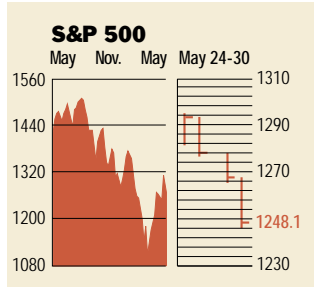


Stocks



COMMENTARY

Now you see a rally, now you don't. A handful of profit warnings from blue-chips and techs got investors thinking that the recent rebound was too optimistic. Losses halted a seven-week rally that, for one, pulled the Nasdaq up 27% from a 52-week low on April 4. The tech index lost 7.1% this week. The S&P and Dow lost ground, too: down 3.2% and 2.1%, respectively.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS	May 30	% change		
		Week	Year to date	Last 12 months
S&P 500	1248.1	-3.2	-5.5	-12.3
Dow Jones Industrials	10,872.6	-2.1	0.8	3.3
Nasdaq Composite	2084.5	-7.1	-15.6	-39.7
S&P MidCap 400	514.9	-3.4	-0.4	8.5
S&P SmallCap 600	223.8	-3.3	1.9	12.9
Wilshire 5000	11,527.1	-3.3	-5.3	-11.9

SECTORS	May 29	% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	865.2	-4.8	-10.8	-26.4
BusinessWeek Info Tech 100**	473.2	-9.3	-16.3	-46.8
S&P/BARRA Growth	616.5	-4.0	-10.3	-27.0
S&P/BARRA Value	631.0	-2.5	-0.8	4.7
S&P Energy	956.1	0.2	2.6	6.3
S&P Financials	158.6	-1.6	-3.7	15.1
S&P REIT	89.4	-0.5	1.7	13.5
S&P Transportation	729.9	-2.2	4.6	26.9
S&P Utilities	325.7	-4.2	-7.1	20.8
GSTI Internet	134.8	-9.8	-25.8	-68.6
PSE Technology	732.6	-7.9	-10.1	-27.3

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

BEST-PERFORMING GROUPS	Last month %	Last 12 months %	
		Group	%
Pollution Control	13.1	Engineering & Constr.	142.6
Toys	12.5	Tobacco	91.6
Engineering & Constr.	10.6	Homebuilding	70.9
Insurance Brokers	9.9	Savings & Loans	62.1
Alcoholic Beverages	9.0	Hospital Management	56.1

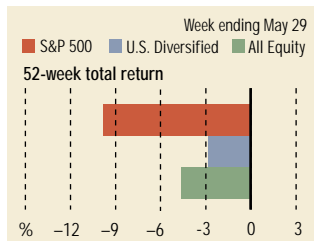
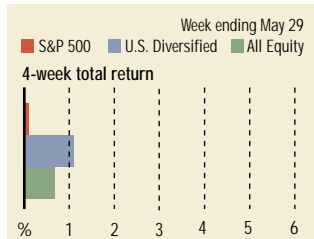
GLOBAL MARKETS	May 30	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1200.0	-2.8	-15.8	-19.1
London (FT-SE 100)	5796.9	-1.7	-6.8	-8.8
Paris (CAC 40)	5444.3	-3.3	-8.1	-15.3
Frankfurt (DAX)	6041.2	-2.8	-6.1	-15.0
Tokyo (NIKKEI 225)	13,493.4	-4.1	-2.1	-17.4
Hong Kong (Hang Seng)	13,420.1	-3.0	-11.1	-8.8
Toronto (TSE 300)	8101.4	-3.0	-9.3	-13.3
Mexico City (IPC)	6586.9	-2.9	16.5	9.8

FUNDAMENTALS	May 29	% change	
		Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.24%	1.20%	1.14%
S&P 500 P/E Ratio (Trailing 12 mos.)	28.9	29.6	28.8
S&P 500 P/E Ratio (Next 12 mos.)*	22.3	23.0	23.1
First Call Earnings Revision*	-1.06%	-2.25%	0.04%

TECHNICAL INDICATORS	May 29	Wk. ago	Reading
Stocks above 200-day average	72.0%	74.0%	Negative
Options: Put/call ratio	0.65	0.55	Neutral
Insiders: Vickers Sell/buy ratio	2.50	2.64	Neutral

