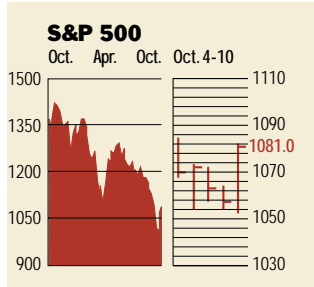


## Stocks



### COMMENTARY

The major U.S. stock indices ended in positive territory for the week, but the real star was the Nasdaq Composite, which rose four out of the five trading days and on Oct. 10 climbed almost 3%. Leading the charge that day for the tech-heavy index were Qualcomm, Intel, and Microsoft, which rose 9.9%, 6.5%, and 1.7% respectively on big volume.

Data: Bloomberg Financial Markets  
Bridge Information Systems, Inc.

U.S. MARKETS	Oct. 10	% change		
		Week	Year to date	Last 12 months
S&P 500	1081.0	0.8	-18.1	-22.1
Dow Jones Industrials	9240.9	1.3	-14.3	-12.2
Nasdaq Composite	1626.3	2.9	-34.2	-49.8
S&P MidCap 400	449.6	1.6	-13.0	-10.6
S&P SmallCap 600	200.9	1.8	-8.5	-1.3
Wilshire 5000	9937.7	1.0	-18.4	-23.0

### SECTORS

			% change	
BusinessWeek 50*	729.4	1.6	-24.8	-33.9
BusinessWeek Info Tech 100**	365.9	3.6	-35.3	-53.5
S&P/BARRA Growth	551.4	1.3	-19.8	-30.3
S&P/BARRA Value	529.6	0.3	-16.7	-13.6
S&P Energy	851.6	7.6	-8.6	-11.5
S&P Financials	135.6	-4.5	-17.7	-9.5
S&P REIT	90.3	2.1	2.7	8.4
S&P Transportation	598.9	1.9	-14.2	-1.1
S&P Utilities	265.7	0.7	-24.2	-19.2
GSTI Internet	82.1	5.0	-54.8	-77.4
PSE Technology	567.2	4.3	-30.4	-39.9

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

### BEST-PERFORMING GROUPS

	Last month %		Last 12 months %
Defense Electronics	36.0	Engineering & Constr.	89.1
Insurance Brokers	18.0	Tobacco	63.5
Genl. Merchandise Chains	12.8	Pollution Control	46.4
Long-Dist. Telecomms.	7.2	Toys	46.3
Multiline Insurers	6.9	Hardware & Tools	34.2

GLOBAL MARKETS	Oct. 10	Week	% change	
			Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1007.3	5.3	-29.3	-23.5
London (FT-SE 100)	5153.1	5.6	-17.2	-15.8
Paris (CAC 40)	4319.4	7.3	-27.1	-27.5
Frankfurt (DAX)	4613.2	4.0	-28.3	-29.7
Tokyo (NIKKEI 225)	9964.9	-1.7	-27.7	-35.8
Hong Kong (Hang Seng)	10,298.2	4.1	-31.8	-31.9
Toronto (TSE 300)	6952.3	1.7	-22.2	-33.1
Mexico City (IPC)	5684.9	5.1	0.6	-6.7

### FUNDAMENTALS

	Oct. 9	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.47%	1.47%	1.15%
S&P 500 P/E Ratio (Trailing 12 mos.)	34.9	34.6	27.6
S&P 500 P/E Ratio (Next 12 mos.)*	19.7	19.5	22.0
First Call Earnings Surprise*	0.09%	-0.75%	4.60%

\*First Call Corp.

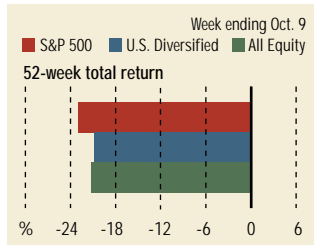
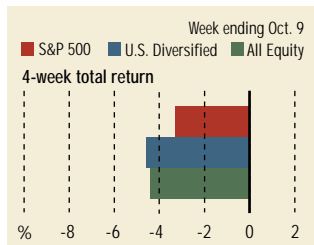
### TECHNICAL INDICATORS

	Oct. 9	Wk. ago	Reading
S&P 500 200-day average	1219.8	1227.0	Negative
Stocks above 200-day average	35.0%	35.0%	Positive
Options: Put/call ratio	0.73	0.69	Positive
Insiders: Vickers Sell/buy ratio	2.59	2.90	Negative

