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BAXTER INTERNATIONAL INC
Form 11-K
June 27, 2003

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

For the year ended December 31, 2002

OR

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

For the transition period from _____ to _____

Commission file number 1-4448

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

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

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

Baxter International Inc.
One Baxter Parkway
Deerfield, IL 60015
(847) 948-2000

Baxter International Inc.
and Subsidiaries
Incentive Investment Plan

Financial Statements and Supplemental Schedule

December 31, 2002 and 2001

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

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Supplemental Schedule:*

Exhibit I: Schedule of Assets (Held at End of Year)
at December 31, 2002

* Other schedules required by the Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA have been omitted because they are not applicable.

Report of Independent Auditors

To the Participants and Administrative Committee
of the Baxter International Inc. and
Subsidiaries Incentive Investment Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Baxter International Inc. and Subsidiaries Incentive Investment Plan (the "Plan") at December 31, 2002 and 2001, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. 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 of these statements in accordance with auditing standards generally accepted in the United States of America, which 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, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

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 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. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

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Chicago, Illinois
June 18, 2003

Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Statements of Net Assets Available for Benefits
As of December 31, 2002 and 2001

	2002	2001
Assets		
Investments:		
At fair value		
Cash and cash equivalents	\$ 51,789,770	\$ 46,162,512
Common stock	364,892,227	544,830,422
Fixed income securities	63,080,155	60,867,679
Commingled investments	140,182,396	178,841,650
Participant loans	29,550,104	29,458,270
	-----	-----
	649,494,652	860,160,533
At contract value		
Guaranteed investment contracts	514,010,372	477,487,900
	-----	-----
Total investments	1,163,505,024	1,337,648,433
	-----	-----
Receivables:		
Accrued interest and dividends	3,781,220	3,727,571
Due from brokers for securities sold	344,875	2,296,837
Other	--	356,353
	-----	-----
	4,126,095	6,380,761
	-----	-----
Total assets	1,167,631,119	1,344,029,194
	-----	-----
Liabilities		
Accounts payable	1,084,282	1,422,909
Due to brokers for securities purchased	4,329,765	537,625
	-----	-----
Total liabilities	5,414,047	1,960,534
	-----	-----
Net assets available for benefits	\$1,162,217,072	\$1,342,068,660
	=====	=====

The accompanying notes are an integral part of these financial statements.

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2002 and 2001

	2002	2001
Additions to net assets attributed to:		
Investment income:		

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Interest	\$ 32,701,846	\$ 34,286,941
Participant loan interest	2,409,711	2,639,075
Dividends	5,465,938	6,747,872
Net appreciation in fair value of assets	--	5,815,811
	-----	-----
	40,577,495	49,489,699
	-----	-----
Contributions:		
Employer's	21,983,334	17,941,866
Participants'	57,331,985	48,313,693
	-----	-----
	79,315,319	66,255,559
	-----	-----
Transfers from other plans	1,282,409	11,803,992
	-----	-----
Total additions	121,175,223	127,549,250
	-----	-----
Deductions from net assets attributed to:		
Benefits paid	64,787,532	68,713,637
Plan expenses	4,794,813	4,579,955
Net depreciation in fair value of assets	231,444,466	--
	-----	-----
Total deductions	301,026,811	73,293,592
	-----	-----
Net (decrease) increase	(179,851,588)	54,255,658
Net assets available for plan benefits:		
Beginning of year	1,342,068,660	1,287,813,002
	-----	-----
End of year	\$1,162,217,072	\$1,342,068,660
	=====	=====

The accompanying notes are an integral part of these financial statements.

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Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Notes to Financial Statements
 December 31, 2002 and 2001

1. General Description of the Plan

The following description of the Baxter International Inc. and Subsidiaries Incentive Investment Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

The Plan allows tax deferred contributions in compliance with Section 401(k) of the Internal Revenue Code. Eligible participants may make pre-tax contributions of up to 12% of their eligible annual compensation, as defined in the Plan agreement, for the period ended December 31, 2001. Effective January 1, 2002, participants may make pre-tax contributions of

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up to 20% of their eligible annual compensation, as defined in the Plan agreement. The Plan sponsor, Baxter International Inc. ("Baxter"), matches participant contributions up to a maximum of 3% of the employees' compensation. Participant contributions are fully vested at all times. Vesting in the Plan sponsor matching contributions is based on years of continuous service. A participant vests in annual increments of 20% and, therefore, is 100% vested after five years of credited service. Participants may borrow up to the lesser of \$50,000 or 50% of their account balance. The loans are secured by the balance in the participant's account and bear interest at variable rates as outlined in the Plan.

Participants, or their beneficiaries, may elect lump-sum benefit payments or benefits may be paid in installments. Subject to certain provisions specified in the Plan agreement, employed participants may withdraw their pre-tax contributions and related earnings in cases of financial hardship.

When certain terminations of participation in the Plan occur, the nonvested portion of the participant's account, as defined by the Plan agreement, represents a forfeiture. Forfeitures are utilized to reduce Baxter matching contributions for the plan year. However, if the participant is re-employed and fulfills certain requirements, as defined in the Plan agreement, the participant's account will be reinstated. Forfeitures utilized for the periods ended December 31, 2002 and 2001 were \$268,960 and \$490,233, respectively.

Upon enrollment in the Plan, a participant may direct contributions in any of eight investment options: Stable Income Fund, Baxter Common Stock Fund, Composite Fund, General Equity Fund, S&P 500 Equity Index Fund, International EAFE Equity Index Fund, Small Cap Fund and the Self-Managed Fund. In addition, certain participants may maintain shares received in connection with Baxter's 1996 spin-off of Allegiance Corporation ("Allegiance"), which were subsequently converted into common shares of Cardinal Health Inc. ("Cardinal") upon Cardinal's acquisition of Allegiance in 1999. These shares are maintained in the Cardinal Health Common Stock Fund. Additionally, certain participants maintain shares in Edwards Lifesciences Corporation. These shares were placed into the Edwards Lifesciences Common Stock Fund in connection with Baxter's 2000 spin-off of its Cardiovascular Business Group. Participants are not able to make contributions to the Cardinal Health Common Stock Fund or the Edwards Lifesciences Common Stock Fund.

2. Summary of Significant Accounting Policies

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting. Accordingly, investment income is recognized when earned and expenses are recognized when incurred. The valuation of Plan investments is determined as follows:

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Baxter International Inc. and Subsidiaries
Incentive Investment Plan
Notes to Financial Statements
December 31, 2002 and 2001

U.S. government and government
agency issues

Value based on the last reported
sale price from a national security

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	exchange on the valuation date
Corporate and other bonds	Value based on the last reported sale price from a national security exchange on the valuation date
Common stock:	
Traded on national exchanges	Value based on composite pricing of all national closing sales prices on the valuation date
Traded on over-the-counter market	Value based on last reported sale price defaulting to bid quotations
Commingled investments	Value based on closing prices of the underlying securities on the valuation date
Guaranteed Investment Contracts	Value based on contract value
Short term investments	Value based on cost which approximates fair value
Loan fund	Value based on cost which approximates fair value

Plan investment return includes dividend and interest income, gains and losses on sales of investments and unrealized appreciation or depreciation of investments. The financial statements reflect the net appreciation or depreciation in the fair value of the Plan's investments. This net appreciation or depreciation consists of realized gains and losses calculated as the difference between proceeds from a sales transaction and cost determined on a moving average basis, and unrealized gains and losses calculated as the change in the fair value between beginning of the year (or purchase date if later) and the end of the year.

The Plan's synthetic Guaranteed Investment Contracts are maintained under two contract accounts, which are credited monthly with earnings on the underlying investments and charged for Plan withdrawals and expenses. These contracts are fully benefit-responsive and are reported in the financial statements at contract value, which approximates fair value. Contract value represents contributions made under the contracts, plus earnings, less withdrawals and expenses. There are no reserves for credit risk of the contract issuer or otherwise. The Plan's two contracts, Baxter Global Wrap Account and Pacific Investment Management Company, utilize wrapper contracts issued by Aegon Institutional Markets and State Street Bank and Trust Company, respectively. The average yield was 4.1% and 5.2% and the average crediting interest rate was 6.2% and 6.4% for the investment contracts for 2002 and 2001, respectively. The crediting interest rates are based on an agreed-upon formula with the issuers, Aegon Institutional Markets and State Street Bank and Trust Company, which

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are reset quarterly and monthly, respectively. These crediting interest rates cannot be less than zero percent.

Benefits are recorded when paid.

Due from or due to brokers for securities sold or purchased, respectively, represent the cash value of security trades initiated but not yet settled at each respective year-end.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Changes in such estimates may affect amounts reported in future periods.

Risks and Uncertainties

The Plan provides for various investment options in any combination of registered investment entities, which invest in U.S. government and government agency issues, corporate and other bonds, common stock, commingled investments, guaranteed investment contracts, and short term investments. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits. Individual participants' accounts bear the risk of loss resulting from fluctuations in fund values.

3. Eligibility Requirements

Employees become eligible to participate in the Plan as of the first day of the month following the completion of thirty days of employment. Eligible employees are those who meet the following requirements:

1. U.S. employees of Baxter or its subsidiaries which have adopted the Plan.
2. U.S. employees not covered by a collective bargaining agreement unless the agreement provides for coverage under the Plan.
3. U.S. employees who are not leased employees.

4. Administration of the Plan

State Street Bank and Trust Company serves as trustee and CitiStreet LLC serves as record keeper for the Plan.

The Administrative Committee administers the Plan. The Investment Committee has authority, responsibility and control over the management of the assets of the Plan. Members of both committees are appointed by the Board of Directors of Baxter and are employees of Baxter.

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Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Notes to Financial Statements
 December 31, 2002 and 2001

Substantially all investment manager, trustee and administrative fees incurred in the administration of the Plan were paid from the assets of the Plan.

5. Investments

Investments representing five percent or more of the Plan's assets at December 31, 2002 and 2001 are summarized as follows:

	2002	2001
Baxter Common Stock, 4,888,861 shares and 4,217,818 shares at December 31, 2002 and 2001, respectively	\$ 136,888,099	\$ 226,202,673
S&P 500 Equity Index Fund	100,709,858	139,339,773
State Street Bank Short Term Investment Fund	130,797,797	97,379,594

Investments as of December 31, 2002 and 2001 are segregated into various investment funds as follows:

	2002	2001
Cash	\$ 592,183	\$ 581,218
Stable Income Fund	545,760,359	506,852,358
Baxter Common Stock Fund	139,150,080	231,083,106
Composite Fund	137,716,763	167,268,052
General Equity Fund	128,728,783	178,529,291
Cardinal Health Common Stock Fund	18,796,554	22,448,072
S&P 500 Equity Index Fund	100,709,858	139,339,773
International EAFE Equity Index Fund	16,777,373	19,461,724
Loan Fund	29,550,104	29,458,270
Edwards Lifesciences Common Stock Fund	10,329,552	12,402,950
Small Cap Fund	15,502,075	12,964,513
Self-Managed Fund	19,891,340	17,259,106
Total Investments	\$1,163,505,024 =====	\$1,337,648,433 =====

The fund amounts above include \$51,197,587 and \$45,581,294 of cash and cash equivalents at December 31, 2002 and 2001, respectively, which are awaiting investment in their respective portfolios. These amounts are included in the State Street Bank Short Term Investment Fund.

