	15,826,500
NORFOLK SOUTHERN	3/1/21	9.00	20,000,000	21,557,800
NORFOLK SOUTHERN CORP	5/15/17	7.70	10,200,000	9,767,316
NOVA GAS TRANSMISSION	12/8/04	8.50	4,000,000	4,170,240
OCCIDENTAL PETE	4/1/28	7.20	10,000,000	8,806,500
PACIFIC TELECOM INC MTN	10/20/05	6.63	10,000,000	9,686,900
PACIFICORP HOLDINGS	4/1/06	7.20	7,500,000	7,338,150
PANHANDLE EASTERN PIPELINE	5/15/05	7.25	10,000,000	9,931,000
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	10,000,000	10,057,000
PG&E GAS TRANSMISSION	6/1/05	7.10	10,000,000	9,792,300
PNC BANK	4/15/05	7.88	5,000,000	5,055,100
PNC FUNDING CORP	6/1/04	7.75	5,250,000	5,161,748
POTOMAC ELEC PWR CO	2/15/03	6.63	500,000	491,950
PROGRESSIVE CORP	1/15/04	6.60	10,000,000	9,574,300
QUESTAR PIPELINE	6/1/21	9.38	3,000,000	3,094,590
RITE AID CORP (RAD)	2/15/27	7.70	15,000,000	6,600,000
RITE-AID CORP 144A	12/15/08	6.13	10,000,000	4,700,000
RITE-AID CORP 144A	12/15/28	6.88	10,000,000	4,250,000
SAFECO CAPITAL TRUST I	7/15/37	8.07	3,100,000	2,634,721
SAFECO CORP	4/1/05	7.88	7,000,000	6,975,990
SAKS INC	11/15/08	8.25	7,378,000	6,553,361
SAKS INCORPORATED	12/1/10	7.50	10,000,000	8,392,800
SANTANDER FIN ISSUANCES	7/15/05	6.80	14,300,000	13,822,666
SECURITY CAPITAL GROUP 144A	6/15/28	7.70	20,000,000	16,911,200

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SKANDINAVISKA ENSKILDA	2/15/09	6.88	10,000,000	9,235,400
SOCIETY NATIONAL BANK	6/15/03	6.75	2,625,000	2,557,406
SONAT INC	2/1/18	7.00	15,000,000	13,572,900
SOUTHWESTERN BELL TELE	10/15/26	7.20	10,000,000	8,689,500
SPIEKER PROPERTIES INC	10/1/27	7.50	20,000,000	17,320,800
SPRINT CAPITAL CORP	11/15/28	6.88	45,000,000	39,117,150
SWIFT BANK CORP - NY	6/15/17	7.38	2,500,000	2,463,500
TIME WARNER ENTERTAINMENT	9/1/08	7.25	25,500,000	24,663,855
TIME WARNER INC	1/15/28	6.95	10,000,000	8,644,600
TRANSCANADA PIPELINE	5/15/12	8.63	5,000,000	5,191,000
U S BANCORP	10/15/05	6.75	10,000,000	9,674,500
UNION PACIFIC CO	5/1/05	7.60	13,000,000	12,930,580
UNION PACIFIC CO	5/1/25	8.35	5,000,000	4,822,700
UNION PACIFIC CORP	2/1/06	6.40	10,000,000	9,381,600
UNION PACIFIC RESOURCES	5/15/28	7.15	27,000,000	24,153,120
UNITED PARCEL SVC AMER INC	4/1/20	8.38	35,000,000	37,548,700
UNITED TELECOM	4/1/03	9.50	2,000,000	2,082,240
US WEST CAP FUNDING INC	7/15/28	6.88	10,000,000	8,589,500
WASHINGTON MUTUAL INC	8/15/06	7.50	40,000,000	38,815,200
WELLS FARGO & CO	8/15/06	7.13	10,000,000	9,741,200
WEYERHAEUSER CO	1/15/25	8.50	5,000,000	5,157,700
WEYERHAEUSER CO	3/15/25	7.95	5,000,000	4,868,050
WILLIAMS COS INC	11/15/04	6.63	10,000,000	9,588,100
WILLIAMS HLDGS OF DEL	2/1/06	6.25	5,000,000	4,656,800
WORLDCOM INC	8/15/28	6.95	25,000,000	22,022,500
ABN-AMRO BNK NV (CHICAGO)	5/31/05	7.25	10,000,000	9,906,200
ATHABASCA OIL SANDS	4/1/27	8.20	5,950,000	6,390,598
CANADIAN NATL RR	5/15/03	6.63	8,000,000	7,763,600
CANADIAN NATL RR	3/15/04	7.00	10,000,000	9,732,700
CANADIAN NATIONAL RAILWAY CO	7/15/28	6.90	13,700,000	11,838,170
CANADIAN NATL RR CTF 97-2A	1/2/16	7.20	21,703,000	19,605,622
CERRO NEGRO FINANCE LTD	6/1/28	8.03	15,000,000	11,400,000
ENERGY GROUP OVERSEAS BV	10/15/27	7.55	18,000,000	15,276,600
FLETCHER CHALLENGE CAP CAN	6/20/06	7.75	10,000,000	9,649,500
FSPC T A8	11/15/28	7.00	26,245,000	24,801,525
HYDRO QUEBEC MTN	4/12/05	7.00	3,000,000	2,947,500
HYDRO-QUEBEC	1/15/27	8.25	10,000,000	10,628,100
HYDRO-QUEBEC	4/15/30	9.38	25,000,000	29,242,500
MANITOBA PROV CDA	12/1/18	9.63	20,000,000	24,273,000
NATL WESTMINISTER BANK	10/16/07	7.75	13,370,000	12,817,017
NORSK HYDRO	11/15/25	7.15	5,000,000	4,492,050

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
NORSK HYDRO A/S	10/1/16	7.50	10,000,000	9,560,000
NORSK HYDRO A/S	1/15/29	7.15	35,000,000	31,302,250
NORSK HYDRO A/S	7/15/04	8.40	5,000,000	5,091,500
ONTARIO PROV CDA	6/22/04	7.63	13,000,000	13,148,226
ONTARIO PROVINCE	10/1/08	5.50	15,000,000	13,450,800
PDVSA FIN LTD	11/15/28	7.50	20,000,000	14,761,740
PETROLIUM NASIONAL BERHAD	7/1/03	6.88	5,000,000	4,846,700
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	10,000,000	9,523,000
QUEBEC PROVINCE	2/9/24	7.13	5,000,000	4,722,900
ROYAL CARIBBEAN CRUISES	10/15/27	7.50	10,000,000	7,396,300
SAFERCO MTN	5/31/07	9.65	16,000,000	17,949,760
SAFERCO MTN	5/31/06	9.65	10,000,000	11,124,900
SASKATCHEWAN CDA	7/15/04	8.00	10,000,000	10,291,200
VODAFONE AIRTOUCH	2/15/05	7.63	26,400,000	26,419,272
TOTAL CORPORATE OBLIGATIONS				<u>\$ 1,833,131,829</u>
EQUITY INDEX FUNDS:				
BGI US EQUITY MKT			36,514,649	452,837,054
STATE STREET MSCI EAFE INDEX			1,219,702	85,619,520
TOTAL EQUITY INDEX FUNDS				<u>\$ 538,456,574</u>
TOTAL MARKET VALUE OF INVESTMENTS				<u>\$ 3,670,178,477</u>

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			24,779,890	<u>\$ 24,779,890</u>
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY	7/31/02	6.00	28,000,000	27,776,840
U.S.A. TREASURY NOTE	8/15/02	6.38	6,000,000	5,995,320
U.S.A. TREASURY NOTE	5/15/04	7.25	15,000,000	15,471,150
U.S.A. TREASURY NOTE	11/30/00	5.63	50,000,000	49,867,000
U.S.A. TREASURY NOTE/STRIP	2/15/04		12,200,000	9,780,008
US TREASURY	5/15/07	6.63	40,000,000	40,831,200
<i>TOTAL US TREASURIES</i>				<u>\$ 149,721,518</u>
AGENCIES				
FHLB	2/25/04	9.50	3,700,000	3,979,794
FHLB/GLOBAL SR NT	9/2/08	5.80	10,000,000	9,178,100
FNMA	2/15/08	5.75	40,000,000	36,793,600
GUARANTEED TRADE TR 1994-A	6/26/06	7.39	5,000,000	4,991,500
RESOLUTION FDG CORP/STRIP	4/15/06		25,000,000	17,264,500
RESOLUTION FDG CORP/STRIP	4/15/07		36,301,000	23,490,014
<i>TOTAL US AGENCIES</i>				<u>\$ 95,697,508</u>
TOTAL US GOVERNMENT SECURITIES				<u>\$ 245,419,026</u>
MORTGAGES/MORTGAGE BACKED SECURITIES:				
PASS THROUGH MORTGAGES				
FHLMC 2008 B	8/15/25	6.50	20,000,000	18,481,200
FHLMC GIANT SWAP 30-4272	6/1/18	8.50	2,755,750	2,800,531
FHLMC GIANT SWAP 30-4278	7/1/18	9.00	851,239	871,720
FHLMC GIANT SWAP 30-4281	7/1/18	9.00	899,919	921,572
FHLMC GNOME 38-0021	5/1/03	9.00	338,301	341,870
FHLMC PC 16-0079	5/1/09	10.25	249,260	258,936
FHLMC PC 17-0147	11/1/15	11.00	220,045	237,911
FHLMC PC 17-0186	8/1/16	9.50	206,685	214,952

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FNMA CA 7423	5/1/14	11.25	4,717	5,123
FNMA CL 2463	9/1/15	11.00	40,015	43,162
GNMA 1 SF 780052	12/15/08	7.00	3,339,703	3,315,323
GNMA 1 SF334780	8/15/25	7.50	2,829,377	2,813,448
GNMA 1 SF393278	8/15/25	7.50	375,233	373,121
GNMA 1 SF409930	8/15/25	7.50	573,421	570,192
GNMA 1 SF410088	8/15/25	7.50	931,841	926,595
GNMA 1 SF413882	7/15/25	7.50	1,074,460	1,068,411
GNMA 1 SF413886	8/15/25	7.50	462,636	460,031
GNMA 1 SF414075	8/15/25	7.50	414,801	412,466
GNMA 1 SF414098	8/15/25	7.50	2,326,221	2,313,125
GNMA 1 SF415983	8/15/25	7.50	546,593	543,516
GNMA GP 90132	5/15/09	9.00	30,574	31,287
GNMA GP 90178	5/15/09	9.00	69,056	70,666
GNMA II SF 120666	9/15/14	13.00	564,522	641,258
<i>TOTAL PASS THROUGH MORTGAGES</i>				<u>\$ 37,716,415</u>
OTHER MORTGAGES				
EUCLID APTS	5/1/19	7.50	1,352,982	1,349,031
VIRGINIA APTS	7/1/18	7.50	1,683,435	1,678,519
FNMA DUS PL 380826	11/1/08	5.80	3,510,037	3,212,825
FNMA DUS PL 380827	11/1/08	5.75	3,924,406	3,573,018
FNMA DUS PL 381006	12/1/08	6.00	7,602,371	7,190,118
FNMA PL 380320	6/1/08	6.38	5,182,662	4,913,033
NATIONS BANC	10/25/09	10.50	100,806	122,096
<i>TOTAL OTHER MORTGAGES</i>				<u>\$ 22,038,641</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
CCMSC 1999-2 A1	10/15/08	7.03	28,529,639	28,214,387
CMSI 1994-8 A6	5/25/24	6.25	11,428,444	10,864,107
COM MTG ACCEPT CORP 1998-C2 A3	9/15/30	6.04	13,900,000	12,430,263
COM MTG ACCEPT CORP 1999-C1 A2	5/15/09	7.03	10,000,000	9,705,200
COUNTRYWIDE 1998-19 A13	12/25/28	6.50	25,000,000	22,468,750
COUNTRYWIDE MTG 1993-AA10	10/25/08	6.50	22,672,209	21,701,385
COUNTRYWIDE MTG 1994-3 A7	3/25/24	6.75	5,346,693	5,239,759
COUNTRYWIDE MTG 93-2 A3	9/25/08	6.50	2,910,909	2,878,161
COUNTRYWIDE MTG 94-13 A10	6/25/09	6.50	3,023,787	2,968,029

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
DLJ CMC 1999-CG1 A-1B	1/10/09	6.46	10,000,000	9,369,000
DLJCM 1999-CG2 A1B	6/10/09	7.30	25,000,000	24,623,550
DLJCM 1999-CG3 A1B	9/10/09	7.34	20,000,000	19,800,200
FHLM REMIC 1927 A	1/15/20	6.50	7,107,264	7,069,453
FHLMC 1271 G	8/15/06	7.00	10,478,000	10,461,550
FHLMC 1673 Y5	2/15/19	6.00	15,000,000	14,770,200
FHLMC 1706 H	6/15/23	6.50	15,450,000	14,986,500
FHLMC 1992 1336 H	1/15/21	7.75	3,823,613	3,835,543
FHLMC 1993 1505 D	8/15/18	5.50	8,498,200	8,365,373
FHLMC 1993 1530 G	10/15/21	6.50	10,000,000	9,643,700
FHLMC 1993 1591 PN	6/15/19	5.95	13,000,000	12,841,530
FHLMC 1993 1620 PG	8/15/18	6.00	10,000,000	9,875,000
FHLMC 1993 1639 M	12/15/08	6.00	9,248,202	8,655,670
FHLMC 1994 1714 E	9/15/18	6.25	4,152,213	4,136,642
FHLMC 1994 1727 E	4/15/18	6.50	9,151,262	9,116,945
FHLMC 1994 G-29 P	2/25/18	7.00	4,764,748	4,746,880
FHLMC 1996 1843A	4/15/19	6.50	2,322,739	2,306,758
FHLMC-GNMA93-12 E	3/25/08	6.00	5,440,696	5,376,060
FHLMC/GNMA 29X	2/25/23	6.75	3,650,647	3,460,120
FHLMC/GNMA-29 Y5	2/25/18	6.25	5,717,685	5,676,575
FNMA 1992 205K	5/25/21	6.50	16,000,000	15,424,960
FNMA 1993 116E	7/25/22	6.50	3,000,000	2,914,680
FNMA 1993 142B	6/19/25	6.25	6,347,254	6,283,781
FNMA 1993 149H	9/20/25	6.00	4,321,355	4,251,133
FNMA 1993 202N	2/25/22	6.50	5,000,000	4,878,100
FNMA 1993 204 EC	10/23/25	5.95	1,829,791	1,804,632
FNMA 1993 20PG	2/25/19	6.50	8,230,568	8,145,628
FNMA 1993 28 Y5	3/25/07	6.50	19,250,575	19,070,005
FNMA 1993 44 PG	9/25/16	6.45	15,251,694	15,142,034
FNMA 1993 56 P6	2/25/21	6.75	10,000,000	9,800,000
FNMA 1993 77G	11/19/25	6.50	36,229,642	35,935,095
FNMA 1993 84 Y9	6/25/18	6.45	12,000,000	11,895,000
FNMA 1993 85G	3/25/08	6.50	4,518,034	4,481,302
FNMA 1994 20-Z	2/25/09	6.50	19,468,219	18,464,243
FNMA 1994 23PC	7/17/25	6.00	3,212,581	3,191,474
FNMA 1994 37G	11/18/25	6.00	5,385,000	5,302,502
FNMA 1999-16 VB	12/25/18	6.50	2,920,031	2,675,478

