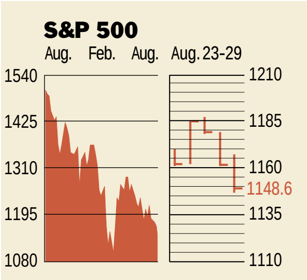
Figures of the Week

Stocks



COMMENTARY

Last week's rally is but a distant dream. The markets fizzled out by midweek as investors settled back in on reality: Earnings and the economy aren't likely to recover soon. New GDP numbers show the U.S. economy grew at its slowest pace in eight years, while consumer confidence hit a four-month low. Tech giants Advanced Micro Devices, Microsoft, and Oracle faltered.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS	Aug. 29	% change Week	Year to date	Last 12 months
S&P 500	1148.6	–1.4	–13.0	–23.9
Dow Jones Industrials	10,090.9	–1.8	–6.5	–10.0
Nasdaq Composite	1843.2	–0.9	–25.4	–54.8
S&P MidCap 400	496.7	–0.4	–3.9	–7.0
S&P SmallCap 600	225.3	–0.5	2.6	2.2
Wilshire 5000	10,644.2	–1.3	–12.6	–24.8
SECTORS				
BusinessWeek 50*	767.7	–2.0	–20.9	–41.4
BusinessWeek Info Tech 100**	384.1	–1.8	–32.1	–60.4
S&P/BARRA Growth	576.0	–1.5	–16.2	–37.0
S&P/BARRA Value	573.1	–1.4	–9.9	–8.3
S&P Energy	855.6	–0.6	–8.2	–6.4
S&P Financials	146.9	–3.4	–10.8	–4.2
S&P REIT	96.2	–1.6	9.4	15.6
S&P Transportation	673.9	0.4	–3.4	11.2
S&P Utilities	285.1	1.8	–18.7	–6.7
GSTI Internet	92.5	–5.8	–49.1	–79.8
PSE Technology	643.7	0.1	–21.0	–44.0

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

GLOBAL MARKETS	Aug. 29	% change Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1120.5	0.0	–21.4	–23.7
London (FT-SE 100)	5417.6	–0.2	–12.9	–18.1
Paris (CAC 40)	4834.9	0.5	–18.4	–27.1
Frankfurt (DAX)	5305.0	1.6	–17.5	–26.2
Tokyo (NIKKEI 225)	10,979.8	–3.7	–20.4	–35.0
Hong Kong (Hang Seng)	11,242.4	0.5	–25.5	–34.2
Toronto (TSE 300)	7494.4	–0.6	–16.1	–32.7
Mexico City (IPC)	6324.9	–0.1	11.9	–0.1

FUNDAMENTALS	Aug. 28	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.34%	1.35%	1.07%
S&P 500 P/E Ratio (Trailing 12 mos.)	32.0	32.4	30.2
S&P 500 P/E Ratio (Next 12 mos.)*	20.9	20.8	24.2
First Call Earnings Revision*	–2.56%	–4.80%	–1.05%

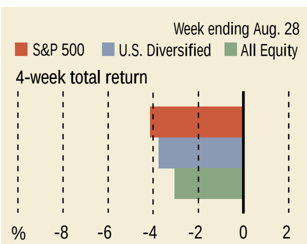
*First Call Corp.

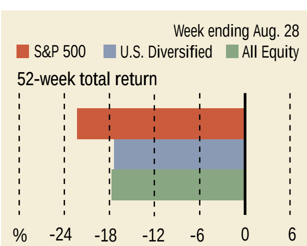
TECHNICAL INDICATORS	Aug. 28	Wk. ago	Reading
S&P 500 200-day average	1256.2	1262.4	Negative
Stocks above 200-day average	62.0%	62.0%	Neutral
Options: Put/call ratio	0.70	0.79	Positive
Insiders: Vickers Sell/buy ratio	2.82	3.01	Negative

BEST-PERFORMING GROUPS	Last month %		Last 12 months %
Engineering & Constr.	16.8	Engineering & Constr.	105.9
Office Equip. & Supplies	11.9	Pollution Control	69.0
Tobacco	9.5	Toys	59.5
Metal & Glass Containers	8.4	Tobacco	52.9
HMOs	8.0	Hospital Management	51.6

