

INVESTMENT SECTION

JULY 1, 2005 - JUNE 30, 2006 SUMMARY OF INVESTMENTS AND RELATED INCOME (UNAUDITED)

No.	INVESTMENTS	MARKET VALUE 06/30/05	MARKET VALUE 06/30/06	06/30/06 MARKET VALUE AS A % OF TOTAL ASSETS	(1) 06/30/06 INCOME AS A % OF TOTAL INCOME	(2) 06/30/06 INCOME (INCLUDES MARKET GAIN)	(1) 06/30/06 INCOME AS A % OF MARKET VALUE
Section 14	Stock (Publicly Traded)	\$1,485,054,128.67	\$1,804,266,986.12	44.711%	51.735%	\$204,945,269.57	11.359%
Section 17	Debt/Obligations	1,213,261,005.47	617,357,562.03	15.299%	6.832%	27,064,814.28	4.384%
Section 19(1)	Equity – Reit's & Pooled	112,122,049.64	139,220,445.50	3.450%	3.400%	13,469,584.86	9.675%
Section 19(2)	Equity Real Estate	132,196,889.86	132,461,073.00	3.282%	3.847%	15,238,598.95	11.504%
Section 20	Mortgages	167,431,768.00	227,600,946.95	5.640%	3.612%	14,309,620.31	6.287%
Section 20a	Small Business Investments – MI	68,062,611.36	79,641,760.06	1.974%	1.254%	4,967,877.99	6.238%
Section 20d	Basket Clause	243,356,812.54	506,914,541.29	12.562%	1.897%	7,515,496.52	1.483%
Section 20k	Foreign Securities	232,707,259.78	474,651,536.73	11.762%	27.423%	108,634,222.47	22.887%
TOTAL INVESTMENTS		\$3,754,283,429.56	\$3,982,114,851.68	98.680%	100.000%	\$396,145,484.95	9.948%
Cash			8,095,552.00	0.201%			
Accounts Receivable			236,982,041.82	5.873%			
Accounts Payable			(192,225,967.58)	-4.764%			
Capital Assets			417,749.00	0.010%			
NET ASSETS AVAILABLE FOR BENEFITS			\$4,035,384,226.92	100.000%			
Less: Investment Expenses						(14,475,753.06)	
Investment Income Before Administrative Expenses						381,669,731.89	
Less: Administrative Expenses						(3,399,288.27)	
NET INVESTMENT INCOME						\$378,270,443.62	

(1) Percentage Factor is Calculated Using Gross Income.

(2) Income May Be Net of Expenses Per Contract Agreements.

JUNE 1, 2005 - JUNE 30, 2006
**DETAIL SCHEDULE OF INVESTMENTS
AND RELATED INCOME**

No.	INVESTMENTS	MARKET VALUE 06/30/05	MARKET VALUE 06/30/06	05-06 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 14	STOCK (PUBLICLY TRADED)			
	Common & Preferred Stock	\$1,477,412,605.70	\$1,794,971,656.31	\$204,621,362.42
	(c) Mesirov Arbitrage Trust	7,055,611.80	8,508,190.21	0.00 (c)
	MIG – P&F Fund, Inc.	585,911.17	787,139.60	323,907.15
	TOTAL SECTION 14	\$1,485,054,128.67	\$1,804,266,986.12	\$204,945,269.57
SECTION 17	DEBT/OBLIGATIONS			
	Bonds & Notes	\$496,503,922.60	\$378,510,403.55	\$5,985,697.47
	(b) Short-Term Investments	647,002,384.65	85,549,654.15	21,153,414.51 (b)
	Mort.-Backed Securities	69,754,698.22	153,297,504.33	(74,297.70)
	TOTAL SECTION 17	\$1,213,261,005.47	\$617,357,562.03	\$27,064,814.28
SECTION 19(1)	EQUITY REAL ESTATE-POOLED (REITS)			
	(a) Reits Held by Custodian	\$35,450,552.64	\$60,374,428.50	\$5,134,264.23 (a)
	CNL Hospitality Reit	15,873,000.00	15,873,000.00	854,678.00
	Inland Retail Trust	11,502,500.00	11,770,000.00	1,159,250.84
	Midland Multifamily Equity	27,100,332.00	27,787,882.00	3,187,550.01
	RREEF America Reit II	22,195,665.00	23,415,135.00	3,133,841.78
	TOTAL SECTION 19(1)	\$112,122,049.64	\$139,220,445.50	\$13,469,584.86

