

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Annual report pursuant to Section 15 (d) of the Securities
Exchange Act of 1934 (No fee required)

For the fiscal years ended December 31, 1999 and 1998

OR

Transition report pursuant to SECTION 15 (d) of the Securities Exchange Act
of 1934 (No fee required)

For the transition period from _____ to _____

Commission file number 33-59853

A. Full title of the plan and the address of the plan, if different from
that of the issuer named below:

NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN

B. Name of issuer of the securities held pursuant to the Plan and the
address of its principal executive office:

NORTHROP GRUMMAN CORPORATION
1840 Century Park East
Los Angeles, California 90067

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934,
the trustees (or other persons who administer the employee benefit plan) have
duly caused this annual report to be signed on its behalf by the undersigned
hereunto duly authorized.

NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN

/s/ Gary W. McKenzie

Dated: June 28, 2000

By Gary W. McKenzie
Vice President Tax

NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN

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INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Northrop Grumman Savings and Investment Plan:

We have audited the accompanying statements of net assets available for plan benefits of the Northrop Grumman Savings and Investment Plan (the "Plan") as of December 31, 1999 and 1998, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 1999. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for plan benefits of the Plan as of December 31, 1999 and 1998, and the changes in net assets available for plan benefits for the year ended December 31, 1999 in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets held for investment purposes at December 31, 1999 is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. Such supplemental schedule has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Los Angeles, California
June 22, 2000

NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS
 DECEMBER 31, 1999 AND 1998

	1999	1998
ASSETS:		
Investments (Notes B, C, D, and E)	\$4,002,157,293	\$3,629,993,434
Receivables:		
Participant contribution	352,316	10,885,782
Employer contribution	178,265	4,482,209
Due from broker for securities sold	1,945,217	20,342,839
Dividends and interest receivable	4,233,263	3,832,740
	-----	-----
Total assets	4,008,866,354	3,669,537,004
	-----	-----
LIABILITIES:		
Accrued expenses	3,554,439	
Options outstanding		4,022,600
Due to broker for securities purchased	20,388,536	73,652,683
	-----	-----
Total liabilities	23,942,975	77,675,283
	-----	-----
NET ASSETS AVAILABLE FOR PLAN BENEFITS	\$3,984,923,379	\$3,591,861,721
	=====	=====

See notes to financial statements.

NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS
 YEAR ENDED DECEMBER 31, 1999

INVESTMENT INCOME:	
Net appreciation in fair value of investments	\$ 288,814,152
Interest	74,185,624
Dividends	68,207,583

Total investment income	431,207,359
Less investment expenses	3,690,141

Net investment income	427,517,218

CONTRIBUTIONS:	
Participant	130,851,877
Employer	50,396,805

Total contributions	181,248,682

Total additions	608,765,900

DEDUCTIONS:	
Benefits paid to participants	451,263,674
Administrative expenses	12,495,963

Total deductions	463,759,637

MERGED PLAN TRANSFERS IN	248,055,395

NET INCREASE	393,061,658
NET ASSETS AVAILABLE FOR PLAN BENEFITS:	
Beginning of year	3,591,861,721

End of year	\$3,984,923,379
	=====

See notes to financial statements.

A. DESCRIPTION OF THE PLAN

The following description of the Northrop Grumman Savings and Investment Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General - The Northrop Grumman Savings and Investment Plan is a qualified profit-sharing and employee stock ownership plan sponsored by Northrop Grumman Corporation (the "Company"). It was established February 1, 1962 and restated effective January 1, 1998, covering all hourly and salaried employees who are at least 18 years old, citizens or residents of the United States of America, and are not covered under another plan. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

On September 1, 1999, the Northrop Grumman Commercial Aircraft Division Salaried Savings and Investment Plan (the "Former Plan") was merged with the Plan and the Former Plan participants became eligible for participation in the Plan.

Contributions - Plan participants may contribute between 1 percent and 18 percent of eligible compensation in increments of 1 percent, on a tax-deferred (before-tax) basis, after-tax basis, or a combination thereof. An active participant may change the percentage of his or her contributions. Contributions are subject to certain limitations.

The Company's matching contributions are as follows:

Employee Contribution	Company Match
First 2 percent of eligible compensation	100 %
Next 2 percent of eligible compensation	50 %
Next 4 percent of eligible compensation	25 %
Contribution over 8 percent	0 %

Participant Accounts - A separate account is maintained for each participant. Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution, (b) Plan earnings, and (c) administrative expenses. Allocations are based on participant earnings on account balances, as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Plan participants are fully vested (100 percent) at all times in the balance of their accounts (both employee and employer contributions), none of which may be forfeited for any reason.

Investment Options - Upon enrollment in the Plan, each participant may direct that his or her employee contributions and Company matching contributions, in 1 percent increments, be invested in any of the following seven investment funds.

U.S. Equity Fund - The U.S. Equity Fund consists predominantly of holdings in large- and medium-sized U.S. company stocks. These stocks are selected by independent professional investment managers appointed by the Plan's Investment Committee. This fund is designed to provide results that closely match those of the Standard & Poor's 500 Stock Index.

Fixed Income Fund - The Fixed Income Fund is broadly diversified and maintains an average maturity of 10 years. This fund consists of holdings in marketable, fixed-income securities rated within the three highest investment grades (i.e., A or better) assigned by Moody's Investor Services or Standard & Poor's Corporation, U.S. Treasury or federal agency obligations, or cash-equivalent instruments. The securities are selected by independent professional investment managers appointed by the Plan's Investment Committee.

Stable Value Fund - The Stable Value Fund is diversified among U.S. government securities and obligations of government agencies, bonds, short-term investments, cash, and contracts issued by insurance companies and banks. The fund is managed by an independent professional investment manager appointed by the Plan's Investment Committee.

Northrop Grumman Fund - The Northrop Grumman Fund invests exclusively in Northrop Grumman Corporation common stock.

Balanced Fund - The Balanced Fund is a fully diversified portfolio consisting of fixed portions of five of the savings plan funds (Stable Value Fund, U.S. Equity Fund, Fixed Income Fund, International Equity Fund, and Small Cap Fund). The fund seeks to exceed the return of the bond market and approach the return of the stock market, but with less risk than an investment only in stocks.

International Equity Fund - The International Equity Fund consists of stocks of a diversified group of companies in developed countries outside the United States. The fund's objective is capital appreciation over the long term, along with some current income (dividends).

Small Cap Fund - The Small Cap Fund consists of stocks of a diversified group of small-capitalization U.S. companies. The stocks purchased by the fund typically have a market capitalization similar to companies in the Russell 2000 Index, which are companies with an average market capitalization of \$500 million. The fund's objective is capital appreciation over the long term, rather than current income (dividends).

Participants may change their investment options daily.

Contributions deposited into each investment fund buy a number of units in each fund. The value of each participant's account within each fund depends on two factors: (1) the number of units purchased to date, and (2) the current value of each unit. Unit values are updated daily prior to any plan transactions, including contributions, withdrawals, distributions, and transfers.

Participant Notes Receivable - Participants may borrow from their fund accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50 percent of their account balance reduced by the highest outstanding balance over the last twelve months. A participant may not have more than one outstanding loan at any given time. Loans will be prorated across all investment funds and are secured by the balance in the participant's account. The interest rate is fixed on the first business day of each month at the prime rate of the Plan's trustee plus 1 percent. Repayments are made from payroll deductions (for active employees) or personal check (for former employees or employees on a leave of absence). The maximum loan period is five years, or ten years for a loan used to acquire a dwelling that is to be the principal residence of the participant. Loans may be prepaid in full; partial prepayments are not permitted.

Payment of Benefits - On termination of service due to death, disability, or retirement, a participant may receive a lump-sum payment of his or her account balance. A participant may also delay his or her lump-sum payment until the age of 70 1/2, if the account balance exceeds \$5,000.

Distribution from the Northrop Grumman Fund will be paid in cash, stock, or a combination of both, depending on the participant's election.

Withdrawals - A participant may withdraw all or a portion of his or her after-tax contributions (plus earnings) at any time. In addition, a participant may withdraw all or a portion of his or her Company matching contribution (plus earnings) that have been in the Plan for at least 24 months. A participant may withdraw all or a portion of his or her before-tax contributions for any reason after reaching age 59 1/2, or prior to reaching age 59 1/2 in the case of hardship (as described in the Plan document).

B. SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting - The financial statements of the Plan are prepared under the accrual basis of accounting.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - In the accompanying statement of net assets available for plan benefits as of December 31, 1999, the Plan's investments are stated at fair value, except for the investments in insurance and investment contracts included in the Northrop Grumman Stable Value Master Trust (the "Master Trust"), which are stated at contract value (see Note D). Quoted market prices are used to determine the fair value of the investments. Notes receivable from participants are valued at cost, which approximates fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Broker commissions, transfer taxes, and other charges and expenses incurred in connection with the purchase, sale, or other disposition of securities or other investments held by the Master Trust are added to the cost of such securities or other investments, or are deducted from the proceeds of the sale or other disposition thereof, as appropriate. Taxes (if any) on the assets of the funds, or on any gain resulting from the sale or other disposition of such assets, or on the earnings of the funds, are apportioned in such a manner as the Trustee deems equitable among the participants and former participants (if any) whose interests in the Plan are affected, and the share of such taxes apportioned to each such person is charged against his or her account in the Plan.

Payment of Benefits - Benefits are recorded when paid. As of December 31, 1999 and 1998, benefits payable in cash to participants were \$111,924 and \$14,796,768, respectively. Additionally, the market values of shares of Northrop Grumman Corporation common stock to be distributed as of December 31, 1999 and 1998 were zero and \$8,785, respectively.

New Accounting Pronouncements - The Plan has adopted Statement of Position 99-3, "Accounting and Reporting of Certain Defined Contribution Plan Investments and Other Matters," which eliminates the by-fund disclosure and the unit value disclosures. There was no other impact to the Plan's financial statements.

C. INVESTMENTS

The Plan's interest in the Northrop Grumman Stable Value Master Trust as of December 31, 1999 and 1998 of \$950,455,786 and \$871,098,496, respectively, represented over five percent of the Plan's net assets as of those dates. As of December 31, 1999 and 1998, no other single investment represented five percent or more of the Plan's net assets.

During 1999, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$288,814,152 as follows:

Common stock	\$241,804,170
Mutual funds	56,317,850
Debt obligations	(9,307,868)

	\$288,814,152
	=====

D. INTEREST IN NORTHROP GRUMMAN STABLE VALUE MASTER TRUST

A portion of the Plan's investments are in the Master Trust which was established for the investment of the assets of the Plan and several other Northrop Grumman Corporation sponsored savings plans. Each participating savings plan has an undivided interest in the Master Trust. The assets of the Master Trust are held by Primco Capital Management. At December 31, 1999 and 1998, the Plan's interest in the net assets of the Master Trust was approximately 67 percent and 64 percent, respectively. Investment income and administrative expenses relating to the Master Trust are allocated among the participating plans based upon average monthly balances invested by each plan.