WORST-PERFORMING GROUPS	Last month %		Last 12 months %
Oil & Gas Drilling	–21.6	Communications Equip.	–79.5
Specialty Appar. Retailers	–17.5	Semiconductors	–59.0
Automobiles	–16.3	Computer Systems	–58.8
Entertainment	–13.1	Instrumentation	–53.4
Oil-Well Equip. & Svcs.	–12.5	Oil & Gas Drilling	–49.1

Mutual Funds





Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return	%	52-week total return	%
Leaders		**Leaders**	
Precious Metals	5.1	Real Estate	19.7
Real Estate	4.6	Small-cap Value	15.0
Health	0.2	Mid-cap Value	15.0
Europe	–0.2	Financial	11.9
Laggards		**Laggards**	
Communications	–10.0	Technology	–58.9
Technology	–9.7	Communications	–54.5
Mid-cap Growth	–5.5	Japan	–41.4
Large-cap Growth	–5.2	Mid-cap Growth	–35.3

EQUITY FUNDS

4-week total return	%	52-week total return	%
Leaders		**Leaders**	
Potomac Internet Short	21.1	Potomac Internet Short	206.0
ProFunds UltraShort OTC	17.8	Rydex Dynamic Vent. 100	148.3
Rydex Dynamic Vent. 100	17.5	ProFunds UltraShort OTC	140.3
Matthews Korea	10.5	Rydex Arktos Investor	95.4
Laggards		**Laggards**	
Amerindo Technology D	–21.3	ProFunds UltraOTC Inv.	–90.5
iShares D.J. U.S. Internet	–19.8	Berkshire Focus	–84.3
ProFunds UltraOTC Inv.	–19.2	Berkshire Technology	–84.3
Berkshire Focus	–19.0	Jacob Internet	–83.9

Interest Rates

KEY RATES	Aug. 29	Week ago	Year ago
MONEY MARKET FUNDS	3.34%	3.40%	6.15%
90-DAY TREASURY BILLS	3.42	3.38	6.31
1-YEAR TREASURY BILLS	3.44	3.44	6.23
10-YEAR TREASURY NOTES	4.78	4.91	5.81
30-YEAR TREASURY BONDS	5.36	5.44	5.73
30-YEAR FIXED MORTGAGE†	6.82	6.93	7.94

†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	4.09%	4.83%
TAXABLE EQUIVALENT	5.93	7.00
INSURED REVENUE BONDS	4.23	5.11
TAXABLE EQUIVALENT	6.13	7.41

THE WEEK AHEAD

PURCHASING MANAGERS' INDEX *Tuesday, Sept. 4, 10 a.m. EDT* ▶ The National Association of Purchasing Management's August index of industrial activity probably inched up to 44%, from 43.6% in July. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies.

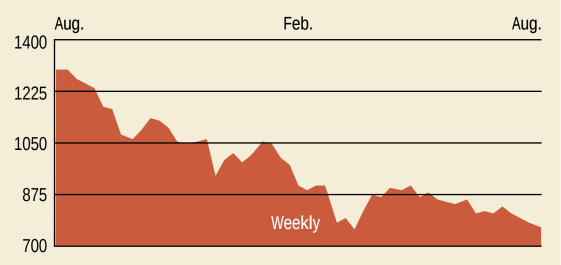
CONSTRUCTION SPENDING *Tuesday, Sept. 4, 10 a.m. EDT* ▶ Building outlays in July probably remained unchanged after tumbling 0.7% in June. Over the third quarter, residential construction is expected to slip 1%, while commercial construction outlays are expected to fall 13%.

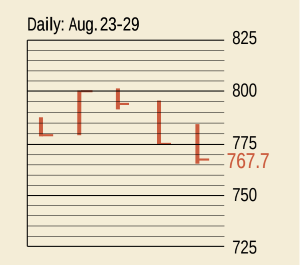
VEHICLE SALES *Wednesday, Sept. 5* ▶ Sales of U.S.-made and imported cars and light trucks probably totaled an annual rate of 16 million units for August, down from 16.2 million in July and the second-quarter rate of 16.6 million. While vehicle sales have softened, monthly totals are still healthy. One reason: Dealers continue to offer large rebates and incentives.

