

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	209,747	7,800		X		1		X	
AES CORP	COMMON STOCK	00130H105	369,900	5,400		X		1		X	
A M R	COMMON STOCK	001765106	303,994	9,300		X		1		X	
AT & T	COMMON STOCK	001957109	2,754,200	93,760		X		1		X	
AT&T CORP - LIBERTY MEDIA	COMMON STOCK	001957208	334,800	18,600		X		1		X	
ABBOTT LABS	COMMON STOCK	002824100	3,843,050	80,800		X		1		X	
AGILENT TECHNOLOGIES	COMMON STOCK	00846U101	200,595	4,099		X		1		X	
AIR PRODUCTS & CHEMICALS	COMMON STOCK	009158106	338,400	9,400		X		1		X	
ALUMINUM CO OF AMERICA	COMMON STOCK	013817101	416,948	16,472		X		1		X	
ALLEGHENY ENERGY	COMMON STOCK	017361106	950,869	24,900		X		1		X	
ALLAMERICA FINC. CORP	COMMON STOCK	019754100	409,200	6,400		X		1		X	
AMERICA ON-LINE	COMMON STOCK	02364J104	1,155,625	21,500		X		1		X	
AMERN EAGLE OUTFITTERS INC	COMMON STOCK	02553E106	768,600	24,400		X		1		X	
AMERICAN EXPRESS	COMMON STOCK	025816109	838,350	13,800		X		1		X	
AMERICAN FINANCIAL	COMMON STOCK	025932104	324,625	14,000		X		1		X	
AMERICAN GENERAL	COMMON STOCK	026351106	1,338,324	17,158		X		1		X	
AMERICAN HOME PRODUCTS	COMMON STOCK	026609107	735,313	13,000		X		1		X	
AMERICAN INTL	COMMON STOCK	026874107	3,760,902	39,304		X		1		X	
AMERICAN STANDARD COMPANIE	COMMON STOCK	029712106	742,106	16,700		X		1		X	
AMGEN	COMMON STOCK	031162100	1,480,356	21,200		X		1		X	
ANALOG DEVICES	COMMON STOCK	032654105	1,362,281	16,500		X		1		X	
APACHE	COMMON STOCK	037411105	969,650	16,400		X		1		X	
APPLIED MATERIALS	COMMON STOCK	038222105	415,188	7,000		X		1		X	
AUTOMATIC DATA PROCESSING	COMMON STOCK	053015103	254,125	3,800		X		1		X	
BJ'S WHOLESALE CLUB	COMMON STOCK	05548J106	713,213	20,900		X		1		X	
BP AMOCO PLC	COMMON STOCK										
	FOREIGN	055622104	2,231,300	42,100		X		1		X	
BANK OF AMERICA CORP	COMMON STOCK	060505104	1,751,106	33,434		X		1		X	
BANK OF NEW YORK	COMMON STOCK	064057102	498,956	8,900		X		1		X	
BANK ONE CORPORATION	COMMON STOCK	06423A103	266,513	6,900		X		1		X	
BAXTER INTL	COMMON STOCK	071813109	1,109,394	13,900		X		1		X	
BECKMAN COULTER INC	COMMON STOCK	075811109	956,350	12,400		X		1		X	
BED BATH & BEYOND INC	COMMON STOCK	075896100	212,198	8,700		X		1		X	
BELLSOUTH	COMMON STOCK	079860102	623,875	15,500		X		1		X	
BEST BUY	COMMON STOCK	086516101	426,288	6,700		X		1		X	
BOEING	COMMON STOCK	097023105	1,215,900	19,300		X		1		X	
BRINKER INT'L	COMMON STOCK	109641100	656,725	21,800		X		1		X	
BRISTOL-MYERS-SQUIBB	COMMON STOCK	110122108	3,501,763	61,300		X		1		X	
BROADCOM CORP CL A	COMMON STOCK	111320107	414,375	1,700		X		1		X	
C I G N A	COMMON STOCK	125509109	261,000	2,500		X		1		X	

ITEM 1:	ITEM 2:	ITEM 3:	ITEM 4:	ITEM 5:	ITEM 6:			ITEM 7:	ITEM 8:		
					INVESTMENT DISCRETION				VOTING AUTHORITY		
