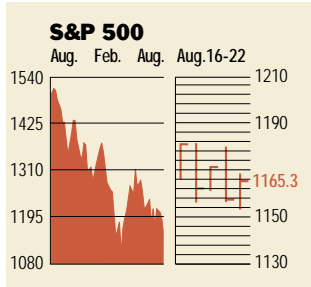


Stocks



COMMENTARY

Like joggers running in place at an intersection, stocks are bouncing up and down waiting for the green light of corporate profits. Encouraging comments from General Motors, Intuit, and semiconductor equipment makers lifted the market Aug. 22. But that did not make up for fears Fed interest rate cuts aren't working. For the week, the S&P 500 lost 1.1%, the Nasdaq 3.1%.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS

	Aug. 22	Week	Year to date	Last 12 months
S&P 500	1165.3	-1.1	-11.7	-22.2
Dow Jones Industrials	10,276.9	-0.7	-4.7	-7.7
Nasdaq Composite	1860.0	-3.1	-24.7	-53.0
S&P MidCap 400	498.5	-0.8	-3.5	-4.8
S&P SmallCap 600	226.5	-0.5	3.1	5.5
Wilshire 5000	10,784.9	-1.2	-11.4	-22.8

SECTORS

	Aug. 22	Week	Year to date	Last 12 months
BusinessWeek 50*	783.5	-1.3	-19.2	-38.8
BusinessWeek Info Tech 100**	391.3	-5.2	-30.8	-58.6
S&P/BARRA Growth	584.7	-1.0	-15.0	-34.9
S&P/BARRA Value	581.1	-1.2	-8.7	-7.2
S&P Energy	860.4	-1.7	-7.7	-5.5
S&P Financials	152.2	-1.4	-7.6	-2.4
S&P REIT	97.8	1.6	11.2	13.9
S&P Transportation	671.0	-1.9	-3.8	6.7
S&P Utilities	280.0	0.9	-20.2	-8.7
GSTI Internet	98.0	-3.1	-46.1	-77.7
PSE Technology	643.1	-2.2	-21.0	-42.0

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

BEST-PERFORMING GROUPS

	Last month %	Last 12 months %
Household Products	8.1	73.5
Drug Chains	7.4	66.6
Gold Mining	5.9	66.0
Foods	5.9	62.7
Specialty Printing	5.6	61.4

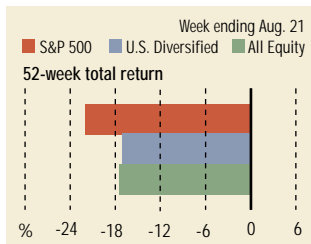
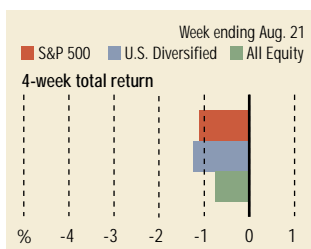
EQUITY FUND CATEGORIES

4-week total return %	52-week total return %
Leaders	Leaders
Real Estate 5.3	Real Estate 17.2
Precious Metals 2.6	Small-cap Value 16.3
Natural Resources 2.1	Mid-cap Value 14.9
Europe 2.0	Financial 13.3
Laggards	Laggards
Technology -7.0	Technology -58.8
Communications -6.3	Communications -53.6
Mid-cap Growth -3.4	Japan -35.8
Latin America -3.1	Large-cap Growth -35.7

EQUITY FUNDS

4-week total return %	52-week total return %
Leaders	Leaders
Potomac Internet Short 15.3	Potomac Internet Short 200.1
iShares MSCI Taiwan Index 14.3	Rydex Arktos Investor 95.9
Mathews Korea 13.6	CGM Focus 86.0
iShares MSCI S. Korea Index 10.1	Schroder Ultra 79.9
Laggards	Laggards
ING Internet A -15.9	Berkshire Focus -84.6
Berkshire Focus -15.8	Berkshire Technology -84.6
Berkshire Technology -15.8	Jacob Internet -82.8
J.P. Morgan H&Q Gl. Tech. A -15.4	Potomac Internet Plus -82.5