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Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Notes to Financial Statements
 December 31, 2002 and 2001

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Net (depreciation) appreciation for each respective year is comprised of:

	2002	2001
Baxter common stock unrealized (depreciation) appreciation, net	\$ (127,569,227)	\$ 10,247,204
Other unrealized depreciation, net	(86,370,403)	(42,323,977)
Baxter common stock realized gain, net	9,419,606	33,011,937
Other realized (loss) gain, net	(26,924,442)	4,880,647
	-----	-----
	\$ (231,444,466)	\$ 5,815,811
	=====	=====

Net (depreciation) appreciation in fair value for each significant class of investment, which includes realized and unrealized gains and losses, is as follows:

	2002	2001
U.S. government and government agency issues	\$ 1,621,062	\$ 427,347
Corporate and other bonds	974,799	388,249
Commingled investments	(41,013,978)	(28,492,957)
Common stock	(193,026,349)	33,493,172
	-----	-----
	\$ (231,444,466)	\$ 5,815,811
	=====	=====

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to reduce, suspend or discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become fully vested and such termination would not reduce the interest of any participating employee or their beneficiaries accrued under the Plan up to the date of such termination.

7. Tax Status of the Plan

The Internal Revenue Service has determined and informed the Plan sponsor by a letter dated May 4, 1999 that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (the "IRC"). The Plan has been amended since the date of the determination letter. The Plan sponsor believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

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Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Notes to Financial Statements
 December 31, 2002 and 2001

8. Related Parties

At December 31, 2002 and 2001, the Plan held units of participation in certain common/collective trust funds and short term investment funds of State Street Bank and Trust Company, the Plan trustee, shares of common stock of Baxter, the Plan sponsor, loans with participants, and shares of common stock and fixed income securities in CitiGroup Inc., CitiBank Mortgage Securities Inc., CitiBank Credit Card Issuance Trust, Travelers Property Casualty Corporation, and CitiBank Credit Card Master Trust I, which are all affiliated with CitiStreet LLC, the record keeper. These transactions are allowable party-in-interest transactions under the Employee Retirement Income Security Act of 1974 and the regulations promulgated thereunder.

9. Plan Merger

In March 2000, Baxter acquired Althin Medical, Inc. The Althin Medical, Inc. 401(k) Plan was merged into the Plan effective March 1, 2001. As a result of the merger, total assets of approximately \$11.8 million (including loans) were transferred into the Plan.

In May 2002, Baxter acquired Fusion Medical Technologies, Inc. The Fusion Medical Technologies, Inc. 401(k) Plan was merged into the Plan effective September 2002. As a result of the merger, total assets of approximately \$1.3 million were transferred into the Plan.

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Exhibit I

Baxter International Inc. and Subsidiaries
 Incentive Investment Plan
 Schedule of Assets (Held at End of Year) at December 31, 2002
 (Schedule H, Part IV, Line 41 on Form 5500)

Identity of Issue	Description of Investment	Cost of Asset
Cash & Cash Equivalents:		
* State Street Bank & Trust Co.	Short Term Investment Fund	-
Common Stocks:		
1 800 Contacts Inc	Common Stock	-
3Com Corp	Common Stock	-
3DO Company	Common Stock	-
Abbot Laboratories	Common Stock	-
Aberdeen Asia Pacific Income	Common Stock	-
Adams Express Company	Common Stock	-

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ADC Telecommunications Inc	Common Stock	-
Adobe Sys Inc	Common Stock	-
Advanced Micro Devices Inc	Common Stock	-
Advancepcs Nfs LLC	Common Stock	-
Aeroflex Inc	Common Stock	-
Aetna Inc	Common Stock	-
Affymetrix Inc	Common Stock	-
Aflac Inc	Common Stock	-
Agere Sys Inc	Common Stock	-
Aim Select Real Estate Income	Common Stock	-
Aksys LTD	Common Stock	-
Alaris Medical Inc	Common Stock	-
Alaska Air Group Inc	Common Stock	-
Albemarle Corp	Common Stock	-
Alliance Pharmaceutical Co	Common Stock	-
Allou Hlth & Beauty Care Inc	Common Stock	-
Alternative Living Services	Common Stock	-
Altria Group Inc	Common Stock	-
Ambac Finl Group Inc	Common Stock	-
Ambassadors Group Inc	Common Stock	-
Amdocs Limited	Common Stock	-
American Capital Strategies	Common Stock	-
American Elec Pwr Inc	Common Stock	-
American Express Co	Common Stock	-
American Intl Group Inc	Common Stock	-
Amerigon Inc	Common Stock	-
Ameritrade Hldg Corp	Common Stock	-
Amgen Inc	Common Stock	-
Amylin Pharm Inc	Common Stock	-
Andrea Electronics Corp	Common Stock	-
Anheuser Busch Cos	Common Stock	-
AOL Time Warner Inc	Common Stock	-
Aon Corp	Common Stock	-
APAC Teleservices Inc	Common Stock	-
Apollo Group Inc	Common Stock	-
Apple Computer Inc	Common Stock	-
Applera Corp	Common Stock	-
Applied Digital Solutions Inc	Common Stock	-
Applied Imaging Corp	Common Stock	-
Applied Innovation Inc	Common Stock	-
Applied Materials Inc	Common Stock	-
Applied Micro Circuits Corp	Common Stock	-
Aquila Inc	Common Stock	-
Archer Daniels Midland	Common Stock	-
Ariba Inc	Common Stock	-
Arm Holdings Plc	Common Stock	-
Arrow Finl Corp	Common Stock	-
Arrow Electronics Inc	Common Stock	-
Artemis Intl Solutions Corp	Common Stock	-
Asia Pulp & Paper Co Ltd	Common Stock	-
Astropower Inc	Common Stock	-
AT&T Corp	Common Stock	-
AT&T Wireless Svcs Inc	Common Stock	-
Atlas Pipeline Partners	Common Stock	-
Atmel Corp	Common Stock	-
ATSI Communications Inc	Common Stock	-
ATX Communications Inc	Common Stock	-
Audiocodes Ltd	Common Stock	-
Avantgo Inc Com	Common Stock	-
Avaya Inc	Common Stock	-
Avnet Inc	Common Stock	-
Avon Prods Inc	Common Stock	-

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Backweb Technologies Ltd	Common Stock	-
Baker Huges Inc	Common Stock	-
Ballard Pwr Sys Inc	Common Stock	-
Bank Amer Corp	Common Stock	-
Bank One Corp	Common Stock	-
* Baxter Intl Inc	Common Stock	-
Bea Systems Inc	Common Stock	-
Bed Bath & Beyond Inc	Common Stock	-
Bema Gold Corp	Common Stock	-
Berkshire Hathaway Inc	Common Stock	-
Berkshire Hills Bancorp Inc	Common Stock	-
Best Buy Inc	Common Stock	-
Beverly Enterprises Inc	Common Stock	-
Beyond Corp	Common Stock	-
Big Lots Inc	Common Stock	-
Biolase Tech Inc	Common Stock	-
Biomerica Inc	Common Stock	-
Biomet Inc	Common Stock	-
Biospecifics Techs Corp	Common Stock	-
Bisys Group Inc	Common Stock	-
Black Box Corp	Common Stock	-
Block H&R Inc	Common Stock	-
Blue Martini Software Inc	Common Stock	-
Boeing Co	Common Stock	-
Bonso Electrs Intl Com	Common Stock	-
Boston Biomedica Inc	Common Stock	-
Boston Scientific Corp	Common Stock	-
Boyd Gaming Corp	Common Stock	-
BP Amoco	Common Stock	-
Bradley Pharmacetls Inc	Common Stock	-
Bristol Myers Squibb Co	Common Stock	-
Britesmile Inc	Common Stock	-
Broadcom Corp	Common Stock	-
Broadvision Inc	Common Stock	-
Brocade Communications Sy	Common Stock	-
Brown Shoe Inc	Common Stock	-
Brown Tom Inc Com	Common Stock	-
Burlington Northn Santa Fe	Common Stock	-
Cable & Wireless PLC	Common Stock	-
California Amplifier	Common Stock	-
Caliper Technologies Corp	Common Stock	-
Calpine Corp	Common Stock	-
Cambior Inc	Common Stock	-
Canadian 88 Energy Corp	Common Stock	-
Candies Inc	Common Stock	-
Capstone Turbine Corp	Common Stock	-
Cardiac Science Inc	Common Stock	-
Cardinal Health Inc	Common Stock	-
Caremark Rx Inc	Common Stock	-
Carereker Antinori Inc	Common Stock	-
CDW Computer Ctrs	Common Stock	-
Cell Genesys Inc Com	Common Stock	-
Cendant Corp	Common Stock	-
Central Parking Corp	Common Stock	-
Centurytel Inc	Common Stock	-
Cerus Corp	Common Stock	-
Charter Comm Inc	Common Stock	-
Chattem Inc	Common Stock	-
Check Point Software Ltd	Common Stock	-
Chevrontexaco Corp	Common Stock	-
Chicos Fas Inc	Common Stock	-
Chubb Corp	Common Stock	-

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Ciena Corp	Common Stock	-
Ciphergen Biosystems Inc	Common Stock	-
Circuit City Stores Inc	Common Stock	-
Cisco Sys Inc	Common Stock	-
* Citigroup Inc	Common Stock	-
Citizens Communications Co	Common Stock	-
Clarent Corp	Common Stock	-
Clear Channel Communications	Common Stock	-
CMG Information Svcs Inc	Common Stock	-
CMS Energy Corp	Common Stock	-
Coach Inc	Common Stock	-
Coco Cola Co	Common Stock	-
Cognizant Tech Solutions Co	Common Stock	-
Colgate Palmolive Co	Common Stock	-
Colorado Medtech Inc	Common Stock	-
Comcast Corp	Common Stock	-
Comdisco Hldg Co Inc	Common Stock	-
Commerce One Inc	Common Stock	-
Commtouch Software Ltd	Common Stock	-
Compass Bancshares Inc	Common Stock	-
Conagra Inc	Common Stock	-
Concord Efs Inc	Common Stock	-
Conexant Sys Inc	Common Stock	-
Conocophillips	Common Stock	-
Conseco Inc	Common Stock	-
Consolidated Tomoka Ld Co	Common Stock	-
Continental Aircls Inc	Common Stock	-
Convergys Corp	Common Stock	-
Cooper Tire & Rubr Co	Common Stock	-
Corinthian Colleges Inc	Common Stock	-
Corning Inc	Common Stock	-
Corvis Corp	Common Stock	-
Countrywide Finl Corp	Common Stock	-
Covad Communications Group	Common Stock	-
Creative Host Services Inc	Common Stock	-
Crown Cork & Seal Inc	Common Stock	-
CSX Corp	Common Stock	-
Cyber-Care Inc	Common Stock	-
Cygnus Inc	Common Stock	-
Cymer Inc	Common Stock	-
Cytogen Corp	Common Stock	-
Cytec Corp	Common Stock	-
Daimlerchrysler	Common Stock	-
Dan River Inc	Common Stock	-
Dana Corp	Common Stock	-
Data Race Inc	Common Stock	-
Data Stream Systems Inc	Common Stock	-
Deere & Company	Common Stock	-
Dell Computer Corp	Common Stock	-
Delphi Automotive Systems	Common Stock	-
Deluxe Corp	Common Stock	-
Denbury Res Inc	Common Stock	-
Diamonds Trust	Common Stock	-
Digi Intl Inc	Common Stock	-
Digital Angel Corp	Common Stock	-
Digital Lightwave Inc	Common Stock	-
Dillard Inc	Common Stock	-
Diomed Hldgs Inc	Common Stock	-
Disney Walt Co	Common Stock	-
Divine Inc	Common Stock	-
Dollar Thrifty Automotive	Common Stock	-
Dollar Gen Corp	Common Stock	-

