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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 13F

INFORMATION REQUIRED OF INSTITUTIONAL INVESTMENT MANAGERS PURSUANT
TO SECTION 13(f) OF THE SECURITIES EXCHANGE ACT OF 1934 AND RULES THEREUNDER

REPORT FOR THE CALENDAR YEAR OR QUARTER ENDED JUNE 30, 1999

(PLEASE READ INSTRUCTIONS BEFORE PREPARING FORM.)

IF AMENDED REPORT CHECK HERE:

ALLSTATE LIFE INSURANCE COMPANY

NAME OF INSTITUTIONAL INVESTMENT MANAGER

3075 SANDERS ROAD SUITE G4A NORTHBROOK ILLINOIS 60062-7127
BUSINESS ADDRESS (STREET) (CITY) (STATE) (ZIP)

JOSEPH A. HAAS (847)402-7581 ASSISTANT VICE PRESIDENT, INVESTMENT OPERATIONS
NAME, PHONE NO., AND TITLE OF PERSON DULY AUTHORIZED TO SUBMIT THIS REPORT.

ATTENTION

INTENTIONAL MISSTATEMENTS OR OMISSIONS OF FACTS CONSTITUTE
FEDERAL CRIMINAL VIOLATIONS.
SEE 18 U.S.C. 1001 AND 15 U.S.C. 78FF(A).

THE INSTITUTIONAL INVESTMENT MANAGER SUBMITTING THIS FORM AND ITS
ATTACHMENTS AND THE PERSON BY WHOM IT IS SIGNED REPRESENT HEREBY THAT ALL
INFORMATION CONTAINED THEREIN IS TRUE, CORRECT AND COMPLETE. IT IS UNDERSTOOD
THAT ALL REQUIRED ITEMS, STATEMENTS AND SCHEDULES ARE CONSIDERED INTEGRAL PARTS
OF THIS FORM AND THAT THE SUBMISSION OF ANY AMENDMENT REPRESENTS THAT ALL
UNAMENDED ITEMS, STATEMENTS AND SCHEDULES REMAIN TRUE, CORRECT AND COMPLETE AS
PREVIOUSLY SUBMITTED.

PURSUANT TO THE REQUIREMENTS OF SECURITIES EXCHANGE ACT OF 1934, THE
UNDERSIGNED INSTITUTIONAL INVESTMENT MANAGER HAS CAUSED THIS REPORT TO BE SIGNED
ON ITS BEHALF IN ON THE THE 6 DAY OF AUGUST, 1999.

ALLSTATE LIFE INSURANCE COMPANY
(NAME OF INSTITUTIONAL INVESTMENT MANAGER)

/S/ JOSEPH A. HAAS
(MANUAL SIGNATURE OF PERSON DULY
AUTHORIZED TO SUBMIT THIS REPORT)

NAME AND 13F FILE NUMBERS OF ALL INSTITUTIONAL INVESTMENT MANAGERS WITH RESPECT
TO WHICH THIS SCHEDULE IS FILED (OTHER THAN THE ONE FILING THIS REPORT): (LIST
IN ALPHABETICAL ORDER).

13F FILE NUMBERS WILL BE ASSIGNED TO INSTITUTIONAL INVESTMENT MANAGERS AFTER
THEY FILE THEIR FIRST REPORT.

NAME: 13F FILE NO.:

1. ALLSTATE INSURANCE COMPANY 28-35

2.

3.

4.

5.