Investments held at contract value in the Master Trust as of December 31, 1999 and 1998 were as follows (in thousands):

	1999	1998
Guaranteed and Bank Investment Contracts	\$1,389,667	\$1,298,790
Northrop Retirement Savings Temporary Investment Fund	33,264	60,090
Accrued income		113
	-----	-----
Total	\$1,422,931	\$1,358,993
	=====	=====

Investment income in the Master Trust was \$87,968,929 for the year ended December 31, 1999.

E. INVESTMENT CONTRACTS WITH INSURANCE COMPANIES

All investment and insurance contracts held by the Master Trust are considered to be fully benefit responsive and, therefore, are reported at contract value. Contract value represents contributions made under the contract, plus interest at the contract rate, less withdrawals and administrative expenses.

The following information is disclosed for the investment and insurance contracts within the Master Trust as of December 31, 1999 and 1998 (in millions):

	1999	1998
Contract value of assets:	\$ 1,390	\$ 1,299
Fair value of assets:	\$ 1,355	\$ 1,343
Average yield of assets on December 31:	6.25 %	7.09 %
Crediting interest rate of assets at December 31:	6.25 %	7.08 %
Duration:	2.77 Years	2.58 Years

F. TRANSACTIONS WITH PARTIES-IN-INTEREST

In Plan management's opinion, fees paid during the year for services rendered by parties-in-interest were based upon customary and reasonable rates for such services.

G. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, the interests of all participants in their accounts are 100 percent vested and nonforfeitable.

H. INCOME TAXES

The Internal Revenue Service has determined and informed the Company by letter dated April 25, 2000, that the Plan, as amended, and related trust are designed in accordance with applicable sections of the Internal Revenue Code (the "IRC"). The plan administrator and the Plan's tax counsel believe that the Plan is currently being operated in compliance with the applicable requirements of the IRC.

I. DESCRIPTION OF PLAN MERGERS

Effective September 1, 1999, plan assets of \$248,055,395 of the Former Plan were merged into the Plan. The transferred net assets have been recognized in the accounts of the Plan at their balances as previously carried in the accounts of the Former Plan.

J. SUBSEQUENT EVENT

On June 9, 2000, the Company entered into an Asset Purchase Agreement with VAC Acquisition Corp. II (the "Buyer") to sell certain assets now owned by the Aerostructures Business Area of its Integrated Systems & Aerostructures Sector. Upon the closing of the transaction, Company employees who become employees of the Buyer and certain designated retired employees of the Aerostructures Business Area will be entitled to either receive an immediate distribution of their account balances in accordance with Plan terms; maintain their accounts in the Plan in accordance with Plan terms; or transfer their account balances directly to a defined contribution plan to be designated or newly established by the Buyer.

NORTHROP GRUMMAN SAVINGS AND INVESTMENT PLAN

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
DECEMBER 31, 1999

(a)	(b)	(c)	(d)	(e)
	Identity of Issuer, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value
*	Northrop Grumman Corporation	Participation in Stable Value Unitized Fund	\$ 889,153,377	\$ 950,455,786
	Fidelity	Magellan Fund	242,454,210	474,401,045
*	Northrop Grumman Corporation	Common Stock	129,232,026	257,038,643
*	State Street Bank & Trust Co	Flagship S&P 500 Index Fund	114,561,922	124,721,074
*	State Street Bank & Trust Co	Short Term Investment Fund	65,461,289	65,461,289
	EAFE	SERIES A	53,706,419	60,929,021
*	Northrop Grumman Corporation	Participant Loans	60,146,908	60,146,908
	RCM	Growth Equity Fund	39,152,519	45,788,481
	Cisco Systems Inc	Common Stock	8,922,542	43,321,350
	Microsoft Corporation	Common Stock	12,943,821	39,706,675
	General Electric Co	Common Stock	15,513,779	39,182,700
	Nokia Corp	Common Stock	3,769,699	31,920,000
	Citigroup Inc	Common Stock	18,282,623	29,298,106
	Capital Guardian Trust Co	Small Cap Daily Fund	17,418,082	28,318,317
	PIC	Small Cap Investment Fund Debt	12,189,668	24,483,874
	SSGA CME9	BOND MARKET INDEX FD SER A	22,977,154	23,041,142
	MCI Worldcom Inc	Common Stock	13,479,558	23,000,206
	Intel Corp	Common Stock	10,437,398	22,249,069
	AT&T Corp	Common Stock	21,227,252	37,981,749
	Exxon Mobil Corp	Common Stock	17,093,064	21,325,297
	Capital Guardian Trust Co	International Equity Daily Fund	10,012,873	20,918,272
	Home Depot Inc	Common Stock	5,779,904	20,712,731
	American International Group Inc	Common Stock	10,397,517	19,081,359
	Lucent Technologies Inc	Common Stock	10,655,497	17,517,048
	Tyco International LTD	Common Stock	11,842,642	17,089,450
	Motorola Inc	Common Stock	10,360,384	16,300,575
	Applied Materials Inc	Common Stock	3,623,732	15,785,263
	Wal Mart Stores Inc	Common Stock	6,638,674	15,580,775
	Hewlett Packard Co	Common Stock	9,821,120	14,948,600
	Amgen Inc	Common Stock	5,636,481	14,811,413
	SSGA CMK4	RUSSELL SPECIAL SMALL CO SER A	13,291,341	14,709,737
	E M C Corp Mass	Common Stock	5,104,786	14,634,038
	CBS Corp	Common Stock	7,164,952	14,277,244
	Warner Lambert Co	Common Stock	9,586,763	14,101,444
	Texas Instruments Inc	Common Stock	4,243,251	13,891,875
	Bank America Corp	Common Stock	13,973,460	13,849,843
	Clear Channel Communications	Common Stock	7,364,894	13,539,225
	Scudder Institutional Fund Inc	International Equity Portfolio	8,750,000	13,484,219
	Foreign Discover	T Rowe Price Trust Fund	7,950,000	12,614,989
	Bristol Myers Squibb Co	Common Stock	11,564,352	12,458,794

JDS Uniphase Corp	Common Stock	3,703,540	12,001,650
Pfizer Inc	Common Stock	4,488,983	11,492,606
Schroder	International Equity Fund	8,907,111	11,352,878
Time Warner Inc	Common Stock	4,908,901	11,242,300
GTE Corp	Common Stock	9,899,161	11,092,425
SBC Communications Inc	Common Stock	10,367,669	10,988,211
Qualcomm Inc	Common Stock	1,639,160	10,567,500
McDonalds Corp	Common Stock	9,467,662	10,473,188
Vodafone Airtouch PLC	Common Stock	6,544,183	10,427,175
Merck & Co Inc	Common Stock	9,163,229	9,985,606
KLA Tencor Corp	Common Stock	2,623,395	9,823,275
Alcoa Inc	Common Stock	5,164,699	9,545,000
Sun Microsystems Inc	Common Stock	2,947,544	9,369,938
Qwest Communications Intl Inc	Common Stock	6,216,541	9,025,700
Bank One Corp	Common Stock	11,015,718	8,981,668
Chase manhattan Corp	Common Stock	4,963,089	8,672,722
Morgan Stanley Dean Witter & Co	Common Stock	3,305,139	8,517,893
Compaq Computer Corp	Common Stock	7,818,853	8,381,256
Procter & Gamble Co	Common Stock	4,891,078	8,326,750
Eli Lilly & Co	Common Stock	7,689,107	8,312,500
Ford Moter CoEL	Common Stock	6,070,948	8,304,882
International Business Machines	Common Stock	4,980,978	8,218,800
Guidant Corp	Common Stock	6,419,297	8,093,400
Federal National Mortgage Association	Common Stock	6,533,892	8,035,706
Dell Computer Corp	Common Stock	5,086,551	7,950,900
Chevron Corp	Common Stock	7,294,328	7,943,513
Yahoo Inc	Common Stock	2,878,325	7,788,375
Teradyne Inc	Common Stock	1,917,941	7,722,000
Bell Atlantic Corp	Common Stock	6,279,560	7,637,321
FNMA Pool 535095	0.99% 01 Dec 2014	7,516,271	7,516,271
AES Corp	Common Stock	3,943,075	7,437,625
Johnson & Johnson	Common Stock	5,605,368	7,301,000
Genentech Inc	Common Stock	3,745,352	7,263,000
NTL Inc	Common Stock	4,698,779	7,213,669
Fed Home Ln Mtg Corp	6.625% 15 Sep 2009	7,370,437	7,189,544
SLM Holding Corp	Common Stock	4,935,202	7,144,475
Texaco Inc	Common Stock	7,029,208	7,095,928
Medtronic Inc	Common Stock	939,094	6,952,275
Gap Inc	Common Stock	3,317,310	6,925,852
Colgate Palmolive Co	Common Stock	2,968,067	6,844,500
Viacom Inc	Common Stock	3,501,473	6,769,000
Conoco Inc	Common Stock	6,764,367	6,563,700
Omnicom Group	Common Stock	1,100,948	6,410,000
Baxter International Inc	Common Stock	5,450,220	6,388,031
Kimberly Clark Corp	Common Stock	4,424,069	6,337,863
America Online Inc	Common Stock	5,425,755	6,200,963
FNMA TBA JAN 30 SINGLE FAM	7.5% 01 Dec 2099	6,209,125	6,130,250
American Home Products Corp	Common Stock	7,789,274	6,112,813
Washington Mutual Inc	Common Stock	7,562,631	5,974,800
Anheuser Busch COS Inc	Common Stock	5,012,142	5,953,500
Bestfoods	Common Stock	5,060,001	5,834,438
Lowe's COS Inc	Common Stock	1,708,487	5,819,650

