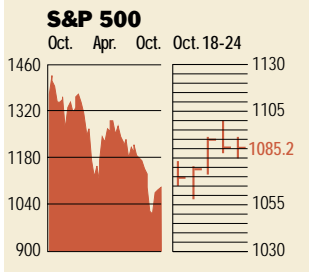


**Stocks**



**COMMENTARY**

Stocks rose, shrugging off a worrisome Federal Reserve survey of economic activity released on Oct. 24. The Fed's Beige Book showed a deepening slump as a result of the terrorist attacks. Investors, however, are betting on more interest-rate cuts and a recovery. For the week, the Dow Jones industrials, the S&P 500, and Nasdaq gained 1.2%, 0.8%, and 5.2%, respectively.

Data: Bloomberg Financial Markets  
Bridge Information Systems, Inc.

**U.S. MARKETS**

	Oct. 24	Week	Year to date	Last 12 months
S&P 500	1085.2	0.8	-17.8	-22.4
Dow Jones Industrials	9345.6	1.2	-13.4	-10.1
Nasdaq Composite	1731.5	5.2	-29.9	-49.4
S&P MidCap 400	455.7	1.9	-11.8	-10.6
S&P SmallCap 600	202.9	0.8	-7.6	-2.7
Wilshire 5000	10,001.1	0.9	-17.9	-23.3

**SECTORS**

	Oct. 24	Week	Year to date	Last 12 months
BusinessWeek 50*	710.9	-1.3	-26.7	-36.6
BusinessWeek Info Tech 100**	385.8	5.1	-31.8	-53.4
S&P/BARRA Growth	559.8	2.0	-18.6	-30.1
S&P/BARRA Value	525.1	-0.7	-17.5	-14.7
S&P Energy	812.9	-2.4	-12.8	-11.0
S&P Financials	139.0	0.4	-15.6	-9.3
S&P REIT	86.8	-3.7	-1.4	7.3
S&P Transportation	597.8	2.7	-14.3	-0.9
S&P Utilities	244.3	-8.2	-30.3	-23.5
GSTI Internet	88.4	2.5	-51.3	-74.1
PSE Technology	614.7	6.3	-24.5	-36.2

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

**BEST-PERFORMING GROUPS**

	Last month %	Last 12 months %
Oil & Gas Drilling	34.0	Engineering & Constr. 75.6
Communications Equip.	23.7	Toys 58.2
Toys	20.6	Paper Containers 46.9
Oil-Well Equip. & Svcs.	19.8	Pollution Control 46.8
Leisure Time	19.6	Gold Mining 42.8

**GLOBAL MARKETS**

	Oct. 24	Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1030.1	1.2	-27.7	-21.0
London (FT-SE 100)	5167.6	-0.7	-17.0	-18.8
Paris (CAC 40)	4486.4	1.7	-24.3	-28.5
Frankfurt (DAX)	4811.8	3.6	-25.2	-28.7
Tokyo (NIKKEI 225)	10,802.2	0.4	-21.6	-27.2
Hong Kong (Hang Seng)	10,243.5	-0.2	-32.1	-32.0
Toronto (TSE 300)	6896.9	-0.9	-22.8	-33.4
Mexico City (IPC)	5708.3	3.0	1.0	-6.1

**FUNDAMENTALS**

	Oct. 23	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.44%	1.42%	1.14%
S&P 500 P/E Ratio (Trailing 12 mos.)	39.3	36.1	27.2
S&P 500 P/E Ratio (Next 12 mos.)*	20.6	20.6	22.5
First Call Earnings Surprise*	1.18%	1.89%	3.09%

\*First Call Corp.

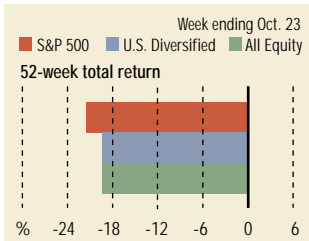
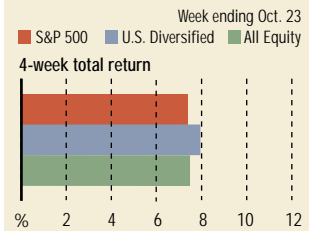
**TECHNICAL INDICATORS**

	Oct. 23	Wk. ago	Reading
S&P 500 200-day average	1208.8	1214.8	Negative
Stocks above 200-day average	38.0%	41.0%	Positive
Options: Put/call ratio	0.73	0.65	Positive
Insiders: Vickers Sell/buy ratio	1.60	1.92	Positive