FORM 13F REPORT
NAME OF REPORTING MANAGER: ALLSTATE LIFE INSURANCE COMPANY

ITEM 1: NAME OF ISSUER	ITEM 2: TITLE OF CLASS	ITEM 3: CUSIP NUMBER	ITEM 4: FAIR MARKET VALUE	ITEM 5: SHARES OR PRINCIPAL AMOUNT	ITEM 6: INVESTMENT DISCRETION			ITEM 7: MANAGERS	ITEM 8: VOTING AUTHORITY (SHARES)		
					(A) SOLE	(B) SHARED	(C) SHARED OTHER		(A) SOLE	(B) SHARED	(C) NONE
A D C TELECOM	COMMON STOCK	000886101	715,331.25	15,700.00		X		1	X		
ABBOTT LABS	COMMON STOCK	002824100	1,255,800.00	27,600.00		X		1	X		
AIRTOUCH COMM 4.25% SERIE	REDEEMABLE P/S	00949T308	26,975,121.88	182,650.00		X		1	X		
ALLIANT TECHSYSTEMS	COMMON STOCK	018804104	216,250.00	2,500.00		X		1	X		
ALLIED-SIGNAL	COMMON STOCK	019512102	699,300.00	11,100.00		X		1	X		
ALLTEL	COMMON STOCK	020039103	328,900.00	4,600.00		X		1	X		
ALTERA	COMMON STOCK	021441100	485,925.00	13,200.00		X		1	X		
ALUMINUM CO OF AMERICA	COMMON STOCK	013817101	216,562.50	3,500.00		X		1	X		
AMBERCROMBIE & FITCH CL A	COMMON STOCK	002896207	249,600.00	5,200.00		X		1	X		
AMERICA ON-LINE	COMMON STOCK	02364J104	2,232,100.00	20,200.00		X		1	X		
AMERICAN EXPRESS	COMMON STOCK	025816109	1,027,987.50	7,900.00		X		1	X		
AMERICAN HOME PRODUCTS	COMMON STOCK	026609107	1,719,250.00	29,900.00		X		1	X		
AMERICAN INTL	COMMON STOCK	026874107	2,468,731.11	21,089.00		X		1	X		
AMERICAN POWER CONVERSION	COMMON STOCK	029066107	197,225.00	9,800.00		X		1	X		
AMERICAN STANDARD COMPANI	COMMON STOCK	029712106	969,600.00	20,200.00		X		1	X		
AMERITECH NEW	COMMON STOCK	030954101	1,006,950.00	13,700.00		X		1	X		
AMGEN	COMMON STOCK	031162100	499,175.00	8,200.00		X		1	X		
ANALOG DEVICES	COMMON STOCK	032654105	461,775.19	9,201.00		X		1	X		
APPLE COMPUTER	COMMON STOCK	037833100	291,768.75	6,300.00		X		1	X		
ARVIN INDUSTRIES	COMMON STOCK	043339100	446,925.00	11,800.00		X		1	X		
ASSOCIATED BANC-CORP	COMMON STOCK	045487105	240,700.00	5,800.00		X		1	X		
ASSOCIATES FIRST CAPITAL	COMMON STOCK	046008108	944,210.76	21,308.00		X		1	X		
AT & T	COMMON STOCK	001957109	3,138,895.89	56,240.02		X		1	X		
ATLANTIC RICHFIELD	COMMON STOCK	048825103	384,387.50	4,600.00		X		1	X		
ATMEL CORP	COMMON STOCK	049513104	366,625.00	14,000.00		X		1	X		
AVON PRODUCTS	COMMON STOCK	054303102	477,300.00	8,600.00		X		1	X		
BAKER HUGHES	COMMON STOCK	057224107	2,375,150.00	70,900.00		X		1	X		
BANK OF AMERICA CORP	COMMON STOCK	060505104	2,225,181.01	30,352.00		X		1	X		
BANK OF NEW YORK	COMMON STOCK	064057102	968,550.00	26,400.00		X		1	X		
BANK ONE CORPORATION	COMMON STOCK	06423A103	1,710,278.23	28,714.01		X		1	X		
BARRETT RES	COMMON STOCK	068480201	828,900.00	21,600.00		X		1	X		
BAXTER INTL	COMMON STOCK	071813109	345,562.50	5,700.00		X		1	X		
BECTON DICKINSON	COMMON STOCK	075887109	204,000.00	6,800.00		X		1	X		
BELL ATLANTIC	COMMON STOCK	077853109	1,771,008.75	27,090.00		X		1	X		
BELLSOUTH	COMMON STOCK	079860102	1,298,437.50	27,700.00		X		1	X		
BESTFOODS INC	COMMON STOCK	08658U101	495,000.00	10,000.00		X		1	X		
BIOGEN	COMMON STOCK	090597105	270,112.50	4,200.00		X		1	X		
BJ SERVICES	COMMON STOCK	055482103	506,325.00	17,200.00		X		1	X		