FNMA Pool	323819	7.5%	01 Jun 2029	5,907,326	5,769,650
Dow Chemical Co		Common Stock		4,911,051	5,745,875
United States Treasury Bonds		7.875%	15 Feb 2021	5,940,006	5,622,584
Abbott Labs		Common Stock		5,289,712	5,559,444
Household International Inc		Common Stock		5,113,554	5,524,175
Kohls Corp		Common Stock		1,291,468	5,515,125
Unocal Corp		Common Stock		5,801,950	5,507,606
International Paper Co		Common Stock		4,201,746	5,350,275
Philip Morris COS Inc		Common Stock		7,794,086	5,207,913
American Express Co		Common Stock		4,463,370	5,137,125
Sony Corp		Common Stock		1,554,485	5,125,500
United Technologies Corp		Common Stock		3,275,928	5,122,000
Kellogg Co		Common Stock		5,726,872	5,040,925
GNMA Pool	780191	7.5%	15 Jul 2025	5,077,130	4,960,119
Dover Corp		Common Stock		3,009,678	4,959,488
Emerson Electric Co		Common Stock		4,948,763	4,905,563
FNMA Pool 481427		6%	01 Jan 2029	5,233,158	4,865,733
Tellabs Inc		Common Stock		1,800,342	4,858,994
Allstate Corp		Common Stock		6,955,339	4,857,600
Fort James Corp		Common Stock		6,144,203	4,853,588
United States Treas NTS		5.5%	15 May 2009	4,977,473	4,830,968
Deere & Co		Common Stock		4,435,843	4,734,381
Federated Dept Stores Inc		Common Stock		3,778,053	4,732,650
FNMA TBA JAN 30 SINGLE FAM		6.5%	01 Dec 2099	4,810,677	4,710,950
Equant N V		Common Stock		3,444,018	4,670,400
Burlington Northern Santa Fe		Common Stock		5,660,294	4,668,125
Coca Cola Co		Common Stock		4,332,358	4,619,225
Analog Devices Inc		Common Stock		1,312,869	4,584,900
United States Treas NTS		5.875%	30 Nov 2001	4,725,727	4,570,514
Honeywell Intl Inc		Common Stock		4,452,546	4,522,700
Conoco Inc		Common Stock		3,955,065	4,435,337
First UN Corp		Common Stock		5,707,443	4,406,719
Nike Inc		Common Stock		4,733,687	4,401,150
Halliburton Co		Common Stock		3,779,403	4,383,225
May Dept Stores Co		Common Stock		4,889,437	4,373,100
Keycorp		Common Stock		6,034,650	4,367,475
United States Treas NTS		5.625%	15 Feb 2006	4,419,406	4,257,404
Univision Communications Inc		Common Stock		2,596,769	4,240,781
USX Marathon Group		Common Stock		5,075,215	4,189,469
Eastman Kodak Co		Common Stock		4,534,918	4,173,750
XL Capital LTD		Common Stock		2,862,509	4,150,000
Cadence Design Sys Inc		Common Stock		3,354,306	4,051,200
Heinz H J Co		Common Stock		4,694,525	3,997,175
Enron Corp		Common Stock		3,130,142	3,993,750
St Microelectronics N V		Common Stock		1,955,175	3,967,663
Forest Labs Inc		Common Stock		2,975,762	3,864,419
Costco Wholesale Corp		Common Stock		2,881,371	3,859,875
Tiffany & Co		Common Stock		2,134,735	3,855,600
Burlington Res Inc		Common Stock		4,502,563	3,831,944
Allegiance Telecom Inc		Common Stock		1,592,292	3,800,700
United States Treas NTS		6.125%	15 Aug 2007	3,805,842	3,768,375
Broadcom Corp		Common Stock		2,055,675	3,731,538

DLJ Mortgage Acceptance Corp	6.75%	19 Jun 2028	3,958,852	3,723,848
Chubb Corp	Common Stock		3,720,579	3,716,625
Tenet Healthcare Corp	Common Stock		3,910,761	3,696,550
General Motors Corp	Common Stock		2,663,181	3,663,450
Astrazeneca PLC	Common Stock		2,790,080	3,618,306
Air Prods & Chems Inc	Common Stock		3,838,597	3,618,038
Delphi Automotive Sys Corp	Common Stock		4,235,773	3,616,200
Nextel Communications Inc	Common Stock		889,017	3,609,375
Unumprovident Corp	Common Stock		4,683,542	3,600,619
Bowater Inc	Common Stock		2,982,623	3,595,488
Peoplesoft Inc	Common Stock		3,457,998	3,580,500
Avnet Inc	Common Stock		2,823,956	3,571,436
Parker Hannifin Corp	Common Stock		2,361,248	3,561,088
St Paul COS Inc	Common Stock		4,064,090	3,547,294
Circuit City Stores Inc	Common Stock		2,549,792	3,541,913
PPG Inds Inc	Common Stock		3,045,655	3,528,525
Glaxo Wellcome PLC	Common Stock		3,367,153	3,481,013
Wells Fargo & Co	Common Stock		2,207,666	3,441,231
Aetna Inc	Common Stock		4,655,671	3,415,725
Archer Daniels Midland Co	Common Stock		4,608,684	3,410,806
United States Treas NTS	5.25%	31 May 2001	3,429,785	3,405,806
Campbell Soup Co	Common Stock		3,597,780	3,300,044
Hasbro Inc	Common Stock		2,942,130	3,259,688
First Data Corp	Common Stock		2,112,633	3,244,763
Illinois Tool Wks Inc	Common Stock		1,782,255	3,243,000
East Coast Power LLC	7.536%	30 Jun 2017	3,650,000	3,240,470
Williams COS Inc	Common Stock		3,143,143	3,209,063
Clorox Co	Common Stock		3,008,193	3,203,850
Berkshire Hathaway Inc	Common Stock		2,694,288	3,197,700
CNF Transn Inc	Common Stock		3,403,536	3,194,700
Petroleum G0E Svcs A/S	7.5%	31 Mar 2007	3,251,258	3,177,233
United States Treas NTS	6.25%	28 Feb 2002	3,179,285	3,149,024
Interpublic Group COS Inc	Common Stock		778,938	3,143,969
Nextlink Communications Inc	Common Stock		1,590,072	3,114,844
United States Treas NTS	6.875%	31 Mar 2000	3,175,549	3,109,672
Georgia Pac Corp	Common Stock		2,369,060	3,090,675
GNMA I TBA JAN 30 SINGLE FAM	8%	15 Dec 2099	3,060,313	3,030,000
Bank New York Inc	Common Stock		2,577,334	3,000,000
Merrill Lynch & Co Inc	Common Stock		1,781,999	2,997,650
Praxair Inc	Common Stock		2,836,724	2,988,563
FNMA Pool 535039	8%	01 Nov 2029	3,013,078	2,984,844
Lauder Estee COS Inc	Common Stock		2,768,290	2,970,769
Conagra Inc	Common Stock		3,616,590	2,939,894
Norfolk Southern Corp	Common Stock		3,918,219	2,904,850
Federal Home Loan Banks	6.905%	18 Oct 2004	2,925,000	2,903,063
Merita Bank Ltd	7.15%	29 Dec 2049	2,999,640	2,899,080
FFTW Funds Inc	International Hedged Portfolios		2,887,554	2,893,718
Coastal Fin I	Tr Originated Pfd Secs PCT		3,243,600	2,877,900
PE Corp	Common Stock		1,420,891	2,875,469
Baker Hughes Inc	Common Stock		2,400,978	2,856,496
Fox Entertainment Group Inc	Common Stock		2,634,150	2,855,344
Arrow Electrs Inc	Common Stock		2,370,097	2,788,713

CSX Corp	Common Stock	3,752,491	2,782,963
Masco Corp	Common Stock	2,137,517	2,732,888
Xilinx Inc	Common Stock	2,152,915	2,728,125
Texas Utilities Co	Common Stock	3,038,434	2,724,088
Schlumberger Ltd	Common Stock	2,100,817	2,716,875
Champion Intl Corp	Common Stock	1,914,322	2,706,669
Computer Assoc Intl Inc	Common Stock	1,437,207	2,690,845
LB Coml Conduit Mtg Tr	5.87% 15 Aug 2006	2,835,586	2,681,283
Level 3 Communications Inc	Common Stock	1,843,259	2,677,313
Grainger W W Inc	Common Stock	2,719,513	2,667,938
Quintiles Transnational Corp	Common Stock	3,437,134	2,659,231
Pacificare Health Systems	Common Stock	3,305,264	2,628,800
PMI Group Inc	Common Stock	2,022,619	2,562,656
Albertsons Inc	Common Stock	2,531,296	2,554,200
Eaton Corp	Common Stock	2,361,997	2,512,825
Sealed Air Corp	Common Stock	1,762,932	2,487,000
Becton Dickinson & Co	Common Stock	2,495,142	2,477,050
Juniper Networks Inc	Common Stock	1,368,669	2,448,000
Goodrich B F Co	Common Stock	3,197,715	2,444,750
Public Svc Enterprise Group	Common Stock	2,750,439	2,436,875
Agilent Technologies Inc	Common Stock	1,239,484	2,412,150
AMR Corp	Common Stock	1,636,761	2,405,300
United Healthcare Corp	Common Stock	2,021,096	2,385,313
Fleetboston Finl Corp	Common Stock	2,455,107	2,381,175
Textron Inc	Common Stock	1,190,329	2,377,313
Osprey Trust Osprey Inc	8.31% 15 Jan 2003	2,350,000	2,333,386
Black & Decker Corporation	Common Stock	1,712,010	2,293,775
TJX Cos Inc	Common Stock	2,428,725	2,280,825
Metromedia Fiber Network Inc	Common Stock	2,000,189	2,272,238
Firstenergy Corp	Common Stock	2,909,750	2,266,481
United States Tres SC STRP INT	0.01% 15 Feb 2013	2,292,390	2,266,466
Waste Mgmt Inc	Common Stock	4,404,332	2,265,313
KBC BK FDG TR III	9.86% 29 Nov 2049	2,170,000	2,245,505
FPL Group Inc	Common Stock	2,683,677	2,217,688
Coca Cola Enterprises Inc	Common Stock	1,892,252	2,213,750
American Std Cos Inc	Common Stock	1,662,514	2,179,063
Atlantic Richfield Co	Common Stock	1,727,506	2,162,500
Newell Rubbermaid Inc	Common Stock	3,005,257	2,160,500
Lockheed Martin Corp	Common Stock	2,860,029	2,137,188
Seagate Technology	Common Stock	1,271,368	2,127,906
Solectron Corp	Common Stock	268,861	2,121,288
Tosco Corp	Common Stock	1,916,909	2,115,188
Veritas Software Corp	Common Stock	1,447,010	2,075,313
Raytheon Co	Common Stock	2,277,699	2,042,656
GNMA Pool 781035	6.5% 15 May 2029	2,076,658	2,037,691
Jostens inc	Common Stock	1,796,728	2,017,938
Gillette Co	Common Stock	2,223,676	2,005,831
Bank of Montreal (Chicago)	6.3% 14 Jan 2000	2,000,000	2,000,000
Southern UN Co	8.25% 15 Nov 2029	1,991,300	1,978,540
GNMA I TBA JAN 30 SINGLE FAM	7.5% 15 Dec 2099	2,007,500	1,977,500
Owens Ill Inc	Common Stock	2,789,335	1,972,419
Schering Plough Corp	Common Stock	1,911,939	1,965,938