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FNMA G93-33 H	11/25/20	6.60	5,320,000	5,180,350
FNMA TRUST PREASSIGN 00575	6/20/35	7.00	1,497,544	1,390,769
FNMA1993-252E	8/25/17	6.00	1,624,788	1,616,145
GE CAPITAL MTG 1992-13F	12/25/07	7.00	16,403,000	16,095,444
GE CAPITAL MTG SVC 94-1 A6	1/25/24	6.50	4,733,977	4,665,902
GECMS 1993-17 A11	12/25/23	6.50	11,500,000	10,784,815
GECMS 99-15 L (A25)	8/25/29	6.75	21,616,155	19,933,986
HFCMC 1999-PH1 A2	5/15/31	6.85	10,000,000	9,613,676
NSCOR 1998-29 A10	11/25/28	6.25	20,000,000	17,743,600
NSCOR 1998-33 A5	1/25/29	6.25	25,000,000	22,171,750
PMAC 1999-C1 A2 CMBS	4/15/09	6.82	10,000,000	9,598,000
PRU HOME MTG 1994-14 A2	4/25/09	6.40	1,045,516	1,038,323
RESIDENT FD MTG 93-S45 A8	12/25/23	6.50	5,588,114	5,430,920
RFMSIO1993-S22A6	6/25/23	7.00	1,356,852	1,349,634
SASI 1993-7 TA1	12/25/23	6.25	180,466	179,280
<i>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 602,039,930</u>
TOTAL MORTGAGE/MORTGAGE BACKED				<u>\$ 661,794,986</u>
ASSET BACKED SECURITIES:				
1ST PLUS HM LN OWN 97-1 A5	11/10/11	6.70	4,999,452	4,988,453
AMERICREDIT 1997-A A3	10/12/01	6.54	3,366,789	3,363,422
CCIMT 1999-7 A	11/15/06	6.65	19,180,000	18,778,371
CHMRV 1997-A A10	3/15/10	6.37	5,000,000	4,856,500
CONTIMORTGAGE HOME EQ LN	3/15/14	6.71	6,045,130	6,018,652
DFS 1999-1 A5	8/15/13	5.97	3,000,000	2,878,125
DFS 1999-3 A5	6/15/12	6.76	10,000,000	9,826,300
IMC HOME EQ LN TR 97-7 A8 ABS	2/20/29	6.65	16,000,000	15,209,920
MBNA MA CR CD 95-C A	2/15/08	6.45	25,500,000	24,750,810
MBNAM 1998-J A	2/15/06	5.25	10,600,000	10,030,250
MID STATES TRUST IV	4/1/30	8.33	2,887,932	2,886,777
TOTAL ASSET BACKED SECURITIES				<u>\$ 103,587,580</u>

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CORPORATE OBLIGATIONS:				
AETNA SERVICES INC	8/15/06	7.13	8,000,000	7,508,480
AIRTOUCH COMM	7/15/06	7.50	5,000,000	4,946,400
AMERICAN STORES	5/15/05	7.40	5,000,000	4,888,050
APACHE CORP	12/15/07	6.50	25,000,000	23,236,000
ASSOCIATES CORP NORTH AME	9/30/01	7.88	7,500,000	7,541,850
BOC GROUP INC 144A	6/15/06	7.45	10,000,000	10,220,700
BOMBARDIER CAPITAL LTD	8/15/04	7.50	35,000,000	34,597,885
BURLINGTON NO SANTA FE	12/15/05	6.38	10,000,000	9,393,600
CARNIVAL CRUISE	5/15/05	7.05	10,000,000	9,588,100
CARTER HOLT HARVEY LTD	12/1/04	8.88	5,000,000	5,176,000
CASE CREDIT	2/15/03	6.13	10,000,000	9,310,300
CASE CREDIT CORP MTN	3/1/02	6.15	4,700,000	4,490,662
CHASE MANHATTAN CORP	12/1/04	6.75	20,000,000	19,483,600
CINERGY CORP	12/16/08	6.53	10,000,000	8,953,900
CIRCUS CIRCUS ENTERPRISE	2/1/06	6.45	8,000,000	6,894,720
CIT GROUP HLDGS	2/15/04	5.50	20,000,000	18,435,200
CONSOLIDATED NATURAL GAS	10/1/04	7.25	25,000,000	24,587,750
CS FIRST BOSTON	5/15/06	7.75	15,000,000	14,981,400
CSR AMERICA INC	7/21/05	6.88	5,000,000	4,718,600
CSW ENERGY	10/1/01	6.88	20,000,000	19,838,200
CSW INVTS NT 144A	8/1/01	6.95	17,000,000	16,915,510
CSX CORP	5/1/02	7.05	35,000,000	34,428,450
DEN DANSKE BANK	6/15/10	7.40	12,000,000	11,597,640
DR INVESTMENTS 144A	5/15/02	7.10	29,700,000	29,422,008
DUKE CAPITAL CORP	7/15/05	6.25	15,000,000	14,158,950
ELEC DATA SYSTEM	5/15/05	7.13	10,000,000	9,998,600
ENRON CORP	7/15/06	6.40	10,000,000	9,388,200
EOP OPERATING LP 144A	2/15/08	6.75	5,000,000	4,580,450
FIRST UNION CORP	4/1/08	6.40	15,000,000	13,690,350
FORD MOTOR CREDIT CORP	2/15/02	8.20	5,000,000	5,049,950
GENERAL ELECTRIC CAP CORP	3/1/02	7.00	15,000,000	14,964,900
GENERAL MTRS ACCEPT CORP	8/15/01	7.00	20,000,000	19,896,600
GEORGIA-PACIFIC	6/15/02	9.95	10,835,000	11,218,126
GMAC	2/7/02	6.75	20,000,000	19,767,200
GOLDMAN SACHS 144A	2/15/06	6.75	15,000,000	14,445,750
GOLDMAN SACHS GROUP	5/15/09	6.65	20,000,000	18,360,400

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GOLDMAN SACHS GROUP LP 144A	12/1/04	6.63	10,000,000	9,718,700
GRAND METROPOLITAN	1/6/04		10,000,000	7,740,000
GTE CORP	6/1/03	9.10	5,000,000	5,198,950
GTE HAWAII	2/1/06	7.00	8,265,000	7,966,220
GTE NORTH	1/1/21	9.60	9,769,000	10,359,048
HELLER FINANCIAL INC	11/1/01	6.50	17,000,000	16,715,080
HOUSEHOLD FINANCE CORP	3/1/03	6.88	5,000,000	4,893,950
HOUSEHOLD FINANCE CORP	7/15/06	7.20	10,000,000	9,679,300
HOUSEHOLD FINANCE CORP	6/17/08	6.40	10,000,000	9,073,100
HSBC AMERICAS INC	11/1/06	7.00	5,000,000	4,776,050
ICI WILMINGTON	9/15/04	6.95	10,000,000	9,623,100
KANSAS GAS & ELEC	9/29/03	6.76	5,468,070	5,256,566
KERN RIVER FUNDING CORP	9/30/01	6.72	20,000,000	19,808,400
KN ENERGY INC	3/1/08	6.80	20,000,000	18,716,400
LEHMAN BROTHERS HOLDINGS	4/1/04	6.63	12,000,000	11,452,680
LOCKHEED MARTIN CORP	12/1/05	7.95	15,000,000	15,085,500
MBNA AMER BANK NA	9/15/02	7.25	5,000,000	4,939,250
MBNA CORP	6/1/05	6.88	9,500,000	9,028,895
MELLON FINANCIAL	2/15/10	6.38	25,000,000	22,817,000
MERRILL LYNCH & CO	2/12/03	6.00	23,000,000	22,242,380
MONSANTO COMPANY 144A	12/1/08	5.88	15,000,000	13,804,350
MORGAN STANLEY & CO INC	5/15/03	7.03	10,000,000	10,038,400
NATIONAL RURAL UTILITIES	2/10/03	7.38	25,000,000	25,088,000
NATIONASBANK CORP	8/15/03	6.50	10,000,000	9,753,800
NORANDA FOREST INC	11/15/05	6.88	7,500,000	7,049,325
NORTHERN TELECOM	6/12/01	8.75	11,555,000	11,674,941
NORTHWEST PIPELINE CORP	12/1/07	6.63	20,000,000	18,668,600
OCCIDENTAL PETROLEUM	2/15/06	7.65	20,000,000	19,805,800
PACIFIC TELECOM INC MTN	10/20/05	6.63	10,000,000	9,686,900
PACIFICORP HOLDINGS	4/1/01	6.75	6,500,000	6,461,650
PACIFICORP HOLDINGS	4/1/06	7.20	7,500,000	7,338,150
PANHANDLE EASTERN PIPELINE	5/15/05	7.25	5,000,000	4,965,500
PDVSA FIN LTD	11/15/08	6.80	14,000,000	11,919,320
PG&E GAS TRANSMISSION	6/1/05	7.10	7,500,000	7,344,225
PNC FUNDING CORP	9/1/03	6.13	10,000,000	9,487,100
PRICE COSTCO INC	6/15/05	7.13	10,000,000	9,411,200
PROGRESSIVE CORP	6/1/06	7.30	15,000,000	14,844,450

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
RITE AID CORP	9/15/02	10.50	15,000,000	12,075,000
RITE AID CORP	1/15/07	7.13	14,000,000	7,140,000
RITE-AID CORP 144A	12/15/08	6.13	9,800,000	4,606,000
ROYAL CARIBBEAN CRUISES	7/28/04	8.13	8,000,000	7,686,880
SAKS INC	7/15/04	7.00	16,000,000	14,351,520
SAMSUNG ELECTRONICS CO 144A	10/1/02	7.45	15,000,000	14,735,700
SANTANDER FIN ISSUANCES	7/15/05	6.80	10,000,000	9,666,200
SECURITY CAPITAL GROUP 144A	6/15/05	6.95	15,000,000	13,787,400
SKANDINAVISKA ENSKILDA	2/15/09	6.88	10,000,000	9,235,400
SMITH BARNEY HOLDINGS	6/15/05	6.88	10,000,000	9,692,500
SOLOMON SMITH BARNEY HLD	5/15/03	6.25	12,000,000	11,606,280
SONAT INC	2/1/08	6.63	22,275,000	20,893,950
SPRINT CAPITAL CORP	11/15/08	6.13	12,500,000	11,142,125
STAR BK NA, OH TR SB 00001	12/15/06	6.63	10,000,000	9,525,300
TIME WARNER ENTERTAINMENT	10/1/12	8.88	9,050,000	9,460,870
TRIBUNE COMPANY	10/6/08	5.50	15,000,000	12,908,250
U S BANCORP	10/15/05	6.75	5,100,000	4,933,995
UNION OIL OF CA MTN	10/15/07	6.70	10,000,000	9,461,700
UNION PACIFIC CO	5/1/05	7.60	10,000,000	9,946,600
UNION PACIFIC RESOURCES	10/15/06	7.00	7,500,000	7,210,950
UNION PACIFIC RESOURCES	5/15/05	6.50	10,000,000	9,547,300
WACHOVIA CORP	6/21/04	6.70	15,000,000	14,637,600
WASHINGTON MUTUAL INC	8/15/06	7.50	35,000,000	33,963,300
WESTERN RESOURCES INC	8/15/03	6.25	15,000,000	14,032,500
WILLIAMS COS INC	11/15/04	6.63	20,000,000	19,176,200
WILLIAMS HLDGS OF DEL	2/1/06	6.25	5,000,000	4,656,800
WORLDCOM INC	8/15/05	6.40	15,000,000	14,278,800
YORKSHIRE POWER	2/25/08	6.50	15,000,000	13,354,350
ABN-AMRO BNK NV (CHICAGO)	5/31/05	7.25	10,000,000	9,906,200
AEGON NV	8/15/06	8.00	22,000,000	21,829,280
BANK OF SCOTLAND 144A	11/20/07	7.00	20,000,000	19,637,000
CROWN CORK + SEAL FIN PLC	12/15/03	6.75	4,000,000	3,755,880
CROWN CORK + SEAL FIN PLC	12/15/06	7.00	10,000,000	8,920,400
CROWN CORK + SEAL FIN SA	12/15/03	6.75	6,000,000	5,633,820
DUETSCHKE BANK FINANCIAL	4/25/09	7.50	15,000,000	14,727,450
FLETCHER CHALLENGE CAP CAN	6/20/06	7.75	10,000,000	9,649,500
GLAXO WELLCOME	1/25/06	6.13	10,000,000	9,449,500
ONTARIO PROVINCE	10/1/08	5.50	15,000,000	13,450,800
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	3,000,000	2,856,900
QUEBEC PROVINCE CDA	7/15/02	7.50	5,000,000	5,040,500
ROYAL BANK SCOTLAND PLC	4/1/09	6.40	15,000,000	13,618,950

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Medical Aid Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
ROYAL BK CDA NY BRH	10/24/11	6.75	20,000,000	18,949,600
SASKATCHEWAN CDA	7/15/04	8.00	12,000,000	12,349,440
SOCIEDAD QUIMICA 144A	9/15/06	7.70	10,000,000	9,512,860
TRANS-CANADA PL	1/21/09	6.49	8,000,000	7,343,040
VODAFONE AIRTOUCH	2/15/05	7.63	22,000,000	22,016,060
TOTAL CORPORATE OBLIGATIONS				<u>\$ 1,461,467,410</u>
EQUITY INDEX FUNDS:				
BGI US EQUITY MKT			58,137,163	720,993,311
STATE STREET MSCI EAFE INDEX			856,749	136,279,608
TOTAL EQUITY INDEX FUNDS				<u>\$ 857,272,920</u>
TOTAL MARKET VALUE OF INVESTMENTS				<u>\$ 3,354,321,812</u>

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Reserve Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			18,630,162	<u>\$ 18,630,162</u>
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY NOTE	11/15/12	10.38	3,800,000	4,674,000
U.S.A. TREASURY NOTE	5/15/16	7.25	4,600,000	5,062,162
U.S.A. TREASURY NOTE	11/15/16	7.50	28,380,000	32,002,991
U.S.A. TREASURY NOTE	5/15/17	8.75	8,000,000	10,064,960
U.S.A. TREASURY NOTE	8/15/17	8.88	15,000,000	19,099,200
U.S.A. TREASURY NOTE	2/15/20	8.50	6,000,000	7,516,860
US TREASURY BOND	2/15/27	6.63	47,500,000	50,372,325
<i>TOTAL US TREASURIES</i>				<u>\$ 128,792,498</u>
AGENCIES				
FHLMC	9/15/29	6.75	35,000,000	33,490,450
FNMA	8/12/19	8.10	5,000,000	5,367,950
RESOLUTION FDG CORP	10/15/19	8.13	53,700,000	60,999,978
RESOLUTION FDG CORP	1/15/30	8.63	10,000,000	12,496,900
STUDENT LOAN MARKETING ASSOC	12/2/13	8.41	4,700,000	5,125,914
STUDENT LOAN MARKETING ASSOC	12/1/14	8.41	5,200,000	5,690,724
STUDENT LOAN MARKETING ASSOC	12/1/15	8.41	5,600,000	6,125,000
TENNESSEE VALLEY AUTHORITY	9/15/34	8.25	5,000,000	4,999,500
TENNESSEE VALLEY AUTHORITY	5/1/30	7.13	10,000,000	9,985,900
<i>TOTAL US AGENCIES</i>				<u>\$ 144,282,316</u>
TOTAL US GOVERNMENT SECURITIES				<u>\$ 273,074,814</u>
MORTGAGE/MORTGAGE BACKED SECURITIES:				
PASS THROUGH MORTGAGES				
FHLMC GIANT SWAP 30-4272	6/1/18	8.50	964,172	979,840
FHLMC GIANT SWAP 30-4278	7/1/18	9.00	356,711	365,293
FHLMC GIANT SWAP 30-4281	7/1/18	9.00	376,945	386,014
FHLMC GIANT WAM SWAP 30-6661	3/15/19	8.50	20,045	20,286