BOEING	COMMON STOCK	097023105	857,237.50	19,400.00		X		1	X		
BOISE CASCADE	COMMON STOCK	097383103	360,150.00	8,400.00		X		1	X		
BORG-WARNER AUTOMOTIVE IN	COMMON STOCK	099724106	726,000.00	13,200.00		X		1	X		
BRISTOL-MYERS-SQUIBB	COMMON STOCK	110122108	2,902,025.00	41,200.00		X		1	X		
BURLINGTON RESOURCES	COMMON STOCK	122014103	307,075.00	7,100.00		X		1	X		
CABLETRON	COMMON STOCK	126920107	132,600.00	10,200.00		X		1	X		
CADENCE DESIGNS SYS INC	COMMON STOCK	127387108	141,525.00	11,100.00		X		1	X		
CAPITAL ONE FINANCIAL	COMMON STOCK	14040H105	723,937.50	13,000.00		X		1	X		
CARLISLE	COMMON STOCK	142339100	250,250.00	5,200.00		X		1	X		
CARNIVAL CRUISE LINES	COMMON STOCK	143658102	276,450.00	5,700.00		X		1	X		
CATERPILLAR	COMMON STOCK	149123101	228,000.00	3,800.00		X		1	X		
CBS CORPORATION	COMMON STOCK	12490K107	751,468.75	17,300.00		X		1	X		
CENDANT COPORATION	COMMON STOCK	151313103	254,200.00	12,400.00		X		1	X		
CENTOCOR	COMMON STOCK	152342101	298,400.00	6,400.00		X		1	X		
CENTURYTEL INC	COMMON STOCK	156700106	221,606.25	5,575.00		X		1	X		
CHASE MANHATTAN CORP NEW	COMMON STOCK	16161A108	1,871,100.00	21,600.00		X		1	X		
CHEVRON	COMMON STOCK	166751107	1,151,768.75	12,100.00		X		1	X		
CIRCUIT CITY STORES	COMMON STOCK	172737108	530,100.00	5,700.00		X		1	X		
CISCO SYSTEMS, INC.	COMMON STOCK	17275R102	4,136,887.55	64,200.00		X		1	X		
CITIGROUP INC	COMMON STOCK	172967101	3,012,687.50	63,425.00		X		1	X		
CITIZENS UTILITIES 5.0% C	REDEEMABLE P/S	177351202	4,934,221.88	101,475.00		X		1	X		
CNF TRUST I 5% SERIES A C	REDEEMABLE P/S	12612V205	3,113,312.50	54,500.00		X		1	X		
COASTAL	COMMON STOCK	190441105	536,000.00	13,400.00		X		1	X		
COCA-COLA	COMMON STOCK	191216100	2,068,750.01	33,100.00		X		1	X		
COCA-COLA ENTERPRISES	COMMON STOCK	191219104	312,375.00	10,500.00		X		1	X		
COLGATE-PALMOLIVE	COMMON STOCK	194162103	513,500.00	5,200.00		X		1	X		
COLUMBIA HEALTHCARE	COMMON STOCK	197677107	326,218.75	14,300.00		X		1	X		
COMERICA	COMMON STOCK	200340107	213,975.00	3,600.00		X		1	X		
COMPUTER SCIENCES	COMMON STOCK	205363104	221,400.00	3,200.00		X		1	X		
COMPUWARE	COMMON STOCK	205638109	356,300.00	11,200.00		X		1	X		
COMVERSE TECHNOLOGY	COMMON STOCK	205862402	739,900.00	9,800.00		X		1	X		
CONCORD EFS INC	COMMON STOCK	206197105	803,937.50	19,000.00		X		1	X		
CORNING	COMMON STOCK	219350105	266,475.00	3,800.00		X		1	X		
COSTO COMPANIES INC	COMMON STOCK	22160Q102	272,212.50	3,400.00		X		1	X		
CRANE	COMMON STOCK	224399105	600,456.25	19,100.00		X		1	X		
CROWN CORK & SEAL CONVERT	NON-REDEEM P/S	228255303	4,944,225.00	184,400.00		X		1	X		
CVS CORP	COMMON STOCK	126650100	294,350.00	5,800.00		X		1	X		
DAYTON-HUDSON	COMMON STOCK	239753106	312,000.00	4,800.00		X		1	X		
DELL COMPUTER	COMMON STOCK	247025109	1,350,500.00	36,500.00		X		1	X		
DELPHI AUTOMOTIVE SYSTEMS	COMMON STOCK	247126105	215,106.34	11,588.22		X		1	X		
DISNEY (WALT)	COMMON STOCK	254687106	1,146,225.00	37,200.00		X		1	X		
DOLLAR GENERAL	COMMON STOCK	256669102	203,725.00	7,025.00		X		1	X		
DOW CHEMICAL	COMMON STOCK	260543103	532,875.00	4,200.00		X		1	X		