Morgan J P & Co Inc	Common Stock	1,937,391	1,962,688
Phillips Pete Co	Common Stock	1,819,693	1,936,400
Oracle Corp	Common Stock	1,007,334	1,927,475
Cablevision Sys Corp	Common Stock	867,425	1,925,250
Northeast Utilities	Common Stock	1,268,237	1,922,594
Mediaone Group Inc	Common Stock	1,742,869	1,920,313
New York Times Co	Common Stock	1,143,983	1,896,225
FHLMC TBA JAN 30 GOLD SINGLE	6.5% 01 Dec 2099	1,926,875	1,885,620
AON Corp	Common Stock	1,722,774	1,876,000
United States Treasury Bonds	6.625% 15 Feb 2027	1,989,558	1,853,338
Autodesk Incorporated	Common Stock	2,266,202	1,839,375
Crown Cork & Seal Inc	Common Stock	3,258,146	1,828,038
Lincoln Natl Corp	Common Stock	2,040,871	1,812,000
General Mills Inc	Common Stock	1,734,510	1,794,650
Occidental Pete Corp	Common Stock	1,841,062	1,784,063
Providian Home Equity Loan	6.7588% 25 Jun 2025	1,762,155	1,759,389
Cigna Corp	Common Stock	1,425,596	1,748,206
Royal Caribbean Cruises Ltd	Common Stock	1,133,896	1,745,663
Reynolds Metals Co	Common Stock	1,475,287	1,743,219
Union Pacific Res Group Inc	Common Stock	3,066,408	1,728,900
Kennametal Inc	Common Stock	1,841,913	1,714,875
Dresdner FDG TR I	8.151% 30 Jun 2031	1,830,000	1,714,417
Maxim Integrated Prods Inc	Common Stock	1,367,932	1,698,750
Financing Corp CPN FICO STRP	0% 30 May 2005	1,751,358	1,682,562
Pepsi Bottling Group Inc	Common Stock	2,306,666	1,674,469
Dana Corp	Common Stock	2,544,850	1,673,506
Gannett Inc	Common Stock	1,399,360	1,655,719
Bellsouth Corp	Common Stock	1,625,784	1,624,394
Symbol Technologies Inc	Common Stock	674,473	1,620,844
Pepsico Inc	Common Stock	1,566,923	1,610,925
Sycamore Networks Inc	Common Stock	197,600	1,601,600
Deutsche Mtg & Asset Rec Corp	6.22% 15 Sep 2007	1,620,313	1,587,234
Goldman Sachs Group Inc	Common Stock	999,925	1,572,931
GNMA Pool 354686	7.5% 15 Nov 2023	1,624,934	1,571,799
United States Treas NTS	5.875% 15 Nov 2004	1,592,000	1,568,752
YOUNG + RUBICAM INC	COM	845,326	1,556,500
Columbia Energy Group	Common Stock	1,245,284	1,530,650
Liberty Media Corp	8.5% 15 Jul 2029	1,495,905	1,518,960
Federal Mogul Corp	Common Stock	2,844,830	1,509,375
General Motors Corp	Common Stock	899,450	1,502,400
Government Natl Mtg Assn	6.0963% 16 Jul 2028	1,530,374	1,493,648
Air 2 Us	8.027% 01 Oct 2020	1,525,170	1,489,545
Sepracor Inc	Common Stock	1,276,260	1,487,813
Associates First Cap Corp	Common Stock	1,676,035	1,467,742
Harrahs Entertainment Inc	Common Stock	1,335,269	1,454,063
Centaur Funding Corp	Preferred Stock	1,552,636	1,452,657
Advanced Micro Devices Inc	Common Stock	1,215,675	1,446,875
FNMA Pool 498091	6.5% 01 May 2029	1,459,070	1,433,386
IMS Health Inc	Common Stock	1,249,276	1,432,781
American Pwr Conversion Corp	Common Stock	642,766	1,424,250
Service Corp Intl	Common Stock	3,084,894	1,422,881
American Greetings Corp	Common Stock	1,688,698	1,417,500

Weatherford Intl Inc	Common Stock	930,065	1,416,783
Saks Inc	Common Stock	2,147,088	1,406,850
Williams Sonoma Inc	Common Stock	1,098,232	1,403,000
Rohm & Haas Co	Common Stock	1,109,656	1,399,650
Best Buy Co Inc	Common Stock	1,176,008	1,377,647
Cincinnati Finl Corp	Common Stock	1,605,140	1,372,250
GNMA Pool 496920	7% 15 Apr 2029	1,439,406	1,366,853
Cox Communications Inc	Common Stock	915,666	1,359,600
Household Fin Corp	7% 01 Aug 2003	1,352,856	1,333,665
US Bancorp	Common Stock	1,568,826	1,333,500
Union Pac Corp	Common Stock	1,450,437	1,330,563
Federal Natl Mtg Assn	5.125% 13 Feb 2004	1,347,777	1,316,224
Autonation Inc	Common Stock	2,183,856	1,315,350
Financing Corp CPN FICO STRIPS	0% 06 Jun 2003	1,232,512	1,310,644
Green Tree Finl Corp	6.42% 15 Sep 2015	1,299,391	1,285,375
V F Corp	Common Stock	1,434,039	1,275,000
American Elec Pwr Inc	Common Stock	1,401,059	1,252,875
Loews Corp	Common Stock	1,617,651	1,238,025
FNMA Pool 420778	6.5% 01 Jun 2028	1,295,386	1,229,323
Du Pont E I De Nemours & Co	Common Stock	630,009	1,202,153
Boise Cascade Corp	Common Stock	1,062,098	1,178,550
Xerox Corp	Common Stock	2,379,638	1,172,944
Federal Home Ln Mtg PC GTD	3.5% 15 Jun 2007	1,174,695	1,170,545
3Com Corp	Common Stock	904,845	1,170,300
FNMA Pool 437266	5.5% 01 Aug 2028	1,267,109	1,168,373
Tandy Corp	Common Stock	869,913	1,155,906
Seagram Ltd	Common Stock	1,181,313	1,145,906
Amerada Hess Corp	Common Stock	1,014,978	1,123,650
Morgan Guaranty Trust Co of NY	0.001% 31 Dec 2000	1,120,078	1,120,078
FNMA Pool 479193	6% 01 Jan 2029	1,206,823	1,116,946
Union Planters Corp	Common Stock	1,221,900	1,092,419
Pharmacia & Upjohn Inc	Common Stock	1,324,549	1,066,500
FNMA Pool 510488	7% 01 Aug 2029	1,077,313	1,063,557
Cendant Corp	Common Stock	759,917	1,054,531
Carnival Corp	Common Stock	900,280	1,051,875
FNMA Pool 190759	6% 01 Apr 2009	1,040,677	1,027,749
Rite Aid Corp	Common Stock	2,185,859	1,023,656
GNMA Pool 405558	7.5% 15 Jan 2026	1,048,331	1,017,024
Consolidated Stores Corp	Common Stock	1,707,258	1,007,500
SMS Student Ln Tr	5.4112% 28 Jul 2006	1,000,000	1,001,080
Capital Desjardins Inc	7.37% 08 Aug 2005	1,015,550	992,100
Adelphia Communications Corp	Common Stock	1,124,530	984,375
Charter Communications Inc	Common Stock	881,019	984,375
USG Corp	Common Stock	700,170	975,488
FNMA TBA JAN 15 SINGLE FAM	6.5% 01 Dec 2099	981,250	970,000
Quantum Corp	Common Stock	1,336,044	969,513
Raytheon Co	Common Stock	2,053,531	967,688
JP Morgan Paper	5.28% 06 Mar 2000	960,547	960,547
Policy Mgmt Sys Corp	Common Stock	1,112,889	958,594
FNMA Pool 252256	7% 01 Feb 2029	1,010,379	957,164
Indy Mac Mtg Hldgs Inc	Common Stock	1,928,889	956,250
Sprint Corp	Common Stock	939,835	943,000

FNMA Pool 525059		6.5%	01 Dec 2029	956,346	942,274
GNMA Pool	454195	7%	15 Aug 2028	991,517	941,540
Federal Natl Mtg Assn REMIC		6%	25 Mar 2009	958,281	940,000
P P & L Res Inc			Common Stock	1,096,645	937,875
Residential Fdg Mtg Secs		6.5%	25 Sep 2014	944,989	937,210
BMC Software Inc			Common Stock	730,633	935,269
Smurfit Stone Container Corp			Common Stock	714,878	929,653
Ambac Finl Group Inc			Common Stock	971,716	928,938
Federal Home Ln Mtg PC GTD		6.25%	25 Nov 2023	1,023,594	922,500
Galileo Intl Inc			Common Stock	1,109,020	898,125
Mattel Inc			Common Stock	1,731,965	897,750
ITT Inds Inc			Common Stock	997,362	896,125
Arch Chemicals Inc			Common Stock	1,014,067	895,078
Fed Hm Ln PC	C00858	8%	01 Jul 2029	886,442	887,122
Summit Bancorp			Common Stock	968,478	878,938
Ford Mtr Co		7.45%	16 Jul 2031	904,093	875,456
AXA Finl Inc			Common Stock	802,497	873,975
United States Treas NTS		6.875%	15 May 2006	916,988	870,099
Citigroup Inc			Preferred Stock	991,678	864,825
United States Treas NTS		7%	15 Jul 2006	873,403	860,345
Nabisco Hldgs Corp			Common Stock	1,028,577	857,038
Merit Securities Corp		6.7787%	28 Apr 2032	866,129	852,305
Wisconsin Energy Corp			Common Stock	1,276,349	850,850
FNMA Pool	452415	6%	01 Dec 2028	913,115	845,780
Temple Inland Inc			Common Stock	758,408	844,000
Finova Cap Corp		7.25%	08 Nov 2004	855,692	843,939
Niagara Mohawk Hldgs inc			Common Stock	909,126	843,219
MBIA Inc			Common Stock	1,031,444	834,438
Cooper Inds Inc			Common Stock	888,068	828,969
United Parcel Svc Inc			Common Stock	605,156	828,000
PNC Bk Corp			Common Stock	918,960	827,700
Kinder Morgan Inc			Common Stock	818,040	823,650
Fed Hm Ln PC E74599		6%	01 Jan 2014	869,185	823,634
FNMA Pool	323887	6%	01 Dec 2013	829,318	821,205
Centaur Funding			Preferred Stock	800,000	819,000
Jefferson Pilot Corp			Common Stock	880,854	819,000
Federal Home Ln Mtg PC GTD		3.5%	15 Nov 2007	802,222	803,921
Northern Sts Pwr Co			Common Stock	1,081,170	797,550
Compuware Corp			Common Stock	755,471	797,150
General Elec Cap Corp Mtn		8.09%	01 Apr 2004	841,938	796,734
United States Treas Bills		0.01%	04 May 2000	781,136	785,520
Distribution Finl Svcs Rv Tr		5.84%	15 Oct 2011	799,883	784,048
Massachusetts Mut Life Ins Co		7.5%	01 Mar 2024	916,978	778,672
First NBC Cr Card Master Tr		6.15%	15 Sep 2004	779,878	775,677
Hartford Financial Svcs Grp			Common Stock	672,228	762,738
Federal Natl Mtg Assn GTD		6.9688%	25 Dec 2023	759,713	760,595
CIT Group Inc			Common Stock	993,271	760,500
Countrywide Cr Inds Inc			Common Stock	791,229	749,925
Total Fina SA			Common Stock	455,472	747,900
Murphy Oil Corp			Common Stock	631,150	745,875
Southtrust Corp			Common Stock	732,388	741,125
Prudential Ins Co Amer		6.875%	15 Apr 2003	743,903	739,335