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Dot Hill Sys Corp	Common Stock	-
Dow Chem Co	Common Stock	-
Ducommun Inc	Common Stock	-
Duke Energy Co	Common Stock	-
Dupont E I De Nemours & Co	Common Stock	-
Durban Roodeport Deep	Common Stock	-
Dynegy Inc Hldg Co	Common Stock	-
E Loan Inc	Common Stock	-
E M C Corp Mass	Common Stock	-
E. Piphany Inc	Common Stock	-
Eastman Chem Co	Common Stock	-
Eastman Kodak Co	Common Stock	-
Eaton Corp	Common Stock	-
EB2B Commerce Inc	Common Stock	-
Echostar Communications	Common Stock	-
Edge Pete Corp	Common Stock	-
Edwards Lifesciences Corp	Common Stock	-
El Paso Corp	Common Stock	-
Elan Corp PLC	Common Stock	-
Electronic Data Sys Corp	Common Stock	-
Emulex Corp	Common Stock	-
Enbridge Inc	Common Stock	-
Energizer Hldgs Inc	Common Stock	-
Engelhard Corp	Common Stock	-
Eno Labs Inc	Common Stock	-
Enpro Inds Inc	Common Stock	-
Enron Corp	Common Stock	-
Entravision Communications	Common Stock	-
Epicor Software Corp	Common Stock	-
Epimmune Inc	Common Stock	-
Equifax Inc	Common Stock	-
Ericsson L M Tel Co	Common Stock	-
Estee Lauder Companies Inc	Common Stock	-
Exxon Mobil Corp	Common Stock	-
F A O Inc	Common Stock	-
Fairmont Hotels Resort Inc	Common Stock	-
Fannie Mae	Common Stock	-
Federal Home Ln Mtg Corp	Common Stock	-
Federal Natl Mtg Assn	Common Stock	-
Federated Dept Stores Inc	Common Stock	-
Fedex Corp	Common Stock	-
Fifth Third Bancorp	Common Stock	-
Filenet Corp	Common Stock	-
Finisar Corp	Common Stock	-
First Data Corp	Common Stock	-
Fleetboston Finl Corp	Common Stock	-
Flir Sys Inc	Common Stock	-
Food Technology Svcs Inc	Common Stock	-
Ford Mtr Co	Common Stock	-
Forest Laboratories Inc	Common Stock	-
Fortune Brands Inc	Common Stock	-
Foster Wheeler Ltd	Common Stock	-
Freddie Mac	Common Stock	-
Fresenius Medical Care Ag	Common Stock	-
Fresh Del Monte Produce In	Common Stock	-
Gallagher Arthur J & Co	Common Stock	-
Gannett Inc	Common Stock	-
Garmin Ltd	Common Stock	-
Gateway Inc	Common Stock	-
Gemstar TV Guide Intl Inc	Common Stock	-
Genentech Inc	Common Stock	-
General Elec Co	Common Stock	-

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General Mills Inc	Common Stock	-
General Motors Corp	Common Stock	-
Genesis Microchip Inc	Common Stock	-
Genstar Therapeutics Corp	Common Stock	-
Genuine Parts Co	Common Stock	-
Georgia Pac Corp	Common Stock	-
Getty Images Inc	Common Stock	-
Glead Sciences Inc	Common Stock	-
Global Crossing Ltd	Common Stock	-
Glodcorp Inc	Common Stock	-
Goldman Sachs Group Inc	Common Stock	-
Golden West Finl Corp	Common Stock	-
Goodrich B F Co	Common Stock	-
Goodyear Tire and Rubber	Common Stock	-
Guidant Corp	Common Stock	-
Guilford Pharmaceutical Inc	Common Stock	-
H & Q Life Science Invs Sh Be	Common Stock	-
Haemonetics Corp Mass	Common Stock	-
Halliburton Co	Common Stock	-
Handspring Inc	Common Stock	-
Harley Davidson Inc	Common Stock	-
Hasbro Inc	Common Stock	-
Headwaters Inc	Common Stock	-
Henry Jack & Assoc Inc	Common Stock	-
Healthtronics Inc	Common Stock	-
Hemosol Inc	Common Stock	-
Hewlett Packard Co	Common Stock	-
Hibernia Foods	Common Stock	-
Home Depot Inc	Common Stock	-
Honeywell Intl Inc	Common Stock	-
Household Intl Inc	Common Stock	-
Human Genome Sciences Inc	Common Stock	-
I2 Tech Inc	Common Stock	-
Idec Pharmaceuticals Corp	Common Stock	-
Identix Inc	Common Stock	-
Ikon Office Solutions Inc	Common Stock	-
Imax Corp	Common Stock	-
Imclone Sys Inc	Common Stock	-
Immucor Inc	Common Stock	-
Immunogen Inc	Common Stock	-
Immunomedics Inc	Common Stock	-
Impco Technologies Inc	Common Stock	-
Implant Sciences Corp	Common Stock	-
Ims Health Inc	Common Stock	-
Infospace Inc Com	Common Stock	-
Ingram Micro Inc	Common Stock	-
Inktomi Corporation	Common Stock	-
Innodata Corp	Common Stock	-
Integrated Circuit System Inc	Common Stock	-
Integrated Device Tech Inc	Common Stock	-
Intel Corp	Common Stock	-
Interliant Inc	Common Stock	-
International Business Machs	Common Stock	-
Internet Cap Group Inc	Common Stock	-
Internet Commerce Corp	Common Stock	-
Interpublic Group Cos Inc	Common Stock	-
Intrado Inc	Common Stock	-
Invision Tech Inc.	Common Stock	-
Ion Networks Inc	Common Stock	-
Iridex Corp	Common Stock	-
Ishares Inc Msci Australia In	Common Stock	-
Ishares Inc Msci Pacific Ex Ja	Common Stock	-

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Ishares Inc Msci Singapore In	Common Stock	-
Ishares Tr Dow Jones U S Finl	Common Stock	-
Ishares Tr Dow Jones U S He	Common Stock	-
Ishares Tr Dow Jones U S Tel	Common Stock	-
Ishares Tr Goldman Sachs S	Common Stock	-
Ishares Tr Nasdaq Biotechn	Common Stock	-
Ishares Tr S&P 500 Index Fd	Common Stock	-
Ishares Tr S&P Euro Plus 350	Common Stock	-
Ishares Tr S&P Smallcap	Common Stock	-
Ishares Tr S&P/Topix 150 Index	Common Stock	-
ITT Inds Inc	Common Stock	-
Ivax Corp	Common Stock	-
J P Morgan Chase & Co	Common Stock	-
Jabil Circuit Inc	Common Stock	-
JDS Uniphase Corp	Common Stock	-
JNI Corp	Common Stock	-
Johnson & Johnson	Common Stock	-
JS Global Comm Inc	Common Stock	-
Juniper Networks Inc	Common Stock	-
K Mart Corp	Common Stock	-
KCS Energy Inc	Common Stock	-
Key3Media Group Inc	Common Stock	-
Kimberly Clark Corp	Common Stock	-
Kla-Tencor Corp	Common Stock	-
Knight Trading Group Inc	Common Stock	-
Koala Corp	Common Stock	-
Kohls Corp	Common Stock	-
Kraft Foods Inc	Common Stock	-
Kroger Co	Common Stock	-
Krsipy Kreme Doughnuts Inc	Common Stock	-
Laboratory Corp Amer Hldg	Common Stock	-
Lajolla Pharmaceutical Co	Common Stock	-
Lancaster Colony Corp	Common Stock	-
Leap Wireless Intl Inc	Common Stock	-
Leapfrog Enterprises Inc	Common Stock	-
Lear Corp	Common Stock	-
Lehman Brothers Hldgs Inc	Common Stock	-
Lennar Corp	Common Stock	-
Liberate Techs Inc	Common Stock	-
Liberty Media Corp	Common Stock	-
Lifecell Corp	Common Stock	-
Lightpath Tech Inc	Common Stock	-
Lilly Eli & Co	Common Stock	-
Linear Technology Corp	Common Stock	-
Linuxwizardry Sys Inc	Common Stock	-
Lockheed Martin Corp	Common Stock	-
London Pac Group Ltd	Common Stock	-
Lowe's Companies	Common Stock	-
LSI Logic Corp	Common Stock	-
Lubrizol Corp	Common Stock	-
Luby's Cafeterias Inc	Common Stock	-
Lucent Tech Inc	Common Stock	-
Lyondell Chemical Co	Common Stock	-
Main St & Main Inc	Common Stock	-
Marathon Oil Corp	Common Stock	-
Marconi Plc Spons Adr	Common Stock	-
Maxim Integrated Prods Inc	Common Stock	-
May Dept Stores Co	Common Stock	-
MBIA Inc	Common Stock	-
MBNA Corp	Common Stock	-
McData Corp	Common Stock	-
McDonalds Corp	Common Stock	-

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Meadwestvaco Corp	Common Stock	-
Medifast Inc	Common Stock	-
Medimmune Inc	Common Stock	-
Medtronic Inc	Common Stock	-
Mercator Software Inc	Common Stock	-
Merck & Co Inc	Common Stock	-
Mercury Interactive Corp	Common Stock	-
Meridian Gold Inc	Common Stock	-
Merrill Lynch & Co Inc	Common Stock	-
Metlife Inc	Common Stock	-
Metris Companies Inc	Common Stock	-
Metro Goldwyn Mayer Inc	Common Stock	-
Metromedia Fiber Network Inc	Common Stock	-
Michaels Stores Inc	Common Stock	-
Micromuse Inc	Common Stock	-
Microsoft Corp	Common Stock	-
Microstrategy Inc	Common Stock	-
Millennium Chemicals Inc	Common Stock	-
Mirant Corp Nfs LLC	Common Stock	-
Monsanto Co	Common Stock	-
Monterey Pasta Co	Common Stock	-
Morgan St Dean Witter Disco	Common Stock	-
Morgan Stanley	Common Stock	-
Motorola Inc	Common Stock	-
Mpower Holding Corp	Common Stock	-
Murphy Oil Corp	Common Stock	-
Mylan Labs Inc	Common Stock	-
Myriad Genetics Inc	Common Stock	-
N V R Inc	Common Stock	-
Nabi Biopharmaceuticals	Common Stock	-
Nabors Industries Ltd	Common Stock	-
Nanophase Tech Corp	Common Stock	-
Nasdaq 100 Tr Unit Ser 1	Common Stock	-
National City Corp	Common Stock	-
Neoforma Inc Com	Common Stock	-
Neoware Systems Inc	Common Stock	-
Network Appliance Corp	Common Stock	-
New Millennium Media Co	Common Stock	-
Newell Rubbermaid Inc	Common Stock	-
Newmone Mng Corp	Common Stock	-
Nextel Comm Inc	Common Stock	-
Nokia Corp	Common Stock	-
Nordic American Tanker Ship	Common Stock	-
Norfolk Southn Corp	Common Stock	-
Nortel Networks Corp	Common Stock	-
Northfield Laboratories Inc	Common Stock	-
Northrop Grumman Corp	Common Stock	-
Novartis Ag	Common Stock	-
Novell Inc	Common Stock	-
Nuance Communication	Common Stock	-
Nvidia Corp	Common Stock	-
O Charleys Inc	Common Stock	-
O Reilly Automotive Inc	Common Stock	-
Occidental Petroleum Corp	Common Stock	-
OM Group Inc	Common Stock	-
Omnicare Inc	Common Stock	-
On Technology Corp	Common Stock	-
Opentv Corp	Common Stock	-
Option Care	Common Stock	-
Oracle Corporation	Common Stock	-
Owens Ill Inc	Common Stock	-
P&O Princess Cruis Es Plc	Common Stock	-