DU PONT DE NEMOURS	COMMON STOCK	263534109	1,140,818.75	16,700.00	X	1	X
E M C	COMMON STOCK	268648102	1,133,000.00	20,600.00	X	1	X
E TRADE GROUP INC	COMMON STOCK	269246104	403,368.75	10,100.00	X	1	X
EASTMAN KODAK	COMMON STOCK	277461109	325,200.00	4,800.00	X	1	X
EATON	COMMON STOCK	278058102	266,800.00	2,900.00	X	1	X
ECOLAB	COMMON STOCK	278865100	226,850.00	5,200.00	X	1	X
EL PASO ENERGY CAPITAL TR	NON-REDEEM P/S	283678209	3,217,500.00	65,000.00	X	1	X
EL PASO ENERGY CORP DELAW	COMMON STOCK	283905107	330,762.50	9,400.00	X	1	X
EMERSON ELEC	COMMON STOCK	291011104	515,575.02	8,200.00	X	1	X
ENGELHARD	COMMON STOCK	292845104	210,412.50	9,300.00	X	1	X
ENRON	COMMON STOCK	293561106	18,737,100.00	229,200.00	X	1	X
ETHAN ALLEN INTERIORS	COMMON STOCK	297602104	324,650.00	8,600.00	X	1	X
EVI INC., 5.0%,	REDEEMABLE P/S	268939204	3,937,500.00	100,000.00	X	1	X
EXXON	COMMON STOCK	302290101	3,046,437.48	39,500.00	X	1	X
F M C	COMMON STOCK	302491303	232,262.50	3,400.00	X	1	X
FEDERAL NAT'L MORT. ASSOC	COMMON STOCK	313586109	1,169,212.49	17,100.00	X	1	X
FEDERATED DEPARTMENT STOR	COMMON STOCK	31410H101	587,606.25	11,100.00	X	1	X
FINOVA FINANCE 5.5% CONVE	REDEEMABLE P/S	31808E207	2,787,500.00	40,000.00	X	1	X
FIRST DATA	COMMON STOCK	319963104	357,243.75	7,300.00	X	1	X
FIRST TENNESSEE NATIONAL	COMMON STOCK	337162101	118,768.75	3,100.00	X	1	X
FIRST UNION	COMMON STOCK	337358105	695,600.00	14,800.00	X	1	X
FIRSTAR CORPORATION	COMMON STOCK	33763V109	481,600.00	17,200.00	X	1	X
FISERV INC.	COMMON STOCK	337738108	477,515.64	15,250.00	X	1	X
FLEET/NORSTAR FINANCIAL	COMMON STOCK	338915101	532,500.00	12,000.00	X	1	X
FORD MOTOR	COMMON STOCK	345370100	660,318.74	11,700.00	X	1	X
FOUNDATION HEALTH SYSTEMS	COMMON STOCK	350404109	738,000.00	49,200.00	X	1	X
FREDDIE MAC	COMMON STOCK	313400301	1,038,200.00	17,900.00	X	1	X
FREMONT GENERAL CORP	COMMON STOCK	357288109	205,737.50	10,900.00	X	1	X
FULLER (H.B.)	COMMON STOCK	359694106	307,687.50	4,500.00	X	1	X
G T E	COMMON STOCK	362320103	1,325,625.01	17,500.00	X	1	X
GANNETT	COMMON STOCK	364730101	349,737.50	4,900.00	X	1	X
GAP STORES	COMMON STOCK	364760108	498,712.50	9,900.00	X	1	X
GENERAL ELECTRIC	COMMON STOCK	369604103	5,661,300.00	50,100.00	X	1	X
GENERAL MOTORS	COMMON STOCK	370442105	726,000.00	11,000.00	X	1	X
GENERAL MOTORS CL H	COMMON STOCK	370442832	292,500.00	5,200.00	X	1	X
GEORGIA-PACIFIC	COMMON STOCK	373298108	293,725.00	6,200.00	X	1	X
GILLETTE	COMMON STOCK	375766102	393,600.00	9,600.00	X	1	X
GLOBAL MARINE	COMMON STOCK	379352404	373,587.50	24,200.00	X	1	X
GUIDANT	COMMON STOCK	401698105	437,218.75	8,500.00	X	1	X
HALLIBURTON	COMMON STOCK	406216101	407,250.00	9,000.00	X	1	X
HARCOURT GENERAL	COMMON STOCK	41163G101	293,906.25	5,700.00	X	1	X
HARSCO	COMMON STOCK	415864107	332,800.00	10,400.00	X	1	X
HARTFORD LIFE - CL A	COMMON STOCK	416592103	478,887.50	9,100.00	X	1	X
HEINZ	COMMON STOCK	423074103	273,181.25	5,450.00	X	1	X
HEWLETT-PACKARD	COMMON STOCK	428236103	1,829,100.00	18,200.00	X	1	X
HIBERNIA	COMMON STOCK	428656102	630,637.50	40,200.00	X	1	X
HOLLYWOOD ENT. CORP	COMMON STOCK	436141105	199,537.50	10,200.00	X	1	X
HOME DEPOT	COMMON STOCK	437076102	1,482,062.53	23,000.00	X	1	X
HOUSTON INDS INC. 7% CONV	NON-REDEEM P/S	442161204	12,282,750.00	103,000.00	X	1	X
HUNTINGTON BANCSHARES	COMMON STOCK	446150104	336,000.00	9,600.00	X	1	X