INVESTMENT SECTION

No.	INVESTMENTS	MARKET VALUE 06/30/05	MARKET VALUE 06/30/06	05-06 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 19(2)	EQUITY REAL ESTATE-DIRECT & LP			
	Equity Direct	\$94,035,179.69	\$97,369,243.00	\$9,940,073.37
	AERC-DPF Georgia Ventures (LP)	10,040,461.00	10,535,227.00	826,266.00
	Canyon-Johnson Urban Fund	4,746,777.00	808,478.00	148,196.67
	Con. Cap Johnstown-Wash	12,426,971.00	14,082,341.00	677,225.00
	Fidelity Real Estate Fund, LP	2,254,469.17	1,222,563.00	450,697.61
	Walton Street Reit III	8,690,032.00	8,443,221.00	3,196,140.30
	TOTAL SECTION 19(2)	\$132,196,889.86	\$132,461,073.00	\$15,238,598.95
SECTION 20	MORTGAGES			
	Direct & Participating	\$19,331,504.01	\$22,113,403.67	\$1,831,325.66
	Construction Loans	62,621,014.99	120,644,869.28	4,354,869.64
	Aim-85	625,000.00	0.00	35,000.00
	Midland-MAHGT (Trust)	84,854,249.00	84,842,674.00	8,088,425.01
	TOTAL SECTION 20	\$167,431,768.00	\$227,600,946.95	\$14,309,620.31
SECTION 20a	INVESTMENTS-MICHIGAN			
	Atheneum Hotel Stock	\$5,158,062.44	\$5,158,062.44	\$0.00
	Doctors Hospital	0.00	0.00	27,334.00
	Fred Silber Co.	155,000.00	155,000.00	0.00
	Oracle Capital Partners	0.00	424,811.00	0.00
	Princeton Capital Fund	660,040.92	660,040.92	0.00
	Romulus Disposal L.P. & Note	38,546,083.00	39,882,844.00	0.00
	Touchstone Opportunity LTD	16,536,726.00	12,388,707.00	1,087,851.80
	Touchstone Opportunity LTD II.....	0.00	14,963,076.00	1,062,276.19
	Wind Point IV	7,006,699.00	6,009,218.00	2,790,416.00
	TOTAL SECTION 20a	\$68,062,611.36	\$79,641,760.06	\$4,967,877.99

JUNE 1, 2005 - JUNE 30, 2006
**DETAIL SCHEDULE OF INVESTMENTS
AND RELATED INCOME CON'T**

No.	INVESTMENTS	MARKET VALUE 06/30/05	MARKET VALUE 06/30/06	05-06 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 20d BASKET CLAUSE				
	Advent	\$0.00	\$27,032,567.00	\$0.00
	Columbia Management Company	32,402,453.60	0.00	0.00
	Credit Suisse	91,799,622.10	40,181,475.00	0.00
	HSBC	0.00	144,381,051.00	0.00
	Income Research	0.00	10,885,572.00	0.00
	Loomis Sayles	0.00	35,624,844.00	0.00
	Penn	0.00	43,208,706.00	0.00
	Seneca	0.00	46,137,698.00	0.00
	Transamerica	0.00	60,218,756.00	0.00
	Payden & Rygel	0.00	1,897,393.00	0.00
	Capri Select Income	15,678,542.00	10,000.00	709,521.00
	Capri Select Income II	0.00	3,825,760.00	31,360.00
	Crescent Gate	1,202,597.38	0.00	(1,202,597.38)
	Everest Energy Fund	20,000,000.00	20,000,000.00	0.00
	GSC Partners	7,500,000.00	7,500,000.00	0.00
	GSC Partners II	12,499,195.00	13,806,144.00	3,044,346.00
	India Hydropower	5,723,500.00	0.00	376,500.00
	Liberty Mutual Energy I	1,294,221.00	38,765.00	80,857.00
	Liberty Mutual Energy II	4,045,128.00	786,490.00	(455,017.00)
	Liberty Mutual Energy III	5,511,243.00	1,939,422.00	(61,116.00)
	Liberty Mutual Energy C1V	6,383,585.00	9,652,160.00	948,575.00
	Liberty Mutual Energy CV	0.00	8,677,909.00	(56,016.00)
(c)	Mesirow Arbitrage Trust	27,632,745.13	30,627,919.29	4,447,752.57 (c)
	Provender Opportunities Fund	1,034,427.57	481,910.00	(370,324.23)
	Solitron-Unsecured Claim	0.00	0.00	21,655.56
TOTAL SECTION 20d		\$232,707,259.78	\$506,914,541.29	\$7,515,496.52

INVESTMENT SECTION

No.	INVESTMENTS	MARKET VALUE 06/30/05	MARKET VALUE 06/30/06	06-06 INCOME AND NET CHANGE IN ASSET VALUE
SECTION 20k	FOREIGN SECURITIES			
	Foreign Bonds/Notes	\$6,384,460.69	\$8,217,261.18	\$2,906,277.38
	Foreign Equities	337,063,256.09	466,434,275.55	107,880,735.50
	Foreign Currencies	0.00	0.00	(2,152,790.41)
	TOTAL SECTION 20k	\$343,447,716.78	\$474,651,536.73	\$108,634,222.47
	TOTAL INVESTMENTS	\$3,754,283,429.56	\$3,982,114,851.68	\$396,145,484.95

(a) Income included with income from bonds and notes.

(b) Short-term income includes income from securities lending.

(c) A portion of this investment is in qualified common stock. That portion is in Section 14. Income cannot be segregated.

