

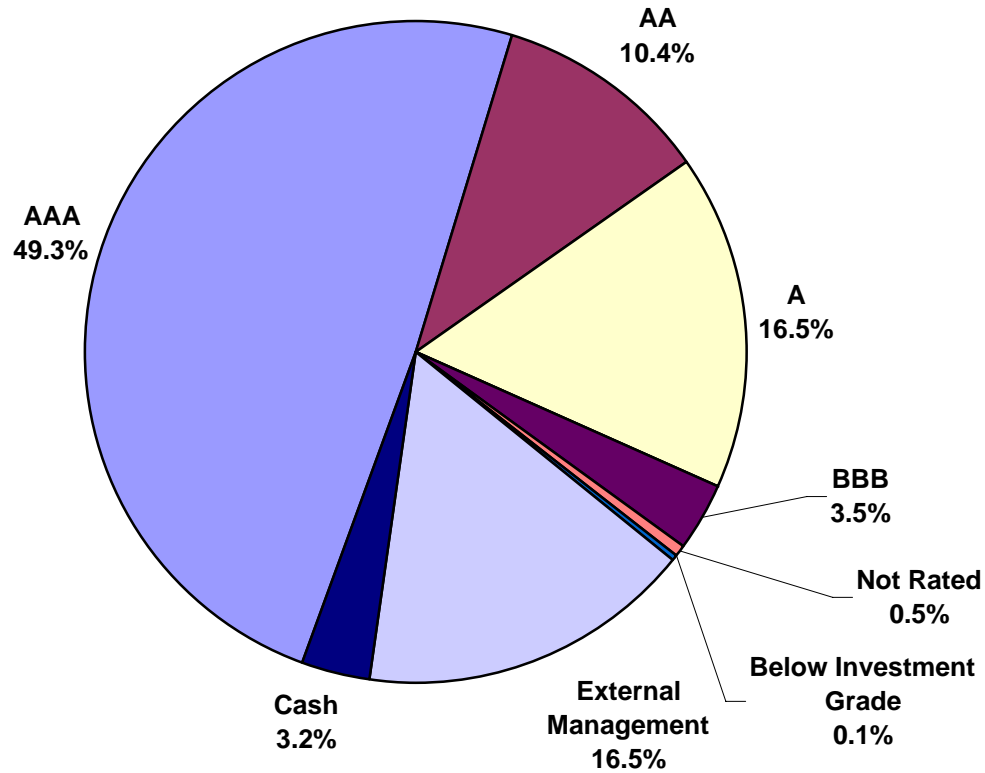


SMRS

Fixed Income By Rating

U.S. Government and Corporate Holdings and TIPS

3/31/08



Market Value in Millions				
	3/31/2008		3/31/2007	
AAA	\$4,827	49.3%	\$4,885	52.5%
AA	1,019	10.4%	1,134	12.2%
A	1,612	16.5%	860	9.2%
BBB	341	3.5%	99	1.1%
Not Rated	52	0.5%	56	0.6%
Below Investment Grade	13	0.1%	0	0.0%
Total	\$7,864	80.3%	\$7,034	75.6%
TIPS and Cash	0	0.0%	213	2.3%
Cash Equivalents	316	3.2%	1,008	10.8%
Internal Management Total	\$8,180	83.5%	\$8,255	88.7%
External Management Total	\$1,621	16.5%	\$1,053	11.3%
Total Investments	\$9,801	100.0%	\$9,308	100.0%