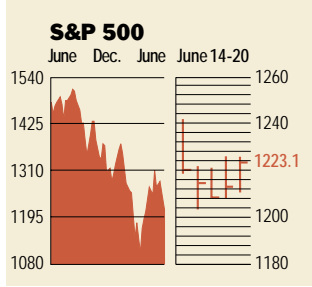


**Stocks**



**COMMENTARY**

Not even a bullish forecast from Oracle could overcome the effects of the continuing meltdown among telecom-equipment makers. The tech-laden Nasdaq fell below 2000 briefly, before ending the week at 2031.2, down 4.3%. The Dow slipped 2.1% on news that GE was dropping its bid for Honeywell as a result of opposition from European regulators. The S&P 500 lost 1.5%.

Data: Bloomberg Financial Markets  
Bridge Information Systems, Inc.

U.S. MARKETS	June 20	% change		
		Week	Year to date	Last 12 months
S&P 500	1223.1	-1.5	-7.4	-17.1
Dow Jones Industrials	10,647.3	-2.1	-1.3	2.0
Nasdaq Composite	2031.2	-4.3	-17.8	-49.4
S&P MidCap 400	511.8	-1.8	-1.0	1.2
S&P SmallCap 600	221.7	-2.9	0.9	5.3
Wilshire 5000	11,312.8	-1.7	-7.1	-18.1
<b>SECTORS</b>				
BusinessWeek 50*	849.2	-1.3	-12.5	-33.3
BusinessWeek Info Tech 100**	450.0	-4.9	-20.4	-55.1
S&P/BARRA Growth	614.0	-0.4	-10.7	-32.4
S&P/BARRA Value	609.7	-2.4	-4.2	1.7
S&P Energy	922.9	-3.1	-1.0	2.7
S&P Financials	157.3	1.0	-4.5	15.5
S&P REIT	93.9	1.3	6.7	13.7
S&P Transportation	666.9	-4.3	-4.4	19.9
S&P Utilities	304.5	-2.3	-13.1	12.8
GST Internet	127.7	-2.1	-29.7	-73.9
PSE Technology	706.9	-4.4	-13.2	-38.5

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

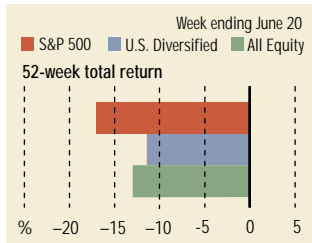
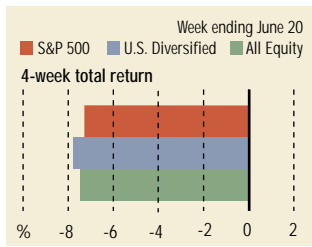
BEST-PERFORMING GROUPS	Last month %		Last 12 months %
Defense Electronics	8.9	Tobacco	84.8
Pollution Control	8.8	Engineering & Constr.	80.7
Savings & Loans	7.4	Pollution Control	76.0
Toys	5.5	Homebuilding	75.9

GLOBAL MARKETS	June 20	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1133.5	-3.4	-20.5	-26.0
London (FT-SE 100)	5699.6	-2.1	-8.4	-12.0
Paris (CAC 40)	5170.5	-3.4	-12.8	-20.3
Frankfurt (DAX)	5876.0	-3.9	-8.7	-17.2
Tokyo (NIKKEI 225)	12,674.6	-1.2	-8.1	-26.4
Hong Kong (Hang Seng)	12,918.7	-4.5	-14.4	-20.4
Toronto (TSE 300)	7675.7	-4.2	-14.1	-25.0
Mexico City (IPC)	6455.2	-5.1	14.2	-1.0
<b>FUNDAMENTALS</b>				
	June 19	Wk. ago	Yr. ago	
S&P 500 Dividend Yield	1.29%	1.25%	1.10%	
S&P 500 P/E Ratio (Trailing 12 mos.)	28.1	29.4	30.3	
S&P 500 P/E Ratio (Next 12 mos.)*	21.5	22.0	23.8	
First Call Earnings Revision*	-5.11%	-3.67%	-0.33%	

TECHNICAL INDICATORS	June 19	Wk. ago	Reading
Stocks above 200-day average	67.0%	73.0%	Neutral
Options: Put/call ratio	0.75	0.70	Positive
Insiders: Vickers Sell/buy ratio	3.22	2.67	Negative