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Reserve Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FHLMC GNOME 38-0021	5/1/03	9.00	86,394	87,305
FHLMC PC 16-0040	3/1/08	8.75	16,342	16,602
FHLMC PC 16-0043	4/1/08	8.75	3,452	3,507
FHLMC PC 17-0040	12/1/10	14.50	25,474	29,255
FHLMC PC 17-0149	12/1/15	11.00	118,696	128,017
FHLMC PC 17-0217	3/1/17	8.00	114,708	114,994
FHLMC SWAP 28-8047	2/1/17	8.50	32,016	32,536
FHLMC SWAP 28-9338	3/1/17	8.50	19,458	19,774
FHLMC SWAP 28-9414	3/1/17	8.50	95,029	96,573
FHLMC SWAP 28-9442	3/1/17	8.50	88,058	89,489
FHLMC SWAP 29-1274	4/1/17	8.00	214,217	214,753
FHLMC SWAP 29-2320	3/1/17	8.50	8,316	8,451
FHLMC SWAP 29-3812	5/1/17	8.50	13,217	13,432
FNMA CA 7423	5/1/14	11.25	4,717	5,123
FNMA CL 2463	9/1/15	11.00	27,037	29,164
FNMA CL 805 (WESTSIDE)	12/1/09	9.50	99,204	103,035
FNMA CL 806 (WESTSIDE)	7/1/08	9.00	51,076	52,162
GNMA II SF 120666	9/15/14	13.00	235,218	267,191
GNMA SF 2967	7/15/03	6.50	537	528
<i>TOTAL PASS THROUGH MORTGAGES</i>				<u>\$ 3,063,324</u>
OTHER MORTGAGES				
CHARTER MTG CO FHA PROJ PC	1/25/22	7.40	7,268,805	6,898,895
FHA PRJ-REILLY MTG GRP #55	3/1/24	7.43	2,238,673	2,144,694
TERRACE APTS	12/1/18	7.50	738,745	736,588
TOWER HILL APTS	8/1/18	7.50	940,933	938,186
WAKONDA MANOR	8/1/18	7.50	1,546,490	1,541,975
CENTURY II APTS	8/1/18	7.50	1,412,331	1,408,207
NATIONSBANC	10/25/09	10.50	302,417	366,288
<i>TOTAL OTHER MORTGAGES</i>				<u>\$ 14,034,832</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
COM MTG ACCEPT CORP 1999-C1 A2	5/15/09	7.03	10,000,000	9,705,200
COUNTRYWIDE MTG 1993-E A8	1/25/24	6.50	1,668,457	1,619,438
CRIIMI MAE FIN CORP	1/1/33	7.00	2,738,484	2,616,813
DLJ CMC 1999-CG1 A-1B	1/10/09	6.46	10,000,000	9,369,000
FHLMC 1727 Z	5/15/24	6.25	14,611,473	12,771,304
FHLMC 1993 1639 M	12/15/08	6.00	5,000,000	4,679,650

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Reserve Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FILMC 2139-B	3/15/29	6.50	10,000,000	9,043,700
FNMA 1994 19B	1/25/24	5.00	5,000,000	4,685,900
FNMA 1994 40 Y6	6/25/22	6.00	5,000,000	4,787,500
FNMA 1994 62 PH	11/25/23	6.90	4,000,000	3,943,720
GE CAP MTG 1994-6A10	3/25/24	6.50	4,510,000	3,951,888
GE CAP MTG SERV 1994-1 A8	1/25/24	6.50	3,000,000	2,805,930
PMAC 1999-C1 A2 CMBS	4/15/09	6.82	5,000,000	4,799,000
PRU HOME MTG 1993-51 A16	12/25/23	6.50	3,822,000	3,440,985
PRUHOME MTG 1993-44 A18	11/25/23	6.75	3,300,000	3,104,046
PRUHOME MTG 1993-62 A7	12/23/26	6.75	5,000,000	4,446,850
RESIDENTIAL FD MTG 94-S5 A8	2/25/24	6.50	4,298,000	4,014,590
<i>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 89,785,513</u>
TOTAL MORTGAGE/MORTGAGE BACKED				<u>\$ 106,883,670</u>
ASSET BACKED SECURITIES:				
DISCOVER CARD TR 1993-3 A ABS	11/15/03	6.20	3,000,000	2,912,790
GREEN TREE FIN CORP 97-1 A5	3/15/28	6.86	6,200,000	6,062,422
MID STATES TRUST IV	4/1/30	8.33	1,155,173	1,154,711
STD CR CARD 1995-9A ABS	10/7/07	6.55	4,000,000	3,886,240
TOTAL ASSET BACKED SECURITIES				<u>\$ 14,016,163</u>
CORPORATE OBLIGATIONS:				
ALBERTSON'S INC. MTN	2/23/28	6.57	10,000,000	8,929,800
AMER SAVINGS BK	2/15/06	6.63	17,700,000	16,772,697
ANR PIPELINE	2/15/24	7.38	3,000,000	2,732,940
AT&T CORP	3/15/29	6.50	10,000,000	8,396,700
BOEING CO	8/15/21	8.75	10,000,000	11,012,100
BOSTON GAS CO MTN	6/1/11	8.95	10,000,000	10,954,000
BURLINGTON NORTH	3/15/29	6.75	7,330,000	6,209,683
BURLINGTON NORTHERN RR	10/1/06	9.25	13,000,000	13,743,080
CARGILL INC	10/1/25	7.38	4,000,000	3,872,520
CARGILL INC	2/1/36	6.88	5,000,000	4,669,750
CARGILL INC	9/1/06	7.50	15,000,000	14,743,800
CARNIVAL CRUISE	10/1/23	7.20	2,500,000	2,121,225
CHASE NEW SUB NOTE	1/15/09	6.50	6,000,000	5,542,740
CHICAGO & NWESTN TRANS	7/30/12	6.25	1,271,483	1,115,472

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Reserve Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CINCINNATI GAS & ELEC	10/1/23	7.20	5,000,000	4,344,000
CINCINNATI GAS & ELEC	6/1/25	6.90	2,000,000	1,854,420
COCA COLA	9/15/28	6.75	15,000,000	12,892,650
COLONIAL PIPELINE, 144A	8/15/07	7.45	4,000,000	4,072,080
CROWN CORK + SEAL INC	12/15/26	7.38	12,400,000	9,123,176
CS FIRST BOSTON	5/15/06	7.75	10,000,000	9,987,600
DEER PARK REFINING LP 144A	12/15/08	6.47	2,316,750	2,205,986
DEERE & CO	10/1/28	6.55	10,000,000	8,333,800
DEN DANSKE BANK	6/15/10	7.40	10,000,000	9,664,700
DEUTSCHE TELECOM FIN	6/15/30	8.25	15,000,000	15,109,500
DUKE CAPITAL CORP	7/15/18	6.75	10,000,000	8,772,400
EASTMAN CHEMICAL	1/15/24	7.25	3,000,000	2,519,580
ENRON CORP	7/15/28	6.95	10,000,000	8,824,300
FEDERATED DEPARTMENT STORES	2/15/28	7.00	10,000,000	8,409,500
FERRO CORP	6/15/25	8.00	3,000,000	2,835,060
FLORIDA GAS TRANSMISSION	11/1/24	9.19	2,000,000	2,256,440
FORD MOTOR CO	11/15/22	8.88	5,000,000	4,927,550
FORD MOTOR CO.	2/1/29	6.38	10,000,000	8,201,100
GEORGIA-PACIFIC	3/15/22	9.63	4,000,000	4,193,160
GEORGIA-PACIFIC	6/15/23	8.13	2,000,000	1,809,200
GRAND METROPOLITAN	1/6/04		2,500,000	1,935,000
GTE CORP	11/1/21	8.75	10,000,000	10,757,300
GTE CORP	5/1/23	7.83	5,000,000	4,662,950
HSBC AMERICAS INC	11/1/06	7.00	5,000,000	4,776,050
ICI WILMINGTON	9/15/04	6.95	10,000,000	9,623,100
INTER AMERN DEV BK	3/15/11	8.50	10,000,000	11,009,375
KANSAS GAS & ELEC	9/29/16	8.29	7,000,000	5,578,160
KROGER CO.	6/1/29	7.70	10,000,000	9,091,000
LEGRAND	2/15/25	8.50	10,000,000	9,945,400
LOCKHEED MARTIN CORP	12/1/29	8.50	20,000,000	20,195,600
LORAL CORP	2/1/22	9.13	3,500,000	3,776,570
MCDONALD'S CORP	11/15/25	7.05	5,000,000	4,664,550
MCI COMMUNICATIONS CORP	3/23/25	7.75	3,500,000	3,212,510
MERRILL LYNCH	7/15/18	6.50	5,000,000	4,243,250
MONSANTO COMPANY 144A	12/1/28	6.60	15,000,000	13,243,200
MORGAN STANLEY & CO INC	5/15/03	7.03	5,000,000	5,019,200
NCNB CORP	9/15/09	9.38	3,525,000	3,829,525
NORCEN ENRGY RESOURCES	7/2/02	6.80	10,000,000	9,778,000
NORFOLK SOUTHERN	3/1/21	9.00	15,000,000	16,168,350
NORTHERN TELECOM	6/15/26	7.88	10,000,000	9,702,200

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Reserve Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
NORTHWESTERN PIPELINE	12/1/25	7.13	3,000,000	2,735,850
OCCIDENTAL PETE	4/1/28	7.20	15,000,000	13,209,750
PACIFIC TELECOM INC MTN	10/20/05	6.63	5,000,000	4,843,450
PACIFICORP	7/15/04	6.75	10,000,000	9,639,900
PANHANDLE EASTERN PIPELINE	3/15/23	7.95	3,000,000	2,872,920
PHILLIPS PETROLEUM	1/1/23	8.49	5,500,000	5,359,200
PHILLIPS PETROLEUM	4/15/23	7.92	3,000,000	2,674,140
PLACER DOME INC	6/15/15	7.75	2,000,000	1,744,880
POHANG IRON & STEEL	5/15/05	7.38	6,000,000	5,788,320
POHANG IRON & STEEL	7/15/04	7.13	10,000,000	9,593,300
PUGET POWER AND LIGHT MTN	2/1/24	7.35	3,000,000	2,766,960
RFCO STRIPS	1/15/19		80,000,000	23,840,800
SECURITY CAPITAL GROUP 144A	6/15/28	7.70	15,000,000	12,683,400
SOUTHERN NEW ENGLAND TEL CO	12/1/01	4.38	140,000	134,656
SOUTHERN UNION GAS	2/1/24	7.60	5,100,000	4,658,493
SOUTHWESTERN BELL TELE	10/15/26	7.20	5,000,000	4,344,750
SPIEKER PROPERTIES	7/1/09	7.13	10,000,000	9,280,700
SPRINT CAPITAL CORP	11/15/28	6.88	20,000,000	17,385,400
SPRINT CORP	4/15/22	9.25	8,100,000	8,953,335
ST GEORGE BANK LTD	6/18/07	7.15	5,000,000	4,822,500
ST GEORGE BANK LTD	10/15/05	7.15	7,500,000	7,285,350
SWIFT BANK CORP - NY	6/15/17	7.38	5,000,000	4,927,000
TENNESSEE GAS PIPELINE	4/1/37	7.63	15,110,000	14,106,092
TIME WARNER INC	1/15/28	6.95	10,000,000	8,644,600
TRANSOCEAN OFFSHORE INC	4/15/27	8.00	19,000,000	18,888,470
UNION OIL OF CA MTN	10/15/07	6.70	5,000,000	4,730,850
UNION PACIFIC CO	5/1/25	8.35	5,000,000	4,822,700
UNION PACIFIC CO.	2/1/29	6.63	10,000,000	8,317,100
UNION PACIFIC RESOURCES	5/15/28	7.15	18,000,000	16,102,080
UNITED PARCEL SVC AMER INC	4/1/20	8.38	11,600,000	12,444,712
US WEST CAP FUNDING INC	7/15/28	6.88	10,000,000	8,589,500
WEYERHAEUSER CO	1/15/25	8.50	15,000,000	15,473,100
WILLAMETTE INDUSTRIES INC	7/1/26	7.85	8,000,000	7,583,680
WILLIAMS COS	7/15/19	7.63	5,000,000	4,775,050
WORLD.COM INC	8/15/28	6.95	10,000,000	8,809,000
ABBAY NATL PLC	10/26/29	7.95	10,000,000	9,884,000
APACHE FINANCE CANADA	12/15/29	7.75	15,000,000	14,689,500
ATHABASCA OIL SANDS	4/1/27	8.20	10,000,000	10,740,500
CANADIAN NATL RR	5/15/23	7.63	5,000,000	4,631,050
CERRO NEGRO FINANCE LTD	6/1/28	8.03	10,000,000	7,600,000

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Accident Reserve Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
DUETSCHKE BANK FINANCIAL	4/25/09	7.50	10,000,000	9,818,300
ENERGY GROUP OVERSEAS BV	10/15/27	7.55	10,000,000	8,487,000
FSPC T A8	11/15/28	7.00	10,000,000	9,450,000
HYDER PLC	12/15/28	7.38	10,000,000	7,428,700
HYDRO-QUEBEC	1/15/27	8.25	20,000,000	21,256,200
HYDRO-QUEBEC	2/1/13	8.00	5,500,000	5,719,890
MANITOBA PROV CDA	12/1/18	9.63	13,000,000	15,777,450
NAT'L WESTMINSTER BANK	10/16/07	7.75	10,000,000	9,586,400
NORSK HYDRO A/S	1/15/29	7.15	15,000,000	13,415,250
NORSK HYDRO A/S	7/15/14	9.13	6,450,000	7,035,273
NOVA ALBERTA CRP	4/1/23	7.88	4,450,000	4,560,182
ONTARIO HYDRO CDA	3/31/13	7.45	3,000,000	3,035,190
PDVSA FIN LTD	11/15/28	7.50	15,000,000	11,071,305
PETROLEOS MEXICANOS	9/15/27	9.50	10,000,000	9,725,000
PETROLEUM NASIONAL BERHAD	8/15/15	7.75	13,000,000	11,890,840
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	10,000,000	9,523,000
QUEBEC PROVINCE	2/9/24	7.13	2,500,000	2,361,450
SASKATCHEWAN CDA	2/1/13	8.00	4,500,000	4,688,595
SASKATCHEWAN CDA	7/15/13	7.38	10,000,000	9,906,400
SVENSKA HANDELSBANKEN	3/7/07	7.13	10,000,000	9,347,400
VODAFONE AIRTOUCH	2/15/30	7.88	9,800,000	9,622,424
TOTAL CORPORATE OBLIGATIONS				\$ 936,447,286
TOTAL MARKET VALUE OF INVESTMENTS				\$ 1,349,052,094

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Supplemental Pension Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			3,144,364	<u>\$ 3,144,364</u>
AGENCIES:				
FHLMC	7/15/04	6.25	15,000,000	<u>\$ 14,582,850</u>
COLLATERALIZED MORTGAGE OBLIGATIONS:				
COUNTRYWIDE MTG 1994-3 A7	3/25/24	6.75	1,069,339	1,047,952
COUNTRYWIDE MTG 93-2 A3	9/25/08	6.50	727,727	719,540
FHLMC 1993 1591 PN	6/15/19	5.95	2,010,000	1,985,498
FHLMC 1996 1843A	4/15/19	6.50	1,393,643	1,384,055
FNMA 1993 204 EC	10/23/25	5.95	604,223	595,915
FNMA 1993 44 PG	9/25/16	6.45	2,585,033	2,566,446
FNMA 1993 77G	11/19/25	6.50	2,476,720	2,456,584
FNMA 1993 84 Y9	6/25/18	6.45	2,192,300	2,173,117
FNR 1988-13 C	5/25/18	9.30	453,444	474,697
PRU HOME MTG 1994-14 A2	4/25/09	6.40	217,816	216,317
PRUHOME MTG 1993-22 A5	7/23/25	6.50	1,237,029	1,207,650
TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS				<u>\$ 14,827,772</u>
ASSET BACKED SECURITIES:				
CHEMT 1995-3A	4/15/05	6.23	3,000,000	2,947,500
CROWN HM EQ 1996-1 A4 ABS	8/25/12	7.15	1,300,000	1,286,610
DCMT 1999-6 A	7/17/07	6.85	3,000,000	2,944,200
TOTAL ASSET BACKED SECURITIES				<u>\$ 7,178,310</u>
CORPORATE OBLIGATIONS:				
ASSOCIATES CORP NORTH AME	9/30/01	7.88	2,500,000	2,513,950
AT & T CORP	3/15/04	5.63	3,000,000	2,819,400
BOMBARDIER CAPITAL LTD	8/15/04	7.50	3,000,000	2,965,533
CIT GROUP HLDGS	2/15/04	5.50	3,000,000	2,765,280
CITIGROUP INC	6/6/02	7.45	2,000,000	2,005,480
CSW INVTS NT 144A	8/1/01	6.95	3,000,000	2,985,090
EXPORT IMPORT BK KOREA	2/10/02	6.50	2,500,000	2,444,300
HELLER FINANCIAL INC	11/1/01	6.50	3,000,000	2,949,720

WASHINGTON STATE INVESTMENT BOARD
Industrial Insurance Funds - Supplemental Pension Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
KERN RIVER FUNDING CORP	9/30/01	6.72	2,500,000	2,476,050
LEHMAN BROTHERS HOLDINGS	4/1/04	6.63	3,000,000	2,863,170
NORFOLK SOUTHERN	5/15/05	8.38	3,000,000	3,082,230
PACIFICORP HOLDINGS	4/1/01	6.75	2,500,000	2,485,250
PDVSA FIN LTD	2/15/04	6.45	3,000,000	2,737,500
RITE AID CORP 144A	10/1/03	6.00	2,500,000	1,575,000
ROYAL CARIBBEAN	9/18/02	7.13	2,500,000	2,409,150
SAKS INC	7/15/04	7.00	3,000,000	2,690,910
SOLOMON SMITH BARNEY HLD	5/15/03	6.25	3,000,000	2,901,570
SPRINT CAPITAL CORP	11/15/03	5.70	3,000,000	2,829,840
UTILICORP UNTIED	7/15/04	7.00	3,000,000	2,865,390
WESTERN RESOURCES INC	8/15/03	6.25	3,000,000	2,806,500
TOTAL CORPORATE OBLIGATIONS				\$ 53,171,313
TOTAL MARKET VALUE OF INVESTMENTS				\$ 92,904,609

PERMANENT FUNDS

- Notes to Financial Statements
- Statement of Investments
- Statement of Changes in Investments
- Schedule of Investments

Washington State Investment Board Permanent Funds

Notes to Financial Statements
June 30, 2000

Note 1: Significant Accounting Policies

Investments are reported at fair market value, with the exception of short-term investments, which are reported at cost. Purchases and sales of investments are recorded on a trade date basis in accordance with generally accepted accounting principles.

