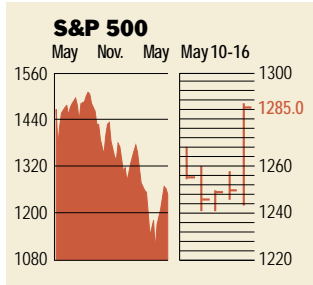


Stocks



COMMENTARY

This week's market message: As long as there is hope for one more interest rate cut from the Federal Reserve, stocks should be O.K. The indexes stumbled going into the Fed's May 15 cut on fear it would be the last. Then the Fed hinted there will be another. The Dow rose 3.2% for the week, with United Technologies and Alcoa leading the way. Techs languished, again.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS

	May 16	Week	Year to date	Last 12 months
S&P 500	1285.0	2.3	-2.7	-12.4
Dow Jones Industrials	11,215.9	3.2	4.0	2.6
Nasdaq Composite	2166.4	0.5	-12.3	-41.7
S&P MidCap 400	524.8	2.6	1.5	7.3
S&P SmallCap 600	226.5	1.8	3.1	9.3
Wilshire 5000	11,832.7	2.2	-2.8	-13.0

SECTORS

	May 16	Week	Year to date	Last 12 months
BusinessWeek 50*	907.2	2.2	-6.5	-26.7
BusinessWeek Info Tech 100**	504.3	-0.5	-10.8	-46.1
S&P/BARRA Growth	639.3	2.0	-7.0	-26.7
S&P/BARRA Value	645.6	2.7	1.5	4.1
S&P Energy	966.2	1.5	3.7	6.5
S&P Financials	159.9	3.4	-2.9	16.2
S&P REIT	88.0	0.9	0.0	9.3
S&P Transportation	748.7	3.1	7.3	24.2
S&P Utilities	331.5	0.1	-5.4	21.9
GSTI Internet	141.7	-0.7	-22.0	-70.8
PSE Technology	776.1	1.8	-4.7	-26.7

*Mar. 19, 1999 = 1000 **Feb. 7, 2000 = 1000

BEST-PERFORMING GROUPS

	Last month %	Last 12 months %	
Office Equip. & Supplies	40.0	Engineering & Constr.	111.9
Specialty Appar. Retailers	35.5	Tobacco	89.8
Engineering & Constr.	29.3	Savings & Loans	81.4
Gold Mining	19.7	Homebuilding	77.3
Entertainment	18.7	Food Wholesalers	59.0

GLOBAL MARKETS

	May 16	Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1247.8	1.2	-12.4	-13.7
London (FT-SE 100)	5884.0	-0.2	-5.4	-5.0
Paris (CAC 40)	5522.7	0.6	-6.8	-14.4
Frankfurt (DAX)	6148.4	1.4	-4.4	-14.7
Tokyo (NIKKEI 225)	13,694.3	-2.8	-0.7	-21.3
Hong Kong (Hang Seng)	13,336.0	-1.8	-11.7	-10.1
Toronto (TSE 300)	8146.0	0.9	-8.8	-15.0
Mexico City (IPC)	6034.0	-1.2	6.8	-5.2

FUNDAMENTALS

	May 15	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.26%	1.25%	1.10%
S&P 500 P/E Ratio (Trailing 12 mos.)	28.1	28.1	29.7
S&P 500 P/E Ratio (Next 12 mos.)*	21.9	22.1	23.8
First Call Earnings Revision*	-3.72%	-4.29%	0.27%

*First Call Corp.

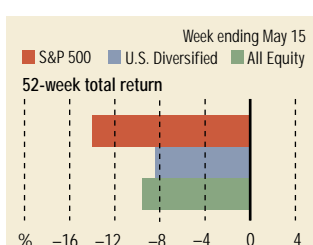
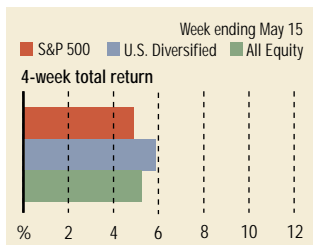
TECHNICAL INDICATORS