EMPLOYMENT *Friday, Sept. 7, 8:30 a.m. EDT* ▶ Nonfarm payrolls likely dropped by just 5,000 jobs in August, after 42,000 cuts in July. Manufacturing is expected to show a decline of 28,000 jobs in August, following a loss of 49,000 jobs in July. The unemployment rate likely hit 4.6% in August, and the average workweek probably slipped to 34.2 hours, from 34.3 hours in July.

THE BUSINESSWEEK 50

The BusinessWeek Fifty



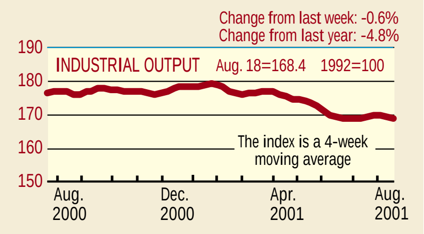


The BW 50 fell 2.0%, a smidge more than the overall market. Providian Financial led the decline, down 11.0% as analysts scrutinized the subprime lender for how it accounts for bad loans. Other banking companies also got hit, some on analysts' neutral ratings: Capital One Financial fell 5.9%, FleetBoston Financial fell 5.1%, and Washington Mutual slumped 9.1%. EMC, Calpine, and Dynegy were standouts in an otherwise dismal week.

COMPANY PERFORMANCE

Rank	Company	% change Week	% change Since 3/1/01
1	Tyco International	–0.5	–4.1
2	Anadarko Petroleum	–2.4	–16.3
3	Calpine	9.6	–24.1
4	Dynegy	5.1	–6.7
5	Applied Materials	–0.3	–3.5
6	Providian Financial	–11.0	–21.7
7	Occidental Petroleum	1.3	16.9
8	Apache	–4.1	–18.6
9	Kerr-McGee	–2.4	–7.9
10	Oracle	–8.8	–37.5
11	Lehman Brothers Holdings	1.2	–3.6
12	EMC	5.0	–62.1
13	AES	4.3	–34.9
14	Forest Laboratories	–0.7	10.3
15	FleetBoston Financial	–5.1	–11.8
16	Micron Technology	0.8	4.6
17	Xilinx	–2.7	–8.6
18	Amerada Hess	1.9	7.9
19	Duke Energy	–0.3	–6.0
20	ADC Telecommunications	–3.2	–61.5
21	Capital One Financial	–5.9	1.6
22	Phillips Petroleum	1.5	9.3
23	Analog Devices	2.4	18.3
24	EOG Resources	–4.5	–26.2
25	Cardinal Health	–2.8	9.4
26	Verizon Communications	–4.8	3.2
27	Citigroup	–1.2	–4.5
28	Sun Microsystems	–1.8	–33.1
29	Merck	–5.7	–15.8
30	El Paso	2.6	–29.1
31	Altera	–2.4	10.5
32	Marsh & McLennan	–4.4	–11.7
33	Household International	–7.3	3.9
34	Chevron	–0.2	5.7
35	SBC Communications	–1.9	–8.9
36	Mercury Interactive	–7.0	–50.9
37	AOL Time Warner	–2.5	–12.5
38	Washington Mutual	–9.1	10.0
39	General Dynamics	–0.1	19.7
40	Comcast	–1.5	–14.8
41	Morgan Stanley Dean Witter	0.7	–15.3
42	Tellabs	0.8	–68.3
43	Exxon Mobil	–0.8	–0.8
44	Scientific-Atlanta	–2.7	–55.1
45	U.S. Bancorp	–3.4	3.9
46	Paychex	–1.7	–3.8
47	Merrill Lynch	1.1	–13.5
48	Bed Bath & Beyond	–0.1	13.5
49	Texas Instruments	1.2	5.1
50	Teradyne	6.5	8.2

BW Production Index



The production index fell again in the latest week. Before calculation of the four-week moving average, the index dropped from 167.7 to 166.5. After seasonal adjustments, the index was pulled down by a steep decline in electric power as temperatures moderated across the country following the widespread heat wave. Truck assemblies were also down for the week. Rail-freight traffic, lumber, steel, and auto production were all higher on the week, while coal remained unchanged.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2001 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.