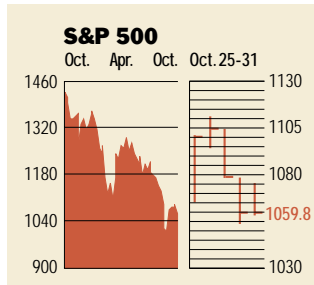


Stocks



COMMENTARY

No treats on this Halloween: Stocks were battered as evidence of a U.S. recession mounted. The Commerce Dept. announced on Oct. 31 that the economy shrank 0.4% in the third quarter. The day before, the Conference Board reported consumer sentiment in October fell to the lowest level since February, 1994. The Dow, Nasdaq, and S&P 500 fell 2.9%, 2.4%, and 2.3%, respectively.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS	Oct. 31	% change		
		Week	Year to date	Last 12 months
S&P 500	1059.8	-2.3	-19.7	-25.9
Dow Jones Industrials	9075.1	-2.9	-15.9	-17.3
Nasdaq Composite	1690.2	-2.4	-31.6	-49.8
S&P MidCap 400	450.8	-1.1	-12.8	-13.3
S&P SmallCap 600	202.9	0.0	-7.6	-7.1
Wilshire 5000	9796.9	-2.0	-19.5	-26.4

SECTORS

		% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	695.7	-2.1	-28.3	-39.0
BusinessWeek Info Tech 100**	372.0	-3.6	-34.2	-54.0
S&P/BARRA Growth	546.5	-2.4	-20.5	-32.1
S&P/BARRA Value	513.1	-2.3	-19.3	-19.8
S&P Energy	811.8	-0.1	-12.9	-10.9
S&P Financials	135.1	-2.8	-18.0	-16.0
S&P REIT	87.8	1.2	-0.2	7.3
S&P Transportation	603.7	1.0	-13.4	-9.6
S&P Utilities	245.6	0.5	-29.9	-24.4
GSTI Internet	81.9	-7.4	-54.9	-75.2
PSE Technology	598.9	-2.6	-26.5	-38.4

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

BEST-PERFORMING GROUPS

Group	Last month %	Group	Last 12 months %
Oil & Gas Drilling	35.7	Toys	48.3
Communications Equip.	23.6	Specialty Printing	43.0
Toys	20.2	Engineering & Constr.	42.8
Semiconductors	19.9	Gold Mining	41.6
Computer Systems	16.3	Paper Containers	39.8

GLOBAL MARKETS	Oct. 31	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1003.8	-2.6	-29.6	-27.6
London (FT-SE 100)	5039.7	-2.5	-19.0	-22.0
Paris (CAC 40)	4341.3	-3.2	-26.7	-32.3
Frankfurt (DAX)	4559.1	-5.3	-29.1	-35.4
Tokyo (NIKKEI 225)	10366.3	-4.0	-24.8	-30.3
Hong Kong (Hang Seng)	10074.0	-1.4	-33.3	-34.4
Toronto (TSE 300)	6885.7	-0.2	-22.9	-28.6
Mexico City (IPC)	5537.0	-3.0	-2.0	-13.4

FUNDAMENTALS

	Oct. 30	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.47%	1.44%	1.12%
S&P 500 P/E Ratio (Trailing 12 mos.)	42.3	39.3	27.5
S&P 500 P/E Ratio (Next 12 mos.)*	20.3	20.6	22.9
First Call Earnings Surprise*	1.20%	1.18%	-2.99%

*First Call Corp.

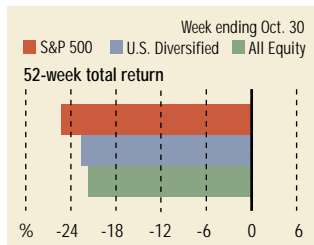
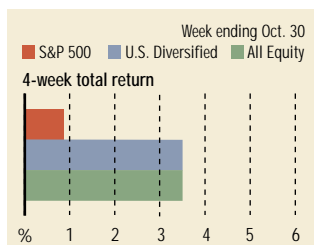
TECHNICAL INDICATORS

	Oct. 30	Wk. ago	Reading
S&P 500 200-day average	1203.1	1208.8	Negative
Stocks above 200-day average	35.0%	38.0%	Positive
Options: Put/call ratio	0.87	0.73	Positive
Insiders: Vickers Sell/buy ratio	-2.64	1.60	Positive