Mutual Funds



Data: Standard & Poors

GLOBAL MARKETS

	Aug. 22	Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1120.9	-2.1	-21.3	-24.4
London (FT-SE 100)	5408.7	-1.0	-13.1	-17.6
Paris (CAC 40)	4812.1	-2.5	-18.8	-26.0
Frankfurt (DAX)	5220.2	-4.3	-18.9	-27.8
Tokyo (NIKKEI 225)	11,396.4	-3.1	-17.3	-30.7
Hong Kong (Hang Seng)	11,188.6	-7.9	-25.9	-35.8
Toronto (TSE 300)	7538.6	0.1	-15.6	-32.3
Mexico City (IPC)	6333.1	-3.2	12.0	-0.1

FUNDAMENTALS

	Aug. 21	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.35%	1.31%	1.06%
S&P 500 P/E Ratio (Trailing 12 mos.)	32.4	32.9	29.9
S&P 500 P/E Ratio (Next 12 mos.)*	20.8	21.2	24.0
First Call Earnings Revision*	-4.80%	-5.91%	-1.13%

*First Call Corp.

TECHNICAL INDICATORS

	Aug. 21	Wk. ago	Reading
S&P 500 200-day average	1262.4	1268.5	Negative
Stocks above 200-day average	62.0%	63.0%	Neutral
Options: Put/call ratio	0.79	0.72	Positive
Insiders: Vickers Sell/buy ratio	3.01	3.20	Negative

WORST-PERFORMING GROUPS

	Last month %	Last 12 months %
Specialty Appar. Retailers	-21.2	Communications Equip. -79.7
Homebuilding	-18.5	Semiconductors -58.9
Automobiles	-17.2	Computer Systems -56.4
Oil & Gss Drilling	-16.4	Instrumentation -52.8
Computer Software	-12.0	Oil & Gss Drilling -45.2

Interest Rates

KEY RATES	Aug. 22	Week ago	Year ago
MONEY MARKET FUNDS	3.40%	3.45%	6.14%
90-DAY TREASURY BILLS	3.38	3.43	6.29
1-YEAR TREASURY BILLS	3.44	3.47	6.18
10-YEAR TREASURY NOTES	4.91	5.00	5.73
30-YEAR TREASURY BONDS	5.44	5.52	5.68
30-YEAR FIXED MORTGAGE†	6.93	6.91	7.96

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS

Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 31% federal tax rate.

	10-yr. bond	30-yr. bond
GENERAL OBLIGATIONS	4.17%	4.88%
TAXABLE EQUIVALENT	6.04	7.07
INSURED REVENUE BONDS	4.28	5.15
TAXABLE EQUIVALENT	6.20	7.46

THE WEEK AHEAD

EXISTING HOME SALES Monday, Aug. 27, 10 a.m. EDT ► Sales of existing homes probably slipped to an annual rate of 5.25 million in July, from 5.33 million in June. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies.

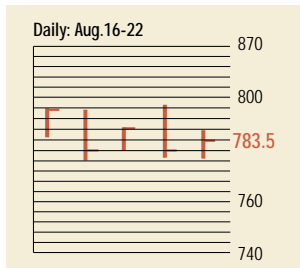
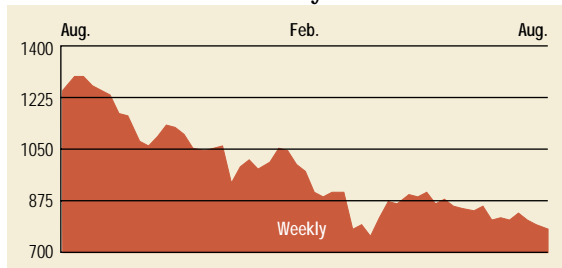
CONSUMER CONFIDENCE Tuesday, Aug. 28, 10 a.m. EDT ► The Conference Board's August index of consumer confidence likely slipped to 116, from 116.5 in July.

GROSS DOMESTIC PRODUCT (REVISION) Wednesday, Aug. 29, 8:30 a.m. EDT ► The Commerce Dept.'s second look at second-quarter economic growth is expected to show real GDP grew at just a 0.1% annual rate, down from the advance estimate of 0.7%. A further drop in inventories and a decline in exports are expected to bring the economy to near-zero growth. Third-quarter real GDP is forecast to rebound to an annual rate of 1.5%. Aftertax corporate profits likely fell 9.3% in the second quarter.