Banco Latinoamericano de Expor	7.2%	28 May 2002	762,735	735,953
Carolina Pwr & Lt Co	Common Stock		813,545	730,500
Monsanto Co	Common Stock		801,165	719,625
Finova Group Inc	Common Stock		914,712	710,000
Federal Natl Mtg Assn REMIC	7.4688%	25 Aug 2022	697,125	696,212
Central & South West Corp	Common Stock		928,099	686,000
National Semiconductor Corp	Common Stock		428,177	676,438
Union Carbide Corp	Common Stock		438,845	667,500
Firstplus Home Ln Owner Tr	6.61%	10 May 2020	699,827	667,184
American Express Cr Acct Tr	5.6%	15 Nov 2006	698,630	663,684
Residential Accredit Lns Inc	6.75%	25 Jun 2029	689,262	661,589
Pacific Centy Finl Corp	Common Stock		782,142	659,669
Peoples Heritage Finl Group	Common Stock		773,251	655,219
News Amer Hldgs Inc	10.125%	15 Oct 2012	683,040	650,664
Echostar Communications Corp	Common Stock		297,937	643,500
Electronic Data Sys Corp	Common Stock		618,115	629,213
Royal Dutch Pete Co	Common Stock		446,457	628,550
Government Natl Mtg	1%	17 Feb 2029	592,470	626,393
United States Treas Bds	5.5%	15 Aug 2028	630,597	614,023
Federal Natl Mtg Assn REMIC	7.0687%	25 Feb 2009	615,967	612,998
Valero Energy Corp	Common Stock		708,949	612,150
Astoria Finl Corp	Common Stock		852,408	608,750
Comed Transitional Fdg Tr	5.63%	25 Jun 2009	654,682	606,851
Goodyear Tire and Rubber	Common Stock		930,360	603,213
Starwood Hotels & Resorts	Common Stock		611,261	582,800
Lyondell Chemical Co	Common Stock		780,473	582,675
Sprint Cap Corp	6.9%	01 May 2019	629,418	582,067
Comcast Corp	Common Stock		293,444	581,469
Atmel Corp	Common Stock		250,285	579,425
Wisconsin Cent Transn Corp	Common Stock		979,960	575,125
Federal Natl Mtg Assn GTD	0%	25 May 2022	455,907	574,438
Boeing Co	Common Stock		586,405	573,563
Federal Home Ln Mtg Corp	Common Stock		612,116	550,631
Ford Mtr Cr Co	7.375%	28 Oct 2009	553,957	547,924
Allegheny Energy Inc	Common Stock		672,099	546,831
Worldcom Inc GA	6.95%	15 Aug 2028	580,518	544,776
Blockbuster Inc	Common Stock		600,100	535,000
Structured Asset Secs Corp	6.6387%	25 Dec 2000	531,807	531,227
Raytheon Co	6.15%	01 Nov 2008	591,697	528,687
Aames Mortgage Trust	5.565%	15 Jun 2028	531,417	528,143
TCF Financial Corp	Common Stock		484,792	522,375
Provident Finl Group Inc	Common Stock		529,548	520,188
Entergy Corp	Common Stock		604,973	517,575
FNMA Pool 523178	8.5%	01 Nov 2029	517,729	512,573
Railcar Tr No	7.75%	01 Jun 2004	536,500	511,575
Ralcorp Hldgs Inc	8.75%	15 Sep 2004	573,190	510,570
Student Ln Marketing Assn Mtn	9.4%	31 May 2002	517,549	510,157
PNC FDG Corp	7.5%	01 Nov 2009	509,690	500,682
First USA Cr Card TMaster Tr	5.9463%	15 Oct 2003	504,824	500,510
Chase Cr Card Master Tr	6.3%	15 Apr 2003	503,320	499,375
Barnes & Noble Inc	Common Stock		778,304	499,125
Xerox Corp Medium Term NTS	5.545%	22 Jul 2037	501,563	495,950

Equifax Inc	Common Stock	703,959	494,813
Private Expt Fdg Corp	6.45% 30 Sep 2004	499,605	491,835
Jones Apparel Group Inc	Common Stock	525,151	490,963
Ford Mtr Cr Co	6.125% 28 Apr 2003	497,566	489,946
Bankamerica Corp	5.875% 15 Feb 2009	499,277	489,742
Leggett & Platt Inc	Common Stock	539,864	488,775
Union Oil Co CA	7.35% 15 Jun 2009	509,400	486,450
New Jersey Economic Dev Auth	7.425% 15 Feb 2029	500,000	482,645
Chase Manhattan Corp	7% 15 Nov 2009	495,635	481,075
Pinnacle West Cap Corp	Common Stock	577,718	476,775
Financial Sec Assur Hldgs Ltd	Common Stock	481,564	474,338
Columbia / HCA Healthcare Corp	Common Stock	403,599	471,931
Green Tree Finl Corp	7.35% 15 May 2027	469,486	469,413
Sun Life CDA US CAKP TR I	8.526% 29 May 2049	500,000	466,420
Teco Energy Inc	Common Stock	511,334	465,919
Ford Mtr Cr Co	5.75% 23 Feb 2004	487,918	465,191
FNMA Pool 444397	6.5% 01 Nov 2028	473,224	462,482
Petroleum Geo Svcs A/S	6.625% 30 Mar 2008	497,905	462,280
CIT RV TR	6.09% 15 Feb 2012	469,949	458,936
Federal Home Ln Mtg Corp	1% 25 Oct 2016	312,500	455,000
3M Employee St Ownership Plan	5.62% 15 Jul 2009	489,771	453,983
Crescent Real Estate Equities	Common Stock	537,281	453,863
Govt Natl Mtg Assn GTD REMIC	5.9962% 16 Jul 2029	454,132	450,614
FNMA Pool 494652	6.5% 01 May 2029	457,003	446,630
Residential Accredit Lns Inc	7% 25 Jul 2029	453,509	445,109
Nationslink FDG Corp	6.001% 20 Nov 2007	469,001	444,361
Comdisco Inc	Common Stock	450,000	443,628
Allegheny Technologies Inc	Common Stock	694,188	443,141
Federal Natl Mtg Assn REMIC	1% 25 Sep 2007	454,390	442,923
Alza Corp	Common Stock	572,577	439,738
EOP Oper Ltd Partnership	6.376% 15 Feb 2002	449,330	439,479
Capital One Bank	6.76% 23 Jul 2002	450,000	439,416
Global Marine Inc	Common Stock	311,816	438,900
Mellon Finl Co	9.25% 15 Aug 2001	452,248	434,154
Worldcom Inc GA	7.75% 01 Apr 2007	441,873	433,411
Susa Partnership LP	7.125% 01 Nov 2003	459,207	433,391
Vornado Rlty Tr	Common Stock	488,598	425,750
Country Home Ln Inc	6.85% 15 Jun 2004	434,890	425,571
Regions Finl Corp	Common Stock	490,235	422,100
Tyco Intl Group	6.375% 15 Jun 2005	448,160	421,551
Federal Home Ln Mtg Corp	5.8963% 15 Apr 2019	427,717	420,895
Exodus Communications Inc	Common Stock	125,326	417,419
PG&E Corp	Common Stock	610,666	414,100
Fed Hm Ln PC C27874	7% 01 Jun 2029	422,556	413,705
Federal Home Ln Mtg Corp	5.75% 15 Mar 2009	419,283	411,048
CIT Group Hldgs Inc MTN	7.125% 17 Jun 2002	419,094	409,602
Viacom Inc	7.75% 01 Jun 2005	409,448	402,612
California Infra & Economic	6.42% 26 Dec 2009	444,104	399,963
Charter One Finl Inc	Common Stock	530,631	399,713
Dime Bancorp Inc	Common Stock	561,127	397,788
Franklin Pk Fin Inc	5.7962% 15 May 2007	399,960	397,438
Consolidated Nat Gas Co	Common Stock	331,007	396,119

Hibernia Corp	Common Stock	486,573	395,250
Compass Bancshares Inc	Common Stock	428,414	390,469
Comm 1999 1	6.455% 15 Sep 2008	426,273	389,819
Sandisk Corp	Common Stock	276,391	389,813
Federal Home Ln Mtg PC GTD	6% 15 May 2008	385,494	388,845
Tosco Corp	7.25% 01 Jan 2007	415,952	385,116
Agco Corp	Common Stock	349,611	382,969
Norwest Asset Secs Corp	6.75% 25 Aug 2029	387,438	382,248
Ultramar Diamond Shamrock	Common Stock	427,750	381,150
Safeway Inc	Common Stock	497,158	380,519
Associates Corp North America	5.8% 20 Apr 2004	382,532	378,996
Federal Natl Mtg Assn GTD	0.01% 25 Jun 2008	368,113	371,634
CIT RV TR	5.96% 15 Apr 2011	369,897	363,695
Hilton Hotels Corp	Common Stock	545,911	355,163
Harris Corp	Common Stock	382,787	354,944
General Mtrs Accep Corp	5.85% 14 Jan 2009	377,596	353,384
Federal Natl Mtg Assn GTD	7.2687% 25 Apr 2029	349,901	348,509
Bombadier Cap Inc Med Trm Nts	7.3% 15 Dec 2002	349,552	348,280
Wal Mart Stores Inc	6.875% 10 Aug 2009	353,608	345,660
GMAC Coml Mtg Sec Inc	6.411% 15 Nov 2007	361,297	344,920
Transamerica Fin Corp	7.25% 15 Aug 2002	339,813	339,330
Simon Ppty Group Inc	Common Stock	370,054	337,181
Greenpoint Finl Corp	Common Stock	407,524	333,375
GNMA Pool 439497	7.5% 15 Feb 2027	343,006	329,319
Kroger Co	Common Stock	313,734	328,425
Bear Stearns Cos Inc	6.25% 15 Jul 2005	349,783	327,198
Unilever N V	Common Stock	495,523	326,625
Borg Warner Automotive Inc	Common Stock	347,996	324,000
Delta Air Lines Inc	7.9% 15 Dec 2009	327,710	321,324
Knight Ridder Inc	Common Stock	287,631	321,300
Ryder Sys Inc	Common Stock	342,083	320,131
Diamond Technology Partner Inc	Common Stock	63,944	317,969
Ford Capital BV	9.875% 15 May 2002	340,461	317,487
United States Treas Bds	6.375% 15 Aug 2027	363,225	316,955
General Semiconductor Inc	Common Stock	179,407	316,381
PP & L Transition	6.72% 26 Dec 2005	319,983	316,182
Transocean Sedco Forex Inc	Common Stock	0	315,008
Harman Intl Inds Inc	Common Stock	241,372	314,300
Zurich Cap Trust	8.376% 01 Jun 2037	320,000	313,875
Skandinaviska Enskilda Banken	1% 29 Dec 2049	333,747	312,655
FNMA Pool 506543	6.5% 01 Jul 2029	319,557	312,304
Mirage Resorts Inc	Common Stock	361,741	310,844
FNMA Pool 498065	6.5% 01 Jun 2029	317,805	310,591
FNMA Pool 503680	6.5% 01 Jun 2029	317,783	310,570
Global Crossing Ltd	Common Stock	142,283	310,000
FNMA Pool 505509	6.5% 01 Jul 2029	316,605	309,419
FNMA Pool 503732	6.5% 01 Jul 2029	316,497	309,313
FNMA Pool 252497	6.5% 01 Jun 2029	316,259	309,080
United States Treas Bds	12% 15 Aug 2013	318,453	307,121
Automatic Data Processing Inc	Common Stock	284,653	307,088
United States Treas Bds	5.25% 15 Nov 2028	328,752	304,788
Federal Home Ln Mtg PC GTD	9% 15 Jun 2020	305,996	303,517

