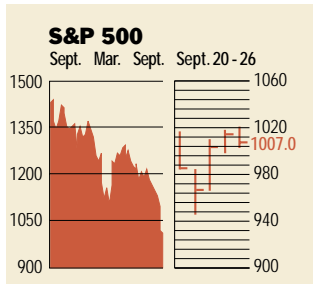


Stocks



COMMENTARY

The Dow Jones Industrial average, the S&P 500, and the Nasdaq Composite sank to their 52-week lows on Sept. 21 before recovering somewhat on Sept. 24. For the week, the Dow, S&P 500, and Nasdaq fell 2.2%, 0.9%, and 4.2%, respectively. There's a back-to-the-future quality to equity markets, however: U.S. exchanges have not seen these levels since 1998.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS	Sept. 26	% change		
		Week	Year to date	Last 12 months
S&P 500	1007.0	-0.9	-23.7	-29.4
Dow Jones Industrials	8567.4	-2.2	-20.6	-19.4
Nasdaq Composite	1464.0	-4.2	-40.7	-60.3
S&P MidCap 400	414.3	-3.4	-19.8	-21.4
S&P SmallCap 600	186.4	-2.6	-15.1	-12.5
Wilshire 5000	9246.5	-1.2	-24.1	-31.4

SECTORS	Sept. 26	% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	668.9	-1.6	-31.1	-43.0
BusinessWeek Info Tech 100**	330.9	-2.0	-41.5	-62.1
S&P/BARRA Growth	513.6	-0.7	-25.3	-38.4
S&P/BARRA Value	493.5	-1.1	-22.4	-19.7
S&P Energy	724.1	-6.4	-22.3	-20.3
S&P Financials	132.0	2.1	-19.9	-16.2
S&P REIT	88.6	-0.8	0.7	3.5
S&P Transportation	539.3	-0.6	-22.7	-7.6
S&P Utilities	240.0	-6.7	-31.6	-27.1
GSTI Internet	71.4	-8.6	-60.7	-83.6
PSE Technology	506.0	-4.4	-37.9	-51.6

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

BEST-PERFORMING GROUPS	Last month %	Last 12 months %	
		Group	%
Defense Electronics	16.4	Engineering & Constr.	72.9
Gold Mining	7.3	Tobacco	66.4
Metal & Glass Containers	6.3	Pollution Control	44.3
Regional Telephone Cos.	5.6	Toys	41.3
Tobacco	-0.5	Specialty Printing	34.4

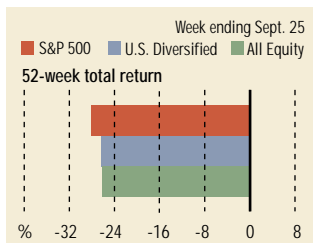
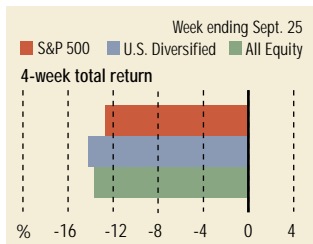
GLOBAL MARKETS	Sept. 26	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	924.2	-1.0	-35.1	-34.0
London (FT-SE 100)	4696.1	-0.5	-24.5	-25.1
Paris (CAC 40)	3975.5	2.2	-32.9	-37.1
Frankfurt (DAX)	4095.3	1.3	-36.3	-39.9
Tokyo (NIKKEI 225)	9641.7	-0.4	-30.1	-38.4
Hong Kong (Hang Seng)	9371.8	-2.0	-37.9	-39.3
Toronto (TSE 300)	6654.8	-0.6	-25.5	-36.5
Mexico City (IPC)	5324.8	1.3	-5.8	-17.6

FUNDAMENTALS	Sept. 25	Wk. ago	Yr. ago
S&P 500 P/E Ratio (Trailing 12 mos.)	33.1	28.5	29.0
S&P 500 P/E Ratio (Next 12 mos.)*	18.6	18.6	22.9
First Call Earnings Revision*	-4.88%	-2.43%	-0.25%

TECHNICAL INDICATORS	Sept. 25	Wk. ago	Reading
Stocks above 200-day average	27.0%	38.0%	Positive
Options: Put/call ratio	0.86	0.96	Positive
Insiders: Vickers Sell/buy ratio	3.00	2.73	Negative