WORST-PERFORMING GROUPS

Group	Last month %	Group	Last 12 months %
Photography/Imaging	-21.4	Communications Equip.	-74.7
Savings & Loans	-18.3	Computer Systems	-54.4
Long Dist. Telecomms.	-17.6	Defense Electronics	-48.7
Personal Loans	-17.1	Semiconductors	-48.1
Specialty Chemicals	-13.8	Instrumentation	-48.0

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return	%	52-week total return	%
Leaders		Leaders	
Technology	15.8	Precious Metals	28.6
Natural Resources	7.2	Real Estate	8.8
Pacific/Asia ex-Japan	7.0	Small-cap Value	5.0
Small-cap Growth	6.6	Mid-cap Value	1.1
Laggards		Laggards	
Utilities	-3.8	Technology	-58.3
Real Estate	-3.1	Communications	-54.7
Precious Metals	-2.8	Mid-cap Growth	-37.0
Financial	-1.8	Large-cap Growth	-36.2

EQUITY FUNDS

4-week total return	%	52-week total return	%
Leaders		Leaders	
ProFunds OTC Inv.	550.6	Potomac Internet Short	153.8
ProFunds UltraBull Svc.	403.2	ProFunds UltraBull Svc.	144.3
Conseco Science & Tech. A	39.8	Rydex Dynamic Vent. 100	124.9
Berkshire Technology	38.6	ProFunds UltraShort OTC	113.9
Laggards		Laggards	
ProFunds UltraShort OTC	-30.5	Berkshire Focus	-84.8
Rydex Dynamic Vent. 100	-29.3	Berkshire Technology	-84.6
Potomac OTC Short	-15.7	Van Wagoner Technology	-82.9
Rydex Arktos Investor	-15.5	Van Wagoner Post Venture	-82.8

Interest Rates

KEY RATES	Oct. 31	Week ago	Year ago
MONEY MARKET FUNDS	2.53%	2.60%	6.14%
90-DAY TREASURY BILLS	2.01	2.16	6.36
2-YEAR TREASURY NOTES	2.42	2.69	6.16
10-YEAR TREASURY NOTES	4.23	4.59	5.74
30-YEAR TREASURY BONDS	4.87	5.33	5.78
30-YEAR FIXED MORTGAGE†	6.46	6.58	7.76

†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	3.97%	4.88%
TAXABLE EQUIVALENT	5.75	7.07
INSURED REVENUE BONDS	4.17	5.14
TAXABLE EQUIVALENT	6.04	7.45

THE WEEK AHEAD

VEHICLE SALES Monday, Nov. 5 ► Sales of U.S.-made and imported cars and light trucks probably totaled an annual rate of 19.3 million units for October, driven by incentives such as 0% financing.

FOMC MEETING Tuesday, Nov. 6, 9 a.m. EST ► The Federal Reserve Board's Open Market Committee will meet to set monetary policy. About two-thirds of the economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies, expect a quarter-point cut in the

federal funds rate, with the remainder projecting a half-point cut.

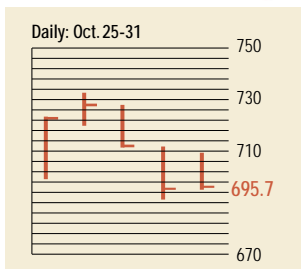
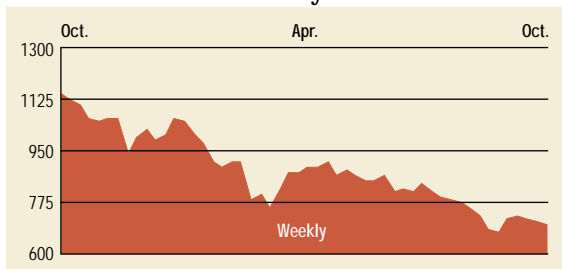
PRODUCTIVITY & COSTS Wednesday, Nov. 7, 8:30 a.m. EST ► Output per hour worked in the third quarter is projected to have grown at an annual rate of 0.5%. Unit labor costs likely advanced 3.2%.

INSTALLMENT CREDIT Wednesday, Nov. 7, 3 p.m. EST ► Consumers probably pared \$800 million of debt in September, after adding \$2.3 billion in August.

