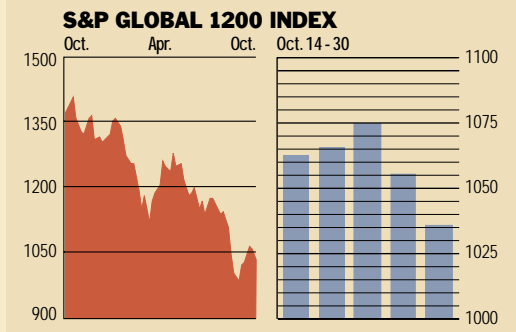


# International Figures of the Week

## Stocks

Stocks around the globe finished on a dismal note for the week ended Oct. 30. A seven-year low in U.S. consumer confidence for October, a new warning of possible terrorist attacks in the U.S., and a renewed fear that Argentina could default on its debt drove the Global 1200 to its lowest level in three weeks. In the U.S., the S&P 500 fell more than four percent over the last two days. Defensive stocks Procter & Gamble, Kellogg, and Campbell Soup were the exception, as all three rose on positive earnings news. In Europe, Banco Santander, Banco Bilbao, and Telefonica, all Spanish firms with large exposure to Latin America, fell in response to the greater uncertainty in Argentina. Poor earnings news from electronics firms, fears of more corporate bankruptcies, and a weaker than expected industrial production figure for September helped push Japanese stocks lower.

Data: Standard & Poor's



### S&P GLOBAL 1200 SECTOR PERFORMANCE

|                        | Oct. 30 | % change |         |       |
|------------------------|---------|----------|---------|-------|
|                        |         | Week     | 4 Weeks | Year  |
| Consumer Discretionary | 1027.7  | -4.1     | 1.5     | -19.4 |
| Consumer Staples       | 1004.9  | -0.8     | -1.4    | -11.6 |
| Energy                 | 1137.3  | -0.7     | 2.5     | -9.1  |
| Financials             | 1045.5  | -1.9     | -0.4    | -21.1 |
| Health Care            | 1370.3  | -2.3     | -2.1    | -13.4 |
| Industrials            | 1008.2  | -1.8     | 1.7     | -23.0 |
| Information Technology | 1170.7  | -3.2     | 17.0    | -39.7 |
| Materials              | 900.3   | -1.2     | 3.9     | -12.7 |
| Telecommunications     | 936.0   | -2.9     | -6.0    | -28.1 |
| Utilities              | 963.5   | -2.5     | -4.0    | -21.5 |

### S&P GLOBAL 100 BEST PERFORMING COMPANIES

| Company              | 4-week % | Company                   | 52-week % |
|----------------------|----------|---------------------------|-----------|
| Marconi (U.K.)       | 93.7     | Philip Morris (U.S.)      | 30.2      |
| Nokia (Finland)      | 29.5     | Johnson & Johnson (U.S.)  | 25.6      |
| Bridgestone (Japan)  | 26.2     | Samsung Elect. (S. Korea) | 22.1      |
| NEC (Japan)          | 25.7     | Honda Motor (Japan)       | 20.7      |
| Siemens (Ger)        | 25.4     | Ito-Yokado (Japan)        | 13.0      |
| Dell Computer (U.S.) | 25.4     | Wal-Mart Stores (U.S.)    | 11.5      |

## GLOBAL INDEXES

| (U.S. Dollars)        | Oct. 30 | % change |         |       |
|-----------------------|---------|----------|---------|-------|
|                       |         | Week     | 4 Weeks | Year  |
| S&P Global 1200       | 1035.7  | -2.3     | 1.4     | -22.1 |
| S&P 500 (US)          | 1059.8  | -2.3     | 0.8     | -19.7 |
| S&P Europe 350        | 944.5   | -2.2     | 3.0     | -26.7 |
| S&P/TOPIX 150 (Japan) | 966.7   | -2.8     | -0.7    | -24.9 |
| S&P Asia Pacific 100  | 942.0   | 0.4      | 7.6     | -19.0 |
| S&P/TSE 60 (Canada)   | 943.8   | -1.6     | -1.9    | -29.3 |
| S&P Latin America 40  | 827.0   | -2.6     | 4.5     | -17.3 |

## S&P EMERGING MARKETS INDEXES

| Best performing countries |                   | Worst performing countries |                   |
|---------------------------|-------------------|----------------------------|-------------------|
| Last 4 weeks %            | Last 52 weeks %   | Last 4 weeks %             | Last 52 weeks %   |
| Sri Lanka.....51.8        | Zimbabwe...88.2   | Slovakia.....-12.5         | Turkey.....-66.6  |
| Turkey.....24.9           | Jordan.....25.8   | Philippines -11.9          | Argentina ..-53.0 |
| Poland.....23.7           | Slovakia.....22.8 | Colombia...-11.5           | Brazil.....-40.7  |
| Taiwan.....17.3           | Peru.....4.1      | Argentina.....-8.5         | Greece.....-37.1  |
| Korea.....15.0            | Poland.....-1.9   | Zimbabwe....-5.8           | Egypt.....-35.0   |