Permanent fund revenues and expenditures are accounted for using the full accrual basis of accounting. Accordingly, revenues are recorded when earned and expenditures are recorded when incurred.

Capital gains and losses from the sale of investments are considered corpus. Accordingly, capital gains are reinvested as part of the principal of the portfolio. However, capital losses are deferred and amortized against future income distributions to beneficiary funds. This process is necessary to meet legal requirements that preclude capital losses from eroding the corpus of the invested funds. In addition, the loss is allocated over the weighted average life of the portfolio in order to alleviate any adverse impact on the current programs supported by these distributions.

Interest earnings, amortization of premiums and discounts, and amortization of deferred capital losses are distributed to beneficiary funds on a monthly basis.

The WSIB reports collateral received under securities lending agreements where the state has the ability to spend, pledge, or sell the collateral without borrower default. Liabilities resulting from these transactions, including broker commissions paid, are also reported. Additionally, costs associated with securities lending transactions are reported as investment management expenses in the accompanying statements. The Schedule of Investments and Statement of Investments do not include detailed holdings of securities lending collateral by investment classification.

85

WASHINGTON STATE INVESTMENT BOARD
PERMANENT FUNDS
 Statement of Investments - Unaudited
 June 30, 2000

	AGRICULTURAL	MILLERSYLVANIA PARK TRUST	NORMAL SCHOOL	COMMON SCHOOL	SCIENTIFIC	STATE UNIVERSITY	TOTAL	PERCENT OF TOTAL
Short Term (Cash)	\$ 3,356,126	\$ 5,151	\$ 8,512,337	\$ 2,465,456	\$ 4,490,767	\$ 168,381	\$ 18,998,218	3.2%
US Government Securities	12,897,192		21,143,935	17,308,346	15,904,816	2,763,645	70,017,934	11.7%
Mortgages and Mortgage Backed Securities	36,840,293		53,930,929	46,155,580	42,263,106	6,632,914	185,822,822	31.0%
Asset Backed Securities	5,861,992		8,022,645	7,981,730	6,257,611	1,012,826	29,136,804	4.9%
Corporate Obligations	54,789,739		88,911,267	74,470,555	66,040,018	10,413,516	294,625,095	49.1%
Equity Index Funds				1,044,047			1,044,047	0.2%
Total Investments	\$ 113,745,342	\$ 5,151	\$ 180,521,113	\$ 149,425,714	\$ 134,956,318	\$ 20,991,282	\$ 599,644,920	100.0%
Accrued Income Receivable	\$ 1,829,148	\$ 27	\$ 2,916,636	\$ 2,267,465	\$ 2,266,859	\$ 317,600	9,597,736	
Accrued Expenses & Distributions to Beneficiary Funds	(871,518)	(27)	(1,315,020)	(1,131,582)	(953,148)	(151,989)	(4,423,294)	
Receivable for Investments Sold	-	-	-	-	-	-	-	
Payable for Investments Purchased	-	-	-	-	-	-	-	
Collateral Held Under Securities Lending Agreements	13,994,756	-	15,256,913	18,712,345	11,890,956	1,353,169	61,208,139	
Obligations Under Securities Lending Agreements	(13,994,756)	-	(15,256,913)	(18,712,345)	(11,890,956)	(1,353,169)	(61,208,139)	
MARKET VALUE OF INVESTMENTS, JUNE 30, 2000	\$ 114,702,972	\$ 5,151	\$ 182,122,729	\$ 180,561,597	\$ 136,270,029	\$ 21,156,883	\$ 604,819,361	

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
PERMANENT FUNDS
Statement of Changes in Investment - Unaudited
Fiscal Year Ended June 30, 2000

	AGRICULTURAL	MILLERSYLVANIA PARK TRUST	NORMAL SCHOOL	COMMON SCHOOL	SCIENTIFIC	STATE UNIVERSITY	TOTAL
Market Value of Investments, June 30, 1999	\$ 115,712,026	\$ 5,151	\$ 179,551,987	\$ 155,648,356	\$ 135,750,715	\$ 20,703,461	\$ 607,371,696
Contributions	\$ 2,467,222	\$ -	\$ 7,427,080	\$ (522,138)	\$ 4,321,496	\$ 1,086,437	\$ 14,780,098
INVESTMENT EARNINGS:							
Interest Earnings	\$ 8,549,741	\$ 291	\$ 13,176,479	\$ 11,385,228	\$ 9,740,122	\$ 1,532,797	\$ 44,384,657
Capital Gains (Note 1 and 2)	66,216		136,153	793,649	80,795	36,637	1,113,450
Capital Losses (Note 1 and 2)	(9,429)		(5,754)	(126,195)	(130,066)	(32,366)	(303,810)
Market Gains & Losses	(3,636,878)		(5,522,404)	(6,157,921)	(4,438,481)	(644,997)	(20,400,682)
Investment Expenses	(427,285)		(519,404)	(436,799)	(293,837)	(46,139)	(1,723,465)
WSIB Operating Costs	(9,824)	(1)	(15,244)	(13,215)	(11,526)	(1,758)	(51,568)
<i>Net Investment Earnings</i>	<u>\$ 4,532,542</u>	<u>\$ 290</u>	<u>\$ 7,249,825</u>	<u>\$ 5,444,746</u>	<u>\$ 4,947,005</u>	<u>\$ 844,174</u>	<u>\$ 23,018,583</u>
OTHER CHANGES IN FUND BALANCE:							
Distributions to Beneficiary Funds	\$ (8,008,818)	\$ (290)	\$ (12,106,162)	\$ (10,009,368)	\$ (8,749,188)	\$ (1,477,190)	\$ (40,351,017)
<i>Net Other Changes in Fund Balance</i>	<u>\$ (8,008,818)</u>	<u>\$ (290)</u>	<u>\$ (12,106,162)</u>	<u>\$ (10,009,368)</u>	<u>\$ (8,749,188)</u>	<u>\$ (1,477,190)</u>	<u>\$ (40,351,017)</u>
Market Value of Investments, June 30, 2000	<u>\$ 114,702,972</u>	<u>\$ 5,151</u>	<u>\$ 182,122,729</u>	<u>\$ 150,561,597</u>	<u>\$ 136,270,029</u>	<u>\$ 21,156,888</u>	<u>\$ 604,819,361</u>

Note (1): Current year net capital losses are deferred and amortized against future income distributions paid to beneficiaries pursuant to state accounting policies.

Note (2): Current year net capital gains are reinvested as corpus pursuant to state accounting policies.

See Notes to Financial Statements

WASHINGTON STATE INVESTMENT BOARD
Agricultural Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			3,356,126	\$ <u>3,356,126</u>
 US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY BOND	8/15/19	8.13	900,000	1,087,308
U.S.A. TREASURY NOTE	8/15/03	11.13	500,000	565,625
U.S.A. TREASURY NOTE	11/15/03	11.88	125,000	145,430
U.S.A. TREASURY NOTE	8/15/05	10.75	1,010,000	1,204,263
U.S.A. TREASURY NOTE	5/15/16	7.25	1,235,000	1,359,080
U.S.A. TREASURY NOTE	11/15/16	7.50	5,000	5,638
U.S.A. TREASURY NOTE	8/15/05	6.50	1,000,000	1,010,160
TOTAL US TREASURIES				<u>\$ 5,377,505</u>
 AGENCIES				
FHLB/GLOBAL SR NT	9/2/08	5.80	800,000	734,248
FHLMC	4/15/08	5.75	383,000	351,583
FHLMC	12/14/01	4.75	4,600,000	4,469,176
FNMA MTN	10/28/02	6.21	2,000,000	1,964,680
TOTAL US AGENCIES				<u>\$ 7,519,687</u>
 TOTAL US GOVERNMENT SECURITIES				
				<u>\$ 12,897,192</u>
 MORTGAGE/MORTGAGE BACKED SECURITIES:				
PASS THROUGH AND OTHER MORTGAGES				
FHLMC PC 16-0079	5/1/09	10.25	24,926	25,894
FHLMC PC 17-0141	9/1/15	11.00	18,243	19,454
FHLMC PC 17-0147	11/1/15	11.00	4,774	5,162
FHLMC PC 17-0186	8/1/16	9.50	13,851	14,405
FHLMC PC 17-0217	3/1/17	8.00	25,950	26,015
FHLMC PC 17-0222	5/1/17	8.50	7,978	8,108
FHLMC SWAP 28-9650	3/1/17	8.50	37,012	37,614
FHLMC SWAP 29-0303	4/1/17	8.50	2,012	2,045
FNMA PL 307056	8/1/25	7.50	1,166,062	1,152,944

WASHINGTON STATE INVESTMENT BOARD
Agricultural Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

DESCRIPTION	MATURITY DATE	COUPON RATE	PAR VALUE OR SHARES	BOOK AND MARKET VALUE
GNMA GP 90132	5/15/09	9.00	45,860	46,930
BEVERLY FINANCE CORP 144A	7/15/04	8.36	500,000	505,805
<i>TOTAL PASS THROUGH AND OTHER MORTGAGES</i>				<u>\$ 1,844,375</u>
COLLATERIALIZED MORTGAGE OBLIGATIONS				
AMAC 1999-4 1A4	6/25/29	6.50	2,500,000	2,267,950
BOAMS 1999-7 A24	7/25/29	6.50	2,500,000	2,255,450
COM MTG ACEPT CORP 1998-C2 A3	9/15/30	6.04	1,300,000	1,162,543
DLJ CMC 1998-CF2 A1B	10/12/08	6.24	2,500,000	2,306,699
DLJCM 1999-CG2 A1B	6/10/09	7.30	2,500,000	2,462,355
FHG 30 H	7/25/23	7.50	2,000,000	1,982,500
FHLM PC 1055-H	3/15/21	7.00	821,287	806,143
FHLMC 1992 1452 PL	12/15/07	6.50	2,000,000	1,931,860
FHLMC 1998 2052 PL	4/15/13	6.00	2,000,000	1,823,740
FNMA 1993 207 Y4	12/25/17	5.50	524,433	520,825
FNMA 1993 223 PH	10/25/22	6.05	1,500,000	1,447,020
FNMA 1994 62 PH	11/25/23	6.90	1,000,000	985,930
FNMA 1999-16 VB	12/25/18	6.50	2,600,000	2,382,250
GE CAP MTG 1994-10A15	3/25/24	6.50	306,084	302,448
GECMS 1993-17 A11	12/25/23	6.50	2,500,000	2,344,525
GNR 1999-22 VB	11/20/14	7.00	1,500,000	1,491,090
HEADLANDS 1997-3 A15 CMO	7/25/27	7.75	308,406	308,502
NSCOR 1998-33 A5	1/25/29	6.25	2,000,000	1,773,740
PRU HOME 93-51 A14	12/25/23	6.75	1,500,000	1,433,895
RESIDENT FD MG 93-S12A11	12/25/08	7.50	57,097	56,847
RESIDENTIA FD MTG 1994-S10 A4	3/25/09	6.50	1,900,000	1,851,892
RFMSI 99-S18	8/25/29	7.00	2,300,000	2,157,676
S B M VII 1994-15 A5	6/25/09	6.50	1,000,000	940,038
<i>TOTAL COLLATERIALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 34,995,918</u>
TOTAL MORTGAGE/MORTGAGE BACKED				<u>\$ 36,840,293</u>
ASSET BACKED SECURITIES:				
CITIBK CR CARD TR I 98-2 A	1/15/10	6.05	2,075,000	1,922,612
DCMT 1999-6 A	7/17/07	6.85	1,700,000	1,668,380
MBNAM 1998-J A	2/15/06	5.25	2,400,000	2,271,000
TOTAL ASSET BACKED SECURITIES				<u>\$ 5,861,992</u>

WASHINGTON STATE INVESTMENT BOARD
Agricultural Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CORPORATE OBLIGATIONS:				
AMERICAN GEN FIN CORP	7/1/00	5.88	2,000,000	1,999,820
ANR PIPELINE	11/1/21	9.63	1,000,000	1,142,010
ANZ BANKING GROUP	2/1/04	6.25	1,000,000	955,620
ASSOCIATES CORP NORTH AMER	6/15/01	6.00	550,000	543,098
BANK OF NEW YORK	12/15/04	8.50	1,000,000	1,038,600
CARTER HOLT HARVEY LTD	12/1/04	8.88	1,000,000	1,035,200
CASE CREDIT CORP MTN	3/1/02	6.15	2,000,000	1,910,920
CHESAPEAKE & POTOMAC TEL MD	1/1/02	4.38	100,000	95,973
CIT GROUP HLDGS	2/15/04	5.50	2,000,000	1,843,520
CROWN CORK + SEAL INC	12/15/26	7.38	2,000,000	1,471,480
EASTMAN CHEMICAL	1/15/24	7.25	1,000,000	839,860
ENRON CORP	8/1/09	6.75	2,000,000	1,867,800
FORD MOTOR CREDIT CORP	2/15/02	8.20	500,000	504,995
GOLDMAN SACHS	7/15/02	6.60	1,850,000	1,816,423
GTE HAWAII	2/1/06	7.00	1,250,000	1,204,813
KN ENERGY INC	3/1/08	6.80	2,000,000	1,871,640
LORAL CORP	6/15/04	7.63	1,000,000	993,910
MBNA CORP MTN	9/15/00	6.50	1,000,000	997,910
MCI COMMUNICATIONS CORP	3/23/25	7.75	1,000,000	917,860
NEW ENGLAND TEL & TELEG CO	10/1/06	6.13	505,000	466,428
NEW JERSEY BELL TEL CO	12/1/06	5.88	600,000	549,288
NORTHWESTERN BELL TEL CO	9/1/01	6.00	350,000	347,060
OCCIDENTAL PETROLEUM	11/15/08	7.38	1,000,000	966,700
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	1,000,000	1,005,700
PHILLIPS PETROLEUM	2/15/11	9.38	1,250,000	1,373,238
PLACER DOME INC	6/15/15	7.75	500,000	436,220
PNC FUNDING CORP	6/1/04	7.75	1,000,000	983,190
PROGRESSIVE CORP	1/15/04	6.60	1,000,000	957,430
ROYAL CARIBBEAN CRUISES	4/1/05	8.25	1,000,000	956,540
SAFECO CAPITAL TRUST I	7/15/37	8.07	1,300,000	1,104,883
SOCIETY CORP	6/15/02	8.13	850,000	857,064
SOUTHERN UNION GAS	2/1/24	7.60	1,250,000	1,141,788
ST GEORGE BANK LTD	6/18/07	7.15	2,200,000	2,121,900
SWIFT BANK CORP - NY	6/15/17	7.38	1,750,000	1,724,450
TIME WARNER ENTERTAINMENT	9/1/08	7.25	1,000,000	967,210
TRANSOCEAN OFFSHORE INC	4/15/27	8.00	1,000,000	994,130
UNION PACIFIC CO	5/1/05	7.60	1,000,000	994,660
UNION PACIFIC CORP	2/1/06	6.40	1,500,000	1,407,240