NAME OF ISSUER	TITLE OF CLASS	CUSIP NUMBER	FAIR MARKET VALUE	SHARES OR PRINCIPAL AMOUNT	(A) SOLE	(B) SHARED	(C) SHARED OTHER	MANA-GERS	(A) SOLE	(B) SHARED	(C) NONE
CALPINE CORP	COMMON STOCK	131347106	1,409,063	13,500		X		1		X	
CAMDEN PROPERTY TRUST SERI	NON-REDEEM P/S	133131201	2,493,750	100,000		X		1		X	
CARDINAL HEALTH	COMMON STOCK	14149Y108	1,128,800	12,800		X		1		X	
CENDANT COPORATION	COMMON STOCK	151313103	336,038	30,900		X		1		X	
CHASE MANHATTAN CORP NEW	COMMON STOCK	16161A108	443,400	9,600		X		1		X	
CHEVRON	COMMON STOCK	166751107	528,550	6,200		X		1		X	
CHIRON	COMMON STOCK	170040109	5,548,500	123,300		X		1		X	
CINCINNATI FINL CORP	COMMON STOCK	172062101	1,792,750	50,500		X		1		X	
CINERGY	COMMON STOCK	172474108	558,756	16,900		X		1		X	
CISCO SYSTEMS, INC.	COMMON STOCK	17275R102	5,928,325	107,300		X		1		X	
CITIGROUP INC	COMMON STOCK	172967101	5,094,473	94,233		X		1		X	
CITIZENS UTILITIES 5.0% CO	REDEEMABLE P/S	177351202	2,495,500	46,000		X		1		X	
CLEAR CHANNEL COMMUNICATIO	COMMON STOCK	184502102	661,050	11,700		X		1		X	
COCA-COLA	COMMON STOCK	191216100	1,317,488	23,900		X		1		X	
COLGATE-PALMOLIVE	COMMON STOCK	194162103	236,000	5,000		X		1		X	
COMCAST CLASS A SPECIAL	COMMON STOCK	200300200	843,313	20,600		X		1		X	
COMERICA	COMMON STOCK	200340107	841,500	14,400		X		1		X	
COMPAQ COMPUTER	COMMON STOCK	204493100	592,970	21,500		X		1		X	
COMPUTER SCIENCES	COMMON STOCK	205363104	2,257,200	30,400		X		1		X	
CONDUCTUS INC	COMMON STOCK	206784100	302,375	20,500		X		1		X	
CONSTELLATION ENERGY GROUP	COMMON STOCK	210371100	233,825	4,700		X		1		X	
CORNING	COMMON STOCK	219350105	9,711,900	32,700		X		1		X	
COUNTRYWIDE CREDIT INDUSTR	COMMON STOCK	222372104	283,125	7,500		X		1		X	
CYPRESS SEMICONDUCTOR	COMMON STOCK	232806109	494,594	11,900		X		1		X	
DELL COMPUTER	COMMON STOCK	247025109	653,225	21,200		X		1		X	
DIAL CORP.	COMMON STOCK	25247D101	488,250	42,000		X		1		X	
DISNEY (WALT)	COMMON STOCK	254687106	787,950	20,600		X		1		X	
DOW CHEMICAL	COMMON STOCK	260543103	568,575	22,800		X		1		X	
DU PONT DE NEMOURS	COMMON STOCK	263534109	378,242	9,128		X		1		X	
DUKE ENERGY CORP	COMMON STOCK	264399106	823,200	9,600		X		1		X	
DYNEGY INC	COMMON STOCK	26816Q101	2,057,700	36,100		X		1		X	
E M C	COMMON STOCK	268648102	4,321,850	43,600		X		1		X	
EDISON INTL	COMMON STOCK	281020107	388,181	20,100		X		1		X	
EL PASO ENERGY CAPITAL TRU	NON-REDEEM P/S	283678209	7,765,625	99,400		X		1		X	
EL PASO ENERGY CORP DELAWA	COMMON STOCK	283905107	1,010,650	16,400		X		1		X	
ELAN CORP. PLC (ADR)	COMMON STOCK FOREIGN	284131208	290,175	5,300		X		1		X	
EMERSON ELEC	COMMON STOCK	291011104	730,300	10,900		X		1		X	
ENRON	COMMON STOCK	293561106	2,917,913	33,300		X		1		X	