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Pacific Sunwear Calif Inc	Common Stock	-
Pacificare Health Systems	Common Stock	-
Palm Inc	Common Stock	-
Paradyne Networks Inc	Common Stock	-
Parametric Tech Corp	Common Stock	-
Parker Drilling Co	Common Stock	-
Paychex Inc	Common Stock	-
PDI Inc	Common Stock	-
Penn Treaty Amern Cp	Common Stock	-
Peoplesoft Inc	Common Stock	-
Peregrine Sys Inc	Common Stock	-
Petroleo Brasileiro Sa Petr	Common Stock	-
Petsmart Inc	Common Stock	-
PF Changs China Bistro Inc	Common Stock	-
Pfizer Inc	Common Stock	-
Pharmaceutical Holdrs Trus	Common Stock	-
Pharmaceutical Product De	Common Stock	-
Pharmacia Corp	Common Stock	-
Philip Morris Cos Inc	Common Stock	-
Pixar Inc	Common Stock	-
PLC Sys Inc	Common Stock	-
PMC-Sierra Inc	Common Stock	-
Portal Software Inc	Common Stock	-
Powerwave Tech Inc	Common Stock	-
PPL Corp	Common Stock	-
Praecis Pharmaceuticals Inc	Common Stock	-
Praxair Inc	Common Stock	-
Priceline.com Inc	Common Stock	-
Principal Financial Group	Common Stock	-
Procter & Gamble Co	Common Stock	-
Progressive Corp Ohio	Common Stock	-
Protein Design	Common Stock	-
Providian Finl Corp	Common Stock	-
Proxim Corp	Common Stock	-
Purchasepro Com Inc	Common Stock	-
QLogic Corp	Common Stock	-
Qualcomm Inc	Common Stock	-
Quantum Corp	Common Stock	-
Quest Diagnostics Inc	Common Stock	-
Qwest Communications Intl Inc	Common Stock	-
Racing Champions Corp	Common Stock	-
Radioshack Corp	Common Stock	-
Rainbow Technologies Inc	Common Stock	-
Rambus Inc	Common Stock	-
Rare Medium Group Inc	Common Stock	-
Rational Software CP Com	Common Stock	-
Redback Networks Inc	Common Stock	-
Rent A Center Inc	Common Stock	-
Repeater Technologies Inc	Common Stock	-
Republic SVCS Inc	Common Stock	-
Return Assured Inc Com	Common Stock	-
RF Micro Devices Inc	Common Stock	-
Rite Aid Corp	Common Stock	-
Rockwell Intl Corp	Common Stock	-
Ross Stores Inc	Common Stock	-
RSA Security Inc	Common Stock	-
S&P 500 Depository Receipt	Common Stock	-
S&P Mid Cap 400 Dep Rcpts Mi	Common Stock	-
SABA Software Inc	Common Stock	-
Safeway Inc	Common Stock	-
Sandisk Corp	Common Stock	-
Sanmina Corp	Common Stock	-

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Savvis Commun Corp	Common Stock	-
SBC Communications	Common Stock	-
Scansoft Inc	Common Stock	-
Schering Plough Corp	Common Stock	-
Schwab Charles Corp	Common Stock	-
Scientific Atlanta	Common Stock	-
SCP Pool Corp	Common Stock	-
Seagate Technology Holdin	Common Stock	-
Sears Roebuck & Co	Common Stock	-
Seitel Inc Com	Common Stock	-
Seracare Life Sciences Inc	Common Stock	-
Serena Software Inc	Common Stock	-
Shesapeake Energy Corp	Common Stock	-
Sicor Inc	Common Stock	-
Siebel Systems Inc	Common Stock	-
Signa Corp	Common Stock	-
Silicon Storage Tech Inc	Common Stock	-
Silicon VY Bancshrs	Common Stock	-
Sirius Satellite Radio Inc	Common Stock	-
Sketchers USA Inc	Common Stock	-
Skyworks Solutions Inc	Common Stock	-
Smurfit Stone Container Corp	Common Stock	-
Socket Comm Inc	Common Stock	-
Solectron Corp	Common Stock	-
Sonicblue Inc	Common Stock	-
Sonus Networks Inc	Common Stock	-
Southwest Airlns Co	Common Stock	-
Spectranetics Corp	Common Stock	-
Spectrum Pharmaceuticals Inc	Common Stock	-
Sprint Corp	Common Stock	-
SPX Corp	Common Stock	-
* State Street Corp	Common Stock	-
Stemcells Inc	Common Stock	-
Stocker And Yale Inc	Common Stock	-
Storagenetworks Inc	Common Stock	-
Stratos Lightwave Inc	Common Stock	-
Stryker Corp	Common Stock	-
Sumcker J M Co	Common Stock	-
Sun Microsystems Inc	Common Stock	-
Suncor Energy Inc	Common Stock	-
Surebeam Corp	Common Stock	-
Sycamore Networks Inc	Common Stock	-
Symantec Corp	Common Stock	-
Syncor Intel Corp	Common Stock	-
Taiwan Semicndctr Mfg Co Ltd	Common Stock	-
Talbots Inc	Common Stock	-
Target Corp	Common Stock	-
Targeted Genetics Corp	Common Stock	-
Tech Data Corp	Common Stock	-
Technitrol Inc	Common Stock	-
Telephone & Data Sys Inc	Common Stock	-
Tellabs Inc	Common Stock	-
Tellium Inc	Common Stock	-
Temple Inland	Common Stock	-
Tenet Healthcare Corp	Common Stock	-
Terayon Comm Sys	Common Stock	-
Texas Biotech Corp	Common Stock	-
Texas Instruments Inc	Common Stock	-
Textron Inc	Common Stock	-
Therma-Wave Inc	Common Stock	-
Thermo Electon Corp	Common Stock	-
Thor Inds Inc	Common Stock	-

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Tioga Technologies Ltd	Common Stock	-
Torchmark Inc	Common Stock	-
Tractor Supply Co	Common Stock	-
Transwitch Corp	Common Stock	-
* Travelers Pty Cas Corp	Common Stock	-
Triad Hosps Inc	Common Stock	-
Trimedyn Inc	Common Stock	-
Triquint Semiconductor Inc	Common Stock	-
TXU Corp	Common Stock	-
Tyco Intl Ltd	Common Stock	-
UAL Corp	Common Stock	-
United Defense Industries Inc	Common Stock	-
United Health Group Inc	Common Stock	-
United Online Inc	Common Stock	-
US Bancorp	Common Stock	-
Utstarcom Inc	Common Stock	-
V F Corp	Common Stock	-
V I Technologies Inc	Common Stock	-
Valero Energy Corp	Common Stock	-
Varian Inc	Common Stock	-
Verisign Inc	Common Stock	-
Veritas Dgc Inc	Common Stock	-
Verizon Communications	Common Stock	-
Vermont Pure Holding S Ltd	Common Stock	-
Verticalnet Inc	Common Stock	-
Viacom Inc	Common Stock	-
Vintage Pete Inc	Common Stock	-
Viragen Inc	Common Stock	-
Viryanet Ltd Shs	Common Stock	-
Vitesse Semiconductr Corp	Common Stock	-
Vitria Tech Inc	Common Stock	-
Vodafone Group PLC	Common Stock	-
Vsource Inc	Common Stock	-
Wachovia Corp	Common Stock	-
Wal Mart Stores Inc	Common Stock	-
Walgreen Co	Common Stock	-
Washington Mutual Inc	Common Stock	-
Waste Management Inc	Common Stock	-
Watson Pharmaceuticals Inc	Common Stock	-
Weatherford Bermuda	Common Stock	-
Wellpoint Health Networks Inc	Common Stock	-
Wendys Intl Inc	Common Stock	-
Westell Technologies Inc	Common Stock	-
Western Digital Corp	Common Stock	-
Whirlpool Corp	Common Stock	-
Wild Oats Markets Inc	Common Stock	-
Williams Sonoma Inc	Common Stock	-
Wisconsin Energy Corp	Common Stock	-
Worldcom Inc	Common Stock	-
Wrigley WM JR Co	Common Stock	-
Wyeth	Common Stock	-
Wyndham Intl	Common Stock	-
Xerox Corp	Common Stock	-
Xilinx Inc	Common Stock	-
XM Satellite Radio Hldgs Inc	Common Stock	-
Xoma Ltd	Common Stock	-
XTO Energy Inc	Common Stock	-
Yahoo Inc	Common Stock	-
Youthstream Media Network	Common Stock	-
Zimmer Hldgs Inc	Common Stock	-
Zomax Optical Media Inc	Common Stock	-

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Fixed Income Securities:

Alberta Energy Pfd 9.50% 09/30	Fixed Income	-
Anheuser Busch Cos Inc	Deb 6.800 08/20/2032	-
Anthem Inc	NT 2012 6.800 08/01/2012	-
Bank Amer Corp	SR NT 3.875 01/15/2008	-
Bank New York Inc	SR Hldg Co NT 5.200 07/01/2007	-
Boeing Cap Corp	SR NT 5.650 05/15/2006	-
CIA Paranaense De Energia S	Fixed Income	-
* Citigroup Inc	Global SR NT 5.750 05/10/2006	-
Coca Cola Enterprises Inc	Deb 6.90 11/15/2026	-
Columbia/HCA Healthcare Corp	7.190 11/15/2015	-
Commercial Mtg Accep Corp	C2 Cl A 2 6.030 09/15/2030	-
Community Program Ln Tr 1987 A	A Cl Ser 87 A 4 4.500 10/01/2018	-
Conocophillips	NT 144A 4.750 10/15/2012	-
Constellation Energy Group Inc	SR NT 6.125 09/01/2009	-
Continental Aircls	Past Thru Ctf Ser 6.90 01/02/2018	-
Continental Aircls Pass Thru	Ser 1998 1 Cl A 6.648 03/15/2019	-
Countrywide Fdg Corp Mtn	Tranche Tr 00244 5.250 06/15/2004	-
Credit Suisse First Boston USA	NT 6.125 11/15/2011	-
Devon Fing Corp U L C	Deb 7.875 09/30/2031	-
Dominion Res Inc Del	NT 5.700 09/17/2012	-
Dow Chem Co	NT 6.000 10/01/2012	-
Duke Energy Co	SR NT 6.250 01/15/2012	-
Duke Realty Invest Co	Fixed Income Securities	-
Enron Cap Res L P PFD Ser A 9	Fixed Income	-
Erac USA Fin Co	Gtd NT 144A 7.350 06/15/2008	-
Fed Hm Ln Pc	7.000 12/01/2031	-
Fed Hm Ln Pc	6.500 10/01/2016	-
Fed Hm Ln Pc C48590	6.500 03/01/2031	-
Fed Hm Ln Pc C48827	6.000 03/01/2031	-
Federal Home Ln Mtg Corp	Deb 4.875 03/15/2007	-
Federal Home Ln Mtg Corp	5.125 07/15/2012	-
Federal Natl Mtg Assn	Benchmark NT 5.250 01/15/2009	-
Federal Natl Mtg Assn	7.250 01/15/2010	-
Federal Natl Mtg Assn	5.250 06/15/2006	-
FNBC 1993 A Pass Thru Tr	Pass Thru Ctf Ser 8.080 01/05/2018	-
FNMA Pool	253794 6.500 05/01/2031	-
FNMA Pool	323887 6.000 12/01/2013	-
FNMA Pool	415728 6.000 04/01/2028	-
FNMA Pool	440830 6.500 10/01/2028	-
FNMA Pool	535200 7.000 03/01/2015	-
FNMA Pool	580832 6.500 05/01/2031	-
FNMA Pool	581043 6.000 05/01/2016	-
FNMA Pool	6.500 09/01/2031	-
FNMA Pool	6.000 12/01/2016	-
FNMA Pool	6.500 12/01/2031	-
FNMA Pool	6.000 01/01/2032	-
FNMA Pool	6.000 05/01/2017	-
Ford Cr Auto Owner Tr	B Cl A4 5.120 10/15/2004	-
Ford Cr Auto Owner Tr	NT Cl B 4.790 11/15/2006	-
Ford Mtr Cr Co	Global Landmark 6.875 02/01/2006	-
Ford Mtr Cr Co	Global Landmark 7.250 10/25/2011	-
General Elec Cap Corp Mtn	Tranche 6.750 03/15/2032	-
General Elec Cap Corp Mtn	Tranche 5.40 01/15/2013	-
General Mtrs Accep Corp	NT 6.875 09/15/2011	-
GMAC Coml Mtg Sec Inc	Mtg Pass 6.420 05/15/2035	-
GNMA Pool	003095 6.500 06/20/2031	-