WORST-PERFORMING GROUPS	Last month %	Last 12 months %	
		Group	%
HMOs	-15.0	Communications Equip.	-69.9
Homebuilding	-14.4	Semiconductors	-56.1
Oil & Gas Drilling	-12.6	Long-Dist. Telecomms.	-50.8
Semiconductors	-12.5	Instrumentation	-49.8
Instrumentation	-11.9	Metal & Glass Containers	-48.5

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return	%	52-week total return	%
Leaders		Leaders	
Precious Metals	7.3	Financial	28.2
Latin America	4.6	Small-cap Value	25.9
Health	4.2	Mid-cap Value	22.0
Small-cap Value	4.0	Natural Resources	20.9
Laggards		Laggards	
Communications	-4.4	Technology	-39.8
Utilities	-2.9	Communications	-39.6
Technology	-2.6	Japan	-26.1
Europe	-2.5	Diversified Pacific/Asia	-20.4

EQUITY FUNDS

4-week total return	%	52-week total return	%
Leaders		Leaders	
American Heritage	18.8	Schroder Ultra	107.6
Perkins Discovery	14.8	CGM Focus	76.5
Corbin Small Cap Value	14.5	Bost. Part. Sm. Cap Val. II	72.6
Investec Mainland China	13.1	Burnham Financial Svcs. A	70.5
Laggards		Laggards	
Monument Telecomms. A	-11.0	Firsthand Communications	-66.2
Monterey Mur. N. Wld. Tech.	-10.6	ING Internet A	-65.5
Rydex Telecomms. Inv.	-8.8	Firsthand E Commerce	-65.4
Monument Digital Tech. A	-8.4	iShares D.J. U.S. Internet	-64.5

Interest Rates

KEY RATES	May 30	Week ago	Year ago
90-DAY TREASURY BILLS	3.67	3.64	5.61
1-YEAR TREASURY BILLS	3.66	3.69	6.16
10-YEAR TREASURY NOTES	5.51	5.40	6.28
30-YEAR TREASURY BONDS	5.85	5.79	6.01
30-YEAR FIXED MORTGAGE†	7.31	7.20	8.53

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS

GENERAL OBLIGATIONS	Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 31% federal tax rate.	
	10-yr. bond	30-yr. bond
GENERAL OBLIGATIONS	4.47%	5.22%
TAXABLE EQUIVALENT	6.48	7.57
INSURED REVENUE BONDS	4.59	5.40
TAXABLE EQUIVALENT	6.65	7.83

THE WEEK AHEAD

VEHICLE SALES Monday, June 4 ► Sales of U.S.-made and imported cars and light trucks probably totaled an annual rate of 16 million in May, according to the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies. That sales pace would be down sharply from the April rate of 16.5 million and the first-quarter pace of 17.2 million. So far this year, lucrative dealer incentives and rebates have pushed vehicle sales consistently above expectations.

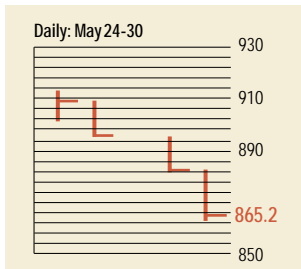
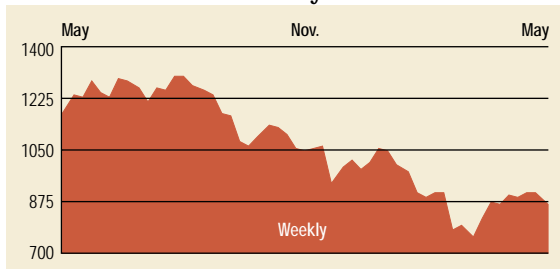
FACTORY INVENTORIES Tuesday, June 5, 10 a.m. EDT ► Manufacturing inventories were probably down 0.1% in April, after a 0.6% drop in March. April inventories of durable goods increased 0.1%, but falling petroleum inventories, a non-durable-goods item, are expected to help offset the advance in durables.