EQUITY RESIDENTIAL PROPERT	NON-REDEEM P/S	294761859	2,262,500	100,000		X		1		X	

ITEM 1:	ITEM 2:	ITEM 3:	ITEM 4:	ITEM 5:	ITEM 6:			ITEM 7:	ITEM 8:		
					INVESTMENT DISCRETION				VOTING AUTHORITY		
NAME OF ISSUER	TITLE OF CLASS	CUSIP NUMBER	FAIR MARKET VALUE	SHARES OR PRINCIPAL AMOUNT	(A) SOLE	(B) SHARED	(C) SHARED OTHER	MANA-GERS	(A) SOLE	(B) SHARED	(C) NONE
EXXON	COMMON STOCK	30231G102	5,274,239	59,178		X		1		X	
FREDDIE MAC	COMMON STOCK	313400301	2,449,031	45,300		X		1		X	
FEDERAL NAT'L MORT. ASSOC	COMMON STOCK	313586109	879,450	12,300		X		1		X	
FIRSTAR CORPORATION	COMMON STOCK	33763V109	917,375	41,000		X		1		X	
FISERV INC.	COMMON STOCK	337738108	458,044	7,650		X		1		X	
FLEET BOSTON FINANCIAL COR	COMMON STOCK	339030108	1,836,276	47,084		X		1		X	
GATEWAY INC	COMMON STOCK	367626108	1,439,900	30,800		X		1		X	
GENERAL DYNAMICS	COMMON STOCK	369550108	804,000	12,800		X		1		X	
GENERAL ELECTRIC	COMMON STOCK	369604103	10,562,581	183,100		X		1		X	
GENERAL MOTORS	COMMON STOCK	370442105	864,500	13,300		X		1		X	
GENERAL MOTORS CL H	COMMON STOCK	370442832	1,007,578	27,100		X		1		X	
GILLETTE	COMMON STOCK	375766102	293,313	9,500		X		1		X	
COLUMBIA HEALTHCARE	COMMON STOCK	404119109	1,431,243	38,552		X		1		X	
HEWLETT-PACKARD	COMMON STOCK	428236103	1,813,900	18,700		X		1		X	
HOME DEPOT	COMMON STOCK	437076102	2,194,134	41,350		X		1		X	
HONEYWELL INTERNATIONAL IN	COMMON STOCK	438516106	249,375	7,000		X		1		X	
HOUSEHOLD INTL	COMMON STOCK	441815107	990,938	17,500		X		1		X	
ILLINOIS TOOL WORKS	COMMON STOCK	452308109	217,913	3,900		X		1		X	
INTEGRATED DEVISE TECHNOLO	COMMON STOCK	458118106	515,850	5,700		X		1		X	
INTEL	COMMON STOCK	458140100	4,210,281	101,300		X		1		X	
INTL BUSINESS MACHINES	COMMON STOCK	459200101	1,923,750	17,100		X		1		X	
INTERPUBLIC GROUP OF COS	COMMON STOCK	460690100	810,688	23,800		X		1		X	
INTIMATE BRANDS	COMMON STOCK	461156101	231,725	12,400		X		1		X	
INTUIT INC	COMMON STOCK	461202103	535,800	9,400		X		1		X	
IVAX CORP	COMMON STOCK	465823102	1,035,000	22,500		X		1		X	
JDS UNIPHASE CORP	COMMON STOCK	46612J101	1,571,813	16,600		X		1		X	
JOHNSON & JOHNSON	COMMON STOCK	478160104	3,334,781	35,500		X		1		X	
KANSAS CITY SOUTHERN INDUS	COMMON STOCK	485170302	286,036	32,925		X		1		X	
KERR-MCGEE	COMMON STOCK	492386107	212,000	3,200		X		1		X	
KIMBERLY-CLARK	COMMON STOCK	494368103	379,525	6,800		X		1		X	
K N ENERGY	COMMON STOCK	49455P101	921,094	22,500		X		1		X	
KNIGHT-RIDDER	COMMON STOCK	499040103	386,175	7,600		X		1		X	
LEGG MASON	COMMON STOCK	524901105	651,000	11,200		X		1		X	
LEHMAN BROS HOLDING	COMMON STOCK	524908100	842,175	5,700		X		1		X	
LILLY (ELI)	COMMON STOCK	532457108	2,433,750	30,000		X		1		X	