	May 15	Wk. ago	Reading
S&P 500 200-day average	1338.0	1343.1	Negative
Stocks above 200-day average	68.0%	66.0%	Neutral
Options: Put/call ratio	0.67	0.61	Neutral
Insiders: Vickers Sell/buy ratio	2.51	2.71	Negative

WORST-PERFORMING GROUPS

	Last month %	Last 12 months %	
Defense Electronics	-6.0	Communications Equip.	-68.5
Natural Gas	-3.7	Metal & Glass Containers	-53.8
Hospital Management	-1.6	Long-Dist. Telecomms.	-52.5
Long-Dist. Telecomms.	-1.1	Semiconductors	-51.7
Airlines	-0.2	Instrumentation	-48.4

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return	%	52-week total return	%
Leaders		Leaders	
Precious Metals	10.9	Financial	26.9
Small-cap Growth	9.1	Small-cap Value	19.4
Technology	8.5	Mid-cap Value	17.5
Japan	7.9	Natural Resources	16.9
Laggards		Laggards	
Utilities	0.0	Technology	-44.9
Latin America	0.1	Communications	-43.5
International Hybrid	2.1	Japan	-30.5
Health	2.3	Diversified Pacific/Asia	-26.4

EQUITY FUNDS

4-week total return	%	52-week total return	%
Leaders		Leaders	
American Heritage	40.0	Schroder Ultra	98.0
Apex Mid Cap Growth	23.7	Potomac Internet Short	96.5
Jundt U.S. Emerg. Gr. A	22.5	CGM Focus	85.2
Van Wagoner Technology	18.8	Burnham Financial Svcs. A	71.3
Laggards		Laggards	
ProFunds UltraShort OTC	-19.7	ProFunds UltraOTC Inv.	-84.9
Rydex Dynamic Vent. 100	-19.4	Jacob Internet	-76.9
Potomac Internet Short	-12.1	Potomac Internet Plus	-74.8
Prudent Bear	-10.5	ING Internet A	-73.1

Interest Rates

KEY RATES	May 16	Week ago	Year ago
MONEY MARKET FUNDS	4.41%	4.54%	5.78%
90-DAY TREASURY BILLS	3.56	3.72	6.05
1-YEAR TREASURY BILLS	3.66	3.69	6.34
10-YEAR TREASURY NOTES	5.46	5.20	6.48
30-YEAR TREASURY BONDS	5.86	5.67	6.18
30-YEAR FIXED MORTGAGE†	7.21	7.01	8.70

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS

GENERAL OBLIGATIONS	10-yr. bond	30-yr. bond
Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 31% federal tax rate.		
TAXABLE EQUIVALENT	6.48	7.57
INSURED REVENUE BONDS	4.60	5.44
TAXABLE EQUIVALENT	6.67	7.88

THE WEEK AHEAD

NEW SINGLE-FAMILY HOME SALES *Thursday, May 24, 10 a.m. EDT* ▶ New homes in April probably sold at an annual rate of 975,000, down sharply from the record rate of 1.02 million in March. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies.

GROSS DOMESTIC PRODUCT (REVISION) *Friday, May 25, 8:30 a.m. EDT* ▶ The Commerce Dept.'s second look at economic growth

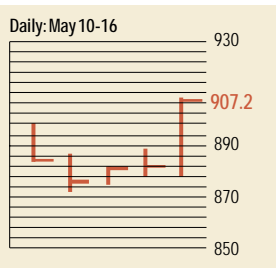
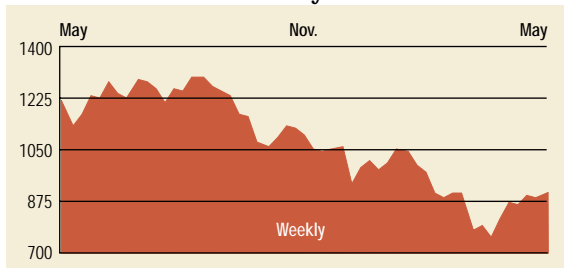
in the first quarter is expected to show that real GDP grew at a 1.7% annual rate, down from the advanced estimate of 2% reported in April. Inventories, which shrank for the first time since 1991, will likely be revised lower, as will consumer spending. Aftertax corporate profits likely fell 10.5% in the first quarter. Second-quarter real GDP is forecasted to grow at just a 1% annual rate.