**WORST-PERFORMING GROUPS**

	Last month %	Last 12 months %
Conglomerates	-20.2	Communications Equip. -72.3
Savings & Loans	-14.2	Computer Systems -51.5
Long-Dist. Telecomms.	-12.7	Defense Electronics -45.6
Regional Telephone Cos.	-11.5	Semiconductors -40.7
Specialty Chemicals	-10.4	Instrumentation -40.3

**Mutual Funds**



Data: Standard & Poor's

**EQUITY FUND CATEGORIES**

4-week total return %	52-week total return %
<b>Leaders</b>	<b>Leaders</b>
Technology 13.7	Precious Metals 25.2
Health 12.2	Real Estate 11.1
Natural Resources 10.8	Small-cap Value 9.4
Large-cap Growth 10.1	Mid-cap Value 6.8
<b>Laggards</b>	<b>Laggards</b>
Precious Metals -2.3	Technology -58.2
Utilities -0.1	Communications -54.4
Real Estate 0.4	Mid-cap Growth -37.2
International Hybrid 3.6	Japan -36.2

**EQUITY FUNDS**

4-week total return %	52-week total return %
<b>Leaders</b>	<b>Leaders</b>
ProFunds UltraOTC Inv. 561.6	Potomac Internet Short 147.5
Fidelity Sel. Energy Serv. 25.8	Rydex Dynamic Vent. 100 114.0
Cr. Suisse W.P. Jap. Sm. Co. 25.5	ProFunds UltraShort OTC 107.1
Conseco Science & Tech A 25.2	Schroder Ultra 81.9
<b>Laggards</b>	<b>Laggards</b>
Rydex Dynamic Vent. 100 -30.9	Berkshire Focus -86.3
ProFunds UltraShort OTC -30.6	Berkshire Technology -86.1
Potomac Internet Short -18.7	Van Wagoner Technology -83.9
Rydex Arktos Investor -15.7	Van Wagoner Post Venture -83.9

**Interest Rates**

	Oct. 24	Week ago	Year ago
<b>KEY RATES</b>			
<b>MONEY MARKET FUNDS</b>	2.60%	2.74%	6.14%
<b>90-DAY TREASURY BILLS</b>	2.16	2.21	6.37
<b>2-YEAR TREASURY NOTES</b>	2.69	2.77	5.87
<b>10-YEAR TREASURY NOTES</b>	4.59	4.57	5.68
<b>30-YEAR TREASURY BONDS</b>	5.33	5.31	5.74
<b>30-YEAR FIXED MORTGAGE†</b>	6.58	6.57	7.69
†BarxQuote, Inc.			
<b>BLOOMBERG MUNI YIELD EQUIVALENTS</b>			
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>	4.02%	4.97%	
<b>TAXABLE EQUIVALENT</b>	5.83	7.20	
<b>INSURED REVENUE BONDS</b>	4.23	5.23	
<b>TAXABLE EQUIVALENT</b>	6.13	7.58	

**THE WEEK AHEAD**

**CONSUMER CONFIDENCE** *Tuesday, Oct. 30, 10 a.m. EDT* ► The Conference Board's consumer confidence index for October probably fell to 96.9, from 97.6 in September. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies.

**GROSS DOMESTIC PRODUCT** *Wednesday, Oct. 31, 8:30 a.m. EDT* ► The Commerce Dept.'s advanced look at third-quarter economic growth is projected to show

that real GDP contracted by 0.8%, the first decline since the first quarter of 1993.

**PERSONAL INCOME** *Thursday, Nov. 1, 8:30 a.m. EDT* ► Personal income likely grew 0.3% in September, while consumer spending probably dropped 1%.

**PURCHASING MANAGERS' INDEX** *Thursday, Nov. 1, 10 a.m. EDT* ► The National Association of Purchasing Management's September index of industrial activity likely slipped to 46%, from 46.6% in August.

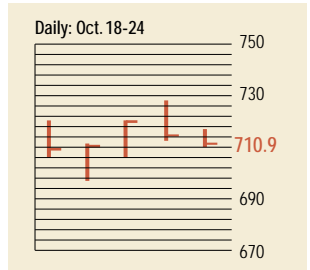
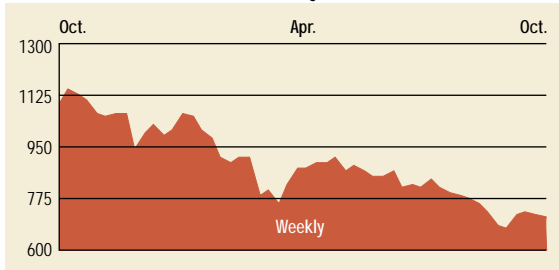
**CONSTRUCTION SPENDING** *Thursday, Nov. 1, 10 a.m. EDT* ► Building outlays in September probably remained unchanged.