INITIAL UNEMPLOYMENT CLAIMS Thursday, June 7, 8:30 a.m. EDT ► New filings for state unemployment benefits likely remained above 400,000 for the week

ended June 2. Over the past four weeks, jobless claims have averaged 403,000. The jump in claims shows the job market is loosening rapidly, as profits slump and economic growth continues to slow.

INSTALLMENT CREDIT Thursday, June 7, 3 p.m. EDT ► Consumers likely took on \$8.3 billion of new debt in April, after rising \$6.1 billion in March. Debt accumulation slowed in the first quarter, to \$11.5 billion per month, compared with \$12.8 billion per month in all of 2000.

The BusinessWeek Fifty

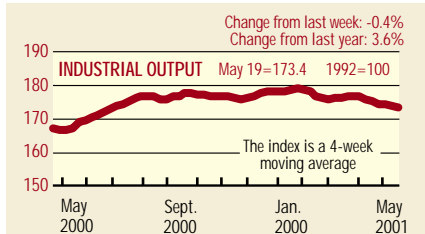


Plus signs were a rare sight among the BW50 this week. The index slumped nearly 5%, with all sectors—financial, tech, and energy—taking it on the chin. ADC Telecommunications fell 25% after the telecom-equipment maker reported losses and lowered its third quarter forecast. Sun Microsystems fell 24% on similar news regarding fourth quarter profits. EMC shares got marked down 19% on concerns about the data-storage firm's pricing power.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-2.9	3.1	26	Verizon Communications	0.6	11.5
2	Anadarko Petroleum	-4.2	-1.9	27	Alza	-0.5	22.9
3	Calpine	-10.2	7.3	28	Citigroup	-2.4	4.4
4	Dynegy	-11.3	3.7	29	Sun Microsystems	-24.4	-19.0
5	Applied Materials	-7.5	8.0	30	Merck	-1.0	-8.1
6	Providian Financial	-2.3	15.7	31	El Paso	-7.9	-15.8
7	Occidental Petroleum	-0.6	25.3	32	Altera	-15.7	-8.4
8	Apache	-2.8	-0.3	33	Marsh & McLennan	-1.5	2.0
9	Kerr-McGee	-2.9	6.1	34	Household International	-1.0	12.7
10	Oracle	-13.8	-32.1	35	Chevron	1.8	10.4
11	Lehman Brothers Holdings	-9.1	5.5	36	SBC Communications	-1.4	-7.1
12	EMC	-19.0	-27.9	37	Mercury Interactive	-13.5	0.7
13	AES	-6.5	-18.5	38	AOL Time Warner	-7.6	16.1
14	Forest Laboratories	6.4	10.2	39	Washington Mutual	-2.9	5.4
15	FleetBoston Financial	0.5	2.2	40	General Dynamics	-1.0	18.0
16	Micron Technology	-8.7	2.3	41	Comcast	-0.1	-4.1
17	Xilinx	-9.3	-0.6	42	Morgan Stanley Dean Witter	-10.2	0.9
18	Amerada Hess	-1.1	17.2	43	Tellabs	-15.8	-21.5
19	Duke Energy	-4.7	7.4	44	Exxon Mobil	1.8	9.2
20	ADC Telecommunications	-25.0	-34.1	45	Scientific-Atlanta	-18.0	11.4
21	Capital One Financial	-5.6	17.6	46	U.S. Bancorp	-1.0	-4.9
22	Phillips Petroleum	-2.2	21.2	47	Pfizer	-0.9	-0.1
23	Analog Devices	-12.8	5.6	48	Merrill Lynch	-5.9	7.1
24	EOG Resources	-3.8	3.1	49	Bed Bath & Beyond	-1.0	18.4
25	Cardinal Health	5.1	7.5	50	Texas Instruments	-16.4	2.1

BW Production Index



The production index fell sharply in the latest week. Before calculation of the four-week moving average, the index dropped to 173.4, from 174.1 in the May 12 week. After seasonal adjustments, auto and truck assemblies led the decline for the second straight week, along with a significant decline in coal and a drop in electric power. Rail freight traffic was also down, a by-product of lower vehicle and coal production. Both steel and crude-oil refining were higher.

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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For more investment data and the components of the production index, visit www.businessweek.com.