WASHINGTON STATE INVESTMENT BOARD
Agricultural Permanent Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
WASTE MANAGEMENT	3/15/11	7.65	1,000,000	906,730
DUETSCHKE BANK FINANCIAL	4/25/09	7.50	2,000,000	1,963,660
FLETCHER CHALLENGE CAP CAN	6/20/16	8.25	1,700,000	1,565,853
MERITA BANK	4/1/09	6.50	2,000,000	1,816,580
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	800,000	761,840
SASKATCHEWAN CDA	7/15/13	7.38	2,000,000	1,981,280
SKANDINAVISKA ENSKILDA 144A	3/29/49	7.50	2,000,000	1,786,060
VODAFONE AIRTOUCH	2/15/05	7.63	1,600,000	1,601,168
TOTAL CORPORATE OBLIGATIONS				\$ 54,789,739
TOTAL MARKET VALUE OF INVESTMENTS				\$ 113,745,342

WASHINGTON STATE INVESTMENT BOARD
Millersylvania Park Trust Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			5,151	\$ <u>5,151</u>
TOTAL MARKET VALUE OF INVESTMENTS				\$ <u>5,151</u>

WASHINGTON STATE INVESTMENT BOARD
Normal School Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			8,512,337	\$ <u>8,512,337</u>
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY BOND	8/15/19	8.13	900,000	1,087,308
U.S.A. TREASURY BOND	11/15/21	8.00	3,750,000	4,529,888
U.S.A. TREASURY NOTE	2/15/03	10.75	835,000	918,759
U.S.A. TREASURY NOTE	5/15/03	10.75	300,000	332,952
U.S.A. TREASURY NOTE	11/15/03	11.88	1,000,000	1,163,440
U.S.A. TREASURY NOTE	5/15/16	7.25	1,425,000	1,568,170
U.S.A. TREASURY NOTE	11/15/16	7.50	480,000	541,277
<i>TOTAL US TREASURIES</i>				<u>\$ 10,141,793</u>
AGENCIES				
FHLB	8/15/02	6.00	4,500,000	4,412,115
FHLB/GLOBAL SR NT	9/2/08	5.80	1,300,000	1,193,153
FHLMC	12/14/01	4.75	3,000,000	2,914,680
FHLMC MTN	2/27/06	6.13	2,600,000	2,482,194
<i>TOTAL US AGENCIES</i>				<u>\$ 11,002,142</u>
TOTAL US GOVERNMENT SECURITIES				
				<u>\$ 21,143,935</u>
MORTGAGE/MORTGAGE BACKED SECURITIES:				
PASS THROUGH AND OTHER MORTGAGES				
FHLMC PC 16-0079	5/1/09	10.25	49,852	51,787
FHLMC PC 17-0029	5/1/10	12.00	10,050	10,873
FHLMC PC 17-0147	11/1/15	11.00	4,774	5,162
FHLMC PC 17-0217	3/1/17	8.00	51,564	51,692
FHLMC SWAP 29-1802	4/1/17	8.50	32,333	32,859
FHLMC SWAP 29-9021	8/1/17	8.50	77,931	79,197
FHLMC SWAP 30-3750	4/1/18	8.50	62,200	63,211

WASHINGTON STATE INVESTMENT BOARD
Normal School Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
FNMA PL 307056	8/1/25	7.50	3,031,760	2,997,653
GNMA SF 27559	8/15/09	9.50	123,831	129,631
GNMA SF 27772	11/15/09	9.50	119,286	125,335
GNMA SF 29026	7/15/09	9.50	43,494	45,531
GNMA SF 30363	9/15/09	9.50	38,659	40,470
GNMA SF 30644	6/15/09	9.50	59,197	61,970
BEVERLY FINANCE CORP 144A	7/15/04	8.36	2,000,000	2,023,220
CASA DE WOODS	1/1/14	7.00	326,936	243,044
FULTON WOODS APTS	2/1/18	7.50	1,221,507	1,217,940
HYDE PARK APTS	4/1/19	7.50	1,322,923	1,319,060
<i>TOTAL PASS THROUGH AND OTHER</i>				<u>\$ 8,498,637</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
AMAC 1999-4 1A4	6/25/29	6.50	4,160,357	3,774,193
BOAMS 1999-7 A24	7/25/29	6.50	3,900,000	3,518,502
COM MTG ACCEPT CORP 1998-C2 A3	9/15/30	6.04	4,000,000	3,577,054
DIJ CMC 1998-CF2 A1B	10/12/08	6.24	4,600,000	4,244,326
FHLMC 1994 1429 G	11/15/07	7.00	1,466,667	1,456,122
FHLMC 1998 2046 G	4/15/28	6.50	3,400,000	3,052,554
FHLMC-GNMA93-12 E	3/25/08	6.00	3,999,843	3,952,325
FNMA 1993 207 Y4	12/25/17	5.50	1,092,570	1,085,053
FNMA 1993 223 PH	10/25/22	6.05	1,500,000	1,447,020
FNMA 1999-16 VB	12/25/18	6.50	5,500,000	5,039,375
GE CAP MTG 1994-10A15	3/25/24	6.50	96,417	95,271
GNR 1999-22 VB	11/20/14	7.00	2,422,000	2,407,613
NSCOR 1998-33 A5	1/25/29	6.25	3,700,000	3,281,419
PRU HOME 93-51 A14	12/25/23	6.75	3,500,000	3,345,755
RESIDENT FD MG 93-S12A11	12/25/08	7.50	133,227	132,644
RFMSI 99-S18	8/25/29	7.00	3,200,000	3,001,984
S B M VII 1994-15 A5	6/25/09	6.50	2,150,000	2,021,083
<i>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 45,432,292</u>
TOTAL MORTGAGE/MORTGAGE BACKED				<u><u>\$ 53,930,929</u></u>

WASHINGTON STATE INVESTMENT BOARD

Normal School Permanent Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
ASSET BACKED SECURITIES:				
CROWN HM EQ 1996-1 A4 ABS	8/25/12	7.15	1,700,000	1,682,490
DCMT 1999-6 A	7/17/07	6.85	2,700,000	2,649,780
MBNAM 1998-J A	2/15/06	5.25	3,900,000	3,690,375
TOTAL ASSET BACKED SECURITIES				\$ 8,022,645
CORPORATE OBLIGATIONS:				
AMERICAN GEN FIN CORP	7/1/00	5.88	4,600,000	4,599,586
AMERICAN STORES	5/15/05	7.40	1,000,000	977,610
ANR PIPELINE	2/15/24	7.38	1,000,000	910,980
ANR PIPELINE	11/1/21	9.63	1,300,000	1,484,613
ANZ BANKING GROUP	2/1/04	6.25	2,000,000	1,911,240
BANK OF NEW YORK	12/15/04	8.50	1,000,000	1,038,600
CARGILL INC MTN	6/18/27	7.41	2,200,000	2,179,056
CARTER HOLT HARVEY LTD	12/1/04	8.88	1,800,000	1,863,360
CASE CREDIT CORP MTN	3/1/02	6.15	3,700,000	3,535,202
CHASE MANHATTAN CORP	2/15/02	8.50	1,000,000	1,016,780
CHESAPEAKE & POTOMAC TEL MD	6/1/04	5.88	200,000	190,568
CHESAPEAKE & POTOMAC TEL MD	10/1/08	6.63	775,000	730,670
CHICAGO & NWESTN TRANS	7/30/12	6.25	847,655	743,648
CINCINNATI GAS & ELEC	2/15/04	6.45	1,000,000	950,780
CROWN CORK + SEAL INC	12/15/26	7.38	2,000,000	1,471,480
CSW INVTs	1/1/06	7.45	2,500,000	2,438,350
EASTMAN CHEMICAL	1/15/24	7.25	2,000,000	1,679,720
FERRO CORP	6/15/25	8.00	500,000	472,510
FIRST CHICAGO	6/15/02	8.25	1,000,000	1,013,560
FORD MOTOR COMPANY	7/16/31	7.45	1,600,000	1,513,168
FORD MOTOR CREDIT CORP	2/15/02	8.20	1,000,000	1,009,990
GTE HAWAII	2/1/06	7.00	2,500,000	2,409,625
KN ENERGY INC	3/1/08	6.80	2,500,000	2,339,550
LEHMAN BROTHERS HOLDING	6/15/07	8.25	2,000,000	1,998,620
LORAL CORP	6/15/04	7.63	2,000,000	1,987,820
MBNA CORP MTN	9/15/00	6.50	1,750,000	1,746,343
MCI COMMUNICATIONS CORP	3/23/25	7.75	2,500,000	2,294,650
NEW ENGLAND TEL & TELEG CO	10/1/06	6.13	700,000	646,534
NEW JERSEY BELL TEL CO	12/1/06	5.88	500,000	457,740
OCCIDENTAL PETROLEUM	11/15/08	7.38	1,000,000	966,700
PACIFIC TEL & TELEG CO	11/1/02	6.00	250,000	244,650
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	1,500,000	1,508,550

WASHINGTON STATE INVESTMENT BOARD
Normal School Permanent Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
PHILLIPS PETROLEUM	2/15/11	9.38	2,000,000	2,197,180
PLACER DOME INC	6/15/15	7.75	500,000	436,220
PNC FUNDING CORP	6/1/04	7.75	1,500,000	1,474,785
PROGRESSIVE CORP	1/15/04	6.60	2,500,000	2,393,575
ROYAL CARIBBEAN CRUISES	4/1/05	8.25	2,000,000	1,913,080
SAFECO CAPITAL TRUST I	7/15/37	8.07	2,000,000	1,699,820
SOUTHERN UNION GAS	2/1/24	7.60	1,500,000	1,370,145
ST GEORGE BANK LTD	6/18/07	7.15	4,300,000	4,147,350
SWIFT BANK CORP - NY	6/15/17	7.38	2,500,000	2,463,500
TIME WARNER ENTERTAINMENT	9/1/08	7.25	2,000,000	1,934,420
U S BANCORP	10/15/05	6.75	2,000,000	1,934,900
UNION PACIFIC CO	5/1/05	7.60	2,800,000	2,785,048
UNION PACIFIC CORP	2/1/06	6.40	750,000	703,620
UNION PACIFIC RESOURCES	5/15/28	7.15	1,000,000	894,560
WASTE MANAGEMENT	3/15/11	7.65	2,525,000	2,289,493
CANADIAN NATIONAL RAILWAY CO	7/15/28	6.90	1,800,000	1,555,380
DUETSCHKE BANK FINANCIAL	4/25/09	7.50	3,000,000	2,945,490
ENERGY GROUP OVERSEAS BV	10/15/27	7.55	1,000,000	848,700
SASKATCHEWAN CDA	7/15/13	7.38	3,700,000	3,665,368
VODAFONE AIRTOUCH	2/15/10	7.75	3,000,000	2,926,380
TOTAL CORPORATE OBLIGATIONS				\$ 88,911,267
TOTAL MARKET VALUE OF INVESTMENTS				\$ 180,521,113

WASHINGTON STATE INVESTMENT BOARD
 Permanent Common School Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			2,465,456	\$ 2,465,456
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY BOND	11/15/21	8.00	4,750,000	5,737,858
U.S.A. TREASURY NOTE	11/15/12	10.38	200,000	246,000
U.S.A. TREASURY NOTE	11/15/03	11.88	1,500,000	1,745,160
U.S.A. TREASURY NOTE	5/15/16	7.25	1,500,000	1,650,705
U.S.A. TREASURY NOTE	11/15/16	7.50	1,960,000	2,210,214
U.S.A. TREASURY NOTE	8/15/05	6.50	2,000,000	2,020,320
<i>TOTAL US TREASURIES</i>				<u>\$ 13,610,256</u>
AGENCIES				
FED FARM CREDIT MTN (FFCB)	10/7/09	6.45	2,450,000	2,321,375
FHLB/GLOBAL SR NT	9/2/08	5.80	1,500,000	1,376,715
<i>TOTAL US AGENCIES</i>				<u>\$ 3,698,090</u>
TOTAL US GOVERNMENT SECURITIES				
				<u>\$ 17,308,346</u>
MORTGAGE/MORTGAGE BACKED SECURITIES:				
PASS THROUGH AND OTHER MORTGAGES				
FHLMC PC 16-0040	3/1/08	8.75	71,906	73,049
FHLMC PC 16-0079	5/1/09	10.25	49,852	51,787
FHLMC PC 17-0003	3/1/06	8.00	7,781	7,816
FHLMC PC 17-0147	11/1/15	11.00	6,206	6,710
FNMA PL 307056	8/1/25	7.50	559,669	553,372
FNMA PL 311991	8/1/25	7.50	1,300,358	1,286,951
FNMA PL 311994	8/1/25	7.50	716,748	708,684
FNMA PL 330130	11/1/25	7.50	1,504,374	1,487,450
BEVERLY FINANCE CORP 144A	7/15/04	8.36	1,650,000	1,669,157
<i>TOTAL PASS THROUGH AND OTHER</i>				<u>\$ 5,844,977</u>

WASHINGTON STATE INVESTMENT BOARD

Permanent Common School Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
AMAC 1999-4 1A4	6/25/29	6.50	3,400,000	3,084,412
BOAMS 1999-7 A24	7/25/29	6.50	3,400,000	3,067,412
COM MTG ACCEPT CORP 1998-C2 A3	9/15/30	6.04	3,000,000	2,682,791
COM MTG ACCEPT CORP 1999-C1 A2	5/15/09	7.03	2,500,000	2,426,300
DIJCM 1999-CG2 A1B	6/10/09	7.30	2,500,000	2,462,355
FHLMC 1994 1727 E	4/15/18	6.50	2,287,816	2,279,236
FHLMC/GNMA 1993 24 H	9/25/22	6.00	3,000,000	2,846,250
FNMA 1993 207 Y4	12/25/17	5.50	699,244	694,434
FNMA 1993 223 PH	10/25/22	6.05	2,500,000	2,411,700
FNMA 1993-163 PK	10/25/21	6.25	3,000,000	2,887,500
FNMA 1994 62 PH	11/25/23	6.90	2,000,000	1,971,860
FNMA 1999-16 VB	12/25/18	6.50	4,500,000	4,123,125
FNMA REMIC 1991-100 CL M	8/25/21	7.00	807,465	791,057
GE CAP MTG 1994-10A15	3/25/24	6.50	382,605	378,060
HEADLANDS 1997-3 A15 CMO	7/25/27	7.75	719,615	719,838
NSCOR 1998-33 A5	1/25/29	6.25	3,000,000	2,660,610
PRU HOME 93-51 A14	12/25/23	6.75	3,000,000	2,867,790
RESIDENT FD MG 93-S12A11	12/25/08	7.50	76,130	75,797
S B M VII 1994-15 A5	6/25/09	6.50	2,000,000	1,880,077
TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS				\$ 40,310,603
TOTAL MORTGAGE/MORTGAGE BACKED				\$ 46,155,580
ASSET BACKED SECURITIES:				
GREEN TREE FIN CORP 97-1 A5	3/15/28	6.86	2,000,000	1,955,620
MBNAM 1998-J A	2/15/06	5.25	3,200,000	3,028,000
NATL BK CR CD TR 95-1A	4/15/03	6.45	3,000,000	2,998,110
TOTAL ASSET BACKED SECURITIES				\$ 7,981,730
CORPORATE OBLIGATIONS:				
AMERICAN GEN FIN CORP	7/1/00	5.88	2,850,000	2,849,744
AMERICAN STORES	5/15/05	7.40	1,000,000	977,610
ANR PIPELINE	11/1/21	9.63	1,500,000	1,713,015
ASSOCIATES CORP NORTH AMER	6/15/01	6.00	3,850,000	3,801,683
BANK OF NEW YORK	12/15/04	8.50	1,250,000	1,298,250
CARTER HOLT HARVEY LTD	12/1/04	8.88	1,000,000	1,035,200
CASE CORPORATION	10/21/07	6.75	2,000,000	1,760,360