INVESTMENT MANAGERS

<p>ADVENT CAPITAL MANAGEMENT \$50.6 M New York, New York <i>Invests exclusively in convertible securities market with a value orientation with respect to the underlying equity.</i></p>	<p>CALAMOS ASSET MANAGEMENT \$84.5 M Naperville, Illinois <i>Manages a portfolio of mid-cap growth equities.</i></p>
<p>ALPHA PARTNERS, LLC \$12.6 M Detroit, Michigan <i>Manages a domestic large-cap equity portfolio using a growth oriented investment approach.</i></p>	<p>CREDIT SUISSE \$41.8 M New York, New York <i>Manages a fixed income portfolio of high-yield bonds.</i></p>
<p>BANYAN REALTY ADVISORS \$30.5 M West Palm Beach, Florida <i>A real estate advisor which provides investment and asset management services.</i></p>	<p>DIMENSIONAL FUND ADVISORS \$141.0 M Santa Monica, California <i>Manages a broadly diversified portfolio of international equities having relatively low turnover.</i></p>
<p>BLACKROCK \$54.0 M New York, New York <i>Manages domestic small-cap equities using a growth-oriented style.</i></p>	<p>EARNEST PARTNERS \$66.2 M Atlanta, Georgia <i>Manages domestic large-cap equities using a value-oriented style.</i></p>
<p>BNY ASSET MANAGEMENT \$151.4 M New York, New York <i>Manages a portfolio which is designed to track and outperform the MSCI EAFE international equity index utilizing American Depository receipts (ADRs).</i></p>	<p>FISHER INVESTMENTS \$152.5 M Woodside, California <i>Manages domestic large-cap equities comprising all market sectors utilizing both growth and value styles.</i></p>

INVESTMENT MANAGERS CON'T

<p>HSBC INVESTMENTS (USA) INC. \$151.2 M New York, New York <i>Manages a fixed income portfolio of high yield bonds.</i></p>	<p>MERRILL LYNCH ASSET MANAGEMENT \$409.5 M New York, New York <i>Manages an equity portfolio constructed to replicate the performance of the Standard & Poors 500 Index.</i></p>
<p>INCOME RESEARCH AND MANAGEMENT .. \$100.5 M Boston, Massachusetts <i>A fixed income manager that specializes in the less efficient sectors of the investment grade fixed income markets, primarily corporate bonds.</i></p>	<p>MESIROW ARBITRAGE TRUST \$39.1 M Chicago, Illinois <i>Manages a portfolio of equity and fixed income securities constructed to take advantage of price arbitrage opportunities.</i></p>
<p>KENNEDY CAPITAL \$345.7 M St. Louis, Missouri <i>Manages domestic small-cap equities using a growth-oriented style.</i></p>	<p>MUNIMAE MIDLAND INVESTMENT CORPORATION \$256.6 M Clearwater, Florida <i>A real estate advisor which specializes in multifamily construction loans as well as intermediate and long-term mortgages.</i></p>
<p>LOOMIS SAYLES & COMPANY \$106.1 M Bloomfield Hills, Michigan <i>Manages a core fixed income portfolio which favors corporate bonds.</i></p>	<p>OPPENHEIMER CAPITAL \$136.5 M New York, New York <i>Manages a portfolio of international equities.</i></p>
<p>MAYFIELD GENTRY \$106.5 M Detroit, Michigan <i>A real estate advisor which provides investment and asset management services.</i></p>	

INVESTMENT MANAGERS CON'T

<p>PAYDEN & RYGEL \$181.7 M Los Angeles, California <i>Manages the System's short-term cash equivalents plus a portfolio of US government securities.</i></p>	<p>STEWARD CAPITAL \$32.4 M Birmingham, Michigan <i>Manages a large-cap equity portfolio of companies with both growth and value characteristics.</i></p>
<p>PENN CAPITAL MANAGEMENT \$49.4 M Cherry Hill, New Jersey <i>Manages a portfolio of non-investment grade fixed income securities (high yield bonds).</i></p>	<p>TRANSAMERICA INVESTMENT SERVICES \$144.5 M Los Angeles, California <i>An active fixed income manager which uses a research-driven approach to acquire undervalued quality bonds which fall within specific maturity guidelines.</i></p>
<p>PUGH CAPITAL \$55.8 M Seattle, Washington <i>Manages a portfolio of domestic mortgage-backed fixed income securities.</i></p>	<p>TRUST COMPANY OF THE WEST \$111.9 M Los Angeles, California <i>Manages a portfolio of domestic mortgage-backed fixed income securities.</i></p>
<p>RHUMBLINE INVESTMENTS \$438.8 M Boston, Massachusetts <i>Manages an equity portfolio constructed to replicate the performance of the Russell 1000 Index Value Index, Russell 2000 Growth Index, Russell Mid-Cap Index.</i></p>	<p>TT INTERNATIONAL \$212.4 M London, England <i>Manages an international equity portfolio.</i></p>
<p>SENECA CAPITAL MANAGEMENT, LLC \$49.1 M San Francisco, California <i>Manages high yield fixed income.</i></p>	<p>WELLS CAPITAL MANAGEMENT \$101.5 M San Francisco, California <i>Manages portfolio that seeks capital appreciation by investing in securities of primarily large capitalization companies that offer attractive opportunities for growth.</i></p>