**EMPLOYMENT** *Friday, Nov. 2, 8:30 a.m. EDT* ► Nonfarm payrolls probably declined by 250,000 jobs in October, with manufacturers forecast to shed 83,000 jobs. The unemployment rate likely hit 5.1%.

**FACTORY INVENTORIES** *Friday, Nov. 2, 10 a.m. EDT* ► Manufacturing inventories probably fell 0.5% in September.



## The BusinessWeek Fifty

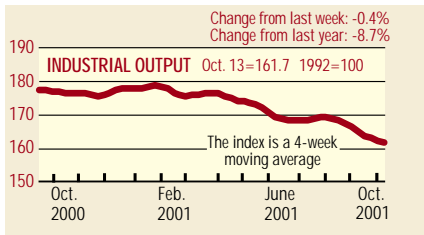


The BW 50 ended the week 1.3% in the red, dragged down by a stomach-turning 67.5% plunge in Providian that pushed losses on its stock to over 90% since March 1. Lower oil prices weakened El Paso, Phillips Petroleum, and Exxon Mobil. The bright spots were among technology issues: Set-top box maker Scientific Atlanta was up 32.6%, followed by Mercury Interactive, up 15.9%, and data storage giant EMC, up 11.3%.

### COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	3.1	-8.8	26	Verizon Communications	-4.8	3.4
2	Anadarko Petroleum	1.2	-11.7	27	Citigroup	0.8	-3.5
3	Calpine	-11.7	-46.9	28	Sun Microsystems	4.4	-54.2
4	Dynegy	-15.9	-20.6	29	Merck	-3.0	-16.0
5	Applied Materials	10.0	-22.0	30	El Paso	-9.5	-32.7
6	Providian Financial	-67.5	-91.6	31	Altera	9.0	-16.9
7	Occidental Petroleum	-2.4	5.5	32	Marsh & McLennan	-0.6	-3.4
8	Apache	1.3	-16.7	33	Household International	-3.0	-5.1
9	Kerr-McGee	-1.7	-14.4	34	ChevronTexaco	-2.5	0.1
10	Oracle	7.3	-31.4	35	SBC Communications	-9.2	-13.8
11	Lehman Brothers Holdings	2.9	-8.3	36	Mercury Interactive	15.9	-54.9
12	EMC	11.3	-70.9	37	AOL Time Warner	4.2	-27.0
13	AES	-8.1	-75.9	38	Washington Mutual	-6.4	-8.3
14	Forest Laboratories	-0.2	10.4	39	General Dynamics	-0.9	23.7
15	FleetBoston Financial	5.5	-14.8	40	Comcast	-0.2	-16.6
16	Micron Technology	8.4	-37.6	41	Morgan Stanley Dean Witter	-4.8	-21.4
17	Xilinx	6.1	-29.8	42	Tellabs	-2.5	-70.6
18	Amerada Hess	-6.8	-14.4	43	Exxon Mobil	-3.8	-2.1
19	Duke Energy	-6.7	-10.3	44	Scientific-Atlanta	32.6	-49.3
20	ADC Telecommunications	3.8	-56.0	45	U.S. Bancorp	1.7	-21.7
21	Capital One Financial	-4.3	-17.8	46	Paychex	3.9	-15.3
22	Phillips Petroleum	-2.1	4.1	47	Merrill Lynch	1.9	-24.9
23	Analog Devices	-2.6	-6.0	48	Bed Bath & Beyond	-1.2	7.3
24	EOG Resources	2.6	-20.1	49	Texas Instruments	-0.2	-7.9
25	Cardinal Health	-4.2	6.6	50	Teradyne	2.6	-29.7

## BW Production Index



The production index declined again this week. Before calculation of the four-week moving average, the index inched lower, to 161, from 161.3. After seasonal adjustments, steel production was down for the fifth time in six weeks, and on Oct. 22, a U.S. trade panel ruled that domestic steelmakers have been the victims of unfair trade practices by foreign producers. Rail-freight traffic, steel, trucks, and coal were also lower. Autos and electric power were up, and lumber was unchanged.

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

**BUSINESSWEEK INVESTING** Real-time market coverage and investment tools in partnership with Standard & Poor's.

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For more investment data and the components of the production index, visit [www.businessweek.com](http://www.businessweek.com).