Genuine Parts Co	Common Stock	393,183	302,713
Vintage Pete Inc	Common Stock	333,011	301,563
Vanderbilt Mtg & Fin Inc	1% 07 Feb 2012	299,625	299,931
United States Treas Nts	6.25% 30 Jun 2002	301,265	299,811
Vanderbilt Mtg & Fin Inc	1% 07 Jun 2009	299,953	299,694
Cendant Corp	7.75% 01 Dec 2003	299,484	299,280
Idacorp Inc	Common Stock	355,637	297,619
Phoenix Technology Ltd	Common Stock	163,906	297,275
Fed Hm Ln PC G10777	9% 01 Jun 2010	306,491	297,242
Countrywide Home Lns Inc MTN	5.62% 16 Oct 2000	300,000	297,057
Washington Mutual Inc	7.5% 15 Aug 2006	296,280	296,775
Daimler Chrysler Nortl Hldg Co	7.2% 01 Sep 2009	299,676	294,672
Lear Corp	Common Stock	366,641	294,400
Abercrombie and Fitch Co	Common Stock	378,720	293,563
Linear Technology Corp	Common Stock	262,520	293,406
Abbey Natl PLC	6.7% 29 Jun 2049	306,101	293,088
Merrill Lynch & Co Inc	5.71% 15 Jan 2002	300,000	292,926
Emulex Corp	Common Stock	89,967	292,500
Signet Helco Tr	6.7387% 20 Jun 2004	291,852	291,187
GMAC Coml Mtg Sec Inc	6.42% 15 Aug 2008	294,342	289,782
Noram Energy Corp	6.375% 01 Nov 2003	299,376	288,768
Peregrine Sys Inc	Common Stock	60,686	286,238
LB Coml Conduit Mtg Tr	6.78% 15 Apr 2009	287,730	286,035
Continental Aircls Pass Thru Tr	7.256% 15 Mar 2020	291,912	283,713
Ensc Intl Inc	Common Stock	217,349	283,650
Morgan J P Coml Mtg Fin Corp	6.18% 15 Oct 2035	296,677	282,049
Xerox Cap Europe PLC	5.875% 15 May 2004	298,512	281,001
Goldman Sachs Group Inc	6.65% 15 May 2009	299,397	279,240
Dayton Hudson Corp	Common Stock	234,264	279,063
GNMA Pool 473897	6.75% 15 May 2000	276,056	276,283
Corn Products Intl Inc	Common Stock	290,504	275,100
NB CAP TR II	7.83% 15 Dec 2026	312,546	274,614
Associated Banc Corp	Common Stock	259,412	274,000
Citigroup Cap II	7.75% 01 Dec 2036	305,895	273,354
FNMA Pool 398104	6.5% 01 Nov 2027	283,267	272,450
Southern Peru Ltd	7.9% 30 May 2007	300,000	269,525
Bayerische Landesbank	5.875% 01 Dec 2008	299,751	269,028
First UN Natl Bk Coml Mtg Tr	7.39% 15 Nov 2009	271,347	268,481
Federal Natl Mtg Assn REMIC	6.9188% 25 Mar 2009	272,515	268,366
TRW Inc	6.625% 01 Jun 2004	273,218	265,815
California Infr & Economic Dev	6.48% 26 Dec 2009	274,656	264,737
Cooper Cameron Corp	Common Stock	180,835	264,263
Fleet Natl Bk Providence R I	5.75% 15 Jan 2009	300,216	263,511
Michael Foods Inc	Common Stock	183,688	263,488
Adobe Sys Inc	Common Stock	295,142	262,275
Coastal Corp	Common Stock	242,806	262,238
Kellwood Co	Common Stock	365,342	260,463
Qlogoc Corp	Common Stock	27,786	255,800
First UN Natl Bank Chase	6.65% 15 Apr 2009	256,293	255,126
GNMA Pool 345036	7.5% 15 Oct 2023	263,596	253,896
Wellman Inc	Common Stock	279,354	253,300
Huntington Bancshares Inc	Common Stock	268,529	253,075

Residential Fdg Mtg Secs	7.68%	25 Jan 2020	249,948	251,518
Williams Cos Inc	1%	15 Feb 2000	250,810	249,830
Equity Office Pptys Tr	Common Stock		271,082	248,713
Comdisco Inc Mtg	6.32%	27 Nov 2000	250,000	248,680
Suntrust Bks Inc	Common Stock		251,537	247,725
Park Pl Entmt Corp	7.95%	01 Aug 2003	248,200	247,585
General Mtrs Accep Corp	6.85%	17 Jun 2004	249,928	246,385
Duke Realty Ltd Partnership	7.3%	30 Jun 2003	249,785	245,940
Washington Fed Inc	Common Stock		289,775	244,900
TCI Communications inc	8.65%	15 Sep 2004	264,169	243,986
FNMA REMIC TR 1999 TI	6%	25 Jan 2039	236,582	243,515
Mercury Gen Corp	Common Stock		396,216	242,525
Applied Micor Circuits Corp	Common Stock		19,214	241,775
Eastern Enterprises	Common Stock		168,273	241,238
Occidental Pete Corp	6.4%	01 Apr 2003	256,885	241,035
Transcanada Pipelines Ltd	6.43%	15 Mar 2004	245,385	240,150
Mead Corp	Common Stock		234,445	238,906
General Motors Accep Corp	5.75%	10 Nov 2003	249,035	238,040
Regency Centers L P	7.4%	01 Apr 2004	249,805	237,003
Mellon Finl Co	5.75%	15 Nov 2003	249,538	236,985
Amsouth Bancorporation	Common Stock		274,591	235,601
Consolidated Papers Inc	Common Stock		208,982	235,413
FNMA Pool 313712	6%	01 Sep 2012	235,901	235,052
Highwoods Realty Ltd Parnter	7%	01 Dec 2006	255,715	234,328
Triquint Semiconductor Inc	Common Stock		75,564	233,625
Quaker St Corp	6.625%	15 Oct 2005	253,643	233,610
Onyx Accep Owner Tr	7%	15 Nov 2004	234,942	233,604
Lilly Eli & Co	6.77%	01 Jan 2036	243,924	233,290
Insight Enterprises Inc	Common Stock		72,392	233,066
Lehman Bros Inc	6.625%	15 Feb 2008	235,093	231,955
Residential Fdg Mtg Secs II	6.6238%	20 Sep 2022	231,484	231,098
Hertz Corp	6.5%	15 May 2006	231,629	227,170
Mercury Interactive Corp	Common Stock		33,822	226,669
LB Coml Conduit Mtg Tr	6.41%	15 Aug 2007	228,500	226,536
Tesoro Pete Corp	Common Stock		265,792	224,313
Pinnacle Sys Inc	Common Stock		103,324	223,781
Dominion Res Inc	Common Stock		236,459	223,725
Polycom Inc	Common Stock		44,008	222,906
Nabors Industries Inc	Common Stock		144,517	222,750
Beneficial Home Equity Ln Tr	5.5871%	28 Apr 2026	223,216	222,639
Enron Corp	6.725%	17 Nov 2008	242,926	222,207
Greyhound Lines Inc	11.5%	15 Apr 2007	231,000	222,000
Citibank Cr Card Master Tr I	6.65%	15 Nov 2006	224,791	220,358
Green Tree Finl Corp	6.04%	01 Nov 2029	221,977	220,289
Lubrizol Corp	Common Stock		186,662	219,213
Norwest Finl Inc	5.625%	03 Feb 2009	248,980	218,985
Saxon Asset Secs Tr	0.99%	25 Sep 2030	219,983	218,625
Exar Corp	Common Stock		67,063	217,838
EQCC Home Equity Ln Tr	7.067%	25 Jan 2025	220,000	217,730
Clear Channel Communications	6.625%	15 Jun 2008	242,487	217,594
Money Store Tr	7%	15 Apr 2028	225,800	216,702
Minnesota Mng & Mfg Co	Common Stock		206,382	215,325