LINCOLN NATIONAL	COMMON STOCK	534187109	1,554,438	32,300		X		1		X	
LITTON INDUSTRIES	COMMON STOCK	538021106	1,050,156	23,500		X		1		X	
LOCKHEED MARTIN	COMMON STOCK	539830109	224,128	6,800		X		1		X	
LUCENT TECHNOLOGIES INC	COMMON STOCK	549463107	1,741,665	56,987		X		1		X	

ITEM 1:	ITEM 2:	ITEM 3:	ITEM 4:	ITEM 5:	ITEM 6:			ITEM 7:	ITEM 8:		
					INVESTMENT DISCRETION				VOTING AUTHORITY		
NAME OF ISSUER	TITLE OF CLASS	CUSIP NUMBER	FAIR MARKET VALUE	SHARES OR PRINCIPAL AMOUNT	(A) SOLE	(B) SHARED	(C) SHARED OTHER	MANA-GERS	(A) SOLE	(B) SHARED	(C) NONE
MARSH & MC LENNAN	COMMON STOCK	571748102	464,625	3,500		X		1	X		
MARSHALL & ILSLEY	COMMON STOCK	571834100	526,313	10,500		X		1	X		
MASCO	COMMON STOCK	574599106	316,625	17,000		X		1	X		
MCDONALD'S	COMMON STOCK	580135101	353,194	11,700		X		1	X		
MCGRAW-HILL	COMMON STOCK	580645109	228,825	3,600		X		1	X		
MEDTRONICS	COMMON STOCK	585055106	668,381	12,900		X		1	X		
MERCK	COMMON STOCK	589331107	4,548,131	61,100		X		1	X		
MERRILL LYNCH	COMMON STOCK	590188108	1,254,000	19,000		X		1	X		
MICROSOFT	COMMON STOCK	594918104	5,615,094	93,100		X		1	X		
MICRON TECH	COMMON STOCK	595112103	211,600	4,600		X		1	X		
MILLENNIUM PHARMACEUTICALS	COMMON STOCK	599902103	964,013	6,600		X		1	X		
MINNESOTA MNG & MFG	COMMON STOCK	604059105	364,500	4,000		X		1	X		
MORGAN (J.P.)	COMMON STOCK	616880100	751,525	4,600		X		1	X		
MORGAN STANLEY DEAN WITTER	COMMON STOCK	617446448	822,938	9,000		X		1	X		
MOTOROLA	COMMON STOCK	620076109	1,228,875	43,500		X		1	X		
NABORS INDUSTRIES	COMMON STOCK	629568106	1,048,000	20,000		X		1	X		
NATIONAL AUSTRALIA BANK 7.	NON-REDEEM P/S	632525309	1,012,500	40,000		X		1	X		
NATIONWIDE FINANCIAL	COMMON STOCK	638612101	1,345,500	36,000		X		1	X		
NETWORK APPLIANCE INC	COMMON STOCK	64120L104	343,913	2,700		X		1	X		
NEXTEL COMMUNICATIONS INC	COMMON STOCK	65332V103	776,050	16,600		X		1	X		
NORTEL NETWORKS CORP	COMMON STOCK										
	FOREIGN	656568102	2,019,169	33,900		X		1	X		
NSTAR	COMMON STOCK	67019E107	330,050	8,200		X		1	X		
OCEAN ENERGY INC	COMMON STOCK	67481E106	651,463	42,200		X		1	X		
OGDEN	COMMON STOCK	676346109	356,694	26,300		X		1	X		
ORACLE SYSTEMS	COMMON STOCK	68389X105	3,890,250	49,400		X		1	X		
PECO ENERGY CO	COMMON STOCK	693304107	1,071,956	17,700		X		1	X		
PG & E CORP	COMMON STOCK	69331C108	471,656	19,500		X		1	X		
PE CORP - PE BIOSYSTEMS GR	COMMON STOCK	69332S102	1,514,500	13,000		X		1	X		
THE PMI GROUP	COMMON STOCK	69344M101	1,253,375	18,500		X		1	X		
PNC FINANCIAL SERVICES GRO	COMMON STOCK	693475105	383,500	5,900		X		1	X		
PPL CORPORATION	COMMON STOCK	69351T106	580,325	13,900		X		1	X		
PAYCHEX	COMMON STOCK	704326107	2,308,688	43,975		X		1	X		
PEPSICO	COMMON STOCK	713448108	713,000	15,500		X		1	X		
