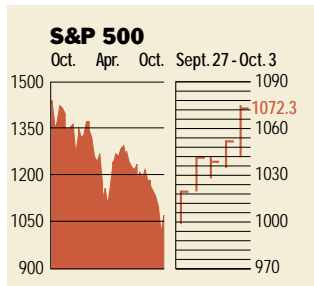


Stocks



COMMENTARY

The Federal Reserve cut rates and the market surged. For the week, the Dow Jones Industrials and the S&P 500 index each rose 6.5%, while the tech-heavy Nasdaq climbed 8.0%. Indeed, the Nasdaq soared 88.4 points, or nearly 6%, in just one day on Oct. 3. Leading the charge were bellwethers Microsoft, Intel, and Oracle, while Net giant Cisco powered ahead 20%.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS

	Oct. 3	Week	% change	
			Year to date	Last 12 months
S&P 500	1072.3	6.5	-18.8	-24.8
Dow Jones Industrials	9123.8	6.5	-15.4	-14.9
Nasdaq Composite	1580.8	8.0	-36.0	-54.3
S&P MidCap 400	442.4	6.8	-14.4	-15.4
S&P SmallCap 600	197.4	5.9	-10.1	-6.9
Wilshire 5000	9842.5	6.4	-19.2	-26.4

SECTORS

			% change	
			Year to date	Last 12 months
BusinessWeek 50*	717.6	7.3	-26.0	-37.8
BusinessWeek Info Tech 100**	353.3	6.8	-37.5	-57.4
S&P/BARRA Growth	544.3	6.0	-20.8	-32.9
S&P/BARRA Value	528.1	7.0	-17.0	-16.5
S&P Energy	791.1	9.3	-15.1	-16.7
S&P Financials	142.0	7.6	-13.8	-13.3
S&P REIT	88.4	-0.2	0.5	5.6
S&P Transportation	587.6	9.0	-15.8	-1.3
S&P Utilities	263.8	9.9	-24.8	-21.3
GSTI Internet	78.2	9.6	-57.0	-79.4
PSE Technology	544.0	7.5	-33.2	-45.6

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

BEST-PERFORMING GROUPS

	Last month %		Last 12 months %
Defense Electronics	33.5	Engineering & Constr.	88.3
Metal & Glass Containers	15.0	Tobacco	63.6
Insurance Brokers	14.7	Pollution Control	54.9
Gold Mining	9.8	Toys	41.0
Regional Telephone Cos.	7.7	Specialty Printing	40.0

GLOBAL MARKETS

	Oct. 3	Week	% change	
			Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	956.7	3.5	-32.9	-31.1
London (FT-SE 100)	4881.8	4.0	-21.5	-22.9
Paris (CAC 40)	4024.3	1.2	-32.1	-36.1
Frankfurt (DAX)	4436.7	8.3	-31.0	-35.0
Tokyo (NIKKEI 225)	9924.2	2.9	-28.0	-38.5
Hong Kong (Hang Seng)	9897.1	6.6	-34.4	-37.7
Toronto (TSE 300)	6903.8	3.7	-22.7	-34.0
Mexico City (IPC)	5407.5	1.6	-4.3	-13.2

FUNDAMENTALS

	Oct. 2	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.47%	1.53%	1.12%
S&P 500 P/E Ratio (trailing 12 mos.)	34.6	33.1	28.4
S&P 500 P/E Ratio (Next 12 mos.)*	19.5	18.6	22.6
First Call Earnings Surprise*	-0.75%	2.03%	4.99%

*First Call Corp.

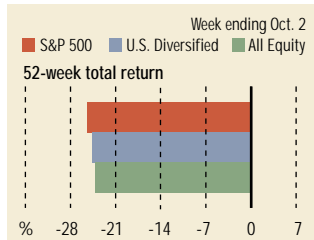
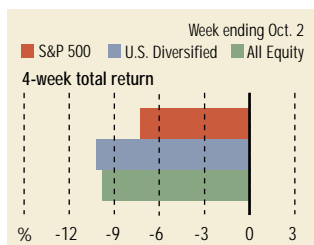
TECHNICAL INDICATORS