HUSSMANN INTERNATIONAL IN	COMMON STOCK	448110106	170,593.75	10,300.00	X	1	X
ILLINOIS TOOL WORKS	COMMON STOCK	452308109	237,800.00	2,900.00	X	1	X
INGERSOLL-RAND	COMMON STOCK	456866102	277,887.50	4,300.00	X	1	X
INTEL	COMMON STOCK	458140100	3,355,800.01	56,400.00	X	1	X
INTERPUBLIC GROUP OF COS	COMMON STOCK	460690100	259,875.00	3,000.00	X	1	X
INTIMATE BRANDS	COMMON STOCK	461156101	253,693.13	5,355.00	X	1	X
INTL BUSINESS MACHINES	COMMON STOCK	459200101	4,782,250.00	37,000.00	X	1	X
IVAX CORP	COMMON STOCK	465823102	286,737.50	20,300.00	X	1	X
JOHNSON & JOHNSON	COMMON STOCK	478160104	2,489,199.99	25,400.00	X	1	X
JOSTENS	COMMON STOCK	481088102	252,750.00	12,000.00	X	1	X
KANSAS CITY SOUTHERN INDU	COMMON STOCK	485170104	223,343.75	3,500.00	X	1	X
KEYCORP	COMMON STOCK	493267108	430,475.00	13,400.00	X	1	X
KIMBERLY-CLARK	COMMON STOCK	494368103	775,200.00	13,600.00	X	1	X
KNIGHT-RIDDER	COMMON STOCK	499040103	543,881.25	9,900.00	X	1	X
KROGER	COMMON STOCK	501044101	458,175.00	16,400.00	X	1	X
L S I LOGIC	COMMON STOCK	502161102	747,225.00	16,200.00	X	1	X
LEAR SEATING CORP	COMMON STOCK	521865105	422,875.00	8,500.00	X	1	X
LEHMAN BROS HOLDING	COMMON STOCK	524908100	329,925.00	5,300.00	X	1	X
LEXMARK INT'L GROUP A	COMMON STOCK	529771107	1,453,375.00	22,000.00	X	1	X
LILLY (ELI)	COMMON STOCK	532457108	1,482,637.50	20,700.00	X	1	X
LINCOLN NATIONAL	COMMON STOCK	534187109	1,009,631.25	19,300.00	X	1	X
LINEAR TECH	COMMON STOCK	535678106	363,150.00	5,400.00	X	1	X
LOCKHEED MARTIN	COMMON STOCK	539830109	882,825.00	23,700.00	X	1	X
LOWE'S	COMMON STOCK	548666107	317,450.00	5,600.00	X	1	X
LUCENT TECHNOLOGIES INC	COMMON STOCK	549463107	4,101,683.62	60,822.00	X	1	X
M. A. HANNA	COMMON STOCK	410522106	323,818.75	19,700.00	X	1	X
MATTEL	COMMON STOCK	577081102	385,987.50	14,600.00	X	1	X
MAXIM INTEGRATED PRODUCTS	COMMON STOCK	57772K101	312,550.00	4,700.00	X	1	X
MAYTAG	COMMON STOCK	578592107	285,718.75	4,100.00	X	1	X
MBNA CORP	COMMON STOCK	55262L100	370,562.50	12,100.00	X	1	X
MCDONALD'S	COMMON STOCK	580135101	1,251,768.75	30,300.00	X	1	X
MCI WORLDCOM INC	COMMON STOCK	55268B106	2,663,720.45	30,951.00	X	1	X
MEAD	COMMON STOCK	582834107	271,375.00	6,500.00	X	1	X
MEDIAONE	REDEEMABLE P/S	58440J203	3,745,312.50	25,000.00	X	1	X
MEDIAONE GROUP	COMMON STOCK	58440J104	304,937.50	4,100.00	X	1	X
MEDTRONICS	COMMON STOCK	585055106	887,775.00	11,400.00	X	1	X
MENS WEARHOUSE	COMMON STOCK	587118100	413,100.00	16,200.00	X	1	X
MERCK	COMMON STOCK	589331107	3,611,200.00	48,800.00	X	1	X
MEREDITH	COMMON STOCK	589433101	522,837.50	15,100.00	X	1	X
MERITOR AUTOMOTIVE INC	COMMON STOCK	59000G100	441,150.00	17,300.00	X	1	X
MERRILL LYNCH	COMMON STOCK	590188108	855,331.25	10,700.00	X	1	X
MGIC INVESTMENT	COMMON STOCK	552848103	272,300.00	5,600.00	X	1	X
MICROCHIP TECHNOLOGY INC	COMMON STOCK	595017104	274,775.00	5,800.00	X	1	X
MICROSOFT	COMMON STOCK	594918104	8,621,925.00	95,600.00	X	1	X
MICROSOFT CORP. \$2.196 CO	NON-REDEEM P/S	594918203	8,744,531.25	87,500.00	X	1	X
MINNESOTA MNG & MFG	COMMON STOCK	604059105	226,037.50	2,600.00	X	1	X
MOBIL	COMMON STOCK	607059102	1,831,500.00	18,500.00	X	1	X
MOLEX	COMMON STOCK	608554101	218,300.00	5,900.00	X	1	X
MONSANTO	COMMON STOCK	611662107	268,175.00	6,800.00	X	1	X
MORGAN (J.P.)	COMMON STOCK	616880100	379,350.00	2,700.00	X	1	X