PFIZER	COMMON STOCK	717081103	6,044,094	134,500		X		1	X		
PHILLIPS PETROLEUM	COMMON STOCK	718507106	1,449,525	23,100		X		1	X		
PITNEY BOWES	COMMON STOCK	724479100	2,689,638	68,200		X		1	X		
PRECISION CASTPARTS	COMMON STOCK	740189105	790,525	20,600		X		1	X		
PROCTER & GAMBLE	COMMON STOCK	742718109	837,500	12,500		X		1	X		
PROTECTIVE LIFE CORP	COMMON STOCK	743674103	708,038	23,700		X		1	X		

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: MANA- GERS	ITEM 8: VOTING AUTHORITY (SHARES)		
					(A) SOLE	(B) SHARED	(C) SHARED OTHER		(A) SOLE	(B) SHARED	(C) NONE
PROVIDIAN FINANCIAL CORP	COMMON STOCK	74406A102	1,143,000	9,000		X		1		X	
QUALCOM	COMMON STOCK	747525103	456,000	6,400		X		1		X	
QUANTUM	COMMON STOCK	747906204	435,306	28,900		X		1		X	
QWEST COMMUNICATIONS INTL	COMMON STOCK	749121109	2,071,446	43,099		X		1		X	
RADIOSHACK CORP	COMMON STOCK	750438103	665,638	10,300		X		1		X	
RATIONAL SOFTWARE CORP	COMMON STOCK	75409P202	888,000	12,800		X		1		X	
READERS DIGEST	COMMON STOCK	755267101	702,719	19,900		X		1		X	
ROHM & HAAS	COMMON STOCK	775371107	309,428	10,647		X		1		X	
ROYAL BK SCOTLND	REDEEMABLE P/S	780097804	746,625	33,000		X		1		X	
ROYAL DUTCH PETROLEUM	COMMON STOCK										
	FOREIGN	780257804	1,132,819	18,900		X		1		X	
SBC COMMUNICATIONS	COMMON STOCK	78387G103	2,453,900	49,078		X		1		X	
SPDR S&P DEP RCPT TRADES A	COMMON STOCK	78462F103	129,951,900	904,800		X		1		X	
SAFEWAY INC	COMMON STOCK	786514208	224,100	4,800		X		1		X	
ST. PAUL	COMMON STOCK	792860108	3,136,275	63,600		X		1		X	
SCHERING-PLOUGH	COMMON STOCK	806605101	767,250	16,500		X		1		X	
SCHLUMBERGER	COMMON STOCK	806857108	1,333,463	16,200		X		1		X	
SCHWAB CHARLES CORP NEW	COMMON STOCK	808513105	388,725	10,950		X		1		X	
SEPRACOR INC	COMMON STOCK	817315104	944,694	7,700		X		1		X	
SIEBEL SYSTEMS INC	COMMON STOCK	826170102	289,413	2,600		X		1		X	
SIMON PROPERTY GROUP 6.5%	NON-REDEEM P/S	828806406	3,500,000	50,000		X		1		X	
SOUTHERN	COMMON STOCK	842587107	1,424,006	43,900		X		1		X	
SOVEREIGN BANCORP	COMMON STOCK	845905108	388,500	42,000		X		1		X	
SPRINT CORP (PCS GROUP)	COMMON STOCK	852061506	252,450	7,200		X		1		X	
STARBUCKS, CORP	COMMON STOCK	855244109	348,544	8,700		X		1		X	
STORAGE TECH	COMMON STOCK	862111200	379,750	28,000		X		1		X	
SUIZA FOODS CORP	COMMON STOCK	865077101	243,300	4,800		X		1		X	
SUMMIT BANCORP	COMMON STOCK	866005101	634,800	18,400		X		1		X	
SUN MICROSYSTEMS	COMMON STOCK	866810104	3,624,387	31,044		X		1		X	
SUNGARD DATA SYSTEMS	COMMON STOCK	867363103	582,250	13,600		X		1		X	
SUN CO.	COMMON STOCK	86764P109	1,029,013	38,200		X		1		X	
SYBASE INC	COMMON STOCK	871130100	1,462,800	63,600		X		1		X	
SYBRON CORP	COMMON STOCK	87114F106	734,400	30,600		X		1		X	