	Oct. 2	Wk. ago	Reading
S&P 500 200-day average	1227.0	1235.0	Negative
Stocks above 200-day average	35.0%	27.0%	Positive
Options: Put/call ratio	0.69	0.86	Neutral
Insiders: Vickers Sell/buy ratio	2.90	3.00	Negative

WORST-PERFORMING GROUPS

	Last month %		Last 12 months %
Conglomerates	-31.7	Communications Equip.	-80.7
Semiconductors	-29.5	Computer Systems	-59.5
Metals	-25.4	Oil & Gas Drilling	-57.1
Hotels & Motels	-24.3	Semiconductors	-56.9
Photography/Imaging	-23.9	Instrumentation	-55.7

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return %		52-week total return %	
Leaders		Leaders	
Precious Metals	6.3	Precious Metals	23.0
International Hybrid	-3.8	Real Estate	9.9
Domestic Hybrid	-4.7	Small-cap Value	2.0
Financial	-4.8	Mid-cap Value	1.4
Laggards		Laggards	
Technology	-20.7	Technology	-63.6
Latin America	-17.0	Communications	-57.6
Diversified Emerging Mkts.	-14.7	Mid-cap Growth	-42.5
Small-cap Growth	-14.5	Japan	-42.0

EQUITY FUNDS

4-week total return %		52-week total return %	
Leaders		Leaders	
Rydex Dynamic Vent. 100	44.3	Potomac Internet Short	229.1
ProFunds UltraShort OTC	44.1	Rydex Dynamic Vent. 100	205.3
Prudent Bear	25.3	ProFunds UltraShort OTC	192.2
Rydex Arktos Investor	21.1	Rydex Arktos Investor	116.3
Laggards		Laggards	
Firstar Bal. Gr. Instl.	-60.9	ProFunds UltraOTC Inv.	-92.4
American Heritage	-41.7	Berkshire Focus	-90.0
Van Wagoner Post Venture	-36.4	Berkshire Technology	-89.9
Van Wagoner Emerg. Gr.	-36.3	Van Wagoner Post Venture	-87.2

Interest Rates

	Oct. 3	Week ago	Year ago
KEY RATES			
MONEY MARKET FUNDS	2.97%	3.03%	6.14%
90-DAY TREASURY BILLS	2.22	2.38	6.24
2-YEAR TREASURY NOTES	2.75	2.80	5.98
10-YEAR TREASURY NOTES	4.48	4.65	5.90
30-YEAR TREASURY BONDS	5.30	5.50	5.95
30-YEAR FIXED MORTGAGE†	6.51	6.67	7.83

†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	4.04%	4.93%
TAXABLE EQUIVALENT	5.86	7.14
INSURED REVENUE BONDS	4.26	5.20
TAXABLE EQUIVALENT	6.17	7.54

THE WEEK AHEAD

EXPORT-IMPORT PRICES Thursday, Oct. 11, 8:30 a.m. EDT ▶ Import and export prices in September are both expected to have fallen 0.2%. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies. In August, import prices slipped 0.1%, while export prices declined 0.2%.

RETAIL SALES Friday, Oct. 12, 8:30 a.m. EDT ▶ Retail sales probably dropped 0.9% in September, after rising 0.3% in

August. Excluding autos, sales likely posted a smaller 0.5% decrease, after a 0.5% gain in August. Vehicle sales have fallen off of last year's pace and could drop even more sharply through the remainder of the year.

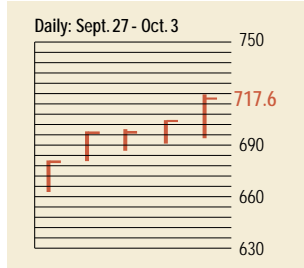
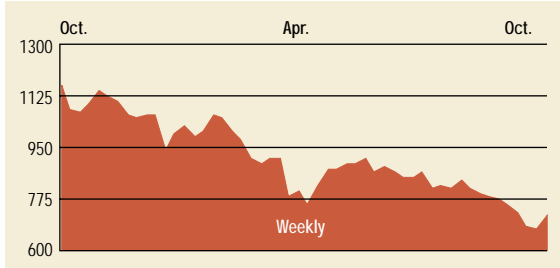
PRODUCER PRICE INDEX Friday, Oct. 12, 8:30 a.m. EDT ▶ Producer prices of finished goods likely increased 0.2% in September, based on the S&P MMS median forecast. In August, prices jumped an unexpected 0.4%. Excluding food and

energy, core prices in September probably rose 0.1%, after declining 0.1% in August. Energy prices should continue to fall as crude-oil prices have dropped nearly 20% since September 11.