Human Genome Sciences Inc	Common Stock	119,183	213,675
DLJ Coml Mtg Corp	1% 10 Jun 2009	212,984	212,285
Honda Auto Lease Tr	6.65% 15 Jul 2005	209,938	209,273
Continental Aircls pass Thru	6.545% 02 Feb 2019	215,173	208,948
Kulicke & Soffa Inds Inc	Common Stock	83,497	208,556
May Dept Stores Co	5.95% 01 Nov 2008	231,357	208,546
Quantum Corp	Common Stock	228,948	207,778
Hrpt Pptys Tr	6.7% 23 Feb 2005	213,153	207,764
North Fork Bancorporation Inc	Common Stock	253,496	206,500
Lehman Brothers Hldgs Inc	6.625% 27 Dec 2002	212,871	205,561
Times Mirror Co	7.45% 15 Oct 2009	204,731	203,723
Federal Home Ln Mtg Corp	5.9463% 15 Feb 2023	203,322	203,206
Mid State TR VI	7.79% 01 Jul 2035	214,776	202,899
Manor Care Inc	Common Stock	322,289	201,600
Mercantile Bankshares Corp	Common Stock	203,455	201,206
Dean Witter Discover & Co	6.25% 15 Mar 2000	201,168	200,008
Hertz Corp	7.625% 15 Aug 2007	203,216	199,976
Dallas Semiconductor Corp	Common Stock	119,154	199,756
Williams Communications Group	Common Stock	158,700	199,669
Rayonier Inc	Common Stock	178,475	198,081
MSC Indl Direct Inc	Common Stock	150,833	197,425
MCI Communications Corp	6.125% 15 Apr 2002	199,466	196,756
Franchise Fin Corp America	8.25% 30 Oct 2003	199,798	196,336
ERP Oper Ltd Partnership	7.57% 15 Aug 2026	200,000	195,714
Procter & Gamble Co	6.875% 15 Sep 2009	198,211	195,370
Continental Aircls Pass Thru	7.434% 15 Sep 2004	200,000	195,230
Cooper Tire and Rubber	7.75% 15 Dec 2009	198,100	195,104
Hershey Foods Corp	Common Stock	252,581	194,750
Prologis Tr	Common Stock	194,743	194,425
Tektronix Inc	Common Stock	185,490	194,375
Quebec Prov CDA	7.5% 15 Sep 2029	199,966	193,874
Silicon Vy Group Inc	Common Stock	173,296	193,475
Abitibi Consolidated Inc	7.875% 01 Aug 2009	199,764	192,670
GNMA Pool 472821	7% 15 Aug 2000	192,172	191,360
Kaiser Alum Corp	Common Stock	254,301	190,650
Advanta Mtg Ln TR	6.33% 25 Aug 2019	194,523	190,438
Macromedia Inc	Common Stock	52,403	190,125
Alliant Corp	Common Stock	202,277	189,750
Bankamerica Corp	5.75% 01 Mar 2004	192,000	189,548
Scotts Co	Common Stock	148,755	189,175
ANRC Auto Owner TR	6.94% 17 Apr 2006	189,971	188,997
Burlington Northn Santa Fe Cor	6.375% 15 Dec 2005	207,388	188,980
FNMA Pool 252715	6.5% 01 Sep 2029	191,269	188,455
Peco Energy Co	Common Stock	146,799	187,650
Texas Inds Inc	Common Stock	162,834	187,275
CMS Energy Corp	Common Stock	270,991	187,125
Proxim Inc	Common Stock	48,347	187,000
U S Dept Veteran Affairs REMIC	0.9504% 15 Sep 2022	201,954	186,788
Cognizant Technology Solutions	Common Stock	65,532	185,831
King Pharmaceuticals Inc	Common Stock	84,537	185,006
Penn Engr & Mfg Corp	Common Stock	210,330	185,000
Cordant Technologies Inc	Common Stock	168,611	184,800

RF Micro Devices Inc	Common Stock	19,685	184,781
Southwest Airils Co	Common Stock	210,035	184,538
Citadel Communications Corp	Common Stock	56,157	181,650
Northwest Airlines Pass Thru	6.81% 01 Feb 2020	199,831	180,122
Actuate Corp	Common Stock	52,431	180,075
FNMA Pool 280117	6% 01 Apr 2009	180,677	179,193
MBNA Master Cr Card TR II	6.6% 15 Nov 2004	179,810	178,875
Transwitch Corp	Common Stock	40,624	177,778
FNMA Pool 283657	6% 01 Mar 2009	179,200	177,728
Pentair Inc	Common Stock	167,986	177,100
Arthrocare Corp	Common Stock	120,172	176,900
Lockheed Martin Corp	7.25% 15 May 2006	192,835	176,464
Structural Dynamics Resh Corp	Common Stock	183,408	175,950
Russ Berrrie & Co Inc	Common Stock	154,092	175,875
Bancwest Corp	Common Stock	205,674	175,500
Kaufman & Broad Home Corp	Common Stock	165,376	174,150
Caterpillar Inc	Common Stock	169,693	174,131
Proxicom Inc	Common Stock	92,359	174,038
Invitrogen Corp	Common Stock	88,698	174,000
WPS Res Corp	Common Stock	196,227	173,363
Alberto Culver Co	Common Stock	159,828	172,944
California Water Service GRP	Common Stock	153,890	172,781
AAR Corp	Common Stock	221,905	172,200
Webb Del Corp	Common Stock	164,398	172,069
Longs Drug Stores Corp	Common Stock	195,322	170,363
Zale Corp	Common Stock	106,647	169,313
Protective Life Corp	Common Stock	183,852	168,606
Helmerich and Payne Inc	Common Stock	177,860	167,956
Covad Communications Group Inc	Common Stock	184,275	167,813
DSP Group Inc	Common Stock	131,992	167,400
Moog Inc	Common Stock	211,208	167,400
Dendrite Intl Inc	Common Stock	105,528	165,988
Invacare Corp	Common Stock	194,444	164,513
Credence Systems Corp	Common Stock	102,025	164,350
Cabot Corp	Common Stock	204,863	163,000
Meditrust	Common Stock	480,458	161,700
PRI Automation Inc	Common Stock	94,856	161,100
CK Witco Corp	Common Stock	179,827	161,035
Wolverine Tube Inc	Common Stock	173,247	161,025
Sola Intl Inc	Common Stock	169,946	160,950
Advanced Digital Information	Common Stock	97,968	160,463
Regis Corp Minnesota	Common Stock	146,884	160,438
Modine Mfg Co	Common Stock	156,916	160,000
Usec Inc	Common Stock	328,405	159,600
Alltrista Corp9	Common Stock	170,097	159,300
Ryerson Tull Inc	Common Stock	175,047	158,902
Arvin Inds Inc	Common Stock	189,335	158,900
Montana Pwr Co	Common Stock	141,424	158,675
QRS Corp	Common Stock	69,726	157,500
Tech Data Corp	Common Stock	132,825	157,325
DTE Energy Co	Common Stock	168,039	156,875
Oshkosh Truck Corp	Common Stock	54,560	156,822

Airborne Fght Corp	Common Stock	192,691	156,200
Partnerre Ltd	Common Stock	188,488	155,700
Chesapeake Corp	Common Stock	166,811	155,550
Edison Intl	Common Stock	170,717	154,506
Bergen Brunswig Corp	Common Stock	248,254	153,781
Power Integrations	Common Stock	39,883	153,400
Oneida Ltd	Common Stock	122,978	153,338
BJS Whsl Club Inc	Common Stock	62,986	153,300
Kelly Svcs Inc	Common Stock	186,199	153,263
Cytec Inds Inc	Common Stock	165,471	152,625
Fleetwood Enterprises Inc	Common Stock	232,768	152,625
Talbots Inc	Common Stock	71,550	151,725
FNMA Pool	287310 6% 01 May 2009	152,637	151,384
Bowne & Co Inc	Common Stock	200,838	151,200
Varco Intl Inc	Common Stock	163,075	150,775
Ucar Intl Inc	Common Stock	217,849	149,625
Andrew Corp	Common Stock	138,715	149,606
Steris Corp	Common Stock	177,941	149,531
Supertex Inc	Common Stock	82,818	149,388
Schweitzer Mauduit Intl Inc	Common Stock	234,159	149,156
Household Fin Corp	6% 01 May 2004	150,164	148,128
Citibank Cr Card Master TR I	6.3231% 15 Aug 2006	148,913	147,920
Beckman Coulter Inc	Common Stock	144,140	147,538
Alaska Air Group Inc	Common Stock	158,620	147,525
TIimes Mirror Co	Common Stock	132,541	147,400
Getty Images Inc	Common Stock	125,361	146,625
Scientific Games Hldgs Corp	Common Stock	170,891	145,750
Bear Stearns Cos Inc	Common Stock	136,317	145,350
Mueller Inds Inc	Common Stock	102,940	145,000
Bio Rad Laboratories Inc	Common Stock	153,719	144,925
New jersey Res Corp	Common Stock	132,082	144,531
Millennium Chemicals Inc	Common Stock	198,569	144,175
Bob Evans Farms Inc	Common Stock	178,842	143,569
Liberty Property	Common Stock	141,332	143,075
TD Waterhouse Group Inc	Common Stock	115,488	143,006
Public Svc Co NM	Common Stock	154,810	143,000
Ruddick Corp	Common Stock	171,108	142,600
Commercial Metals Co	Common Stock	134,523	142,538
Brinker Intl Inc	Common Stock	93,496	141,600
American Natl Ins Co	Common Stock	197,306	140,250
Anixter Intl Inc	Common Stock	118,252	140,250
Granite Constr Inc	Common Stock	128,387	140,125
Perrigo Co	Common Stock	196,159	140,000
Alexander & Baldwin Inc	Common Stock	164,700	139,156
Russell Corp	Common Stock	253,307	139,025
Toro Co	Common Stock	152,109	138,056
C Cor Net Corporation	Common Stock	78,964	137,925
Post Ppyts Inc	Common Stock	144,405	137,700
Avalonbay Cmmtys Inc	Common Stock	138,814	137,250
Cooper Tire & Rubr Co	Common Stock	186,511	136,950
Michaels Stores Inc	Common Stock	156,583	136,800
Cognex Corp	Common Stock	93,802	136,500

Esterline Technologies Corp	Common Stock	180,048	136,438
Silicon Storage Technology Inc	Common Stock	92,334	136,125
Hutchinson Technology Inc	Common Stock	185,822	136,000
Smith Intl Inc	Common Stock	118,139	134,156
Regal Beloit Corp	Common Stock	133,724	134,063
Whittman Hart Inc	Common Stock	35,137	134,063
Harmonic Inc	Common Stock	76,473	132,913
Husmann Intl Inc	Common Stock	132,404	132,550
CMP Group Inc	Common Stock	92,199	132,300
RTI Intl Metals Inc	Common Stock	223,761	132,000
Horace Mann Educators Corp	Common Stock	175,590	131,488
Westamerica Bancorporation	Common Stock	143,169	131,306
Quanex Corp	Common Stock	152,698	130,050
Harleysville Group Inc	Common Stock	167,463	129,675
Solutia Inc	Common Stock	170,311	129,675
Universal Health Svcs Inc	Common Stock	161,250	129,600
First Rep Bk San Francisco CA	Common Stock	164,090	129,250
Bindview Dev Corp	Common Stock	69,788	129,188
Henry Schein Inc	Common Stock	130,244	129,131
Burlington Coat Factory Whse	Common Stock	149,345	129,038
Fuller H B Co	Common Stock	117,900	128,656
Exchange Applications Inc	Common Stock	51,150	128,513
Aztar Corp	Common Stock	81,091	128,325
Du Pont E I de Nemours & Co	6.75% 15 Oct 2004	129,644	128,296
Intraware Inc	Common Stock	68,071	127,900
Nomura Asset Secs Corp	6.59% 17 Mar 2028	129,674	127,013
Zomax Optical Media Inc	Common Stock	72,448	126,700
Usinternetworking Inc	Common Stock	94,259	125,775
Block Drug Inc	Common Stock	172,823	125,740
Sagent Technology inc	Common Stock	84,814	125,738
Legato Systems inc	Common Stock	13,948	123,863
FNMA Pool 266975	6% 01 Feb 2009	124,870	123,844
Interface inc	Common Stock	227,692	123,625
Ralcorp Hldgs Inc	Common Stock	120,427	123,613
Advanced Energy Inds Inc	Common Stock	82,426	123,125
Everest Reinsurance Hldgs	Common Stock	190,755	122,719
Cysive Inc	Common Stock	93,586	122,506
Premier Auto TR	5.82% 08 Oct 2003	122,607	121,875
Pepsi Bottling Hldgs inc	5.375% 17 Feb 2004	123,391	121,850
Kemet Corp	Common Stock	85,900	121,669
Webtrends Corp	Common Stock	75,581	121,500
United States Tres SC STRP INT	0.01% 15 Aug 2012	125,816	121,025
Rhythms Netconnections Inc	Common Stock	121,949	120,900
PC Connection Inc	Common Stock	67,307	120,750
First American Finl Corp	Common Stock	174,323	120,644
CTS Corp	Common Stock	84,851	120,600
U S West Communications Inc	7.2% 01 Nov 2004	119,772	119,576
Comcast Cable Communications	8.875% 01 May 2017	121,007	119,182
Broadvision Inc	Common Stock	12,381	119,044
Avista corp	Common Stock	168,291	118,869
Wellpoint Health Networks Inc	Common Stock	128,413	118,688
Stride Rite Corp	Common Stock	189,411	118,300