WORST-PERFORMING GROUPS	Last month %		Last 12 months %
Oil & Gas Drilling	-24.5	Semiconductors	-61.0
Engineering & Constr.	-23.1	Instrumentation	-57.2
Instrumentation	-20.0	Long-Dist. Telecomms.	-56.9
Oil-Well Equip. & Svcs.	-16.6	Metal & Glass Containers	-48.1

**Mutual Funds**



Data: Standard & Poor's

**EQUITY FUND CATEGORIES**

4-week total return	%	52-week total return	%
<b>Leaders</b>			
Real Estate	2.6	Financial	27.1
Health	-1.6	Small-cap Value	19.5
Financial	-2.7	Mid-cap Value	18.9
International Hybrid	-3.0	Real Estate	17.5
<b>Laggards</b>			
Technology	-19.1	Technology	-54.5
Communications	-18.9	Communications	-53.5
Mid-cap Growth	-11.1	Japan	-35.6
Small-cap Growth	-10.6	Diversified Pacific/Asia	-30.4

**EQUITY FUNDS**

4-week total return	%	52-week total return	%
<b>Leaders</b>			
ProFunds UltraShort OTC	42.5	Potomac Internet Short	132.6
Rydex Dynamic Vent. 100	42.3	Rydex Dynamic Vent. 100	108.0
Potomac Internet Short	32.4	ProFunds UltraShort OTC	98.4
Rydex Arktos Investor	20.5	Schroder Ultra	87.5
<b>Laggards</b>			
Red Oak Technology Select	-34.2	ProFunds UltraOTC Inv.	-88.5
ProFunds UltraOTC Inv.	-34.2	Jacob Internet	-82.1
ING Global Communs. A	-34.2	Potomac Internet Plus	-78.7
Berkshire Technology	-32.8	Firsthand Communications	-77.5

**Interest Rates**

KEY RATES	June 20 Week ago Year ago		
	MONEY MARKET FUNDS	3.96%	4.08%
90-DAY TREASURY BILLS	3.48	3.55	5.81
1-YEAR TREASURY BILLS	3.36	3.60	6.16
10-YEAR TREASURY NOTES	5.21	5.28	6.11
30-YEAR TREASURY BONDS	5.66	5.66	5.96
30-YEAR FIXED MORTGAGE†	7.16	7.10	8.16

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS	10-yr. bond 30-yr. bond	
	Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 31% federal tax rate.	
GENERAL OBLIGATIONS	4.35%	5.11%
TAXABLE EQUIVALENT	6.30	7.41
INSURED REVENUE BONDS	4.49	5.30
TAXABLE EQUIVALENT	6.51	7.68

**THE WEEK AHEAD**

**EXISTING HOME SALES** Monday, June 25, 10 a.m. EDT ► Existing homes probably sold at an annual rate of 5.18 million in May. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies. In April, home sales dropped 4.2%, to an annual rate of 5.2 million.

**DURABLE GOODS ORDERS** Tuesday, June 26, 8:30 a.m. EDT ► New orders for durable goods likely slipped 0.3% in May, after

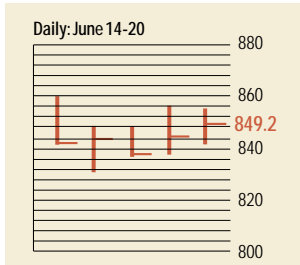
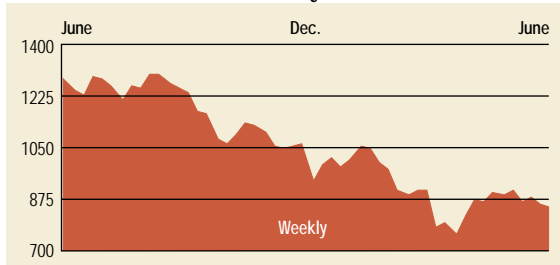
tumbling 5% in April. Transportation equipment and semiconductors accounted for most of the fall.

**FOMC MEETING** Tuesday, June 26, 9 a.m. EDT ► The Federal Reserve Board's Open Market Committee will meet for two days to set monetary policy. Economists surveyed by S&P's MMS unanimously expect another cut in the federal funds rate, but are divided over a quarter- or a half-point cut, with about 60% in favor of a quarter-point cut.

**CONSUMER CONFIDENCE** Tuesday, June 26, 10 a.m. EDT ► The Conference Board's index of consumer confidence will likely remain unchanged in June, after jumping to 115.5 in May. The recent rebound has been concentrated in a turnaround in consumers' future expectations.