MORGAN STANLEY DEAN WITTE	COMMON STOCK	617446448	1,240,250.00	12,100.00	X	1	X
MOTOROLA	COMMON STOCK	620076109	1,876,050.01	19,800.00	X	1	X
MYLAN LABS	COMMON STOCK	628530107	665,150.00	25,100.00	X	1	X
NABORS INDUSTRIES	COMMON STOCK	629568106	581,612.50	23,800.00	X	1	X
NATIONAL AUSTRALIA BANK 7	NON-REDEEM P/S	632525309	3,037,500.00	100,000.00	X	1	X
NATIONAL CITY	COMMON STOCK	635405103	373,350.00	5,700.00	X	1	X
NAVISTAR INTL	COMMON STOCK	63934E108	340,000.00	6,800.00	X	1	X
NEW YORK TIMES	COMMON STOCK	650111107	316,587.50	8,600.00	X	1	X
NEWBRIDGE NETWORK	COMMON FOREIGN	650901101	830,875.00	28,900.00	X	1	X
NIAGARA MOHAWK HOLDINGS I	COMMON STOCK	653520106	160,625.00	10,000.00	X	1	X
NIKE CL B	COMMON STOCK	654106103	227,925.00	3,600.00	X	1	X
NOBLE AFFILIATES	COMMON STOCK	654894104	679,318.75	24,100.00	X	1	X
NORTEL NETWORKS CORP	COMMON FOREIGN	656569100	746,587.50	8,600.00	X	1	X
OCCIDENTAL PETROLEUM CONV	NON-REDEEM P/S	674599790	2,896,875.00	50,000.00	X	1	X
OGDEN	COMMON STOCK	676346109	336,718.75	12,500.00	X	1	X
ORACLE SYSTEMS	COMMON STOCK	68389X105	889,143.75	23,950.00	X	1	X
OWENS-ILLINOIS	COMMON STOCK	690768403	317,068.75	9,700.00	X	1	X
PENTAIR	COMMON STOCK	709631105	370,575.00	8,100.00	X	1	X
PEPSI BOTTLING GROUP	COMMON STOCK	713409100	262,912.50	11,400.00	X	1	X
PEPSICO	COMMON STOCK	713448108	1,698,381.25	43,900.00	X	1	X
PERKIN-ELMER	COMMON STOCK	69332S102	22,950.00	200.00	X	1	X
PFIZER	COMMON STOCK	717081103	6,980,100.00	63,600.00	X	1	X
PFIZER	COMMON STOCK	717081103	2,326,700.00	21,200.00	X	1	X
PHELPS DODGE	COMMON STOCK	717265102	247,750.00	4,000.00	X	1	X
PREMARK INTL	COMMON STOCK	740459102	603,750.00	16,100.00	X	1	X
PROCTER & GAMBLE	COMMON STOCK	742718109	2,534,700.00	28,400.00	X	1	X
PROVIDIAN FINANCIAL CORP	COMMON STOCK	74406A102	701,250.00	7,500.00	X	1	X
QUAKER OATS	COMMON STOCK	747402105	325,237.50	4,900.00	X	1	X
QUALCOM	COMMON STOCK	747525103	731,850.00	5,100.00	X	1	X
QUANTUM	COMMON STOCK	747906105	130,275.00	5,400.00	X	1	X
R & B FALCON CORP	COMMON STOCK	74912E101	262,500.00	28,000.00	X	1	X
RADIAN GROUP INC	COMMON STOCK	750236101	507,650.00	10,400.00	X	1	X
RALSTON-RALSTON PURINA	COMMON STOCK	751277302	222,193.75	7,300.00	X	1	X
RAYONIER	COMMON STOCK	754907103	49,812.50	1,000.00	X	1	X
RAYTHEON	COMMON STOCK	755111408	330,762.50	4,700.00	X	1	X
READERS DIGEST	COMMON STOCK	755267101	329,925.00	8,300.00	X	1	X
REYNOLDS METALS	COMMON STOCK	761763101	1,162,300.00	19,700.00	X	1	X
ROHM & HAAS	COMMON STOCK	775371107	233,561.99	5,447.51	X	1	X
ROUSE CO \$3 CONVERTIBLE S	NON-REDEEM P/S	779273309	3,306,300.00	82,400.00	X	1	X
ROYAL DUTCH PETROLEUM	COMMON FOREIGN	780257804	2,518,449.99	41,800.00	X	1	X
SBC COMMUNICATIONS	COMMON STOCK	78387G103	1,808,787.99	31,186.00	X	1	X
SCHERING-PLOUGH	COMMON STOCK	806605101	1,425,700.00	26,900.00	X	1	X
SCHLUMBERGER	COMMON STOCK	806857108	655,981.25	10,300.00	X	1	X
SCHWAB CHARLES CORP NEW	COMMON STOCK	808513105	1,384,425.00	12,600.00	X	1	X
STEBEL SYSTEMS INC	COMMON STOCK	826170102	490,712.50	7,400.00	X	1	X
SMURFIT-STONE CONTAINER C	COMMON STOCK	832727101	261,143.75	12,700.00	X	1	X
SNYDER COMMUNICATIONS INC	COMMON STOCK	832914105	284,925.00	8,700.00	X	1	X
SONOCO PRODUCTS	COMMON STOCK	835495102	407,150.00	13,600.00	X	1	X
SOUTHRUST	COMMON STOCK	844730101	307,000.00	8,000.00	X	1	X