EXPORT-IMPORT PRICES Thursday, Nov. 8, 8:30 a.m. EST ► Import prices for October are forecast to have fallen 0.3%, while export prices likely declined 0.1%. In September, import prices rose 0.3%, while export prices inched up 0.1%.

PRODUCER PRICE INDEX Friday, Nov. 9, 8:30 a.m. EST ► Producer prices of finished goods in October likely fell 0.2%, after increasing 0.4% in September. Excluding food and energy, October core prices probably rose 0.1%, after rising 0.3%.

The BusinessWeek Fifty

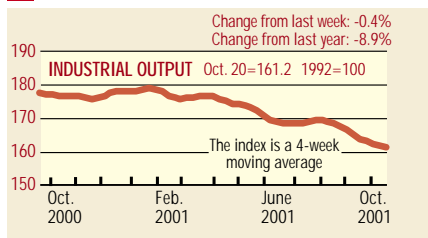


Another tough week for the BW 50, which lost 2.1%. Among those hit hard were such financials as Citigroup and Merrill, both down 3.0%. The bright spots were tech heavyweights Sun Microsystems, up 10.4%, Tellabs, up 7.4%, and Teradyne, up 5.7%. Xilinx, the biggest maker of programmable chips, ended the week up 4.4% after telling analysts its orders had not slowed in the aftermath of September 11.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-1.3	-10.0	26	Verizon Communications	-0.6	2.8
2	Anadarko Petroleum	1.7	-10.2	27	Citigroup	-3.0	-6.4
3	Calpine	5.1	-44.2	28	Sun Microsystems	10.4	-49.4
4	Dynegy	-3.7	-23.5	29	Merck	-4.8	-20.0
5	Applied Materials	-3.5	-24.7	30	El Paso	2.6	-31.0
6	Provident Financial	-6.7	-92.1	31	Altera	-4.2	-20.4
7	Occidental Petroleum	0.6	6.1	32	Marsh & McLennan	-5.0	-8.2
8	Apache	4.5	-13.0	33	Household International	-5.7	-10.4
9	Kerr-McGee	4.0	-11.0	34	ChevronTexaco	1.9	2.0
10	Oracle	-7.5	-36.6	35	SBC Communications	-2.8	-16.2
11	Lehman Brothers Holdings	-0.2	-8.5	36	Mercury Interactive	-10.4	-59.6
12	EMC	-1.3	-71.3	37	AOL Time Warner	-3.1	-29.3
13	AES	5.0	-74.7	38	Washington Mutual	-2.3	-10.4
14	Forest Laboratories	0.3	10.7	39	General Dynamics	-1.7	21.6
15	FleetBoston Financial	-6.0	-19.9	40	Comcast	-0.8	-17.2
16	Micron Technology	1.6	-36.6	41	Morgan Stanley Dean Witter	-2.2	-23.1
17	Xilinx	4.4	-26.7	42	Tellabs	7.4	-68.4
18	Amerada Hess	-5.2	-18.9	43	Exxon Mobil	-1.0	-3.1
19	Duke Energy	3.5	-7.2	44	Scientific-Atlanta	-10.8	-54.8
20	ADC Telecommunications	-6.6	-58.9	45	U.S. Bancorp	-2.3	-23.5
21	Capital One Financial	-9.9	-26.0	46	Paychex	-4.0	-18.7
22	Phillips Petroleum	-2.4	1.7	47	Merrill Lynch	-3.0	-27.2
23	Analog Devices	-1.8	-7.8	48	Bed Bath & Beyond	-6.8	0.0
24	EOG Resources	1.4	-19.0	49	Texas Instruments	-6.2	-13.6
25	Cardinal Health	-5.7	0.6	50	Teradyne	5.7	-25.6

BW Production Index



The production index declined for the eleventh consecutive week. Before calculation of the four-week moving average, the index fell to 159.4, from 161. On a seasonally adjusted basis, all but one component finished the week lower. Auto and truck assemblies led the index down, as producers announced fourth-quarter output would be 1.9% lower than previously planned. Steel, electric power, coal, lumber, and rail-freight traffic were also down. Only crude-oil refining was higher.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2001 by The McGraw-Hill Companies

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