**NEW RESIDENTIAL SALES** Tuesday, June 26, 10 a.m. EDT ► New single-family home sales in May probably sold at an annual rate of 900,000, up from an April rate of 894,000.

## The BusinessWeek Fifty



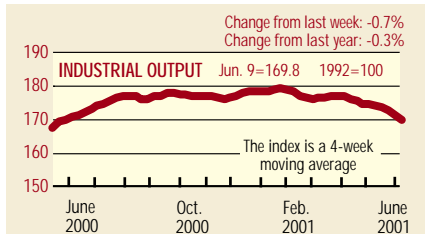
The BW 50 ended the week in negative territory, though it performed a bit better than the other broader market gauges. The 1.3% decline came as a result of a 40.7% drop in telecom-equipment maker Tellabs, which warned that it would miss its earnings' target. Oracle jumped 13.0% after telling analysts that the outlook for its U.S. sales is improved. Health stocks—Alza, Merck, and Cardinal Health—were also in the black.

### COMPANY PERFORMANCE

Rank	Company	% change	
		Week	Since 3/1/01
1	Tyco International	-5.8	-3.0
2	Anadarko Petroleum	-4.4	-10.1
3	Calpine	-10.0	-10.5
4	Dynegy	-8.3	-10.1
5	Applied Materials	-10.1	6.7
6	Provident Financial	-1.8	7.8
7	Occidental Petroleum	-3.2	20.0
8	Apache	-4.9	-11.9
9	Kerr-McGee	-4.4	4.7
10	Oracle	13.0	-18.0
11	Lehman Brothers Holdings	11.6	11.2
12	EMC	-10.4	-36.7
13	AES	0.2	-23.1
14	Forest Laboratories	2.5	8.3
15	FleetBoston Financial	-1.1	-5.0
16	Micron Technology	-9.9	2.6
17	Xilinx	-3.7	0.7
18	Amerada Hess	-2.9	13.8
19	Duke Energy	-0.7	-0.1
20	ADC Telecommunications	-7.6	-35.8
21	Capital One Financial	-4.9	8.4
22	Phillips Petroleum	-3.8	11.7
23	Analog Devices	-7.4	-0.8
24	EOG Resources	-5.9	-10.4
25	Cardinal Health	2.9	15.4

Rank	Company	% change	
		Week	Since 3/1/01
26	Verizon Communications	-1.6	8.9
27	Alza	6.4	37.3
28	Citigroup	1.5	4.1
29	Sun Microsystems	-12.7	-29.3
30	Merck	2.1	-6.4
31	El Paso	-6.9	-25.9
32	Altera	-1.5	1.5
33	Marsh & McLennan	0.6	-0.1
34	Household International	-1.0	10.6
35	Chevron	-2.8	8.8
36	SBC Communications	-4.8	-12.1
37	Mercury Interactive	-3.3	-2.9
38	AOL Time Warner	2.4	20.0
39	Washington Mutual	7.9	16.7
40	General Dynamics	0.4	13.5
41	Comcast	3.1	-3.2
42	Morgan Stanley Dean Witter	-0.1	-6.7
43	Tellabs	-40.7	-62.9
44	Exxon Mobil	-2.5	7.8
45	Scientific-Atlanta	-5.7	-12.2
46	U.S. Bancorp	0.0	-3.2
47	Paychex	4.3	-3.3
48	Merrill Lynch	4.9	6.6
49	Bed Bath & Beyond	6.8	24.6
50	Texas Instruments	-12.0	-7.6

## BW Production Index



The production index fell for the tenth straight week. Before calculation of the four-week moving average, the index fell from 169.4 to 168. After seasonal adjustments, truck assemblies, crude-oil refining, coal, and rail-freight traffic were all lower on the week. Steel was also lower in the same week that President George W. Bush called for an investigation into whether current levels of imports are harming domestic steel producers. Autos, electric power, and lumber were all higher.

Information on each of the index components is at [www.businessweek.com](http://www.businessweek.com). BW production index Copyright 2000 by The McGraw-Hill Companies

## Online Resources

**BW 50** Track the index and the companies in it all day long. Plus: our exclusive Info Tech 100 index.

**BUSINESSWEEK INVESTING** Real-time market coverage and investment tools in partnership with Standard & Poor's.

**MUTUAL FUNDS** Search for funds, view BW ratings, and read Q&A's with fund managers.

**COLUMNS** Hot stocks, takeover plays, and the latest strategies for managing your money.

**BusinessWeek online**

For more investment data and the components of the production index, visit [www.businessweek.com](http://www.businessweek.com)