SPRINT	COMMON STOCK	852061100	823,875.00	15,600.00	X	1	X
SPRINT CONV	NON-REDEEM P/S	852061407	8,700,000.00	100,000.00	X	1	X
SPRINT CORP (PCS GROUP)	COMMON STOCK	852061506	357,031.25	6,250.00	X	1	X
SPX CORP.	COMMON STOCK	784635104	359,050.00	4,300.00	X	1	X
ST JUDE MEDICAL	COMMON STOCK	790849103	491,625.00	13,800.00	X	1	X
ST. PAUL	COMMON STOCK	792860108	343,575.00	10,800.00	X	1	X
STARBUCKS, CORP	COMMON STOCK	855244109	364,356.25	9,700.00	X	1	X
STRYKER	COMMON STOCK	863667101	216,450.00	3,600.00	X	1	X
SUMMIT BANCORP	COMMON STOCK	866005101	288,506.25	6,900.00	X	1	X
SUN MICROSYSTEMS	COMMON STOCK	866810104	817,684.00	11,872.00	X	1	X
SUNTRUST BANKS	COMMON STOCK	867914103	513,837.50	7,400.00	X	1	X
SYBRON CORP	COMMON STOCK	87114F106	429,975.00	15,600.00	X	1	X
TELLABS	COMMON STOCK	879664100	304,031.25	4,500.00	X	1	X
TERADYNE	COMMON STOCK	880770102	243,950.00	3,400.00	X	1	X
TEXACO	COMMON STOCK	881694103	818,750.00	13,100.00	X	1	X
TEXAS INSTRUMENTS	COMMON STOCK	882508104	1,058,500.00	7,300.00	X	1	X
TEXTRON	COMMON STOCK	883203101	452,718.74	5,500.00	X	1	X
THE PMI GROUP	COMMON STOCK	69344M101	163,312.50	2,600.00	X	1	X
TIME WARNER	COMMON STOCK	887315109	1,506,750.00	20,500.00	X	1	X
TIMES MIRROR	COMMON STOCK	887364107	237,000.00	4,000.00	X	1	X
TJX	COMMON STOCK	872540109	389,756.25	11,700.00	X	1	X
TYCO INTERNATIONAL	COMMON STOCK	902124106	2,427,968.75	25,625.00	X	1	X
UNILEVER N.V.	COMMON FOREIGN	904784709	559,743.66	8,025.00	X	1	X
UNION PACIFIC	COMMON STOCK	907818108	501,487.50	8,600.00	X	1	X
UNION PACIFIC RESOURCES G	COMMON STOCK	907834105	163,125.00	10,000.00	X	1	X
UNION PLANTERS	COMMON STOCK	908068109	232,375.00	5,200.00	X	1	X
UNITED TECH	COMMON STOCK	913017109	473,137.50	6,600.00	X	1	X
UNUM	COMMON STOCK	903192102	262,800.00	4,800.00	X	1	X
US BANCORP	COMMON STOCK	902973106	275,400.00	8,100.00	X	1	X
VALASSIS COMMUNICATION	COMMON STOCK	918866104	216,087.50	5,900.00	X	1	X
VERITAS SOFTWARE CORP	COMMON STOCK	923436109	284,812.50	3,000.00	X	1	X
VIACOM -CL B	COMMON STOCK	925524308	343,195.60	7,799.90	X	1	X
VITESSE SEMICONDUCTOR	COMMON STOCK	928497106	269,750.00	4,000.00	X	1	X
WAL-MART STORES	COMMON STOCK	931142103	3,575,325.00	74,100.00	X	1	X
WARNER-LAMBERT	COMMON STOCK	934488107	1,186,312.50	17,100.00	X	1	X
WASTE MANAGEMENT INC	COMMON STOCK	94106L109	553,625.00	10,300.00	X	1	X
WELLS FARGO & CO (NEW)	COMMON STOCK	949746101	1,278,225.00	29,900.00	X	1	X
WENDYS FINANCING SERIES A	REDEEMABLE P/S	950588202	2,268,750.00	37,500.00	X	1	X
WENDY'S INTL	COMMON STOCK	950590109	263,306.25	9,300.00	X	1	X
XEROX	COMMON STOCK	984121103	549,281.25	9,300.00	X	1	X
XILINX, INC.	COMMON STOCK	983919101	486,625.00	8,500.00	X	1	X
YORK INTERNATIONAL	COMMON STOCK	986670107	655,031.25	15,300.00	X	1	X
ADT OPERATIONS INC CONV	DEBT	000945AC9	16,802,500.00	7,150,000.00	X	1	X
ALZA CORP CONV	DEBT	022615AD0	19,320,000.00	14,000,000.00	X	1	X
AMERICAN GENERAL DEL	DEBT	02637G200	10,810,000.00	11,500,000.00	X	1	X
ATHENA NEUROSCIENCES INC	DEBT	046854AA3	5,512,500.00	5,250,000.00	X	1	X
AUTOMATIC DATA PROCESSING	DEBT	053015AC7	7,222,500.00	6,750,000.00	X	1	X
BAKER HUGHES	DEBT	057224AH0	3,000,000.00	4,000,000.00	X	1	X
COSTCO	DEBT	22160QAC6	11,280,000.00	12,000,000.00	X	1	X
DIAMOND OFFSHORE CONV	DEBT	25271CAA0	19,502,000.00	19,900,000.00	X	1	X
FRANCE TELECOM CONV	DEBT	35177QAB1	0.00	95,000.00	X	1	X