### WORST-PERFORMING GROUPS

	Last month %		Last 12 months %
Conglomerates	-26.8	Communications Equip.	-79.0
Photography/Imaging	-21.8	Computer Systems	-56.1
Hotels & Motels	-21.6	Instrumentation	-51.2
Metals	-19.0	Oil & Gas Drilling	-47.8
Airlines	-17.0	Semiconductors	-44.8

## Mutual Funds



Data: Standard & Poor's

### EQUITY FUND CATEGORIES

4-week total return	%	52-week total return	%
<b>Leaders</b>		<b>Leaders</b>	
Precious Metals	2.6	Precious Metals	24.0
International Hybrid	-1.5	Real Estate	10.3
Japan	-1.7	Small-cap Value	6.4
Domestic Hybrid	-1.9	Mid-cap Value	4.7
<b>Laggards</b>		<b>Laggards</b>	
Latin America	-11.2	Technology	-59.4
Diversified Emerging Mkts.	-9.8	Communications	-54.3
Technology	-8.9	Japan	-42.3
Pacific/Asia ex-Japan	-7.1	Mid-cap Growth	-38.4

### EQUITY FUNDS

4-week total return	%	52-week total return	%
<b>Leaders</b>		<b>Leaders</b>	
ProFunds UltraShort OTC	13.0	Potomac Internet Short	188.2
Rydex Dynamic Vent. 100	12.9	Rydex Dynamic Vent. 100	136.1
Prudent Bear	12.8	ProFunds UltraShort OTC	126.3
Corbin Small Cap Value	11.6	Rydex Arktos Investor	90.6
<b>Laggards</b>		<b>Laggards</b>	
Apex Mid Cap Growth	-37.7	ProFunds UltraOTC Inv.	-90.3
American Heritage	-36.4	Berkshire Focus	-87.2
Frontier Equity	-22.9	Berkshire Technology	-87.1
Ameristock Focused Value	-20.7	Van Wagoner Post Venture	-84.0

## Interest Rates

KEY RATES	Oct. 10	Week ago	Year ago
<b>MONEY MARKET FUNDS</b>	2.84%	2.97%	6.14%
<b>90-DAY TREASURY BILLS</b>	2.21	2.22	6.22
<b>2-YEAR TREASURY NOTES</b>	2.76	2.75	6.00
<b>10-YEAR TREASURY NOTES</b>	4.60	4.48	5.77
<b>30-YEAR TREASURY BONDS</b>	5.36	5.30	5.82
<b>30-YEAR FIXED MORTGAGE†</b>	6.55	6.51	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
<b>GENERAL OBLIGATIONS</b>	4.00%	4.93%
<b>TAXABLE EQUIVALENT</b>	5.80	7.14
<b>INSURED REVENUE BONDS</b>	4.22	5.22
<b>TAXABLE EQUIVALENT</b>	6.12	7.57

## THE WEEK AHEAD

**BUSINESS INVENTORIES** *Monday, Oct. 15, 8:30 a.m. EDT* ► Inventories in August likely fell by 0.3%, after sliding 0.4% in July. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies. Despite major efforts to trim down inventories, the deteriorating economy will likely require further reductions.

**INDUSTRIAL PRODUCTION** *Tuesday, Oct. 16, 9:15 a.m. EDT* ► Factory output probably declined 0.7% in September, while ca-

capacity utilization probably declined for the 13th straight month, to 75.6%. In August, output dropped 0.8%, with a utilization rate of 76.2%.

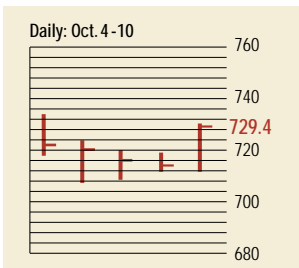
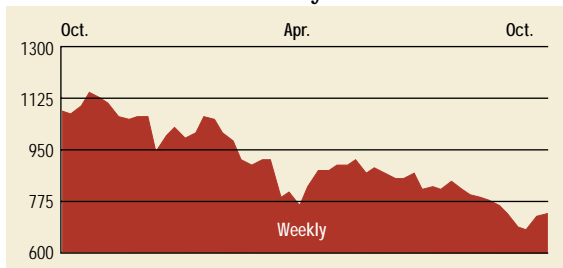
**NEW RESIDENTIAL CONSTRUCTION** *Wednesday, Oct. 17, 8:30 a.m. EDT* ► Housing starts in September are forecast to fall to an annual rate of 1.5 million, after dropping to 1.53 million in August.