Healthsouth Corp	Common Stock	317,918	118,250
Anadigics Inc	Common Stock	60,436	117,969
Southwestern Energy Co	Common Stock	222,705	117,469
Powerwave Technologies Inc	Common Stock	79,016	116,750
Wicor Inc	Common Stock	90,535	116,750
Silknet Software Inc	Common Stock	79,072	116,025
Advent Software Inc	Common Stock	74,475	115,988
Duke Weeks Rlty Corp	Common Stock	139,151	115,752
Digital Lightwave Inc	Common Stock	94,425	115,200
Pepsi Bottling Hldgs Inc	5.625% 17 Feb 2009	125,371	114,552
Unit Corp	Common Stock	99,382	113,775
Kaman Corp	Common Stock	136,939	113,300
New Plan Excel Rlty Tr Inc	Common Stock	139,512	112,269
Merrill Lynch Mtg Invs Inc	1% 15 Jun 2021	119,469	111,265
Zoll Med Corp	Common Stock	86,037	110,744
Hubbell Inc	Common Stock	154,868	109,000
Express Scripts inc	Common Stock	49,588	108,800
Standard Register	Common Stock	181,228	108,500
Titan Corp	Common Stock	95,699	108,388
GBC Bancorp Calif	Common Stock	106,400	108,150
Iomega Corp	Common Stock	129,090	108,000
FNMA Pool 393419	7% 01 Aug 2012	108,852	107,241
K Mart Corp	Common Stock	171,190	106,663
CEC Entmt Inc	Common Stock	90,333	106,406
FNMA Pool 263006	6% 01 Jan 2009	107,258	106,377
Northpoint Communications Hldg	Common Stock	160,133	105,600
Beneficial Home Equity Ln TR	5.6271% 28 Mar 2025	105,457	105,276
Act Mfg Inc	Common Stock	73,780	105,000
Celgene Corp	Common Stock	92,913	105,000
Bay View Cap Corp	Common Stock	223,366	104,988
MKS Instrs inc	Common Stock	61,432	104,763
Molecular Devices Corp	Common Stock	55,973	104,000
Allaire Corp	Common Stock	78,188	102,419
Whole Foods Mkt Inc	Common Stock	86,570	102,025
Reliance Stl & Alum Co	Common Stock	88,210	101,953
Doubleclick Inc	Common Stock	54,095	101,225
Cole Kenneth Prodtns Inc	Common Stock	99,967	100,650
Extreme Networks inc	Common Stock	82,645	100,200
United States Treas Nts	5.875% 15 Feb 2000	100,164	100,047
Central VT Public Service	Common Stock	138,004	99,875
Marlin Wtr Tr/ Marlin Wtr Cap	7.09% 15 Dec 2001	100,000	98,166
Chicos Fas Inc	Common Stock	87,484	97,825
Ryder Sys Inc Mtg Bk Ent	6.88% 17 Jun 2002	100,000	97,805
Albany Intl Corp	Common Stock	137,093	97,656
Civic Bancorp	Common Stock	105,747	97,650
Cost Plus Inc Calif	Common Stock	70,687	96,188
Tetra Tech Inc	Common Stock	75,761	96,017
Marsh & McLennan Cos Inc	Common Stock	66,057	95,688
PC Tel Inc	Common Stock	83,083	94,500
Carrier Access Corp	Common Stock	65,064	94,238
Medicis Pharmaceutical Corp	Common Stock	61,423	93,638
Harrahs Oper Inc	7.5% 15 Jan 2009	97,350	93,370

Unify Corp	Common Stock	91,324	93,075
Norsk Hydro A S	6.7% 15 Jan 2018	93,269	92,726
Bluestone Software Inc	Common Stock	71,740	92,000
Rock Tenn Co	Common Stock	104,522	91,450
Torchmark Inc	Common Stock	88,875	90,094
Professional Detailing Inc	Common Stock	89,104	89,813
Newfield Expl Co	Common Stock	68,904	88,275
Ltx Corp	Common Stock	48,634	87,263
Dollar Tree Stores Inc	Common Stock	38,638	87,188
Citrix Sys Inc	Common Stock	64,866	86,100
Countrywide Fdg Corp Mtg	6.25% 15 Apr 2009	94,491	85,744
Varian Inc	Common Stock	74,734	85,500
Enhance Finl Svcs Group Inc	Common Stock	100,581	84,500
Urban Outfitters Inc	Common Stock	73,207	84,463
USWeb Corp	Common Stock	65,292	84,431
Humana Inc	Common Stock	171,816	84,331
Concord EFS Inc	Common Stock	35,959	83,688
Blyth Inds Inc	Common Stock	87,507	82,284
Apple Computer	Common Stock	31,243	82,250
Morgan Guaranty Trust Co of NY	1% 31 Dec 2000	82,014	82,014
Fresh Del Monte Produce	Common Stock	168,049	80,100
Cinergy Corp	Common Stock	100,412	79,613
P F Chang's China Bistro Inc	Common Stock	82,678	79,600
Ahl Svcs Inc	Common Stock	116,543	79,325
Empire Dist Elec Co	Common Stock	77,210	79,188
Fremont Gen Corp	Common Stock	245,464	78,913
Verio Inc	Common Stock	87,852	78,519
Hexcel Corp	Common Stock	298,401	77,875
Mark IV Inds Inc	Common Stock	61,297	77,825
Southern Co	Common Stock	85,379	77,550
Litton Inds Inc	Common Stock	66,552	74,813
Cleveland Cliffs Inc	Common Stock	103,996	74,700
U S Dept Veteran Affairs REMIC	1% 15 Sep 2024	76,528	74,221
Scansource Inc	Common Stock	69,629	73,013
Paccar Inc	Common Stock	67,041	70,900
Alberta Energy Ltd	Preferred Stock	72,500	68,875
Noven Pharmaceuticals Inc	Common Stock	54,700	68,875
Phelps Dodge Corp	Common Stock	49,894	68,803
Medquist Inc	Common Stock	63,523	67,113
Southdown Inc	Common Stock	58,185	67,113
Acme Communications Inc	Common Stock	71,479	66,500
AVT Corp	Common Stock	43,625	65,800
AnnTaylor Stores Corp	Common Stock	48,809	65,431
Gymboree Corp	Common Stock	167,079	65,250
Quanta Services Inc	Common Stock	78,484	64,975
Washington Post Co	Common Stock	64,314	63,926
Liberty Ppty Ltd Partnership	6.6% 05 Jun 2002	63,146	63,902
NCO Group Inc	Common Stock	80,117	63,263
Read Rite Corp	Common Stock	216,711	62,700
Mobile Mini Inc	Common Stock	61,168	62,350
Disney Walt Co	Common Stock	54,327	61,425
ESG RE Ltd	Common Stock	183,600	61,050

Advance paradiam Inc	Common Stock	69,728	60,375
Vendee Mtg Tr	0.4353% 15 Feb 2026	70,078	60,012
Brush Wellman Inc	Common Stock	87,491	58,844
Argonaut Group Inc	Common Stock	68,165	55,650
Curtiss Wright Corp	Common Stock	40,214	55,313
Pegasus Sys Inc	Common Stock	41,841	54,281
United Rentals Inc	Common Stock	83,669	53,088
Felcor Lodging Tr Inc	Common Stock	71,430	52,500
FNMA Pool 275770	6% 01 Mar 2009	50,061	49,650
Genzyme Corp	Common Stock	52,064	49,500
FNMA Pool 275059	6% 01 Mar 2009	49,248	48,637
Bebe Stores Inc	Common Stock	60,424	45,900
Thomas Inds Inc	Common Stock	47,076	44,963
Schuler Homes Inc	Common Stock	40,538	44,850
Waste Connections Inc	Common Stock	57,556	44,756
GNMA II Pool 080094	6.625% 20 Jul 2027	41,074	41,242
Nortel Networks Corp	Common Stock	39,389	40,400
Penney J C Inc	Common Stock	76,136	37,881
Northwest Aircls Corp	Common Stock	47,154	37,825
GNMA Pool 473898	6.75% 15 Feb 2009	37,044	37,044
R & B Falcon Corp	Common Stock	55,104	34,450
IMC Global Inc	Common Stock	43,289	34,388
FNMA Pool 276664	6% 01 Mar 2009	33,949	33,670
U S Dept Veterans Affairs GTD	0.0701% 15 Jun 2026	42,100	31,797
Optical Coating Lab Inc	Common Stock	4,525	29,600
FNMA Pool 390375	7% 01 Jul 2012	25,807	25,425
U S Dept Veteran Affairs REMIC	0.0524% 15 Jun 2024	22,190	22,144
Ingersoll Rand Co	Common Stock	21,981	22,025
Golden West Finl Corp	Common Stock	18,506	20,100
Siebel Sys Inc	Common Stock	16,342	16,800
Unicom Corp	Common Stock	9,705	10,050
Travelers Ppty Cas Corp	Common Stock	5,863	6,850
Constellation Energy Group Inc	Common Stock	5,657	5,800
Federal Natl Mtg Assn REMIC	99.99% 25 Apr 2019	9,322	5,581
Mandalay Resort Group	Common Stock	4,673	4,025
Paine Webber Group Inc	Common Stock	3,918	3,881
Safeco Corp	Common Stock	2,346	2,488
Water Pik Tech Inc	Common Stock	60	48
Teledyne Technologies Inc	Common Stock	71	47
Genzyme Corp	Common Stock	0	4
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		\$ 3,056,494,802	\$ 4,002,157,293
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*Party-in-Interest

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement No. 33-59853 of Northrop Grumman Corporation on Form S-8 of our report dated June 22, 2000, appearing in this Annual Report on Form 11-K of the Northrop Grumman Savings and Investment Plan for the year ended December 31, 1999.

/s/ Deloitte & Touche LLP

Deloitte & Touche LLP
Los Angeles, California
June 28, 2000