DURABLE GOODS ORDERS *Friday, May 25, 8:30 a.m. EDT* ▶ New orders for durable

goods probably declined 2% in April after advancing 3% in March. The March increase was driven by orders for new ships and tanks. Excluding the transportation component, March durable goods orders were down 1.8%.

EXISTING HOME SALES *Friday, May 25, 10 a.m. EDT* ▶ Existing homes likely sold at an annual rate of 5.25 million in April, based on the S&P MMS survey. In March, home sales jumped 4.8%, to a 5.44 million annual rate.

The BusinessWeek Fifty

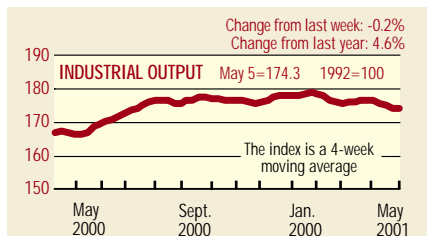


While the tech-heavy Nasdaq edged up 0.5% last week, the more diverse BW 50 gained 2.2%. Standouts were payroll processor Paychex, up 11.9%, and retailer Bed, Bath & Beyond, up 11.6%. Both should do well in a stronger economy. Phillips Petroleum climbed 7.8% in anticipation of higher refining margins. But natural gas company El Paso lost 7.1% amid scrutiny in Washington and Sacramento over its conduct in the California energy mess.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	5.8	2.0	26	Verizon Communications	2.0	13.3
2	Anadarko Petroleum	4.1	4.2	27	Alza	3.1	26.3
3	Calpine	-0.6	18.6	28	Citigroup	4.7	6.5
4	Dynegy	-0.2	15.5	29	Sun Microsystems	-3.1	-6.9
5	Applied Materials	6.0	19.3	30	Merck	1.0	-2.1
6	Providian Financial	6.2	12.3	31	El Paso	-7.1	-12.9
7	Occidental Petroleum	3.6	27.8	32	Altera	1.5	6.6
8	Apache	1.9	3.2	33	Marsh & McLennan	5.0	-0.5
9	Kerr-McGee	-0.4	9.1	34	Household International	3.9	17.5
10	Oracle	-3.9	-23.3	35	Chevron	-0.2	9.7
11	Lehman Brothers Holdings	2.9	15.7	36	SBC Communications	6.3	-1.3
12	EMC	1.6	-2.9	37	Mercury Interactive	3.7	13.8
13	AES	-6.4	-23.2	38	AOL Time Warner	2.0	20.5
14	Forest Laboratories	3.6	-4.1	39	Washington Mutual	6.4	8.3
15	FleetBoston Financial	3.8	-0.6	40	General Dynamics	2.4	19.3
16	Micron Technology	-5.5	9.2	41	Comcast	-0.7	-0.1
17	Xilinx	2.0	6.5	42	Morgan Stanley Dean Witter	6.2	8.6
18	Amerada Hess	3.2	21.3	43	Tellabs	3.6	-11.2
19	Duke Energy	0.7	11.6	44	Exxon Mobil	-0.2	10.0
20	ADC Telecommunications	7.0	-16.2	45	Scientific-Atlanta	0.2	29.0
21	Capital One Financial	4.5	19.4	46	U.S. Bancorp	2.8	-5.6
22	Phillips Petroleum	7.8	19.9	47	Paychex	11.9	-1.4
23	Analog Devices	1.8	14.5	48	Merrill Lynch	6.6	16.6
24	EOG Resources	4.6	8.3	49	Bed Bath & Beyond	11.6	16.1
25	Cardinal Health	1.9	4.9	50	Texas Instruments	2.5	18.8

BW Production Index



The production index declined once again in the latest week. Before calculation of the four-week moving average, the index slipped to 174.4 from 174.7 in the week of Apr. 21. After seasonal adjustments, steel led the fall, with crude-oil refining and coal production also lower. Autos, truck assemblies, lumber, and rail-freight traffic were all up for the week. Electric power was also higher as the East Coast was hit by unseasonably hot weather.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2000 by The McGraw-Hill Companies

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