WASHINGTON STATE INVESTMENT BOARD
Permanent Common School Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CASE CREDIT CORP MTN	3/1/02	6.15	1,500,000	1,433,190
CHESAPEAKE & POTOMAC TEL MD	6/1/04	5.88	609,000	580,280
CHICAGO & NWESTN TRANS	7/30/12	6.25	847,655	743,648
CROWN CORK + SEAL INC	12/15/26	7.38	2,400,000	1,765,776
CSW INVTs	1/1/06	7.45	1,300,000	1,267,942
EASTMAN CHEMICAL	1/15/24	7.25	2,350,000	1,973,671
FERRO CORP	6/15/25	8.00	500,000	472,510
FIRST CHICAGO	6/15/02	8.25	2,500,000	2,533,900
FORD MOTOR CREDIT CORP	2/15/02	8.20	1,000,000	1,009,990
GOLDMAN SACHS	7/15/02	6.60	3,500,000	3,436,475
HOUSEHOLD FINANCE CORP	1/15/03	7.63	2,000,000	1,997,200
INDIANA BELL TEL INC	6/1/03	4.38	300,000	277,347
KN ENERGY INC	3/1/08	6.80	2,500,000	2,339,550
MBNA CORP MTN	9/15/00	6.50	1,000,000	997,910
MCI COMMUNICATIONS CORP	3/23/25	7.75	1,750,000	1,606,255
MOUNTAIN STS TEL & TELEG CO	6/1/05	5.50	1,190,000	1,096,621
NEW ENGLAND TEL & TELEG CO	10/1/06	6.13	525,000	484,901
NEW JERSEY BELL TEL CO	12/1/06	5.88	1,365,000	1,249,630
NORTHWESTERN BELL TEL CO	9/1/01	6.00	1,000,000	991,600
OCCIDENTAL PETROLEUM	11/15/08	7.38	4,600,000	4,446,820
PACIFIC TEL & TELEG CO	7/1/03	6.50	400,000	400,000
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	1,500,000	1,508,550
PHILLIPS PETROLEUM	2/15/11	9.38	2,000,000	2,197,180
PLACER DOME INC	6/15/15	7.75	500,000	436,220
PNC FUNDING CORP	6/1/04	7.75	1,000,000	983,190
PROGRESSIVE CORP	1/15/04	6.60	2,250,000	2,154,218
RITE AID CORP	1/15/07	7.13	2,150,000	1,096,500
SAFECO CAPITAL TRUST I	7/15/37	8.07	1,100,000	934,901
SOUTHERN UNION GAS	2/1/24	7.60	1,000,000	913,430
ST GEORGE BANK LTD	6/18/07	7.15	3,700,000	3,568,650
SWIFT BANK CORP - NY	6/15/17	7.38	1,000,000	985,400
TIME WARNER ENTERTAINMENT	9/1/08	7.25	1,000,000	967,210
UNION PACIFIC CORP	2/1/06	6.40	1,000,000	938,160
UNION PACIFIC RESOURCES	5/15/28	7.15	4,750,000	4,249,160
UTILICORP UNTIED	7/15/04	7.00	3,000,000	2,865,390
WASTE MANAGEMENT	3/15/11	7.65	1,000,000	906,730
NORSK HYDRO A/S	7/15/14	9.13	1,000,000	1,090,740
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	700,000	666,610
SASKATCHEWAN CDA	7/15/13	7.38	3,500,000	3,467,240

WASHINGTON STATE INVESTMENT BOARD
Permanent Common School Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
TOTAL CORPORATE OBLIGATIONS				<u>\$ 74,470,555</u>
EQUITY INDEX FUND:				
BGI US EQUITY MKT FUND B			84,191	<u>\$ 1,044,047</u>
TOTAL MARKET VALUE OF INVESTMENTS				<u>\$ 149,425,714</u>

WASHINGTON STATE INVESTMENT BOARD

Scientific Permanent Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			4,490,767	\$ <u>4,490,767</u>
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY BOND	8/15/19	8.13	1,750,000	2,114,210
U.S.A. TREASURY NOTE	11/15/12	10.38	800,000	984,000
U.S.A. TREASURY NOTE	2/15/03	10.75	300,000	330,093
U.S.A. TREASURY NOTE	11/15/16	7.50	425,000	479,256
U.S.A. TREASURY NOTE	8/15/05	6.50	4,000,000	4,040,640
<i>TOTAL US TREASURIES</i>				\$ <u>7,948,199</u>
AGENCIES				
FHLB/GLOBAL SR NT	9/2/08	5.80	1,500,000	1,376,715
FHLMC	10/6/04	6.24	2,900,000	2,810,738
FHLMC	3/15/09	5.75	1,700,000	1,547,527
FNMA MTN	8/7/01	6.69	2,230,000	2,221,638
<i>TOTAL US AGENCIES</i>				\$ <u>7,956,618</u>
TOTAL US GOVERNMENT SECURITIES				\$ <u>15,904,816</u>
MORTGAGE/MORTGAGE BACKED SECURITIES:				
PASS THROUGH AND OTHER MORTGAGES				
FHLMC PC 17-0141	9/1/15	11.00	31,925	34,045
FHLMC PC 17-0147	11/1/15	11.00	1,241	1,342
FHLMC PC 17-0217	3/1/17	8.00	48,689	48,811
FNMA PL 311991	8/1/25	7.50	185,268	183,358
FNMA PL 311994	8/1/25	7.50	385,276	380,942
FNMA PL 312210	7/1/25	7.50	562,077	555,753
FNMA PL 315470	7/1/25	7.50	856,879	847,239
FNMA PL 319490	8/1/25	7.50	263,583	260,617

WASHINGTON STATE INVESTMENT BOARD

Scientific Permanent Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
BEVERLY FINANCE CORP 144A	7/15/04	8.36	750,000	758,708
BITTERROOT MANOR	1/1/19	7.50	1,003,138	1,003,138
SKY PARK APTS	2/1/18	7.50	936,142	936,142
<i>TOTAL PASS THROUGH AND OTHER</i>				<u>\$ 5,010,095</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
AMAC 1999-4 1A4	6/25/29	6.50	3,000,000	2,721,540
BOAMS 1999-7 A24	7/25/29	6.50	3,000,000	2,706,540
COM MTG ACCEPT CORP 1998-C2 A3	9/15/30	6.04	3,000,000	2,682,791
DIJ CMC 1998-CF2 A1B	10/12/08	6.24	3,400,000	3,137,111
FHG 30 H	7/25/23	7.50	2,500,000	2,478,125
FHLMC 1992 1452 PL	12/15/07	6.50	3,500,000	3,380,755
FHLMC-GNMA93-12 E	3/25/08	6.00	1,799,929	1,778,546
FNMA 1993 207 Y4	12/25/17	5.50	437,028	434,021
FNMA 1993 223 PH	10/25/22	6.05	1,000,000	964,680
FNMA 1999-16 VB	12/25/18	6.50	2,800,000	2,565,500
GE CAP MTG 1994-10A15	3/25/24	6.50	191,303	189,030
GNMA 1998-11 VB	2/20/11	6.50	3,500,000	3,334,835
GNR 1999-22 VB	11/20/14	7.00	1,700,000	1,689,902
HEADLANDS 1997-3 A15 CMO	7/25/27	7.75	616,813	617,004
NSCOR 1998-33 A5	1/25/29	6.25	3,000,000	2,660,610
PRU HOME 93-51 A14	12/25/23	6.75	2,500,000	2,389,825
RESIDENT FD MG 93-S12A11	12/25/08	7.50	76,130	75,797
RESIDENTIA FD MTG 1994-S10 A4	3/25/09	6.50	2,530,000	2,465,940
S B M VII 1994-15 A5	6/25/09	6.50	1,043,000	980,460
<i>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 37,253,011</u>
TOTAL MORTGAGE/MORTGAGE BACKED				<u>\$ 42,263,106</u>
ASSET BACKED SECURITIES:				
CITRV 1999-A A4	6/15/13	6.16	1,700,000	1,645,311
DCMT 1999-6 A	7/17/07	6.85	2,000,000	1,962,800
MBNAM 1998-J A	2/15/06	5.25	2,800,000	2,649,500
TOTAL ASSET BACKED SECURITIES				<u>\$ 6,257,611</u>

WASHINGTON STATE INVESTMENT BOARD

Scientific Permanent Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CORPORATE OBLIGATIONS:				
ALBERTSON'S INC	8/1/04	6.55	3,000,000	2,877,750
AMERICAN GEN FIN CORP	7/1/00	5.88	2,800,000	2,799,748
ANR PIPELINE	2/15/24	7.38	1,000,000	910,980
ANR PIPELINE	11/1/21	9.63	1,000,000	1,142,010
BANK OF NEW YORK	12/15/04	8.50	1,000,000	1,038,600
CARTER HOLT HARVEY LTD	12/1/04	8.88	1,000,000	1,035,200
CASE CORPORATION	10/21/07	6.75	1,500,000	1,320,270
CASE CREDIT CORP MTN	3/1/02	6.15	2,800,000	2,675,288
CHESAPEAKE & POTOMAC TEL MD	10/1/08	6.63	500,000	471,400
CHICAGO & NWESTN TRANS	7/30/12	6.25	847,655	743,648
CINCINNATI GAS & ELEC	2/15/04	6.45	1,000,000	950,780
CROWN CORK + SEAL INC	12/15/26	7.38	3,200,000	2,354,368
CSW INVTs	1/1/06	7.45	1,200,000	1,170,408
EASTMAN CHEMICAL	1/15/24	7.25	1,500,000	1,259,790
FERRO CORP	6/15/25	8.00	1,000,000	945,020
FIRST CHICAGO	6/15/02	8.25	1,000,000	1,013,560
FORD MOTOR CREDIT CORP	2/15/02	8.20	400,000	403,996
GOLDMAN SACHS	7/15/02	6.60	2,300,000	2,258,255
GTE HAWAII	2/1/06	7.00	1,600,000	1,542,160
ILLINOIS BELL TEL CO	7/1/03	4.38	250,000	230,335
KN ENERGY INC	3/1/08	6.80	1,900,000	1,778,058
LORAL CORP	6/15/04	7.63	1,000,000	993,910
MBNA CORP MTN	9/15/00	6.50	1,000,000	997,910
MCI COMMUNICATIONS CORP	3/23/25	7.75	1,000,000	917,860
NEW ENGLAND TEL & TELEG CO	10/1/06	6.13	600,000	554,172
NEW JERSEY BELL TEL CO	12/1/06	5.88	1,100,000	1,007,028
NORTHWESTERN BELL TEL CO	9/1/01	6.00	70,000	69,412
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	1,300,000	1,307,410
PHILLIPS PETROLEUM	2/15/11	9.38	2,000,000	2,197,180
PLACER DOME INC	6/15/15	7.75	1,250,000	1,090,550
PNC FUNDING CORP	6/1/04	7.75	1,000,000	983,190
PROGRESSIVE CORP	1/15/04	6.60	1,000,000	957,430
ROYAL CARIBBEAN CRUISES	4/1/05	8.25	1,000,000	956,540
SAFECO CAPITAL TRUST I	7/15/37	8.07	2,300,000	1,954,793
SAFeway INC	11/15/08	6.50	2,700,000	2,483,163
SOUTHERN UNION GAS	2/1/24	7.60	1,000,000	913,430
ST GEORGE BANK LTD	6/18/07	7.15	3,000,000	2,893,500
SWIFT BANK CORP - NY	6/15/17	7.38	2,000,000	1,970,800
TIME WARNER ENTERTAINMENT	9/1/08	7.25	900,000	870,489

WASHINGTON STATE INVESTMENT BOARD

Scientific Permanent Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
U S BANCORP	10/15/05	6.75	1,500,000	1,451,175
UNION PACIFIC CO	5/1/05	7.60	2,000,000	1,989,320
UNION PACIFIC CORP	2/1/06	6.40	1,250,000	1,172,700
WASTE MANAGEMENT	3/15/11	7.65	1,500,000	1,360,095
WILLIAMS COMPANIES, INC	8/1/06	6.50	1,300,000	1,216,293
ENERGY GROUP OVERSEAS BV	10/15/27	7.55	1,000,000	848,700
NORSK HYDRO A/S	7/15/14	9.13	1,000,000	1,090,740
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	1,600,000	1,523,680
SASKATCHEWAN CDA	7/15/13	7.38	2,000,000	1,981,280
VODAFONE AIRTOUCH	2/15/10	7.75	1,400,000	1,365,644
TOTAL CORPORATE OBLIGATIONS				\$ 66,040,018
TOTAL MARKET VALUE OF INVESTMENTS				\$ 134,956,318

WASHINGTON STATE INVESTMENT BOARD
State University Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SHORT - TERM INVESTMENT FUND:				
PROVIDENT TEMPFUND B			168,381	\$ <u>168,381</u>
US GOVERNMENT SECURITIES:				
TREASURIES				
U.S.A. TREASURY NOTE	11/15/03	11.88	75,000	87,258
U.S.A. TREASURY NOTE	5/15/16	7.25	20,000	22,009
U.S.A. TREASURY NOTE	11/15/16	7.50	175,000	197,341
U.S.A. TREASURY NOTE	8/15/05	6.50	750,000	757,620
<i>TOTAL US GOVERNMENT TREASURIES</i>				\$ <u>1,064,228</u>
AGENCIES				
FHLB	2/20/01	5.54	700,000	694,531
FHLB/GLOBAL SR NT	9/2/08	5.80	300,000	275,343
FHLM	2/13/15	7.38	380,000	385,107
TENN VAL AUTH	12/15/17	6.25	380,000	344,436
<i>TOTAL US AGENCIES</i>				\$ <u>1,699,417</u>
TOTAL US GOVERNMENT SECURITIES				\$ <u>2,763,645</u>
MORTGAGE/MORTGAGE BACKED SECURITIES:				
PASS THROUGH AND OTHER MORTGAGES				
FHLMC GIANT SWAP 30-4272	6/1/18	8.50	11,906	12,100
FNMA PL 315470	7/1/25	7.50	209,916	207,555
FNMA PL 330130	11/1/25	7.50	300,520	297,140
BEVERLY FINANCE CORP 144A	7/15/04	8.36	100,000	101,161
EAGLES MANOR	6/1/18	7.50	825,145	823,132
<i>TOTAL PASS THROUGH AND OTHER</i>				\$ <u>1,441,087</u>