SYMANTEC CORP.	COMMON STOCK	871503108	431,200	9,800		X		1		X	
T R W	COMMON STOCK	872649108	670,313	16,500		X		1		X	
TXU CORPORATION (HLDG)	COMMON STOCK	873168108	1,386,875	35,000		X		1		X	
TARGET CORP	COMMON STOCK	87612E106	276,750	10,800		X		1		X	
TENET HEALTHCARE	COMMON STOCK	88033G100	803,888	22,100		X		1		X	
TEXAS INSTRUMENTS	COMMON STOCK	882508104	1,297,656	27,500		X		1		X	
3 COM	COMMON STOCK	885535104	970,888	50,600		X		1		X	

ITEM 1:	ITEM 2:	ITEM 3:	ITEM 4:	ITEM 5:	ITEM 6:			ITEM 7:	ITEM 8:		
NAME OF ISSUER	TITLE OF CLASS	CUSIP NUMBER	FAIR MARKET VALUE	SHARES OR PRINCIPAL AMOUNT	INVESTMENT DISCRETION			MANA-GERS	VOTING AUTHORITY (SHARES)		
					(A) SOLE	(B) SHARED	(C) SHARED OTHER		(A) SOLE	(B) SHARED	(C) NONE
TIME WARNER	COMMON STOCK	887315109	2,957,850	37,800		X		1	X		
TORCHMARK	COMMON STOCK	891027104	1,674,313	60,200		X		1	X		
TRANSWITCH CORPORATION	COMMON STOCK	894065101	478,125	7,500		X		1	X		
TYCO INTERNATIONAL	COMMON STOCK	902124106	1,626,281	31,350		X		1	X		
USA NETWORKS	COMMON STOCK	902984103	285,188	13,000		X		1	X		
USA EDUCATION INC.	COMMON STOCK	90390U102	934,838	19,400		X		1	X		
UNILEVER N.V.	COMMON STOCK										
	FOREIGN	904784709	1,296,719	26,875		X		1	X		
UNION PLANTERS	COMMON STOCK	908068109	376,913	11,400		X		1	X		
US CELLULAR CORP	COMMON STOCK	911684108	5,978,000	85,400		X		1	X		
UNITED TECH	COMMON STOCK	913017109	803,300	11,600		X		1	X		
VALERO ENERGY CORP	COMMON STOCK	91913Y100	1,337,125	38,000		X		1	X		
VERITAS SOFTWARE CORP	COMMON STOCK	923436109	440,200	3,100		X		1	X		
VERIZON COMMUNICATIONS	COMMON STOCK	92343V104	1,268,772	26,194		X		1	X		
VIACOM -CL B	COMMON STOCK	925524308	1,794,722	30,679		X		1	X		
VIAD CORP	COMMON STOCK	92552R109	727,813	27,400		X		1	X		
WAL-MART STORES	COMMON STOCK	931142103	4,567,063	94,900		X		1	X		
WALGREEN	COMMON STOCK	931422109	337,644	8,900		X		1	X		
WASHINGTON MUTUAL	COMMON STOCK	939322103	310,538	7,800		X		1	X		
WASTE MANAGEMENT INC	COMMON STOCK	94106L109	418,500	24,000		X		1	X		
WEATHERFORD INTERNATIONAL	COMMON STOCK	947074100	516,000	12,000		X		1	X		
WELLS FARGO & CO (NEW)	COMMON STOCK	949746101	1,920,188	41,800		X		1	X		
WORLDCOM INC.	COMMON STOCK	98157D106	730,154	24,038		X		1	X		
WRIGLEY	COMMON STOCK	982526105	621,463	8,300		X		1	X		
XILINX, INC.	COMMON STOCK	983919101	342,500	4,000		X		1	X		
YAHOO INC	COMMON STOCK	984332106	509,600	5,600		X		1	X		
TRANSOCEAN SEDCO FOREX INC	COMMON STOCK	G90078109	237,314	4,048		X		1	X		
ADT OPERATIONS INC CONV	DEBT	000945AC9	13,989,937.50	4,950,000.00		X		1	X		
ALZA CORP.	DEBT	022615AC2	33,712,500.00	30,000,000.00		X		1	X		
ALZA CORP	DEBT	02261WAA7	37,743,750.00	54,900,000.00		X		1	X		