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GNMA Pool	781216 6.500 12/15/2030	-
Healthcare Rlty Tr	Fixed Income Securities	-
International Business Machs	NT 4.250 09/15/2009	-
LB Coml Conduit Mtg Tr	Mtg Passthru 6.780 06/15/2031	-
Lehman Bros Hldg	7.000 02/01/2008	-
Merrill Lynch Mtg Invs Inc	6.220 02/15/2030	-
Midamerica Energy Hldgs Co	SR NT 2012 144A 5.875 10/01/2012	-
Mirant Americas Generation LLC	SR NT 8.300 05/01/2011	-
Mirant Americas Generation LLC	SR NT 7.200 10/01/2008	-
Motorola Inc	NT 5.800 10/15/2008	-
National RuralUtils Coop Fin	Global NT 5.750 08/28/2009	-
Nova Chem Corp 9.50% 12/31	Fixed Income	-
Pemex Proj Fdg Master Tr	Tranche Tr 00005 8.000 11/15/2011	-
Petrleos Mexicanos Medium Term	Tranche Tr 00003 8.625 12/01/2023	-
Pioneer Nat Res Co	SR NT 6.500 01/15/2008	-
Raytheon Co	Deb 6.400 12/15/2018	-
SBC Communications Inc	Global NT 5.875 08/15/2012	-
Shurgard Storage Ctr Inc C	Fixed Income Securities	-
Southwestern Pub SVC Co	NT Dtd 5.125 11/01/2006	-
Sovran Self Storage Inc	Fixed Income Securities	-
Sprint Cap Corp	NT 7.900 03/15/2005	-
Texaco Cap Inc	GTDNT 7.90 02/01/2007	-
Transocean Sedco Forex Inc	NT 7.500 04/15/2031	-
United Mexican STS Mtn	Tranche 7.500 01/14/2012	-
United States Treas Nts	3.000 07/15/2012	-
Viacom Inc	SR Deb 7.875 07/30/2030	-

-

Baxter Global Wrap Account

Cash & Cash Equivalents:

* State Street Bank & Trust Co.	Short Term Investment Fund	-
United States Treas Bills	0.010 01/09/2003	-
United States Treas Bills	0.010 01/16/2003	-
United States Treas Bills	0.010 02/13/2003	-
United States Treas Bills	0.010 01/09/2003	-
United States Treas Bills	0.010 01/16/2003	-
United States Treas Bills	0.010 02/13/2003	-

Fixed Income Securities:

Abbey Natl PLC	Deb 7.950 10/26/2029	-
Abbott Labs	NT 5.625 07/01/2006	-
Abitibi Consolidated Inc	Deb 8.850 08/01/2030	-
Advanta Mtg Ln Tr	Ctf Cl A 4 7.750 10/25/2026	-
Ahold Fin USA Inc	NT 6.875 05/01/2029	-
Alcoa Inc	NT 2007 4.250 08/15/2007	-
Allied Waste North Amer Inc	SR NT 7.375 01/01/2004	-
Allied Waste North Amer Inc	SR NT 7.625 01/01/2006	-
Allstate Corp	SR NT 6.125 12/15/2032	-
AMB Pty L P	2008 NT 7.100 06/30/2008	-
Amerada Hess Corp	NT 6.650 08/15/2011	-
American Express Master Tr	Accts Receiv. Tr Ct 5.90 04/15/2004	-
American Gen Fin Corp Mtn	Tranche Tr 00385 4.500 11/15/2007	-
American Std Inc	Shelf 2 7.375 02/01/2008	-
Americsourcebergen Corp	SR NT 8.125 09/01/2008	-
Amvescap PLC	SR NT 6.600 05/15/2005	-
Amvescap PLC	SR NT 5.900 01/15/2007	-

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Anadarko Pete Corp	SR NT 5.375 03/01/2007	-
Anadarko Pete Corp	SR NT 5.000 10/01/2012	-
Anthem Inc	NT 2005 4.875 08/01/2005	-
Anthem Inc	NT 2012 6.800 08/01/2012	-
AOL Time Warner Inc	6.150 05/01/2007	-
Aramark Svcs inc	GTD NT 7.000 07/15/2006	-
Aramark Svcs inc	NT 7.000 05/01/2007	-
Archer Daniels Midland Co	SR Nts 5.935 10/01/2032	-
Archstone Smith Oper Tr	NT 6.500 02/15/2012	-
Archstone Smith Tr	SR NT 5.000 08/15/2007	-
Asset Bkd Secs Corp Hm Eq Ln	2001 He 2 Cl A1 1.000 06/15/2031	-
Associates Corp North Amer	SR NT 6.250 11/01/2008	-
AT&T Broadband Corp	NT 8.375 03/15/2013	-
AT&T Corp	USD SR NT 1.000 11/15/2011	-
AT&T Corp	USD SR NT 6.500 11/15/2006	-
AT&T Wireless Svcs Inc	NT 7.500 05/01/2007	-
AT&T Wireless Svcs Inc	SR NT 7.875 03/01/2011	-
Ball Corp	SR NT 144A 6.875 12/15/2012	-
Bank Of America	SR NT 6.250 04/15/2012	-
Bank One Corp	7.875 08/01/2010	-
Bankboston N A Medium Term Nts	Tr 00008 6.375 04/15/2008	-
Bankboston Na Mtn	6.375 03/25/2008	-
Bear Stearns Coml Mtg Secs Inc	4.720 11/11/2035	-
Bear Stearns Coml Mtg Secs Inc	4.830 08/15/2038	-
Bear Stearns Cos Inc	SR NT 6.250 07/15/2005	-
Boeing Cap Corp	SR NT 7.100 09/27/2005	-
Boeing Cap Corp	SR NT 5.750 02/15/2007	-
Boston Pptys Ltd Partnership	SR NT 144A 6.250 01/15/2013	-
Bristol Myers Squibb Co	NT 5.750 10/01/2011	-
Bristol Myers Squibb Co	4.750 10/01/2006	-
British Telecommunications Plc	NT 1.000 12/15/2010	-
British Telecommunications PLC	NT 1.000 12/15/2030	-
Calwest Indl Tr	6.127 02/15/2017	-
Carnival Corp	Shelf 6 6.650 01/15/2028	-
Carnival Cruise Lines Inc	NT 7.050 05/15/2005	-
Carolina PWR< Co	NT 6.500 07/15/2012	-
Carramerica Rlty Corp	SR NT 7.125 01/15/2012	-
Chase Coml Mtg Secs Corp	7.600 06/18/2006	-
Chase Coml Mtg Secs Corp	7.370 05/19/2007	-
Chase Coml Mtg Secs Corp	6.600 12/19/2007	-
Chase Cr Card Owner Tr	1.000 07/16/2007	-
Chase Manhattan Corp	6.000 11/01/2005	-
Cincinnati Gas & Elec Co	Deb 5.700 09/15/2012	-
CIT Group Inc	SR NT 5.500 11/30/2007	-
CIT Group Inc	SR NT 5.500 11/30/2007	-
CIT Group Inc	Tranceh SR 6.875 11/01/2009	-
CIT Group Inc Mt Sr Nts	Tranche SR 5.625 05/17/2004	-
* Citibank Cr Card Issuance Tr	NT Cl 2001 A6 5.650 06/16/2008	-
* Citibank Cr Card Issuance Tr	NT Cl 2000 A2 1.000 11/17/2005	-
* Citibank Cr Cord Master Tr I	5.875 03/10/2011	-
* Citicorp	Tranche SB 6.375 11/15/2008	-
* Citigroup Inc	7.250 10/01/2010	-
* Citigroup Inc	Global SR NT 5.000 03/06/2007	-
* Citigroup Inc	Global Sub NT 5.625 08/27/2012	-
CK Witco Corp	SR NT 8.500 03/15/2005	-
Cleveland Elec Illum	Secd NT Ser B 7.670 07/01/2004	-
Cnh Equity Tr	5.380 08/15/2007	-
Coca Cola Enterprises Inc	8.500 01Feb22 8.500 02/01/2022	-
Coca Cola Enterprises Inc	Deb 6.750 01/15/2038	-
Columbia/Healthcare Coep	NT 8.360 04/15/2024	-
Comcast Cable Communications	NT DTD 6.750 01/30/2011	-
Comcast Cable Communications	SR NT 6.200 11/15/2008	-

