

JULY 1, 1997 - JUNE 30, 1998
SUMMARY OF DETAIL ANALYSIS OF INVESTMENTS
AND RELATED INCOME (AUDITED)

NO.	INVESTMENTS	MARKET VALUE 06-30-97	MARKET VALUE 06-30-98	06-30-98 MARKET VALUE AS A % OF TOTAL ASSETS	(1) 06-30-98 INCOME AS A % OF TOTAL INCOME	(2) 97-98 INCOME (INCLUDES MARKET GAIN)	(1) 06-30-98 INCOME AS A % OF MARKET VALUE
Section 14	Stock (Publicly Traded)	\$1,653,185,153.91	\$1,858,697,228.57	49.973%	77.401%	\$430,711,643.11	23.173%
Section 15	Mutual Funds	10,354,114.14	0.00	0.000%	0.229%	1,276,308.94	
Section 17	Debt/Obligations	923,880,695.66	849,298,857.02	22.834%	14.474%	80,544,920.38	9.484%
Section 19(1)	Equity-Reit's & Pooled	12,679,594.45	33,329,535.70	0.896%	0.424%	2,358,815.61	7.077%
Section 19(2)	Equity-Real Estate	52,016,801.00	65,811,074.00	1.769%	1.842%	10,250,989.49	15.576%
Section 20	Mortgages	192,569,720.03	181,254,976.83	4.873%	3.524%	19,609,568.33	10.819%
Section 20a	Small Business Investments-MI	30,470,885.13	61,689,440.17	1.659%	0.601%	3,345,198.82	5.423%
Section 20d	Basket Clause	127,093,868.64	251,716,584.31	6.768%	1.535%	8,539,410.36	3.392%
Section 20-k	Foreign Securities	393,423,133.75	364,506,265.71	9.800%	(3)	(171,761.47)	(3)
Total Investments		\$3,395,673,966.71	\$3,666,303,962.30	98.573%	100.031%	\$556,465,093.57	15.178%
Cash			78,952.14	0.002%			
Receivables			52,997,004.93	1.425%			
Total Assets			\$3,719,379,919.37	100.000%			
Less: Investment Expenses						(11,157,143.88)	
Investment Income Before Administrative Expenses						\$545,307,949.69	
Less: Administrative Expenses						(2,895,136.76)	
NET INVESTMENT INCOME						\$542,412,812.91	

(1) Percentage Factor is Calculated Using Gross Income.

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

(3) Income Included in income from stocks & bonds.

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No.	INVESTMENTS	MARKET VALUE 06-30-97	COST 06-30-98	MARKET VALUE 06-30-98	97-98 NET INCOME AND CHANGE IN ASSET VALUE
SECTION 14	STOCK (PUBLICLY TRADED)				
	Common & Preferred Stk.	\$1,234,747,652.39	\$1,019,317,899.87	\$1,258,364,897.87	\$291,755,487.93
	Bankers Trust	418,366,307.79	356,085,673.43	581,032,564.44	136,298,040.65
	Mesirow Arbitrage Trust		11,371,076.13	16,570,458.00	0.00
	MIG - P & F Fund, Inc.	71,193.73	2,729,308.26	2,729,308.26	2,658,114.53
	Total Section 14	\$1,653,185,153.91	\$1,389,503,957.69	\$1,858,697,228.57	\$430,711,643.11
Section 15	Mutual Funds/Diversified Investment Co.				
A)	Stocks:				
	MFS Global Equity Trust	10,354,114.14	0.00	0.00	1,276,308.94
	Total Section 15	\$10,354,114.14	\$0.00	\$0.00	\$1,276,308.94
Section 17	Debt/Obligations				
	Bonds & Notes	\$272,672,149.47	\$265,353,390.58	\$276,017,549.58	\$44,706,440.14
	Short Term Investments	432,915,290.63	253,752,984.62	251,434,287.04	18,971,003.38
	Mort. Backed Securities	91,688,612.43	162,958,686.18	166,885,527.42	
	Avanti Note	38,077.28	34,258.11	34,258.11	2,163.37
	F-1000 Michigan Series II		7,136,157.44	7,136,157.44	
	F-1000 Michigan Series I		15,601,908.37	15,601,908.37	
	Tower Financial	650,000.00	26,610,244.67	0.00	1,442,795.83
	Transamerica T-2	125,916,565.85	126,327,213.15	132,189,169.06	15,422,517.66
	Total Section 17	\$923,880,695.66	\$857,774,843.12	\$849,298,857.02	\$80,544,920.38
Section 19	Equity Real Estate-Pooled				
(1)	HEP-86 (Intrg. Resources)	\$1,200,000.00	\$0.00	\$0.00	\$986,000.00
	John Hancock Acre	8,197,079.43	4,705,461.94	5,463,261.68	877,032.25
	John Hancock Apt.	3,282,515.02	3,767,764.08	3,524,575.52	495,783.36
	Reits Held by Custodian		29,034,713.28	24,341,698.50	
	Total Section 19(1)	\$12,679,594.45	\$37,507,939.30	\$33,329,535.70	\$2,358,815.61