AMERICAN INTERNATIONAL GRO	DEBT	026874AN7	14,833,500.00	13,200,000.00		X		1	X		
ANADARKO PETROLEUM CORP	DEBT	032511AP2	19,710,000.00	24,000,000.00		X		1	X		
ANALOG DEVICES	DEBT	032654AC9	35,621,250.00	34,500,000.00		X		1	X		
AUTOMATIC DATA PROCESSING	DEBT	053015AC7	12,954,375.00	7,350,000.00		X		1	X		
AVON PRODUCTS INC	DEBT	054303AN2	7,200,000.00	15,000,000.00		X		1	X		
BERKSHIRE HATHAWAY INC DEL	DEBT	084670AF5	17,975,062.50	5,550,000.00		X		1	X		
BURR-BROWN CORP	DEBT	122574AF3	13,154,625.00	9,900,000.00		X		1	X		
CUC INTL INC	DEBT	126545AD4	18,751,875.00	20,550,000.00		X		1	X		
CENTOCOR INC.	DEBT	152342AE1	20,975,625.00	16,500,000.00		X		1	X		

ITEM 1:	ITEM 2:	ITEM 3:	ITEM 4:	ITEM 5:	ITEM 6:			ITEM 7:	ITEM 8:		
NAME OF ISSUER	TITLE OF CLASS	CUSIP NUMBER	FAIR MARKET VALUE	SHARES OR PRINCIPAL AMOUNT	INVESTMENT DISCRETION			MANA- GERS	VOTING AUTHORITY (SHARES)		
					(A) SOLE	(B) SHARED	(C) SHARED OTHER		(A) SOLE	(B) SHARED	(C) NONE
CLEAR CHANNEL COMM., INC.,	DEBT	184502AB8	30,972,375.00	28,350,000.00		X		1		X	
CLEAR CHANNEL COMMUNICATIO	DEBT	184502AE2	40,792,500.00	44,100,000.00		X		1		X	
COSTCO	DEBT	221600AC6	28,270,068.75	33,705,000.00		X		1		X	
COX COMMUNICATIONS	DEBT	224044AW7	7,336,875.00	10,500,000.00		X		1		X	
COX COMM.	DEBT	224044AX5	22,223,250.00	53,550,000.00		X		1		X	
DEUTSCHE BANK FINANCIAL	DEBT	25153EBE0	58,350,000.00	30,000,000.00		X		1		X	
DEVON ENERGY CORP	DEBT	25179MAA1	4,170,562.50	4,350,000.00		X		1		X	
DEVON ENERGY CORP.	DEBT	25179MAB9	28,259,077.50	29,322,000.00		X		1		X	
DEVON ENERGY	DEBT	25179MAC7	15,675,000.00	33,000,000.00		X		1		X	
DIAMOND OFFSHORE CONV	DEBT	25271CAA0	39,063,000.00	34,800,000.00		X		1		X	
DIAMOND OFFSHORE	DEBT	25271CAB8	19,500,000.00	39,000,000.00		X		1		X	
DUPONT PHOTOMASK	DEBT	26613XAC5	5,715,000.00	6,000,000.00		X		1		X	
ELAN INTL FIN CONV	DEBT	284129AA0	30,670,500.00	38,100,000.00		X		1		X	
ELAN FINANCE	DEBT	284129AC7	43,470,000.00	54,000,000.00		X		1		X	
FIRST UNION	DEBT	33737PAC9	59,700,000.00	60,000,000.00		X		1		X	
GLOBAL MARINE	DEBT	379352AM9	13,702,500.00	27,000,000.00		X		1		X	
GOLDMAN SACHS / WELLS FARG	DEBT	38141GAB0	5,940,000.00	6,000,000.00		X		1		X	
HD EXCHANGEABLE TRUST	DEBT	40414EAA3	5,685,000.00	6,000,000.00		X		1		X	
HEALTH CARE PPTY INVS INC	DEBT	421915AC3	8,718,750.00	9,000,000.00		X		1		X	
HEALTH MANAGEMENT ASSOC	DEBT	421933AA0	19,451,250.00	28,500,000.00		X		1		X	
HEWLETT PACKARD CO CONV	DEBT	428236AC7	56,985,750.00	77,400,000.00		X		1		X	
INTERPUBLIC GROUP	DEBT	460690AG5	11,315,625.00	12,750,000.00		X		1		X	
INTERPUBLIC GROUP	DEBT	460690AJ9	8,386,875.00	9,450,000.00		X		1		X	
JACOR COMM INC	DEBT	469858AA2	5,280,000.00	6,000,000.00		X		1		X	
JACOR COMM INC	DEBT	469858AB0	15,150,000.00	30,000,000.00		X		1		X	