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Commercial Mtg Asset Tr	6.640	09/17/2010	-
Community Program Ln	4.500	10/01/2018	-
Conagra Inc	6.000	09/15/2006	-
Conoco Fdg Co	NT 6.350	10/15/2011	-
Conoco Fdg Co	NT 5.450	10/15/2006	-
Conoco Inc	NT 6.350	04/15/2009	-
Constellation Energy Group Inc	SR NT 6.125	06/01/2009	-
Coors Brewing Co	SR NT 6.375	05/15/2012	-
Countrywide Fdg Corp Mtn	4.250	12/19/2007	-
Cox Communications Inc	New 7.125	10/01/2012	-
Cox Communications Inc New	NT 7.750	08/15/2006	-
Credit Suisse First Boston Mtg	6.505	02/15/2034	-
Credit Suisse First Boston USA	NT 5.750	04/15/2007	-
CSX Corp	SR NT 6.750	03/15/2011	-
CSX Corp	NT 6.250	10/15/2008	-
Deere John Cap Corp	Global NT 4.500	08/22/2007	-
Delphi Corp	NT 6.550	06/15/2006	-
Devon Energy Corp	SR Deb 7.950	04/15/2032	-
Devon Fing Corp U L C	NT 6.875	09/30/2011	-
Dial Corp	SR NT 7.000	08/15/2006	-
Discover Card Mt 1	1.000	02/16/2007	-
DJL Coml Corp	6.080	03/10/2032	-
Dlj Comjl Mtg Corp	1.000	11/12/2031	-
Dominion Res Inc Del	NT 5.700	09/17/2012	-
Domtar Inc	NT 7.875	10/15/2011	-
Donaldson Lufkin & Jenrette Inc	2005 SR NT 6.875	11/01/2005	-
Donohue Fst Prods Inc	SR NT 7.625	05/15/2007	-
Dow Chem Co	SR NT 5.000	11/15/2007	-
Dow Chem Co	NT 6.000	10/01/2012	-
Duke Cap Corp	SR NT 7.500	10/01/2009	-
Duke Rlty Corp	NT 5.875	08/15/2012	-
Duke Weks Realty Corp	NT 6.950	03/15/2011	-
EOP Oper Ltd Partnership	NT 6.375	02/15/2003	-
EOP Oper Ltd Partnership	NT 7.500	04/19/2029	-
Erac USA Fin Co	GTD NT 144A 7.350	06/15/2008	-
Erac USA Fin Co	NT 144A 6.950	03/01/2004	-
Erac USA Fin Co	NT 144A 8.250	05/01/2005	-
Fed Hm Ln Pc	6.500	08/01/2017	-
Fed Hm Ln PC	7.000	06/01/2032	-
Fed Hm Ln PC	5.000	11/01/2007	-
Fed Hm Ln PC	4.500	11/01/2007	-
Fed Hm Ln PC	4.500	12/01/2007	-
Fed Hm Ln Pc	G10699 6.500	07/01/2012	-
Federal Home Ln Mtg Corp	Preassign 00249 6.000	07/15/2027	-
Federal Home Ln Mtg Corp	Ser 1819 Cl 1819 E 6.000	02/15/2011	-
Federal Home Ln Mtg Corp	5.250	01/15/2006	-
Federal Home Ln Mtg Corp	Deb 5.000	05/15/2004	-
Federal Home Ln Mtg Corp	Deb 5.500	07/15/2006	-
Federal Home Ln Mtg Corp	Deb 3.250	12/15/2003	-
Federal Home Ln Mtg Corp	Ser 2059 Cl HA 5.750	12/15/2025	-
Federal Home Ln Mtg Corp	Deb 3.500	09/15/2007	-
Federal Home Ln Mtg Corp	Deb 5.250	02/15/2004	-
Federal Home Ln Mtg Corp	5.750	01/15/2012	-
Federal Home Ln Mtg Corp	Ser 2478 CL JE 6.000	04/15/2020	-
Federal Home Ln Mtg Corp	Ser 2533 CL KC 4.250	10/15/2010	-
Federal Home Ln Mtg Corp GTD	Preassign 00392 6.000	04/15/2025	-
Federal Home Ln Mtg PC GTD	Ser 1404 FA 4.500	11/15/2007	-
Federal Home Ln Mtg PC GTD	3.500	12/15/2021	-
Federal Home Ln Mtg PC GTD	Ser 1673 Cl 1673 H 6.000	11/15/2022	-
Federal Home Ln Mtg PC GTD	Ser 1821 Cl 1821 C 6.500	7/15/2024	-
Federal Natl Mtg Assn	7.125	03/15/2007	-
Federal Natl Mtg Assn	5.500	02/15/2006	-

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Federal Natl Mtg Assn	4.375	10/15/2006	-
Federal Natl Mtg Assn	Ser 1996 7 C1 H 6.500	12/25/2023	-
Federal Natl Mtg Assn	6.000	03/25/2023	-
Federal Natl Mtg Assn	Preassign 00418 6.000	07/25/2026	-
Federal Natl Mtg Assn	5.139	12/25/2011	-
Federal Natl Mtg Assn	4.768	04/25/2012	-
Federal Natl Mtg Assn	NT 6.000	05/15/2008	-
Federal Natl Mtg Assn GTD	6.500	08/20/2024	-
Federal Natl Mtg Assn GTD	6.500	04/18/2026	-
Federal Natl Mtg Assn Mtn	6.060	02/03/2006	-
Federal Natl Mtg Assn Remic	5.703	05/25/011	-
Federal Natl Mtg Assn Remic	6.750	05/25/2021	-
FHLMC	Jan 15 Gold Single 5.500	12/31/2099	-
Financement Que	NT 5.000	10/25/2012	-
First Data Corporation	SR NT 5.625	11/01/2011	-
First Un Natl Bk NC	Tranche SB 00005 7.800	08/18/2010	-
First Union Lehman Bros BK	Ser 1998 6.560	11/18/2035	-
First USA Cr Card Master Tr	Asset Backed Ser 1.000	07/10 2006	-
Firstbank P R	Sub Cap NT 7.625	12/20/2005	-
Firstenergy Corp	NT Ser B 6.450	11/15/2011	-
Fleet Finl Group Inc New	Sub Deb 6.875	01/15/2028	-
FNMA	Jan 15 Single Fam 5.000	12/31/2099	-
FNMA	Jan 15 Single Fam 5.500	12/31/2099	-
FNMA	Jan 15 Single Fam 6.000	12/01/2099	-
FNMA	Jan 30 Single Fam 6.500	12/01/2099	-
FNMA	Jan 30 Single Fam 7.000	12/01/2099	-
FNMA	Feb 30 Single Fam 6.000	12/31/2099	-
FNMA	Feb 30 Single Fam 6.500	12/31/2099	-
FNMA Pool	125420 5.500	05/01/2011	-
FNMA Pool	252161 6.000	12/01/2028	-
FNMA Pool	254088 5.500	12/01/2016	-
FNMA Pool	254140 5.500	01/01/2017	-
FNMA Pool	343347 5.500	04/01/2011	-
FNMA Pool	415766 6.000	05/01/2028	-
FNMA Pool	313709 6.900	06/01/2007	-
FNMA Pool	323348 8.500	06/01/2012	-
FNMA Pool	6.500	06/01/2017	-
FNMA Pool	6.500	08/01/2032	-
FNMA Pool 323927	5.500	08/01/2014	-
FNMA Pool 545539	6.000	06/01/2011	-
Ford Cr Auto Owner Tr	4.790	11/15/2006	-
Ford Mtr Co Del	BD 6.375	02/01/2029	-
Ford Mtr Co Del	Global Landmark 7.450	07/16/2031	-
Ford Mtr Cr Co	Global Landmark 7.375	02/01/2011	-
Ford Mtr Cr Co	CDT 5.800	01/12/2009	-
Ford Mtr Cr Co	Global Landmark 7.250	10/25/2011	-
Ford Mtr Cr Co	Global Landmark 6.500	01/25/2007	-
Fpl Group Cap Inc	Deb 6.875	06/01/2004	-
GE Cap Coml Mtg Corp	2002 1 Coml Mtg 5.994	12/10/2035	-
General Elec Cap Corp Mtn	Tranche SR 00521 5.875	02/15/2012	-
General Elec Cap Corp Mtn	Tranche SR 00551 6.000	06/15/2012	-
General Elec Cap Corp Mtn	Tranche SR 00575 5.450	01/15/2013	-
General Elec Cap Corp Mtn	Tranche Tr 00551 6.000	06/15/2012	-
General Mtrs Accep Corp	SR NT 6.125	08/28/2007	-
General Mtrs Accep Corp	SR NT 6.875	08/28/2012	-
General Mtrs Accep Corp	NT 6.125	09/15/2006	-
General Mtrs Accep Corp	NT 6.875	09/15/2011	-
General Mtrs Accep Corp	SR NT 6.125	08/28/2007	-
General Mtrs Accep Corp	NT 8.000	11/01/2031	-
General Mtrs Accep Corp	SR NT 6.875	08/28/2012	-
GNMA I	Jan 30 Single Fam 6.500	12/15/2099	-
GNMA Pool	448335 6.500	04/15/2031	-

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GNMA Pool	567214 6.500 10/15/2031	-
Goldman Sachs Group Inc	SR NT 5.700 09/01/2012	-
Green Tree Finl Corp	1999 6.080 12/01/2030	-
GS Mtg Secs Corp	2002 1.000 07/25/2032	-
Harrahs Oper Inc	Gtd SR Sub NT 7.875 12/15/2005	-
HCA Healthcare Co	SR NT 7.875 02/01/2011	-
HCA Healthcare Co	NT 8.750 09/01/2010	-
Health Net Inc	SR NT 8.375 04/15/2011	-
Healthcare Rlty Tr In	SR NT 8.125 05/01/2011	-
HJ Heinz Finance Co	6.750 03/15/2032	-
Honda Auto Receivables 2002 1	NT Cl A 4 4.220 04/16/2007	-
Host Marriott L P	SR NT Ser I 9.500 01/15/2007	-
Household Fin Corp	NT 7.000 05/15/2012	-
Household Fin Corp	NT 6.500 11/15/2008	-
Household Fin Corp	NT 6.375 11/27/2012	-
Household Fin Corp	NT 6.750 05/15/2011	-
Household Fin Corp	NT 6.375 10/15/2011	-
Household Fin Corp	NT 7.000 05/15/2012	-
Household Fin Corp	NT 7.350 11/27/2032	-
Inco Ltd	NT 7.750 05/15/2012	-
Inco Ltd	Deb 7.200 09/15/2032	-
International Flavors & Frag	NT 6.450 05/15/2006	-
International Lease Fin Corp	Global NT 6.375 03/15/2009	-
International Paper Co	NT 6.750 09/01/2011	-
Intl BK For Recon + Dev	SR Global BD 4.000 01/10/2005	-
Italy (Republic of)	4.375 10/25/2006	-
J P Morgan Chase & Co	Sub NT 6.750 08/15/2008	-
J P Morgan Chase & Co	Sr HLDG Co NT 5.250 05/30/2007	-
J P Morgan Chase Coml Mtg Secs	6.260 03/15/2033	-
Jefferies Group Inc New	SR NT 7.750 03/15/2012	-
JP Morgan Chase	6.75pct 01Feb11 6.750 02/01/2011	-
Kellogg Co	NT Ser B 6.000 04/01/2006	-
Kellogg Co	Deb Ser B 7.450 04/01/2031	-
Kerr McGee Corp	NT 6.875 09/15/2011	-
Keyspan Corp	7.250 11/15/2005	-
Keyspan Corp	NT 6.150 06/01/2006	-
KFW Intl Fin Inc	GTD Global Nt 4.250 04/18/2005	-
Kraft Foods Inc	Global NT 4.625 11/01/2006	-
Kroger Co	6.750 04/15/2012	-
Kroger Co	NT 7.500 04/01/2031	-
Lehman Bros Inc	Sr Sub NT 7.360 12/15/2003	-
Lehman Bros Inc	NT 6.500 04/15/2008	-
Lehman Brothers Hldgs Inc	Tranche Tr 00387 6.625 01/18/2012	-
Liberty Media Corp	SR NT 7.875 07/15/2009	-
Lockheed Martin Corp	Deb 8.500 12/01/2029	-
Lockheed Martin Corp	NT 8.200 12/01/2009	-
Masco Corp	SR NT 5.875 07/15/2012	-
Meadwestvaco Corp	NT 6.850 04/01/2012	-
Meditrust	NT 7.820 09/10/2026	-
Merey Sweeny LP	SV BD 144A 8.850 12/18/2019	-
Merrill Lynch Mtg Invs Inc	Mtg Ctf 1996 C2 Cl D 6.960 11/21/2028	-
Metlife Inc	SR NT 5.375 12/15/2012	-
MGM Grand Inc	SR Call Bd 6.950 02/01/2005	-
Midamerican Energy Hldgs Co	SR NT 2012 114A 5.875 10/01/2012	-
Mohegan Tribal Gaming Augh	2006 SR NT 8.125 01/01/2006	-
Mohegan Tribal Gaming Augh	SR Sub NT 8.750 01/01/2009	-
Morgan JP Coml Mtg Fin Corp	7.088 06/15/2029	-
Morgan Stanley Cap I Inc	1.000 12/15/2031	-
Morgan Stanley Dean Witter Cap	6.510 04/15/2034	-
Morgan Stanley Dean Witter Cap	4.570 12/18/2032	-
Morgan Stanley Dean Witter Cap	Ser 2002 IQ3 Cl A4 5.080 09/15/2037	-
Morgan Stanley Group Inc	Global NT 6.750 04/15/2011	-