WORST-PERFORMING GROUPS	Last month %	Last 12 months %	
		Group	%
Conglomerates	-40.8	Communications Equip.	-82.7
Hotels & Motels	-34.0	Computer Systems	-64.5
Specialty Appr. Retailers	-33.8	Semiconductors	-59.6
Airlines	-33.4	Oil & Gas Drilling	-58.4
Semiconductors	-32.6	Instrumentation	-52.9

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return %		52-week total return %	
Leaders		Leaders	
Precious Metals	0.4	Precious Metals	18.7
International Hybrid	-6.1	Real Estate	5.7
Utilities	-7.6	Small-cap Value	1.2
Domestic Hybrid	-7.9	Mid-cap Value	0.9
Laggards		Laggards	
Technology	-22.0	Technology	-63.6
Latin America	-18.7	Communications	-57.9
Pacific/Asia ex-Japan	-17.8	Mid-cap Growth	-45.8
Mid-cap Growth	-17.6	Japan	-43.7

EQUITY FUNDS

4-week total return %		52-week total return %	
Leaders		Leaders	
Rydex Dynamic Vent. 100	57.9	Potomac Internet Short	273.5
ProFunds UltraShort OTC	57.7	Rydex Dynamic Vent. 100	229.2
Prudent Bear	29.7	ProFunds UltraShort OTC	216.6
Rydex Dynamic Temp. 500	29.3	Rydex Arktos Investor	124.9
Laggards		Laggards	
ProFunds UltraOTC Inv.	-40.9	ProFunds UltraOTC Inv.	-93.0
American Heritage	-33.3	Berkshire Focus	-89.5
Berkshire Focus	-32.7	Berkshire Technology	-89.4
Berkshire Technology	-32.4	Potomac Internet Plus	-87.3

Interest Rates

KEY RATES	Sept. 26	Week ago	Year ago
90-DAY TREASURY BILLS	2.38	2.19	6.19
1-YEAR TREASURY BILLS	2.48	2.49r	6.07
10-YEAR TREASURY NOTES	4.65	4.69	5.82
30-YEAR TREASURY BONDS	5.50	5.56	5.90
30-YEAR FIXED MORTGAGE†	6.67	6.72	7.88

†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	4.11%	5.01%
TAXABLE EQUIVALENT	5.96	7.26
INSURED REVENUE BONDS	4.30	5.25
TAXABLE EQUIVALENT	6.23	7.61

THE WEEK AHEAD

PERSONAL INCOME *Monday, Oct. 1, 8:30 a.m. EDT* ► Personal income likely grew 0.3% in August, after increasing 0.5% in July. That is the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies. Consumer spending in August probably grew 0.3%, after rising 0.1% in July.

PURCHASING MANAGERS' INDEX *Monday, Oct. 1, 10 a.m. EDT* ► The National Association of Purchasing Management's September index of industrial activity is pro-

jected to have slipped to 45.5%, after jumping to 47.9% in August.

FOMC MEETING *Tuesday, Oct. 2, 9 a.m. EDT* ► The Federal Reserve Board's Open Market Committee will meet to set monetary policy. A majority of economists surveyed by S&P expect another 50-basis-point cut in the federal funds rate.

FACTORY INVENTORIES *Thursday, Oct. 4, 10 a.m. EDT* ► Manufacturing inventories are forecast to decline for a seventh consec-

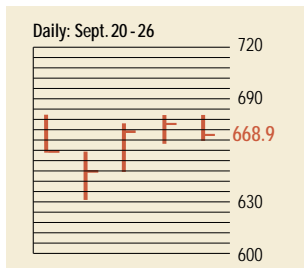
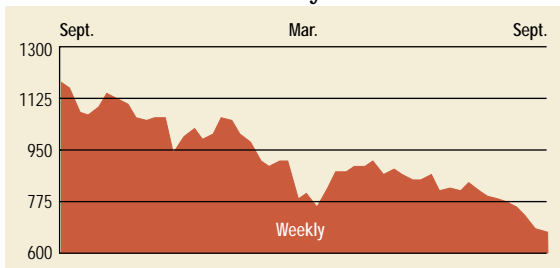
utive month, by 0.6% in August, after a 0.6% drop in July.