PERSONAL INCOME Thursday, Aug. 30, 8:30 a.m. EDT ► Personal income likely grew by 0.3% in July, after increasing 0.3% in June. Consumer spending in July probably grew by a smaller 0.2%, after rising 0.4% in June. Consumers are beginning to spend less and save more in response to growing job jitters.

FACTORY INVENTORIES Friday, Aug. 31, 10 a.m. EDT ► Manufacturing inventories likely fell for a sixth straight month, by 0.2% in July, after a 0.7% drop in June.

The BusinessWeek Fifty

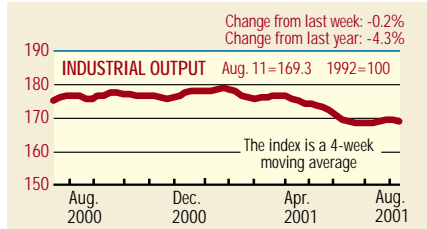


The BusinessWeek 50 index of growth stocks fell 1.3% last week—good compared with Nasdaq's 3.1% loss. Only 13 issues rose. Merck climbed 3.4% on its success substituting generic fluoxetine for Prozac. The big loser, Scientific-Atlanta, maker of digital set-top boxes, dropped 15.7% after retracting earnings guidance and citing slow growth. Restructuring Internet equipment maker Tellabs lost 10.4% due to lower capital spending.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-0.4	-3.7	26	Verizon Communications	-0.7	8.5
2	Anadarko Petroleum	-8.9	-14.3	27	Citigroup	-3.3	-3.4
3	Calpine	-0.5	-30.8	28	Sun Microsystems	-7.4	-31.8
4	Dynegy	-2.5	-11.3	29	Merck	3.4	-10.7
5	Applied Materials	0.4	-3.2	30	El Paso	5.7	-30.9
6	Provident Financial	-5.7	-11.9	31	Altera	-0.7	13.3
7	Occidental Petroleum	-3.6	15.3	32	Marsh & McLennan	-1.6	-7.6
8	Apache	-7.0	-15.1	33	Household International	-3.6	12.1
9	Kerr-McGee	-3.8	-5.6	34	Chevron	-1.1	5.9
10	Oracle	-2.5	-31.5	35	SBC Communications	-2.6	-7.1
11	Lehman Brothers Holdings	-1.4	-4.8	36	Mercury Interactive	-2.1	-47.2
12	EMC	-3.7	-63.9	37	AOL Time Warner	-0.5	-10.2
13	AES	-3.3	-37.5	38	Washington Mutual	-3.0	20.9
14	Forest Laboratories	-6.3	11.1	39	General Dynamics	-1.8	19.8
15	FleetBoston Financial	2.7	-7.0	40	Comcast	1.0	-13.5
16	Micron Technology	2.2	3.8	41	Morgan Stanley Dean Witter	-2.7	-15.9
17	Xilinx	3.3	-6.0	42	Tellabs	-10.4	-68.6
18	Amerada Hess	-2.8	5.9	43	Exxon Mobil	-1.9	0.0
19	Duke Energy	3.9	-5.7	44	Scientific-Atlanta	-15.7	-53.9
20	ADC Telecommunications	-7.4	-60.2	45	U.S. Bancorp	1.0	7.5
21	Capital One Financial	-5.3	8.0	46	Paychex	-0.7	-2.1
22	Phillips Petroleum	-2.7	7.8	47	Merrill Lynch	-2.7	-14.4
23	Analog Devices	1.1	15.6	48	Bed Bath & Beyond	-3.0	13.6
24	EOG Resources	-6.9	-22.8	49	Texas Instruments	0.7	3.9
25	Cardinal Health	1.6	12.5	50	Teradyne	0.5	1.6

BW Production Index



The production index fell for the first time in two months. Before calculation of the four-week moving average, the index tumbled to 167.7 from 169. On a seasonally adjusted basis, auto and truck assemblies drove the index lower, while rail-freight traffic, coal, and steel production also declined. Electric power was up sharply, as the Northeast and Midwest experienced a week-long heat wave. Crude-oil refining and lumber were also higher for the week.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2001 by The McGraw-Hill Companies

Online Resources

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