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Morgan Stanley Group Inc	5.800 04/01/2007	-
Morgan Stanley Group Inc	Global NT 6.750 04/15/2011	-
Motorola Inc	NT 6.750 02/01/2006	-
Motorola Inc	8.000 11/01/2011	-
National City Bk	Tranche SB 00003 6.200 12/15/2011	-
National City Corp	Sub Deb 6.875 05/15/2019	-
National Rural Utils Coop Fin	Global NT 5.750 08/28/2009	-
National Rural Utils Coop Fin	NT 2012 7.250 03/01/2012	-
National Westminster Bk PLC	Reset Sub NT 7.750 04/29/2049	-
Navistar Finl 2002 A Owner Tr	Asset Bkd NT C1 A 4 4.760 04/15/2009	-
Newell Rubbermaid Inc	NT 6.000 03/15/2007	-
News Amer Hldgs Inc	Gtd SR Deb 9.500 07/15/2024	-
News Amer Inc	SR NT 6.625 01/09/2008	-
Niagara Mohawk PWR Corp	1st Mtg Dtd 5/15/95 7.750 05/15/2006	-
Niagara Mohawk PWR Corp	SR NT Ser G 7.750 10/01/2008	-
Nisource Fin Corp	Gtd NT 7.875 11/15/2010	-
Nisource Fin Corp	Gtd NT 7.625 11/15/2005	-
Nomura Asset Secs Corp	94 2 C1 2A 7.500 05/25/2024	-
Nomura Asset Secs Corp	6.590 03/15/2030	-
Nordea BK Sweden A B	Sub NT 144A 5.250 11/30/2012	-
Norfolk Southn Corp	NT 7.050 05/01/2037	-
Norfolk Southn Corp	SR NT 7.250 02/15/2031	-
Northern Sts Pwr Co MN	8.000 08/28/2012	-
Northrop Grumman Corp	NT 7.125 02/15/2011	-
Northrop Grumman Corp	Deb 7.750 02/15/2031	-
NVR Inc	SR NT 8.000 06/01/2005	-
NWA Tr	SR Aircraft NT 8.260 03/10/2006	-
NWA Tr	SR Aircraft NT 9.360 03/10/2006	-
Occidental Peet Corp	SR NT 8.450 02/15/2029	-
Ontario Prov CDA	BD 5.500 10/01/2008	-
PDVSA Fin Ltd	NT 144A 6.800 11/15/2008	-
Petrleos Mexicanos Medium Term	Tranche Tr 00003 8.625 12/01/2023	-
Petronas Cap Ltd	USD GTD NT 114A 7.000 05/22/2012	-
Philip Morris Cos Inc	NT 6.375 02/01/2006	-
Phillips Pete Co	Deb 6.650 07/15/2018	-
Pinnacle One Partners LP	SR NT 144A 8.830 08/15/2004	-
Pioneer Nat Res Co	SR NT 6.500 01/15/2008	-
Praxair Inc	NT 6.375 04/01/2012	-
Progress Energy Inc	SR NT 5.850 10/30/2008	-
Progress Energy Inc	SR NT 7.000 10/30/2031	-
Protective Life U S Fdg Tr	NT 5.875 08/15/2006	-
Provident Cos Inc	SR NT 6.375 07/15/2005	-
Prudential Ins Co Amer	SR NT 144A 6.375 07/23/2006	-
Public Svc Co Colo	7.875 10/01/2012	-
Qubec Prov CDA	Global Deb Ser PJ 6.125 01/22/2011	-
Quest Diagnostics Inc	SR NT 6.750 07/12/2006	-
Raytheon Co	Deb 6.000 12/15/2010	-
Raytheon Co	NT 5.500 11/15/2012	-
Republic Svcs Inc	2009 NT 7.125 05/15/2009	-
Republic Svcs Inc	6.750 08/15/2011	-
Residential Asset Sec Mtg Pass	1.000 09/25/2031	-
Residential Asset Sec Mtg Pass	2002 KS3 C1 A II 1.000 05/25/2032	-
Royal BK Scotland Group PLC	Global NT 5.000 10/01/2014	-
Royal Caribbean Cruises Ltd	SR NT 8.750 02/02/2011	-
Royal Kpn Nv	NT 8.000 10/01/2010	-
Sappi Papier Hldg Ag	Gtd NT 144A 6.750 06/15/2012	-
SBC Communications Inc	Global NT 6.250 03/15/2011	-
Science Applications Intl Corp	NT 6.250 07/01/2012	-
Sears Roebuck Accep Corp	NT 6.250 05/01/2009	-
Sears Roebuck Accep Corp	NT 6.750 08/15/2011	-
Sears Roebuck Accep Corp	NT 7.000 02/01/2011	-
Simon Debartolo Group LP	6.625pct NT 6.625 06/15/2003	-

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Skandinaviska Enskilda Banken	Sub NT Step Up 1.000 12/29/2049	-
SLM Student Ln Tr	1.000 07/28/2009	-
SLM Student Ln Tr	1.000 03/17/2008	-
Sonsolidated Edison Co NY Inc	Deb Ser 2002 B 4.875 02/01/2013	-
South Affrica Rep	NT 8.500 06/23/2017	-
Southern Nat Gas Co	NT 7.350 02/15/2031	-
Sprint Cap Corp	NT 8.375 03/15/2012	-
Sprint Cap Corp	NT 6.875 11/15/2028	-
Sprint Cap Corp	NT 7.900 03/15/2005	-
Sprint Cap Corp	7.625 01/30/2011	-
SPX Corp	SR NT 7.500 01/01/2013	-
Standish Ayer & Wood Invt Tr	Intl Fixed Income Fd	-
Suntrusrtr Bk Atlanta GA	Tranche SB 00001 7.250 09/15/2006	-
Target Corp	NT 5.875 03/01/2012	-
TCI Communications Inc	Deb 7.875 02/15/2026	-
Tech Cominco LTD	NT 7.000 09/15/2012	-
Teco energy Inc	NT 2007 6.125 05/01/2007	-
Telekom Malaysia Berhad	Deb 144A 7.875 08/01/2025	-
Tenet Healthcare Corp	SR NT 6.375 12/01/2011	-
Texas Eastn Transmission Corp	SR NT 5.250 07/15/2007	-
Textron FINL Corp	NT 5.875 06/01/2007	-
Time Warner Entmt Co L P	SR Deb 7.250 09/01/2008	-
Tosco Corp	Deb 7.800 01/01/2027	-
Tosco Corp	NT 8.125 02/15/2030	-
Toyota Auto Rec Owner Tr	Ser 2001 B Cl A4 1.000 10/15/2007	-
Toyota Auto Receivables	Cl A 3 Fltg 1.000 12/15/2005	-
Toyota Auto Receivables	2002 C Asset Bkd 1.000 03/15/2005	-
Tricon Global Restaurants Inc	SR NT 7.650 05/15/2008	-
Tricon Global Restaurants Inc	SR NT 8.875 04/15/2011	-
TRW Inc	NT 6.050 01/15/2005	-
TRW Inc	NT 7.125 06/01/2009	-
U S BK Natl Assn Minneapolis	6.375 08/01/2011	-
U S Dept Veteran Affairs	6.000 04/15/2008	-
U S Dept Veteran Affairs	6.000 04/15/2009	-
Union Planters Corp	Sub NT 7.750 03/01/2011	-
United Mexican Sts Mtn	Tranche 7.500 G124 01/14/2012	-
United States Treas Bds	6.250 05/15/2030	-
United States Treas Bds	5.375 02/15/2031	-
United States Treas Nts	6.500 05/15/2005	-
United States Treas Nts	6.500 08/15/2005	-
United States Treas Nts	5.500 05/15/2009	-
United States Treas Nts	6.000 08/15/2004	-
United States Treas Nts	6.000 08/15/2009	-
United States Treas Nts	3.500 11/15/2006	-
United States Treas Nts	3.000 11/30/2003	-
United States Treas Nts	3.000 01/31/2004	-
United States Treas Nts	3.000 02/29/2004	-
United States Treas Nts	3.250 05/31/2004	-
United States Treas Nts	2.875 06/30/2004	-
United States Treas Nts	2.125 10/31/2004	-
United States Treas Nts	3.000 11/15/2007	-
United States Treas Nts	4.000 11/15/2012	-
United States Treas Nts	3.000 07/15/2012	-
United States Treas Nts	Inflation Indexed 3.625 01/15/2008	-
United States Treas Nts	5.500 02/28/2003	-
United States Treas Nts	00004 3.250 05/31/2004	-
United States Treas Nts	1.750 12/31/2004	-
United States Treas Nts	Inflation Indexed 3.875 01/15/2009	-
Unitedhealth Group Inc	NT 5.200 01/17/2007	-
Univision Commjunctions Inc	SR NT 7.850 07/15/2011	-
UNUM Corp	NT 6.750 12/15/2028	-
UPM Kymmene Corp	5.625 12/01/2014	-

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Verizon Global FDG Corp	Global NT 7.375 09/01/2012	-
Verizon Wireless Cap LLC	NT 5.375 12/15/2006	-
Verizon Wireless Cap LLC	NT 1.000 12/17/2003	-
Viacom Inc	SR NT 7.750 06/01/2005	-
Vodafone Airtouch PLC	NT 7.750 02/15/2010	-
Wal Mart Stores Inc	NT 6.875 08/10/2009	-
Washington Mut Fin Corp	SR NT 6.250 05/15/2006	-
Waste Mgmt Inc Del	SR NT 6.875 05/15/2009	-
Waste Mgmt Inc Del	SR NT 7.375 05/15/2029	-
Waste Mgmt Inc Del	SR NT 7.375 08/01/2010	-
Waste Mgmt Inc Del	SR NT 6.500 11/15/2008	-
Wells Fargo & Co New	Sub NT 5.000 11/15/2014	-
Wells Fargo BK N A	NT DTD 6.450 02/01/2011	-
Westvaco Corp	Deb 8.200 01/15/2030	-
XL Cap Fin Europe PLC	SR NT DTD 6.500 01/15/2012	-

Pacific Investment Management Company

Cash & Cash Equivalents:

* State Street Bank & Trust Co.	Short Term Investment Fund	-
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Fixed Income Securities:

Aid Inca Infrastructure	Fin Frn 1.000 03/26/2009	-
American Residential Mtg Ln	1.000 05/25/2029	-
Bear Stearns Arm	1.000 01/25/2032	-
Citicorp Mtg Secs Inc	4.150 12/25/2031	-
Columbia/HCA Healthcare Corp.	Tranche TR 00003 8.130 08/04/2003	-
Costal Corp	NT DTD 7.750 06/15/2010	-
Cwmba Inc	5.250 05/25/2032	-
Daimler Chrysler Hldgs	NT 8.500 01/18/2031	-
Fed Hm Ln Pc	6.500 05/01/2032	-
Federal Home Ln Mtg Corp	Preassign 00070 5.750 06/15/2021	-
Federal Home Ln Mtg Corp	Preassign 00337 1.000 02/15/2025	-
Federal Home Ln Mtg PC Gtd	Ser 1628 CL 1628 G 5.850 08/15/2019	-
Federal Home Ln Mtg PC Gtd	Ser 1675 CL 1675 G 6.000 02/15/2020	-
Federal Home Ln Mtg PC GTD	Remic Ser 32 Cla Ph 6.500 09/25/2022	-
Federal Natl Mtg Assn	6.000 07/25/2019	-
Federal Natl Mtg Assn	1.000 02/25/2025	-
Federal Natl Mtg Assn	Preassign 00001 5.000 09/25/2010	-
Federal Natl Mtg Assn GTD	6.250 11/18/2022	-
FHLMC	Jan 30 Gold Single 6.500 12/10/2099	-
FNMA	Jan 15 Single Fam 5.500 12/31/2099	-
FNMA	Feb 15 Single Fam 5.500 12/31/2099	-
Freddie Mac	Ser 2411 CL FJ 1.000 12/15/2029	-
Govt Natl Mtg Assn GTD Remic	6.750 05/16/2026	-
IRS USD	SWP 031909 6.000 06/18/2023	-
IRS USD	SWP 031883 5.000 06/18/2008	-
IRS USD	SWP 031776 5.000 06/18/2013	-
Mid St Tr Iv	Asset Backed NT 8.330 04/01/2030	-
National Australia Fdg Del Inc	1.410 01/02/2003	-
Occidental Pete Corp	SR NT 6.400 04/01/200 3	-
Pimco Fds Pac Invt Mgmt	Private Acct Portfolio	-
Pimco Fds Pac Invt Mgmt Ser	U S Govt Sector Port Instl Cl	-
Pimco Fds Pac Invt Mgmt Ser	Ntg Portfolio Instl Cl	-
Pimco Fds Pac Invt Mgmt Ser	Energizing Mkts Portfolio	-
Pimco Fds Pac Invt Mgmt Ser	Intl Portfolio Instl Cl	-