WASHINGTON STATE INVESTMENT BOARD
State University Permanent Fund
Schedule of Investments - Unaudited
June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
COLLATERALIZED MORTGAGE OBLIGATIONS				
AMAC 1999-4 1A4	6/25/29	6.50	400,000	362,872
COM MTG ACCEPT CORP 1998-C2 A3	9/15/30	6.04	300,000	268,279
COM MTG ACCEPT CORP 1999-C1 A2	5/15/09	7.03	200,000	194,104
DLJCM 1999-CG3 A1B	9/10/09	7.34	250,000	247,503
FHG 30 H	7/25/23	7.50	300,000	297,375
FHLM PC GTD	5/25/22	7.00	300,000	291,843
FHLMC 1993 1637 GA	6/15/23	5.80	252,181	239,572
FHLMC 1998 2052 PL	4/15/13	6.00	350,000	319,155
FHLMC 1999 2113 VB	11/15/15	6.00	421,000	374,294
FNMA 1993 207 Y4	12/25/17	5.50	49,821	49,478
FNMA 1993 223 PH	10/25/22	6.05	281,000	271,075
FNMA 1993-163 PK	10/25/21	6.25	400,000	385,000
FNMA 1994 62 PH	11/25/23	6.90	254,000	250,426
FNMA 1998 47 PC	12/18/21	6.25	440,000	425,009
FNMA 1999-16 VB	12/25/18	6.50	100,000	91,625
GE CAP MTG 1994-10A15	3/25/24	6.50	38,261	37,806
HEADLANDS 1997-3 A15 CMO	7/25/27	7.75	205,604	205,668
MSC 1999 FNV1 A2	3/15/32	6.53	400,000	375,700
NSCOR 1998-33 A5	1/25/29	6.25	300,000	266,061
PRU HOME 93-51 A14	12/25/23	6.75	250,000	238,983
<i>TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS</i>				<u>\$ 5,191,827</u>
TOTAL MORTGAGE/MORTGAGE BACKED				<u><u>\$ 6,632,914</u></u>
ASSET BACKED SECURITIES:				
CIT RV TRUST 97-A A7 ABS	8/15/13	6.40	300,000	293,670
GREEN TREE FIN CORP 97-1 A5	3/15/28	6.86	300,000	293,343
MBNAM 1998-J A	2/15/06	5.25	450,000	425,813
TOTAL ASSET BACKED SECURITIES				<u><u>\$ 1,012,826</u></u>
CORPORATE OBLIGATIONS:				
AMERICAN GEN FIN CORP	7/1/00	5.88	150,000	149,987
ANR PIPELINE	11/1/21	9.63	200,000	228,402
BANK OF NEW YORK	12/15/04	8.50	250,000	259,650
CARTER HOLT HARVEY LTD	12/1/04	8.88	200,000	207,040

WASHINGTON STATE INVESTMENT BOARD

State University Permanent Fund

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CASE CREDIT CORP MTN	3/1/02	6.15	300,000	286,638
CHICAGO & NWESTN TRANS	7/30/12	6.25	254,300	223,097
DR INVESTMENTS 144A	5/15/02	7.10	300,000	297,192
EASTMAN CHEMICAL	1/15/24	7.25	150,000	125,979
FORD MOTOR COMPANY	7/16/31	7.45	400,000	378,292
FORD MOTOR CREDIT CORP	2/15/02	8.20	100,000	100,999
GENERAL ELEC CREDIT CORP	11/1/01	5.50	400,000	391,632
GOLDMAN SACHS	7/15/02	6.60	350,000	343,648
GTE HAWAII	2/1/06	7.00	250,000	240,963
KN ENERGY INC	3/1/08	6.80	300,000	280,746
LOCKHEED MARTIN CORP	12/1/29	8.50	200,000	201,956
MBNA CORP MTN	9/15/00	6.50	250,000	249,478
MCI COMMUNICATIONS CORP	3/23/25	7.75	250,000	229,465
NORTHWESTERN BELL TEL CO	9/1/01	6.00	80,000	79,328
OCCIDENTAL PETROLEUM	11/15/08	7.38	400,000	386,680
PANHANDLE EASTERN PIPELINE	8/15/04	7.88	100,000	100,570
PHILLIPS PETROLEUM	2/15/11	9.38	250,000	274,648
PLACER DOME INC	6/15/15	7.75	250,000	218,110
PNC FUNDING CORP	6/1/04	7.75	250,000	245,798
PROGRESSIVE CORP	1/15/04	6.60	250,000	239,358
RITE-AID CORP 144A	12/15/08	6.13	200,000	94,000
ROHM & HAAS CO 144A	7/15/04	6.95	400,000	393,712
SAFECO CAPITAL TRUST I	7/15/37	8.07	200,000	169,982
SAFEWAY INC	11/15/08	6.50	300,000	275,907
SOCIETY CORP	6/15/02	8.13	150,000	151,247
SOUTHERN UNION GAS	2/1/24	7.60	150,000	137,015
ST GEORGE BANK LTD	6/18/07	7.15	400,000	385,800
SWIFT BANK CORP - NY	6/15/17	7.38	250,000	246,350
TIME WARNER ENTERTAINMENT	9/1/08	7.25	100,000	96,721
U S BANCORP	10/15/05	6.75	300,000	290,235
UNION PACIFIC CO	5/1/05	7.60	200,000	198,932
UNION PACIFIC CORP	2/1/06	6.40	200,000	187,632
UNION PACIFIC RESOURCES	5/15/28	7.15	250,000	223,640
WEYERHAEUSER CO	1/15/25	8.50	175,000	180,520
CROWN CORK + SEAL FIN SA	12/15/03	6.75	400,000	375,588
FLETCHER CHALLENGE CAP CAN	6/20/16	8.25	300,000	276,327
MONTREAL CITY OF	11/1/04	5.00	16,000	14,665
NORSK HYDRO A/S	7/15/14	9.13	180,000	196,333
POTASH CORP SASKATCHEWAN CDA	6/15/07	7.13	300,000	285,690

WASHINGTON STATE INVESTMENT BOARD
State University Permanent Fund
 Schedule of Investments - Unaudited
 June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SASKATCHEWAN CDA	7/15/13	7.38	300,000	297,192
VODAFONE AIRTOUCH	2/15/30	7.88	200,000	196,376
TOTAL CORPORATE OBLIGATIONS				\$ 10,413,516
TOTAL MARKET VALUE OF INVESTMENTS				\$ 20,991,282

OTHER TRUST FUNDS

- Schedule of Investments

WASHINGTON STATE INVESTMENT BOARD

Other Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GUARANTEED EDUCATION TUITION FUND:				
SHORT - TERM INVESTMENT FUND				
PROVIDENT TEMPFUND B			1,220,054	\$ 1,220,054
US GOVERNMENT TREASURIES				
TREASURY INFLATION IX N/B	1/15/08	3.63	10,596,800	10,273,916
TREASURY INFLATION IX N/B	1/15/09	3.88	12,526,560	12,334,778
TREASURY INFLATION IX N/B	1/15/10	4.25	7,122,780	7,225,134
EQUITY INDEX FUNDS				
BGI US EQUITY MKT FUND B			1,566,266	19,423,124
STATE STREET MSCI EAFE INDEX			51,000	5,910,808
TOTAL GUARANTEED EDUCATION TUITION FUND				\$ 56,387,815
EMERGENCY RESERVE FUND:				
SHORT - TERM INVESTMENT FUND				
PROVIDENT T FUND			325,098,888	\$ 325,098,888
US GOVERNMENT AGENCIES				
FHLB	3/2/01	5.38	50,000,000	49,515,500
FHLB	8/13/01	5.50	50,000,000	49,273,500
FHLB	4/17/01	5.13	50,000,000	49,351,500
FHLMC	6/15/01	5.75	50,000,000	49,500,000
FHLMC	12/14/01	4.75	50,000,000	48,578,000
FHLMC	2/15/01	5.00	31,000,000	30,651,250
FMC	7/6/00		50,000,000	49,975,000
FNMA	10/15/01	4.63	50,000,000	48,648,500
FEDERAL HOME LOAN BK			50,000,000	48,643,306
TOTAL EMERGENCY RESERVE FUND				\$ 749,235,443

WASHINGTON STATE INVESTMENT BOARD

Other Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
GAME AND SPECIAL WILDLIFE FUND:				
SHORT - TERM INVESTMENT FUND PROVIDENT TEMPFUND B			10,671,115	\$ <u>10,671,115</u>
STATE EMPLOYEES INSURANCE RESERVE:				
SHORT - TERM INVESTMENT FUND PROVIDENT TEMPFUND B			32,199,683	\$ <u>32,199,683</u>
RADIATION PERPETUAL MAINTENANCE FUND:				
SHORT - TERM INVESTMENT FUND PROVIDENT TEMPFUND B			828,808	\$ <u>828,808</u>
RECLAMATION REVOLVING FUND:				
SHORT - TERM INVESTMENT FUND PROVIDENT TEMPFUND B			510,863	\$ 510,863
MUNICIPAL BONDS				
CHELAN CO, CHELAN RIVER IRR	7/1/00	4.00	1,000	1,000
CHELAN CO, ENTIAT IRR DISTR	1/1/07	5.00	9,000	8,752
CHELAN CO, ENTIAT IRR DISTRI	1/1/01	5.00	6,000	6,010
CHELAN CO, ENTIAT IRR DISTRI	1/1/02	5.00	7,000	7,001
CHELAN CO, ENTIAT IRR DISTRI	1/1/03	5.00	7,000	6,984
CHELAN CO, ENTIAT IRR DISTRI	1/1/04	5.00	7,000	6,958
CHELAN CO, ENTIAT IRR DISTRI	1/1/05	5.00	8,000	7,905
CHELAN CO, ENTIAT IRR DISTRI	1/1/06	5.00	8,000	7,846
CHELAN CO, ENTIAT IRR DISTRI	1/1/08	5.00	9,000	8,678
CHELAN CO, ENTIAT IRR DISTRI	1/1/09	5.00	10,000	9,553
CHELAN CO, ENTIAT IRR DISTRI	1/1/10	5.00	10,000	9,450

WASHINGTON STATE INVESTMENT BOARD

Other Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
CHELAN CO, ENTIAT IRR DISTRI	1/1/11	5.00	11,000	10,258
CHELAN CO, ENTIAT IRR DISTRI	1/1/12	5.00	11,000	10,121
CHELAN CO, ENTIAT IRR DISTRI	1/1/13	5.00	12,000	10,896
CHELAN CO, LOWER SQUILCHUCK	1/1/10	4.00	25,000	21,063
CHELAN CO, LOWER STEMILT IRR	1/1/03	6.25	8,000	8,603
CHELAN CO, LOWER STEMILT IRR	1/1/01	6.25	8,000	8,044
CHELAN CO, LOWER STEMILT IRR	1/1/02	6.25	8,000	8,034
CHELAN CO, LOWER STEMILT IRR	1/1/04	6.25	9,000	9,031
CHELAN CO, LOWER STEMILT IRR	1/1/05	6.25	9,000	9,028
CHELAN CO, LOWER STEMILT IRR	1/1/06	6.25	9,000	9,025
CHELAN CO, LOWER STEMILT IRR	1/1/07	6.25	10,000	10,026
CHELAN CO, LOWER STEMILT IRR	1/1/08	6.25	10,000	10,024
CHELAN CO, LOWER STEMILT IRR	1/1/09	6.25	11,000	11,024
CHELAN CO, LOWER STEMILT IRR	1/1/10	6.25	11,000	11,021
CHELAN CO, LOWER STEMILT IRR	1/1/11	6.25	12,000	12,018
KLICKITAT CO, N DALLEES IRR D	1/1/01	3.00	2,000	1,878
KLICKITAT CO, N DALLEES IRR D	1/1/02	3.00	2,000	1,841
KLICKITAT CO, WHITE SALMON I	1/1/01	3.00	2,000	1,978
KLICKITAT CO, WHITE SALMON I	1/1/02	3.00	2,000	1,910
OKANOGAN CO, AENEAS LAKE IRR	1/1/01	5.00	5,500	5,501
OKANOGAN CO, AENEAS LAKE IRR	1/1/02	5.00	12,000	11,999
OKANOGAN CO, AENEAS LAKE IRR	1/1/03	5.00	12,000	11,972
OKANOGAN CO, AENEAS LAKE IRR	1/1/04	5.00	12,000	11,928
OKANOGAN CO, AENEAS LAKE IRR	1/1/05	5.00	12,000	11,857
OKANOGAN CO, AENEAS LAKE IRR	1/1/06	5.00	12,000	11,769
OKANOGAN CO, AENEAS LAKE IRR	1/1/07	5.00	12,000	11,669
OKANOGAN CO, AENEAS LAKE IRR	1/1/08	5.00	12,000	11,571
OKANOGAN CO, AENEAS LAKE IRR	1/1/09	5.00	12,000	11,463
OKANOGAN CO, AENEAS LAKE IRR	1/1/10	5.00	12,000	11,340
SPOKANE CO, MOAB IRR DISTRIC	7/1/00	4.00	6,000	6,000
SPOKANE CO, MOAB IRR DISTRIC	7/1/01	4.00	6,500	6,420
SPOKANE CO, MOAB IRR DISTRIC	7/1/02	4.00	6,500	6,306
SPOKANE CO, MOAB IRR DISTRIC	7/1/03	4.00	7,000	6,679
SPOKANE CO, MOAB IRR DISTRIC	7/1/04	4.00	7,500	7,039
SPOKANE CO, MOAB IRR DISTRIC	7/1/05	4.00	7,500	6,896
SPOKANE CO, MOAB IRR DISTRIC	7/1/06	4.00	8,000	7,230
SPOKANE CO, MOAB IRR DISTRIC	7/1/07	4.00	8,000	6,583
SPOKANE CO, MOAB IRR DISTRIC	7/1/08	4.00	8,500	7,422
SPOKANE CO, MOAB IRR DISTRIC	1/1/09	4.00	7,000	5,497
SPOKANE CO, MOAB IRR DISTRIC	7/1/00	4.00	600	574

WASHINGTON STATE INVESTMENT BOARD

Other Funds

Schedule of Investments - Unaudited

June 30, 2000

<u>DESCRIPTION</u>	<u>MATURITY DATE</u>	<u>COUPON RATE</u>	<u>PAR VALUE OR SHARES</u>	<u>BOOK AND MARKET VALUE</u>
SPOKANE CO, MOAB IRR DISTRIC	7/1/01	4.00	600	560
SPOKANE CO, MOAB IRR DISTRIC	7/1/02	4.00	600	547
SPOKANE CO, MOAB IRR DISTRIC	7/1/03	4.00	600	533
SPOKANE CO, MOAB IRR DISTRIC	7/1/07	4.00	600	533
SPOKANE CO, MOAB IRR DISTRIC	7/1/05	4.00	600	516
SPOKANE CO, MOAB IRR DISTRIC	7/1/06	4.00	600	503
SPOKANE CO, MOAB IRR DISTRIC	7/1/04	4.00	600	521
SPOKANE CO, MOAB IRR DISTRIC	7/1/08	4.00	600	482
SPOKANE CO, MOAB IRR DISTRIC	7/1/09	4.00	600	515
SPOKANE CO, MOAB IRR DISTRIC	7/1/10	4.00	9,000	7,485
<i>TOTAL MUNICIPAL BONDS</i>				<u>\$ 435,871</u>
TOTAL RECLAMATION REVOLVING FUND				<u>\$ 946,734</u>