KERR-MCGEE CORP	DEBT	492386AL1	18,878,268.75	19,239,000.00		X		1		X	
KERR-MCGEE	DEBT	492386AP2	33,920,250.00	27,300,000.00		X		1		X	
KOHL'S CORP.	DEBT	500255AG9	6,129,375.00	10,500,000.00		X		1		X	
LIBERTY MEDIA GROUP	DEBT	530715AF8	27,732,375.00	29,700,000.00		X		1		X	
LIBERTY MEDIA / AT&T CORP	DEBT	530715AG6	7,003,125.00	7,500,000.00		X		1		X	
LIBERTY MEDIA	DEBT	530715AK7	25,368,750.00	33,000,000.00		X		1		X	
LIEBERT CONV	DEBT	531735AA6	2,982,000.00	600,000.00		X		1		X	
MAGNA INTL INC CONV	DEBT	559222AE4	34,439,062.50	35,550,000.00		X		1		X	
MERRILL LYNCH - J&J	DEBT	590188A40	8,887,500.00	9,000,000.00		X		1		X	
MOTOROLA CONV LIQUID YIELD	DEBT	620076AJ8	5,692,500.00	6,000,000.00		X		1		X	
NABORS INDUSTRIES INC	DEBT	629568AC0	10,387,500.00	15,000,000.00		X		1		X	
NABORS INDS INC	DEBT	629568AD8	6,232,500.00	9,000,000.00		X		1		X	
NEWS CORP	DEBT	652478AS7	48,782,635.20	43,290,000.00		X		1		X	
OMNICOM GROUP INC	DEBT	681919AG1	37,805,812.50	24,450,000.00		X		1		X	

ITEM 1:	ITEM 2:	ITEM 3:	ITEM 4:	ITEM 5:	ITEM 6:			ITEM 7:	ITEM 8:		
					INVESTMENT DISCRETION				VOTING AUTHORITY		
NAME OF ISSUER	TITLE OF CLASS	CUSIP NUMBER	FAIR MARKET VALUE	SHARES OR PRINCIPAL AMOUNT	(A) SOLE	(B) SHARED	(C) SHARED OTHER	MANA-GERS	(A) SOLE	(B) SHARED	(C) NONE
PERKINELMER INC	DEBT	714046AA7	12,250,200.00	18,015,000.00		X		1		X	
POTOMAC ELEC PWR CO	DEBT	737679BT6	8,595,000.00	9,000,000.00		X		1		X	
SCI SYSTEMS INC	DEBT	783890AF3	20,024,625.00	20,100,000.00		X		1		X	
SOLELECTRON CORP.	DEBT	834182AG2	24,075,375.00	32,700,000.00		X		1		X	
SOLELECTRON	DEBT	834182AJ6	20,430,937.50	27,750,000.00		X		1		X	
SOLELECTRON CORP	DEBT	834182AK3	51,757,500.00	77,250,000.00		X		1		X	
THERMO ELECTRON CORP CONV	DEBT	883556AF9	24,773,437.50	26,250,000.00		X		1		X	
THERMO INSTR SYS INC., CON	DEBT	883556AH5	9,187,500.00	10,500,000.00		X		1		X	
THERMO INSTR SYS INC CONV	DEBT	883559AC0	8,403,750.00	9,000,000.00		X		1		X	
TIMES MIRROR CO.	DEBT	887364AE7	16,670,625.00	25,500,000.00		X		1		X	
TRANSOCEAN SEDCO FOREX	DEBT	893830AA7	22,080,750.00	35,400,000.00		X		1		X	
UNITED PARCEL	DEBT	911312AB2	12,165,000.00	12,000,000.00		X		1		X	
UNIVERSAL HEALTH SERVICES	DEBT	913903AJ9	6,660,000.00	12,000,000.00		X		1		X	
WEATHERFORD INTERNATIONAL	DEBT	947074AA8	14,343,750.00	25,500,000.00		X		1		X	
WELLPOINT	DEBT	94973HAA6	15,072,000.00	19,200,000.00		X		1		X	
XEROX	DEBT	984121BB8	14,458,500.00	28,350,000.00		X		1		X	
YOUNG & RUBICAM	DEBT	987425AA3	5,895,000.00	6,000,000.00		X		1		X	
SWISS LIFE FIN.	DEBT	CP5026911	5,992,800.00	6,000,000.00		X		1		X	
TECNOST INTL	DEBT	EC1437234	3,339.21	3,306.00		X		1		X	
SWISS LIFE FINANCE LTD	DEBT	VV3084256	7,328,520.00	7,200,000.00		X		1		X	