**CONSUMER PRICE INDEX** *Friday, Oct. 19, 8:30 a.m. EDT* ► Consumer prices for

goods and services probably rose 0.2% in September, after posting a 0.1% gain in August. Core prices, excluding the more volatile food and energy components, are projected to rise by a similar 0.2%, after rising 0.2% in August.

**INTERNATIONAL TRADE** *Friday, Oct. 19, 8:30 a.m. EDT* ► The trade deficit probably narrowed slightly in August, to \$28.1 billion, from \$28.8 billion in July. Once again, imports are projected to decline at a faster clip than exports.

## The BusinessWeek Fifty

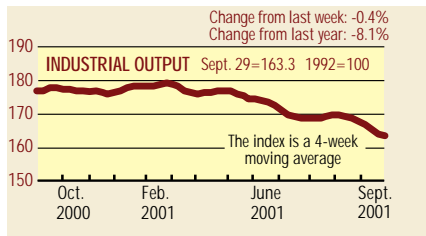


The BW 50 rose 1.6% for the week. It would have fared better but for weakness among such financials as U.S. Bancorp, FleetBoston Financial, and Washington Mutual, down 21.3%, 10.1%, and 8.1% respectively. Strong performers included ADC Telecommunications, up 25.7%, and Tellabs, 24.0%, in technology, and Anadarko Petroleum, up 14.6%, and Occidental Petroleum, up 9.2%, in energy.

### COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	0.3	-14.2	26	Verizon Communications	-1.4	11.7
2	Anadarko Petroleum	14.6	-13.4	27	Citigroup	1.9	-8.9
3	Calpine	-1.2	-40.3	28	Sun Microsystems	1.0	-54.7
4	Dynegy	6.4	-9.4	29	Merck	1.2	-14.1
5	Applied Materials	6.8	-28.5	30	El Paso	13.6	-25.7
6	Provident Financial	-5.9	-60.0	31	Altera	16.7	-17.5
7	Occidental Petroleum	9.2	9.9	32	Marsh & McLennan	-1.4	-2.3
8	Apache	13.5	-18.2	33	Household International	0.0	-0.3
9	Kerr-McGee	8.7	-13.9	34	ChevronTexaco	9.4	7.6
10	Oracle	4.6	-33.1	35	SBC Communications	1.6	3.1
11	Lehman Brothers Holdings	-0.2	-12.4	36	Mercury Interactive	5.1	-54.2
12	EMC	2.9	-71.4	37	AOL Time Warner	-5.7	-26.5
13	AES	5.3	-74.8	38	Washington Mutual	-8.1	5.4
14	Forest Laboratories	2.6	14.3	39	General Dynamics	0.2	34.1
15	FleetBoston Financial	-10.1	-20.0	40	Comcast	-2.2	-15.8
16	Micron Technology	11.7	-40.9	41	Morgan Stanley Dean Witter	1.4	-20.4
17	Xilinx	9.8	-29.3	42	Tellabs	24.0	-69.9
18	Amerada Hess	6.9	-7.0	43	Exxon Mobil	6.1	3.9
19	Duke Energy	-1.9	-6.1	44	Scientific-Atlanta	-3.0	-60.8
20	ADC Telecommunications	25.7	-60.7	45	U.S. Bancorp	-21.3	-23.2
21	Capital One Financial	-1.1	-14.0	46	Paychex	7.6	-15.9
22	Phillips Petroleum	7.2	7.3	47	Merrill Lynch	2.9	-28.9
23	Analog Devices	6.7	-4.3	48	Bed Bath & Beyond	-3.9	8.3
24	EOG Resources	15.1	-22.1	49	Texas Instruments	13.0	-11.9
25	Cardinal Health	1.1	11.3	50	Teradyne	9.6	-26.3

## BW Production Index



The production index was lower once again in the latest week. Before calculation of the four-week moving average, the index rose to 163.0, from 161.7. On a seasonally adjusted basis, auto and truck production rebounded strongly. Electric power, crude-oil refining, coal, and lumber were also higher for the week. Only steel, down for the fourth straight week, and lumber were lower. Through September, the index slipped to 163.8, from 167.5 in August.

Information on each of the index components is at [www.businessweek.com](http://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](http://www.businessweek.com).