HEWLETT PACKARD CO CONV	DEBT	428236AA1	9,100,000.00	14,000,000.00	X	1	X
HEWLETT PACKARD CO CONV	DEBT	428236AC7	11,160,000.00	18,000,000.00	X	1	X
HILTON HOTELS CORP CONV	DEBT	432848AL3	9,476,000.00	10,300,000.00	X	1	X
HOME DEPOT INC CONV	DEBT	437076AE2	44,043,000.00	15,900,000.00	X	1	X
INCO LTD CONV	DEBT	453258AH8	3,631,500.00	4,035,000.00	X	1	X
INCO LTD CONV	DEBT	453258AK1	3,185,000.00	3,500,000.00	X	1	X
INTERPUBLIC GRP	DEBT	460690AG5	0.00	1,000,000.00	X	1	X
KONINKLIJKE AHOL	DEBT	500467AA3	1,983,801.60	1,599,840.00	X	1	X
MAGNA INTL INC CONV	DEBT	559222AE4	5,450,000.00	5,000,000.00	X	1	X
MAGNA INTL INC CONV	DEBT	559222AF1	6,762,000.00	6,900,000.00	X	1	X
MAGNA INTL INC CONV	DEBT	559222AG6	2,205,000.00	2,250,000.00	X	1	X
MUTUAL RISK MGMT LTD CONV	DEBT	628351AA6	5,074,370.00	7,147,000.00	X	1	X
NABORS INDS INC CONV	DEBT	629568AA4	5,092,000.00	3,800,000.00	X	1	X
OFFICE DEPOT	DEBT	676220AB2	4,920,000.00	6,000,000.00	X	1	X
OGDEN CORP CONV	DEBT	676346AD1	5,580,000.00	6,000,000.00	X	1	X
OMNICOM GROUP CONV	DEBT	681919AC0	2,530,000.00	1,000,000.00	X	1	X
OMNICOM GROUP CONV	DEBT	681919AE6	3,795,000.00	1,500,000.00	X	1	X
POTOMAC ELEC PWR CONV	DEBT	737679BT6	4,557,000.00	4,650,000.00	X	1	X
ROBBINS & MYERS INC CONV	DEBT	770196AA1	1,861,200.00	1,880,000.00	X	1	X
ST PAUL CAPITAL CONV	DEBT	792856205	5,251,000.00	8,900,000.00	X	1	X
THERMO ELECTRON CORP CONV	DEBT	883556AF9	7,425,000.00	8,250,000.00	X	1	X
THERMO INSTR INC CONV	DEBT	883559AC0	4,450,000.00	5,000,000.00	X	1	X
THERMO INSTR INC CONV	DEBT	883559AE6	2,075,000.00	2,500,000.00	X	1	X
THERMO OPTEK CORP CONV	DEBT	883582AA6	1,044,450.00	1,055,000.00	X	1	X
THERMOQUEST CORP CONV	DEBT	883655AA0	1,024,100.00	1,045,000.00	X	1	X
UNITED STATES CELLULAR	DEBT	911684AA6	4,750,000.00	9,500,000.00	X	1	X
WMX TECHNOLOGIES INC CONV	DEBT	92929QAF4	14,660,500.00	13,450,000.00	X	1	X
XEROX CREDIT CONV	DEBT	984121BB8	0.00	3,750,000.00	X	1	X
XEROX CREDIT CORP NEW	DEBT	984121AY9	3,150,000.00	5,000,000.00	X	1	X