CONSUMER SENTIMENT Friday, Oct. 12, 10 a.m. EDT ▶ The University of Michigan's preliminary October index on consumer sentiment likely fell to 77, after sinking to 81.8 for the final reading in September. The forecast would put the index at its lowest level since July, 1993.



The BusinessWeek Fifty

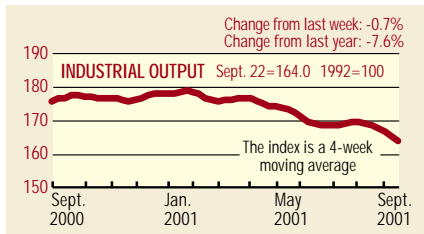


The BW 50 rose 7.3% for the week, along with the resurgent market. Leading the way was software maker Mercury Interactive, which soared 37.3%, and semiconductor maker Xilinx, which rose 23.5%. But the tech companies were not alone: Calpine and Dynegy climbed 25.7% and 24.1%, respectively. In fact, only two companies, EMC and SBC Communications, lost value.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	5.7	-14.4	26	Verizon Communications	2.1	13.3
2	Anadarko Petroleum	9.0	-24.4	27	Citigroup	10.6	-10.6
3	Calpine	25.7	-39.6	28	Sun Microsystems	6.6	-55.1
4	Dynegy	24.1	-14.8	29	Merck	6.8	-15.2
5	Applied Materials	4.2	-33.1	30	El Paso	19.4	-34.6
6	Provident Financial	8.7	-57.5	31	Altera	9.5	-29.3
7	Occidental Petroleum	6.0	0.7	32	Marsh & McLennan	12.5	-0.9
8	Apache	10.3	-27.9	33	Household International	8.6	-0.3
9	Kerr-McGee	6.9	-20.9	34	Chevron	8.4	-1.6
10	Oracle	12.0	-36.1	35	SBC Communications	-2.5	1.5
11	Lehman Brothers Holdings	11.6	-12.2	36	Mercury Interactive	37.3	-56.5
12	EMC	-6.4	-72.2	37	AOL Time Warner	6.4	-22.0
13	AES	6.9	-76.0	38	Washington Mutual	3.7	14.7
14	Forest Laboratories	5.0	11.4	39	General Dynamics	5.2	33.9
15	FleetBoston Financial	6.7	-11.0	40	Comcast	8.8	-13.9
16	Micron Technology	10.1	-47.1	41	Morgan Stanley Dean Witter	14.3	-21.6
17	Xilinx	23.5	-35.6	42	Tellabs	0.6	-75.7
18	Amerada Hess	5.9	-13.0	43	Exxon Mobil	10.6	-2.1
19	Duke Energy	8.3	-4.3	44	Scientific-Atlanta	11.6	-59.6
20	ADC Telecommunications	11.3	-68.7	45	U.S. Bancorp	6.8	-2.4
21	Capital One Financial	10.8	-13.1	46	Paychex	5.3	-21.8
22	Phillips Petroleum	6.3	0.2	47	Merrill Lynch	9.1	-30.9
23	Analog Devices	12.5	-10.3	48	Bed Bath & Beyond	12.6	12.7
24	EOG Resources	10.9	-32.3	49	Texas Instruments	6.4	-22.0
25	Cardinal Health	4.5	10.0	50	Teradyne	6.1	-32.7

BW Production Index



The production index fell for the seventh consecutive week. Before calculation of the four-week moving average, the index declined to 161.7, from 163.4. After seasonal adjustments, all components but one were lower on the week. Autos fell the most as producers continue to face slowing sales. Steel, lumber, and rail-freight traffic were down, as were the index's energy components: electric power, crude-oil refining, and coal. Truck assemblies were the only category higher for the week. Information on each of the index components is at 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.

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BusinessWeek online

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