No.	INVESTMENTS	MARKET VALUE 06-30-97	COST 06-30-98	MARKET VALUE 06/30/98	97-98 NET INCOME AND CHANGE IN ASSET VALUE
Section 19	Equity-Real Estate-Direct				
(2)	Equity Direct	\$25,756,803.00	\$54,526,780.65	\$45,297,753.00	\$7,117,046.63
	Cedar Inc. I	607,500.00	0.00	0.00	171,549.01
	Con. Cap Johnstown-Wash	16,001,625.00	7,748,668.33	17,102,417.00	1,749,738.00
	M.I. Fund I	2,214,338.00	1,222,153.00	1,222,153.00	341,149.00
	M.I. Fund II	19,391.00	22,324.00	22,324.00	2,933.00
	M.I. Fund III	1,906,411.00	2,111,449.00	2,111,449.00	330,912.00
	M.I. Self Storage	524,413.00	54,978.00	54,978.00	(67,048.00)
	Public Storage Instit.	4,986,320.00	0.00	0.00	604,709.85
	Total Section 19(2)	\$52,016,801.00	\$65,686,352.98	\$65,811,074.00	\$10,250,989.49
Section 20	Mortgages				
	Direct & Participating	\$108,358,354.45	\$94,456,542.80	\$89,956,542.80	\$12,089,995.95
	Construction Loans	20,299,953.00	14,353,321.65	14,353,321.65	
	Aim-85	7,312,000.00	7,221,332.62	6,531,250.00	924,250.00
	Aim-88	3,500,000.00	4,127,711.91	3,125,000.00	347,500.00
	Krupp Insured I	556,644.33	268,341.55	217,419.44	(3,685.10)
	Krupp Insured II	2,422,191.55	1,599,735.24	1,300,335.46	24,216.81
	Krupp Insured III	3,017,945.70	2,410,987.94	2,425,638.60	684,614.70
	Metropolitan Realty	7,102,631.00	7,345,468.88	7,345,468.88	817,196.51
	Midland-MAHGT (Trust)	40,000,000.00	56,000,000.00	56,000,000.00	4,725,479.46
	Total Section 20	\$192,569,720.03	\$187,783,442.59	\$181,254,976.83	\$19,609,568.33
Section 20a	Investments-Michigan				
	Atheneum Hotel Note	\$2,061,033.60	\$2,448,129.73	\$2,448,129.73	\$636,002.54
	Atheneum Hotel Stk.	5,158,062.44	5,158,062.44	5,158,062.44	0.00
	Doctors Hospital	(745.91)	2,133,323.49	0.00	9,196.28
	Fred Silber Co.	345,000.00	1,194,823.83	330,000.00	0.00
	MCA Financial Note	15,000,000.00	45,000,000.00	45,000,000.00	2,700,000.00
	My Lawyer Plans	2,625,000.00	2,125,000.00	2,125,000.00	0.00
	Romulus Disposal L.P.	5,282,535.00	7,116,248.00	6,628,248.00	0.00
	Total Section 20a	\$30,470,885.13	\$65,175,587.49	\$61,689,440.17	\$3,345,198.82