EMPLOYMENT *Friday, Oct. 5, 8:30 a.m. EDT* ► Nonfarm payrolls likely declined by 70,000 jobs in September, while manufacturing is expected to show a drop of 75,000 jobs. The unemployment rate in September likely hit 5.0%.

INSTALLMENT CREDIT *Friday, Oct. 5, 3 p.m. EDT* ► Consumers probably pared down \$2 billion of debt in August.



The BusinessWeek Fifty



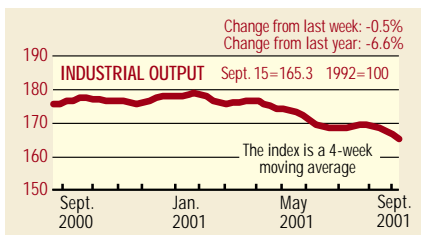
Ouch! Shares of AES, the electric-power giant, short-circuited after warning that profits would not meet expectations. While the rest of the BW 50 recovered a bit from the previous week's lows, investors remained cautious, awaiting stronger signals from Washington on the economic as well as military front. Financials Citigroup, Lehman, and Morgan Stanley rose 2.2%, 4.6%, and 3.9%, respectively.

COMPANY PERFORMANCE

Rank	Company	% change	
		Week	Since 3/1/01
1	Tyco International	1.0	-19.1
2	Anadarko Petroleum	-6.3	-30.6
3	Calpine	-12.7	-52.0
4	Dynegy	-4.7	-31.3
5	Applied Materials	-6.4	-35.7
6	Provident Financial	-6.5	-60.9
7	Occidental Petroleum	-8.0	-5.0
8	Apache	-7.5	-34.6
9	Kerr-McGee	-8.5	-26.0
10	Oracle	8.9	-42.9
11	Lehman Brothers Holdings	4.6	-21.3
12	EMC	1.0	-70.4
13	AES	-47.1	-77.6
14	Forest Laboratories	4.9	6.1
15	FleetBoston Financial	-1.0	-16.6
16	Micron Technology	-26.4	-51.9
17	Xilinx	-25.8	-47.9
18	Amerada Hess	-14.3	-17.8
19	Duke Energy	-3.5	-11.6
20	ADC Telecommunications	0.6	-71.9
21	Capital One Financial	9.2	-21.6
22	Phillips Petroleum	-4.6	-5.8
23	Analog Devices	-3.2	-20.3
24	EOG Resources	-5.2	-39.0
25	Cardinal Health	1.1	5.3

Rank	Company	% change	
		Week	Since 3/1/01
26	Verizon Communications	0.0	11.3
27	Citigroup	2.2	-19.2
28	Sun Microsystems	-7.3	-57.9
29	Merck	-6.6	-20.6
30	El Paso	-13.2	-45.3
31	Altera	-20.5	-35.4
32	Marsh & McLennan	12.6	-11.9
33	Household International	2.5	-8.2
34	Chevron	-7.2	-9.3
35	SBC Communications	4.5	4.0
36	Mercury Interactive	-10.0	-68.3
37	AOL Time Warner	4.2	-26.7
38	Washington Mutual	0.0	11.6
39	General Dynamics	3.1	27.3
40	Comcast	1.2	-20.9
41	Morgan Stanley Dean Witter	3.9	-31.4
42	Tellabs	-2.1	-75.8
43	Exxon Mobil	0.0	-5.6
44	Scientific-Atlanta	-6.2	-63.8
45	U.S. Bancorp	-1.2	-8.6
46	Paychex	-6.9	-25.8
47	Merrill Lynch	-1.3	-36.7
48	Bed Bath & Beyond	15.6	0.1
49	Texas Instruments	-0.6	-26.7
50	Teradyne	-18.5	-36.6

BW Production Index



The production index dropped significantly over the latest week. Before calculation of the four-week moving average, the index tumbled from 165.1 to 163.4. On a seasonally adjusted basis, auto and truck assemblies declined the most, as the Sept. 11 attacks delayed parts deliveries and caused plant shutdowns. Electric power, steel, and crude-oil refining were lower as well. Despite transportation interruptions, rail-freight traffic was higher for the week, along with coal and lumber.

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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BusinessWeek online

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