*BROKER VOLUME &
COMMISSIONS PAID*

- Equity
- Fixed Income

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
AB ASESORES	358,536	31,153.76		
ABD SECURITIES	50,100	3,006.00		
ABG	25,214	890.29		
ABN AMRO BANK NV	3,618,653	84,054.65		
ABN AMRO SECURITIES	13,717,796	423,125.49		
ACCIONES Y VALORES	3,878,100	58,639.64		
AHORRO CORPORATION FINANCIERA	832,500	60,514.44		
ALFA CAPITAL	290,126	6,628.86		
ALFRED BERG	293,500	9,308.91		
ALPHA CAPITAL COMPANY INC	60,300	1,043.72		
ALPHA MANAGEMENT INC	21,089,800	738,622.55		
ALPHA MGMT	13,490	663.36		
ARGENTINA	225,300	8,296.45		
ARNHOLD	36,000	524.78		
ARNHOLD & S. BLEICHROEDER	6,700	402.00		
AUERBACH GRAYSON	1,663,299	15,106.14		
B-TRADE SERVICES LLC	400	24.00		
BA SECURITIES INC			25,000,000	
BANC OF AM SEC LLC	277,807	3,983.76	182,394,016	90,000,000
BANCAM ROBERTSON STEPHENS	195,205	1,644.83		
BANCBOSTON ROBERTSON STEPHENS	1,175,264	8,217.16		
BANCO SANTANDER DE NEGOCIOS	58,100	3,748.04		
BANK J.VONTOBEL	13,100	21,689.94		
BANK JULIUS	354,860	68,534.62		
BANK OF SCOTLAND	24,413	570.07		
BANK VON E	1,700	3,023.38		
BANKQUE NATIONALE DE PARIS	101,900	1,045.89		
BANQUE NATIONAL DE PARIS	1,219,300	26,633.00		
BANQUE PARIBAS	13,500	1,500.16		
BARCLAYS CAPITAL INC			129,505,000	
BARING SECURITIES	1,839,183	87,624.42		
BBV SECURITIES INC	159,000	9,493.47		
BEAR, STEARNS & CO.	164,300	12,437.24	140,503,740	
BEAR, STEARNS & CO.	6,940,107	131,330.91		
BHF BANK	80,000	17,299.02		
BHF SECURITIES	390,600	3,382.43		
BNP CAP	327,000	15,124.19		
BNP SECURITIES	3,181,777	96,363.39		
BNY ESI + CO - ALPHA DIVISION	1,285,544	64,162.20		
BRANDT (ROBERT) & CO	88,800	4,440.00		
BRIDGE TRADING CO.	92,150	4,607.50		
BROADCORT CAPITAL	18,280	780.00		
BROCKHOUSE & COOPER	65,800	2,705.44		

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
BROWN BROS. HARRIMAN	36,800	2,208.00		
BSN SCIEDAD DEVALORES	58,102	4,028.93		
BUNTING WARBURG INC	53,300	1,811.87		
BUNTING WARVURGER SEC	143,200	6,677.62		
BURNS FRY & TIMMINS	39,500	1,668.00		
C.S.F.B.	206,970	9,150.50		
CAISSE DES DEPOTS SECURITIES	2,600	1,486.94		
CANADIAN I	869,216	35,157.85		
CANTOR FITZGERALD	61,500	2,952.00		
CAPEL, JAMES	451,035	25,151.43		
CAPITAL DEFENSE GROUP LTD	34,100	1,175.62		
CARNEGIE	671,350	88,611.55		
CARNEGIE FONDKOMISSION	393,100	9,691.43		
CARROLL MCENTEE & MCG	794,400	35,719.73		
CAZENOVE & CO.	693,270	13,567.64		
CHARTERHOUSE TILNEY	3,310,455	37,248.01		
CHASE BANK	1,913,300	82,791.34		
CHASE MANHATTAN BANK	19,800	75.81		
CHASE SECURITIES INC			239,075,000	
CHEUVREUX	236,000	69,446.79		
CHEVEAUX, J. PARIS	13,974	14,533.97		
CHEVREUX DE VIRIEU	450	280.43		
CHICAGO CORP	328,300	7,340.00		
CIBC OPPENHEIMER	114,764	3,089.45		
CIBC/WOOD GUNDY	272,000	11,952.82		
CITATION GROUP	1,188,200	1,514.41		
CITATION GROUP	616,500	36,192.00		
CITIBANK	383,600	20,341.00		
CITIBANK	3,200	160.00		
CL GLAZER INC.	9,706,300	23,765.23		
CLARKE & CO	17,000	909.82		
COLLINS STEWART	118,700	2,523.42		
COMMERZBANK AG	1,404,828	45,186.22		
CONCORD SECURITIES GROUP INC	16,636	2,567.78		
COUNTY NATWEST SEC CORP USA	194,300	9,066.00		
COWEN&CO	132,900	36,455.00		
CREDIT AGR	292,362	30,637.37		
CREDIT LYONNAIS	4,311,905	72,493.65		
CREDIT LYONNAISE	10,000	81.48		
CREDIT SUISSE	1,694,680	42,938.94		
CREDIT SUISSE FIRST BOSTON	3,535,656	51,369.60		
CREDIT SUISSE FIRST BOSTON LTD	1,364,438	59,977.71		
CREDITANSTALT BANK	1,948	2,818.35		

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
CROSBY SECURITIES	102,100	1,388.13		
CS FIRST BOSTON	170,340	7,994.20	39,300,000	
DAI ICHI SECURITIES	52,000	968.93		
DAIWA SEC. AMERICA	3,110,629	174,563.49		
DAVY STOCKBROKERS	1,913,883	26,404.98		
DEUTSCHE	21,075	1,286.99	73,000,000	
DEUTSCHE BANK AG/LONDON	48,698	1,106.13		
DEUTSCHE BANK CAPITAL	566,973	38,094.20		
DEUTSCHE BANK GOVT SEC INC	8,651,761	286,989.50		
DEUTSCHE BANK SECS	8,621,272	207,208.90		
DEUTSCHE M	913,200	73,074.56	41,000,000	
DEUTSCHE MORGAN GREINFELL	1,550,687	64,068.10		
DONALDSON LUFKIN	285,491	27,615.30	196,768,586	
DONALDSON LUFKIN JENRETTE	157,350	222.80		
DRESDNER K	8,236,603	256,014.57		
ECONO TRADING	5,700	194.87		
ENSKILDA SECURITIES	86,460	4,869.46		
ERNST & CO.	28,600	1,078.22		
EUROMOBILIARE	808,100	16,349.24		
EXANE	300,831	71,692.97		
FIRST BOSTON CORP.	78,781	16.94	156,155,000	
FIRST BOSTON CORPORATION	16,705,989	561,770.60		
FLEMING (ROBERT) INC	1,907,160	31,205.42		
FOX PITT KELTON	76,000	1,495.81		
FOX PITT KELTON INC	786,738	32,582.53		
FURMAN SELZ MAGER	2,358,715	9,298.17		
G-TRADE SE	235,224	7,866.52		
GOEPEL MCDERMID	10,100	410.14		
GOLDMAN SACHS & COMPANY	38,715,502	1,150,671.60	532,848,000	185,000,000
GOLDMAN, SACHS & CO.	4,100,992	80,941.44		
GOODBODY STOCKBROKERS	454,200	6,127.12		
GREENLINE INVESTOR SERVICES INC	8,600	516.00		
GRIFFITHS MCBURNEY	213,700	9,773.02		
GRUPO BURSATIL	120,400	1,542.37		
HAMBRECHT & QUIST	2,684,213	65,735.45		
HAMBRECHT & QUIST	29,700	1,485.00		
HANDLELSBA	7,000	3,660.62		
HG ASIA SECURITIES	103,000	4,756.04		
HOAK SECURITIES	5,400	324.00		
HOENIG & CO.	44,100	2,205.00		
HONG KONG + SHANGHAI BANKING C	4,200	167.18		
HONG KONG BANK	436,938	9,621.57		
HSBC JAMES CAPEL	577,000	8,029.88		

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
HSBC SECURITIES	6,970,851	237,111.72	59,500,000	
HSBC SECURITIES INC	2,488,354	67,216.25		
HYPOTHECAI	4,107	547.24		
IBJ INTL LTD	1,859,000	66,209.44		
INDOSUEZ WI CARR SECURITIES LTD	1,052,000	9,288.06		
ING SECURITIES	129,500	2,568.18		
INSTINET	570,064	7,351.91		
INSTINET	138,100	7,809.59		
INTERMOBILIARE SEC.	2,420,300	140,636.88		
INTERSTATE	121,600	6,080.00		
INVESTMENT TECHNOLOGY CORP	245,000	2,477.94		
INVESTMENT TECHNOLOGY GRP INC	92,500	418.60		
ITG - POSIT	720,022	3,850.79		
ITG INC	29,900	76.95		
J CHEUVREAUX	102,612	42,097.68		
J P MORGAN & CO	2,294,723	117,078.98	52,379,799	
J P MORGAN SECURITIES INC	5,369,243	247,193.18		
J&E DAVY	280,140	4,726.99		
J.B. WERE & SON	9,089,273	80,078.47		
JAMES CAPE	504,127	24,866.89		
JARDINE FLEMING	1,726,158	79,743.92		
JEFFERIES & CO	20,999	1,954.31		
JULIUS BAER	153,621	48,420.46		
KANKAKU SECURITIES	152,800	2,485.43		
KAY HIAN + CO	1,522,000	31,056.97		
KEIJSER	210,402	30,808.97		
KEMPEN & CO	366,565	43,312.41		
KEMPER SECURITY GROUP	123,835	17,878.91		
KLEINWORT BENSON	1,350,619	21,662.00		
KLEINWORTH BENSON INC	5,308,659	125,218.88	34,412	
KOKUSAI	100,100	5,179.72		
LATINVEST	127,800	6,643.00		
LEGG MASON			7,000,000	
LEHMAN BROS HONG KONG	2,000	148.11		
LEHMAN BROS INC	2,233,633	121,966.49	553,895,000	
LEHMAN BROTHERS	133,100	20,447.76	17,400,000	
LEHMAN BROTHERS INC	7,321,010	298,075.77		
LEWCO SECURITIES INC.	47,500	2,663.00		
LOMBARD ODIER + CIE	48,521	27,227.23		
LOMBARDI LACACI	16,700	6,239.58		
LONSDALE SECURITIES LTD	467,400	8,254.55		
LORRAINE L BLAIR INC	7,147,926	313,448.09		
LYNCH JONES & RYAN	354,301	19,232.15		

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
MACQUARIE EQUITIES	524,200	8,133.58		
MALONEY & CO	100,900	10,611.89		
MERRIL-PERFORMANCE MEASURE	26,130,534	815,838.33	734,000	
MERRILL LYNCH INTERNATIONAL	2,644,361	84,643.33		
MERRILL LYNCH P F & S	13,482,177	317,446.90	143,950,000	
MERRILL LYNCH, P F & S	39,527,341	1,068,642.26		
MESIROW & CO.	44,200	352.31		
MIDAS CORR	17,000	3,284.36		
MONTGOMERY SECURITIES	135,100	1,105.00		
MORGAN J P & CO	1,628,359	119,506.67	713,092,000	
MORGAN STANLEY & CO	48,409,353	1,159,328.35	637,950,000	
MORGAN STANLEY & CO.	3,565,220	47,938.82	25,000,000	
MORRIS WABER COMPANY	14,100	846.00		
NBC SECURI	21,800	893.71		
NCB STOCKBROKERS	276,909	3,916.43		
NEW JAPAN SECURITIES	20,000	1,270.63		
NOMURA CAPITAL SERVICES	61,000	1,452.56		
NOMURA SECURITIES	8,300	409.25		
NOMURA SECURITIES INTL	4,138,018	131,873.87		
NORDIC PARTNERS INC	231,600	23,294.43		
ODDO	13,197	4,767.16		
OPPENHEIM COLOGNE	4,597	3,809.19		
OPPENHEIM JR + CIE	500	120.50		
OPPENHEIM LEO & CO INC	5,550	1,307.89		
OPPENHEIMER & CO	25,138	2,030.76		
OPPENHEIMER & CO.	51,084	5,491.50		
ORD MINNET	4,837,378	64,144.77		
ORD MINNETT	118,300	103.79		
PAINWEBBER			91,767,000	
PAINWEBBER J & C	82,652	4,132.60		
PANMURE GORDON	18,328	377.14		
PARIBAS	109,940	17,634.26		
PARIBAS CO	1,609,510	12,418.21		
PEEL HUNT & CO LTD	1,104,400	17,644.43		
PEREGRINE SECURITIES	6,800	2,090.80		
PERSHING	1,186,065	60,956.35		
PICTET & CO	5,570	11,706.99		
PICTET OVERSEAS INC	53,920	83,401.10		
PRUDENTIAL	809,900	16,603.13	352,678,614	
PRUDENTIAL BACHE	235,000	5,265.84		
PRUDENTIAL SECURITIES INC	202,273	2,218.14	500,745,939	
RABO SECURITIES NV	224,100	12,767.24		
RABOBANK NETHERLAND	2,590	334.41		

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
RAYMOND JAMES			11,500,000	
RBC DOMINION SECURITIES	2,570,166	115,671.50		
ROBERT FLEMING	1,218,900	30,005.61		
ROCHDALE SECURITIES CORP	364,200	18,567.00		
ROYAL BANK OF CANADA	176,239	7,135.13		
SAL OPPENHEIM ET CIE	5,409	599.87		
SALOMON BROTHERS	25,143,370	559,256.03	223,109,586	
SALOMON, SMITH BARNEY	6,001,334	125,976.28	299,240,000	
SAMSUNG SECURITIES CO LTD	184,920	30,729.70		
SANDERS MORRIS & MUNDY INC	57,900	3,474.00		
SANFORD BERNSTEIN	30,260	2,793.85		
SBC WARBURG	4,489,749	23,412.91		
SBS SECURITIES CORP	9,200	81.12		
SCHRODER S	6,700	1,427.53		
SCHRODER SECURITIES	2,159,152	136,175.07		
SCHRODER WERTHEIM AND CO	176,000	6,394.03		
SCOTIA MCLEOD	132,600	4,971.81		
SEATTLE NW SECUTIRIES			175,000,000	
SG COWEN SECURITIES CORP	649,322	47,781.83		
SHAW DATA	1,700	918.37		
SIGMA SECS, ATHENS	27,060	8,758.07		
SKANDINAVISKA ENSKILDA	458,159	36,036.36		
SMITH BARNEY & COMPANY	70,800	214.00		
SOCIETE GENERAL	6,913,600	27,411.40		
SOUNDVIEW	40,000	2,200.00		
SOUTHWEST SECURITIES	10,000	500.00		
SPEAR LEEDS & KELLOGG	304,924	1,015.66		
SPEAR, LEEDS & KELLOGG	60,000	54.84		
SPEAR,LEEDS & KELLOGG	95,625	349.44		
SPROTT SECURITIES LTD	25,200	1,512.00		
STATE ST BK & TRUST	4,658,194			3,812,435,873
SUTHERLANDS LIMITED	328,005	4,399.09		
SVENSKA HANDELSBANKEN	134,300	16,134.69		
SWISS BANK	8,666,290	225,275.74		
THAMESWAY SECS	87,000	4,743.37		
TIR SECURITIES	114,926	6,895.56		
TONGE CO.	265,347	13,111.44		
TORONTO DOMINION SEC INC	12,400	416.88		
UBS PHILLIPS & DREW SEC.	12,374	2,673.78		
UBS SECURITIES	659,101	35,618.45		
UBS-DB CORPORATION	3,161,015	39,712.61		
VERSICHERU	15,600	1,841.12		
VONTOBEL	5,550	14,769.23		

WASHINGTON STATE INVESTMENT BOARD
Broker Volume and Equity Commissions Paid
For the Fiscal Year ended June 30, 2000

Broker Name	EQUITY		FIXED INCOME	
	Volume	Commissions	Long-Term	Short-Term
WARBURG DILLON READ LLC	4,096,005	96,336.67	217,110,000	140,000,000
WARBURG S.G.	1,727,478	51,710.69		
WARBURG SECURITIES	258,000	5,357.60		
WATERHOUSE SECURITIES INC	19,400	2,255.00		
WEISS	53,100	3,186.00		
WERE STOCKBROKING LTD	350,000	10,498.84		
WERTHEIM SCHRODER & CO INC	29,200	4,452.75		
WEST DEUTSCHE LANDESBANK	678,600	19,332.79		
WEST LB PAMURE LTD	533	246.23		
WEST LB SECURITIES	354,915	31,176.52		
WILSHIRE/SPRING	118,952	2,609.91		
WOOD GUNDY & COMPANY	73,400	2,946.80		
YORKTON SECURITIES INC	13,400	449.00		
BROKER INFO NOT AVAILABLE	178,724,934	280,786.57	1,054,692,340	20,712,138,706
TOTAL	676,338,385	14,688,779	6,892,328,032	24,939,574,579



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