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No.	INVESTMENTS	MARKET VALUE 06-30-97	COST 06-30-98	MARKET VALUE 06/30/98	97-98 NET INCOME AND CHANGE IN ASSET VALUE
Section 20d	Basket Clause				
	BEA Associates	0.00	67,538,387.10	67,538,387.10	0.00 (a)
	Capri Capital Note				319,222.22
	Entertainment	9,379,700.00	10,666,902.00	10,666,902.00	(712,798.00)
	F-1000 Michigan Series II	22,321,036.00	8,734,245.69	8,734,245.69	2,015,118.06 (d)
	F-1000 Michigan Series I	10,508,638.00	3,795,132.48	3,795,132.48	422,651.92 (d)
	F-1000 GFF Series VIII	6,244,400.00	0.00	0.00	230,050.00
	Federal Broadcasting Stk.				168,992.44
	John Hancock Venture Cap	2,070,692.00	1,461,543.00	1,461,543.00	587,851.00
	Levi Strauss-Unsecured	1,693,871.92	4,615,614.97	753,872.00	(939,999.92)
	Liberty Mutual Energy I	3,059,000.00	2,994,523.00	3,142,632.00	1,203,977.00
	Liberty Mutual Energy II	20,440,000.00	12,647,622.00	14,264,841.00	1,816,378.00
	Liberty Mutual Energy III	0.00	4,671,305.00	4,671,305.00	(367,917.00)
	Mesirow Arbitrage Trust	28,463,076.01	10,610,513.14	15,461,438.00	3,568,820.46 (e)
	Pacesetter	16,555,065.08	14,160,607.21	14,160,607.21	(2,394,457.87)
	Prutech Proj.	322,535.63	22,535.63	22,535.63	0.00
	SB-Michigan Futures LP	6,034,800.00	12,433,381.05	12,433,381.05	(75,868.95)
	J&W Seligman	0.00	100,356,255.34	94,609,762.14	0.00 (a)
	Solitron-Unsecured Claim	1,054.00	275,930.06	0.00	11,714.82
	STG	0.00	600,000.00	0.00	0.00
	Take-One Productions	0.00	32,554.00	0.00	0.00
	Credit Enhancement Fees				2,685,676.18
	Total Section 20d	\$127,093,868.64	\$255,617,051.68	\$251,716,584.31	\$8,539,410.36

No.	INVESTMENTS	MARKET VALUE 06-30-97	COST 06-30-98	MARKET VALUE 06/30/98	97-98 NET INCOME AND CHANGE IN ASSET VALUE
Section 20-k	Foreign Securities				
	Foreign Bonds/Notes	\$129,321,342.31	\$70,836,432.91	\$71,051,375.37	(b)
	Foreign Equities	252,775,618.82	234,571,893.93	293,454,890.34	(c)
	International Managers	11,326,172.62	0.00	0.00	(171,761.47)
	Total Section 20-k	\$393,423,133.75	\$305,408,326.84	\$364,506,265.71	\$(171,761.47)
	Total Investments	\$3,395,673,966.71	\$3,164,457,501.68	\$3,666,303,962.30	\$556,465,093.57

(a) Dividends on foreign equities and real estate investment trusts are included with domestic dividends.

(b) Bond income included mortgage-backed securities, BEA ASSOCIATES, SEGELMAN, and foreign bonds and notes.

(c) Short term income includes construction loan interest and income from securities lending.

(d) A portion of this investment is in U.S. Treasuries. That portion is included with bonds & notes (Section 17). Income cannot be segregated.

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

Note: Some 1997 assets have been reclassified for presentation in accordance with Public Act 485 of 1996 after consultation with Board Attorney.

INVESTMENT MANAGERS

ATHENE CORONADO	\$ 15.4 M
NEW YORK, NEW YORK	
An advisor engaged in corporate reorganization activities with an objective of conservative, risk averse investment.	
BANKERS TRUST COMPANY	\$581.0 M
NEW YORK, NEW YORK	
Manages an S&P 500 Equity Index Fund. Objective is to provide the return of the stock market as efficiently as possible.	
BEA	\$ 68.6 M
NEW YORK, NEW YORK	
Manages a fixed income portfolio of high yield bonds.	
CAPITAL GUARDIAN	\$ 82.8 M
LOS ANGELES, CALIFORNIA	
Manages domestic small-cap equities using a value oriented style.	
CAPOZZOLI ADVISORY FOR PENSIONS, INC.	\$ 51.1 M
FARMINGTON, MICHIGAN	
Performance based real estate advisor. Areas of expertise are commercial office buildings, retail shopping centers, and multi-family apartments.	
CAPRI CAPITAL	\$ 27.5 M
CHICAGO, ILLINOIS	
A real estate advisor that provides investment and mortgage management services.	
HEARTLAND	\$ 62.0 M
MILWAUKEE, WISCONSIN	
Manages domestic small-cap equities using a value oriented style.	