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Pimco Fds Pac Invt Mgmt Ser	Invt Grade Corp Port Instl Cl	-
Small Business Admin	Deb Ser 1999 20 K 7.060 11/01/2019	-
Small Business Admin	Deb Ser 1999 20 L 7.190 12/01/2019	-
SWAP Option 3mo Libor	Oct 4.0 Call	-
SWAP Option 3mo Libor P015188	Nov 3.15 Call	-
SWAP Option 3mo Libor P015787	Jan 6.65 Put	-
SWAP Option 3mo Libor P030984	Oct 6.0 Put	-
SWAP Option 3mo Libor P031503	Nov 3.0 Call	-
SWAP Option 3mo Libor P031511	Nov 3.0 Call	-
SWAP Option 3mo Libor P031784	Oct 4 Call	-
SWAP Option 3mo Libor P032097	Jan 4.0 Call	-
SWAP Option 3Mo Libor P015100	Nov 6.13 Put 0.000 11/10/2003	-
SWAP Option 3Mo Libor P015951	Jan 7 Put 0.000 01/07/2005	-
SWAP Option 3Mo Libor P031404	Nov 3.0 Call 0.000 11/12/2003	-
United Airls Pass Thru Trs	9.560 10/19/2018	-
United States Treas Bds	8.750 05/15/2017	-
United States Treas Bds	8.875 08/15/2017	-
United States Treas Bds	6.250 08/15/2023	-
United States Treas Bds	5.500 08/15/2028	-
United States Treas Bills	0.010 02/13/2003	-
United States Treas Bills	0.010 02/20/2003	-
United States Treas Nts	7.000 07/15/2006	-
Wells Fargo Mtg Backed Secs	5.400 04/25/2032	-

Benefit Responsive Interest Rate Wrapper Contracts:

Aegon Institutional Markets	open ended maturity	-
* State Street Bank & Trust Co.	open ended maturity	-

Guaranteed Investment Contracts

Commingled Investments:

Aegis Value Fund Inc	Commingled Investments	-
Alleghany/Veredus Aggres	Commingled Investments	-
Amer Century Benham Targe	Commingled Investments	-
American Aadvantage Small	Commingled Investments	-
American Century 20th Cent	Commingled Investments	-
American Century Equity Inc	Commingled Investments	-
American Century Nwe Real	Commingled Investments	-
Ameristock Mutual Fund	Commingled Investments	-
Ariel Appreciation Class B	Commingled Investments	-
Ariel Growth Class A	Commingled Investments	-
Artisan Internat'l	Commingled Investments	-
Artisan Mid Cap	Commingled Investments	-
Baron Growth & Inc	Commingled Investments	-
Berger Mid Cap Value	Commingled Investments	-
Berger Small Cap Val Retail	Commingled Investments	-
Berkshire Focus Fund	Commingled Investments	-
Bjurman Micro Cap Growth	Commingled Investments	-
Black Oak Emerging Technol	Commingled Investments	-
Boston Partners Sml Cap Va	Commingled Investments	-
Brazos Micro Cap Growth	Commingled Investments	-
Bridgeway Aggressive Grow	Commingled Investments	-

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Bridgeway Aggressive Inves	Commingled Investments	-
Bridgeway Ultra Small Index	Commingled Investments	-
Brown Capital Mgmt Small C	Commingled Investments	-
Buffalo Small Cap Growth	Commingled Investments	-
Calamos Growth Class A	Commingled Investments	-
Calvert Income Fund Class A	Commingled Investments	-
Clipper	Commingled Investments	-
Columbia Strategic Value Fd	Commingled Investments	-
Cooke & Bieler Mid Cap Equit	Commingled Investments	-
Dodge & Cox Balance	Commingled Investments	-
Dodge & Cox Income	Commingled Investments	-
Dodge & Cox Stock	Commingled Investments	-
Domini Social Bond Fund	Commingled Investments	-
Dreyfus Emerging Markets	Commingled Investments	-
Dreyfus Midcap Value Fund	Commingled Investments	-
Dreyfus S&P 500 Index Fund	Commingled Investments	-
Eaton Vance Worldwide Hea	Commingled Investments	-
Evergreen Healthcare Clas	Commingled Investments	-
Excelsior Income Business &	Commingled Investments	-
Excelsior Real Estate	Commingled Investments	-
Exeter Maximum Horizon	Commingled Investments	-
Fam Equity Income	Commingled Investments	-
FBR Small Cap Financial Fund	Commingled Investments	-
Fidelity Contrafund	Commingled Investments	-
Fidelity Convertible Securiti	Commingled Investments	-
Fidelity Diversified Internati	Commingled Investments	-
Fidelity Dividend Growth	Commingled Investments	-
Fidelity Equity Income II	Commingled Investments	-
Fidelity Growth & Income	Commingled Investments	-
Fidelity Large Capital Stock	Commingled Investments	-
Fidelity Low Priced Stock	Commingled Investments	-
Fidelity Mid Cap Stock	Commingled Investments	-
Fidelity Real Estate Investm	Commingled Investments	-
Fidelity Small Cap Stock	Commingled Investments	-
Fidelity Worldwide	Commingled Investments	-
Firsthand Global Technology	Commingled Investments	-
Firsthand Technology Value	Commingled Investments	-
Franklin Biotech Discovery	Commingled Investments	-
Franklin Real Estate Securit	Commingled Investments	-
Fremont US Micro Capital	Commingled Investments	-
Fundamental Investors	Commingled Investments	-
Gabelli Growth Shares Ben I	Commingled Investments	-
Gabelli Westwood Equity Re	Commingled Investments	-
Growth Fund of America	Commingled Investments	-
Hancock Horizon Burkenroa	Commingled Investments	-
Harbor Bond	Commingled Investments	-
Heartland Group Value Plus	Commingled Investments	-
Hussman Strategic Growth	Commingled Investments	-
Icon Leisure and Consumers	Commingled Investments	-
Icon Technology	Commingled Investments	-
Invesco Leisure N/C	Commingled Investments	-
Invesco Technology N/C	Commingled Investments	-
Invesco Telecomm #39 N/C	Commingled Investments	-
Janus Flexible Income	Commingled Investments	-
Janus Inv't Balanced	Commingled Investments	-
Janus Inv't Equity Income	Commingled Investments	-
Janus Inv't Growth & Income	Commingled Investments	-
Janus Inv't Mercury	Commingled Investments	-
Jensen Portfolio, Inc.	Commingled Investments	-
JP Morgan Mid Cap Value Inst	Commingled Investments	-
Julius Baer Int'l Equity	Commingled Investments	-
Kinetics Small Cap Opportun	Commingled Investments	-

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Liberty Acorn Class Z N/C	Commingled Investments	-
Longleaf Partners	Commingled Investments	-
Loomis Sayles Bond	Commingled Investments	-
Lord Abbett Affiliated Class	Commingled Investments	-
Lord Abbett Research Small	Commingled Investments	-
Masters Select Equity	Commingled Investments	-
Matthews Intl Fds Pac Tiger	Commingled Investments	-
Meridian Fund	Commingled Investments	-
Meridian Value Fund	Commingled Investments	-
Muhlenkamp Fund	Commingled Investments	-
Navellier Perf Fund Agg Sma	Commingled Investments	-
Needham Growth Fund	Commingled Investments	-
Neuberger & Berman Genesis	Commingled Investments	-
Oakmark Balanced	Commingled Investments	-
Oakmark Fund	Commingled Investments	-
Oakmark Global Fund I	Commingled Investments	-
Oakmark Internat'l	Commingled Investments	-
Oakmark Internat'l Small Ca	Commingled Investments	-
Oakmark Select	Commingled Investments	-
Oakmark Small Cap	Commingled Investments	-
PBHG Clipper Focus N/C	Commingled Investments	-
PBHG Large Cap 20	Commingled Investments	-
PBHG Large Cap Value	Commingled Investments	-
PBHG Mid Cap Value	Commingled Investments	-
Pimco Rcm Biotechnology Cl	Commingled Investments	-
Pimco Rcm Global Healthcare	Commingled Investments	-
Pimco Rcm Global Technology	Commingled Investments	-
Pimco Rcm Global Technology	Commingled Investments	-
Pimco Real Return Bond Class	Commingled Investments	-
Pimco Real Return Class C	Commingled Investments	-
Pimco Value Institutional	Commingled Investments	-
Pin Oak Aggressive Stock	Commingled Investments	-
Pioneer High Yield Class A	Commingled Investments	-
Putnam New Opportunities C	Commingled Investments	-
Red Oak Technology Select	Commingled Investments	-
Royce Low Priced Stocked Fun	Commingled Investments	-
Royce Microcap	Commingled Investments	-
Royce Opportunity Fund	Commingled Investments	-
Royce Pa Mutual	Commingled Investments	-
Royce Premier Serice	Commingled Investments	-
Royce Special Equity	Commingled Investments	-
Royce Total Return	Commingled Investments	-
RS Global Natural Resource	Commingled Investments	-
RS Partners N/C	Commingled Investments	-
Rydex Biotechnology Inv Cla	Commingled Investments	-
Rydex Titan 500	Commingled Investments	-
Rydex URSA Fund	Commingled Investments	-
Rydex Venture 100	Commingled Investments	-
Safeco Growth	Commingled Investments	-
Select Health Care	Commingled Investments	-
Selected American Shares	Commingled Investments	-
Skyline Special Equities	Commingled Investments	-
Spartan Market Index	Commingled Investments	-
SSAG Money Market Fund	Commingled Investments	-
SSAG Real Estate Equity	Commingled Investments	-
* State Street Bank & Trust Co.	Small Cap Fund	-
* State Street Bank & Trust Co.	International EAFE Equity Index Fund	-
* State Street Bank & Trust Co.	S & P 500 Equity Index Fund	-
Strong Index 500	Commingled Investments	-
Strong Limited Resources	Commingled Investments	-
Strong Opportunity Income	Commingled Investments	-
T Rowe Price Balanced	Commingled Investments	-

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Plan Administrator has duly caused this annual report to be signed on its behalf by the undersigned thereunto duly authorized.

BAXTER INTERNATIONAL INC. AND SUBSIDIARIES
INCENTIVE INVESTMENT PLAN

Date: June 27, 2003

By: /S/ Brian P. Anderson

Brian P. Anderson
Senior Vice President and
Chief Financial Officer

Exhibit Index

Exhibit Number -----	Description -----
23	Consent of PricewaterhouseCoopers LLP
99.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350
99.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350