HYPERION CAPITAL	\$ 57.9 M
NEW YORK, NEW YORK	
Manages domestic fixed income using a mortgage backed style.	
INCOME RESEARCH & MANAGEMENT, INC.	\$ 79.1 M
BOSTON, MASSACHUSETTS	
A fixed income manager that specializes in the less efficient sectors of the investment grade fixed income markets, principally corporate bonds. Feature yield advantages over benchmarks and offer favorable risk/return profiles.	
INVESCO	\$ 103.3 M
NEW YORK, NEW YORK	
Manages domestic equities encompassing all market sectors, utilizing both value and growth styles.	
J&W SELIGMAN	\$ 100.4 M
NEW YORK, NEW YORK	
Manages a fixed income portfolio of high yield bonds.	
JOHN HANCOCK FUNDS	\$ 188.7 M
BOSTON, MASSACHUSETTS	
Manages international fixed income using a global style.	
JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY	\$ 9.0 M
BOSTON, MASSACHUSETTS	
Comingled funds and Limited Partnership investments in real estate investments, capital growth financing, agricultural real estate, timberland, energy concerns and venture capital development opportunities.	

INVESTMENT MANAGERS CON'T

KENNEDY CAPITAL	\$ 93.6 M
ST. LOUIS, MISSOURI	
Manages domestic small-cap equities using a value oriented style.	
THE KENWOOD GROUP	\$ 22.6 M
CHICAGO, ILLINOIS	
Manages domestic mid-cap equities using a value oriented style.	
LOOMIS, SAYLES & COMPANY	\$ 328.7 M
BLOOMFIELD HILLS, MICHIGAN	
Manages equities and fixed income using a value oriented, broadly diversified equity style and a broadly diversified, corporate concentration fixed income style.	
MESIROW ARBITRAGE TRUST	\$ 31.6 M
HIGHLAND PARK, ILLINOIS	
An advisor engaged in corporate reorganization activities with an objective of conservative, risk averse investment.	
MFS INSTITUTIONAL ADVISORS	\$ 47.0 M
BOSTON, MASSACHUSETTS	
Manages international equities using a global style.	
MIDLAND MORTGAGE INVESTMENT CORPORATION	\$ 70.4 M
CLEARWATER, FLORIDA	
A real estate advisor who specializes in multifamily and commercial construction loans and intermediate and long-term mortgages. Management style is very conservative and focuses on specialized market segments.	

MIG COMPANIES	\$ 83.3 M
WEST PALM BEACH, FLORIDA	
A real estate advisor who provides investment and asset management services. Investment philosophy is based on in-depth research to target optimum markets and belief in active rather than passive management strategies.	
MORGAN STANLEY ASSET MANAGEMENT	\$ 135.6 M
NEW YORK, NEW YORK	
Manages international equities using a global style.	
MUNDER CAPITAL MANAGEMENT, INC.	\$ 38.3 M
BIRMINGHAM, MICHIGAN	
Manages fixed income using an active fixed income approach that emphasizes taking advantage of market opportunities in the yield curve, bond sector relationships and individual issue selection.	

INVESTMENT MANAGERS CON'T

PARADIGM ASSET MANAGEMENT\$ 52.3 M
NEW YORK, NEW YORK

Manages domestic mid-cap equities using a value oriented style.

PAYDEN & RYSEL
LOS ANGELES, CALIFORNIA

A cash management firm which adds incremental value to the Board's short-term cash portfolio.

PUGH CAPITAL\$ 8.2 M
SEATTLE, WASHINGTON

Manages domestic fixed income using a mortgage backed style.

THE PUTNAM COMPANIES\$ 555.2 M
BOSTON, MASSACHUSETTS

Manages a portfolio of domestic core growth equity and international equities.

REINHART & MAHONEY\$ 63.1 M
MEQUON, WISCONSIN

Manages domestic mid-cap equities using a value oriented style.

SMITH BARNEY, SHEARSON\$ 47.1 M
NEW YORK, NEW YORK

Manages three funds engaged in commodity trading. Objective is to preserve and achieve substantial appreciation of its assets.

TRANSAMERICA INVESTMENT SERVICES . \$ 131.2 M
LOS ANGELES, CALIFORNIA

Specializes in active fixed income management and strives for superior returns by employing a research-driven approach to seek undervalued quality bonds which fall within specific maturity guidelines.

TRUST COMPANY OF THE WEST\$ 55.1 M
LOS ANGELES, CALIFORNIA

Manages domestic fixed income using a mortgage backed style.

WILMOCO CAPITAL\$ 22.1 M
DETROIT, MICHIGAN

Manages domestic mid-cap equities using a value oriented style.

WOODFORD\$ 57.2 M
NEW YORK, NEW YORK

Manages domestic equities encompassing all market sectors, utilizing both value and growth styles.