## STOCK INDEXES

| LOCAL CURRENCIES        | Oct. 30 | Oct. 23 | % chg. year ago |          |
|-------------------------|---------|---------|-----------------|----------|
|                         |         |         | Index           | Currency |
| Australia / S&P ASX 200 | 3252.8  | 3213.3  | -0.1            | -2.6     |
| Brazil / Bovespa        | 11024.0 | 11613.4 | -25.9           | -30.2    |
| Britain / FTSE100       | 5003.6  | 5193.3  | -22.3           | 0.2      |
| Canada / S&P TSE 60     | 393.9   | 398.5   | -30.8           | -3.4     |
| Europe / S&P Europe 350 | 1161.5  | 1206.9  | -29.2           | 6.6      |
| France / CAC 40         | 4251.9  | 4455.8  | -33.5           | 6.6      |
| Germany / Xetra DAX     | 4544.0  | 4704.2  | -35.8           | 6.6      |
| Hong Kong / Hang Seng   | 10076.4 | 10219.8 | -32.4           | 0.0      |
| Italy / MIB 30          | 30148.0 | 31827.0 | -36.7           | 6.6      |
| Japan / Nikkei 225      | 10512.8 | 10861.6 | -27.7           | -10.7    |
| Mexico / IPC 35         | 5529.2  | 5571.3  | -13.5           | 3.5      |
| South Korea / Composite | 533.9   | 530.5   | -12.0           | -11.8    |
| Spain / IBEX 35         | 7562.5  | 7963.1  | -27.0           | 6.6      |

Data: Standard and Poor's

## Economic Indicators

### INDUSTRIAL PRODUCTION

| Country | Month | Monthly % chg.* |       | % chg., latest from yr. ago |
|---------|-------|-----------------|-------|-----------------------------|
|         |       | Latest          | Prior |                             |
| Britain | Aug.  | 1.0             | -0.5  | -2.3                        |
| Canada  | Aug.  | 0.1             | -0.2  | -3.2                        |
| France  | Aug.  | 0.0             | 0.5   | 1.5                         |
| Germany | Aug.  | 2.3             | -1.5  | -0.2                        |
| Italy   | Aug.  | 0.7             | -0.7  | -0.9                        |
| Japan   | Sept. | -2.9            | 0.8   | -11.5                       |
| U.S.    | Sept. | -1.0            | -0.7  | -5.8                        |

\*Seasonally adjusted

Data: DRI-WEFA

### TRADE-WEIGHTED EXCHANGE RATES

| Country | Oct. 30 | Weekly % | Yearly % |
|---------|---------|----------|----------|
| Britain | 105.3   | 0.8      | -3.3     |
| Canada  | 76.4    | -0.8     | -3.0     |
| France  | 100.8   | 0.3      | 2.7      |
| Germany | 98.3    | 0.3      | 3.1      |
| Italy   | 72.3    | 0.3      | 2.2      |
| Japan   | 140     | -0.1     | -12.5    |
| U.S.    | 119.9   | -0.7     | 2.2      |

Indexes, 1990=100

Data: J.P. Morgan Chase

## Country Focus / Japan

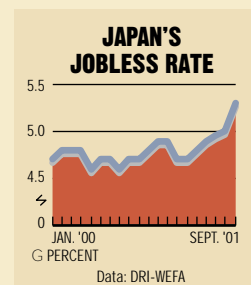
Amid an unrelenting torrent of ever-weaker economic data, the Bank of Japan finally admitted on Oct. 29 what most private forecasters have been saying for some time: Japan is in a long and deep recession. It is the fourth since 1990.

The most recent evidence comes from a broad range of reports, especially the latest labor-market data. The September jobless rate jumped by 0.3 percentage points, to a record 5.3%. Layoffs have hit manufacturing especially hard.

In September alone, factories shed 220,000 workers, as industrial production continued to slump. Output slid 2.9% from August, and it was down 12.7% from a year ago.

The labor-market weakness is hampering consumer spending. Inflation-adjusted outlays of households headed by wage earners in September fell 1.3% from a year ago. That's the sixth consecutive decline. Prices in Japan are falling at an annual rate of more than 1%, and the slide in consumer demand threatens to intensify that deflationary trend.

Worse news for the economy is probably on the way as banks continue to cut loose many delinquent borrowers, sending them into bankruptcy. Economists expect the jobless rate to top out at about 6% next year.



Data: DRI-WEFA

## Interest Rates

### BENCHMARK BOND YIELDS (10-YEAR GOVERNMENT)

|           | Oct. 30 | Oct. 23 | Year ago |                      | Oct. 30 | Oct. 23 | Year ago |
|-----------|---------|---------|----------|----------------------|---------|---------|----------|
| Australia | 5.21    | 5.59    | 6.17     | Italy                | 4.74    | 4.96    | 5.60     |
| Britain   | 4.56    | 4.80    | 5.17     | Japan                | 1.33    | 1.33    | 1.83     |
| Canada    | 4.98    | 5.28    | 5.78     | South Korea (3-Year) | 5.03    | 4.77    | 8.59     |
| France    | 4.54    | 4.75    | 5.38     | Spain                | 4.66    | 4.87    | 5.51     |
| Germany   | 4.40    | 4.61    | 5.22     | United States        | 4.41    | 4.65    | 5.73     |
| Hong Kong | 5.39    | 5.46    | 7.00     |                      |         |         |          |

Data: Standard & Poor's

### CENTRAL BANK POLICY

|                       | Policy rate* |          | Last action |       |
|-----------------------|--------------|----------|-------------|-------|
|                       | Oct. 30      | Year ago | Date        | Type  |
| U.S. Federal Reserve  | 2.50         | 6.50     | 10/2        | -0.50 |
| European Central Bank | 3.75         | 4.75     | 9/17        | -0.50 |
| Bank of Japan         | 0.00         | 0.25     | 3/19        | -0.15 |
| Bank of England       | 4.50         | 6.00     | 10/4        | -0.25 |
| Bank of Canada        | 2.75         | 5.75     | 10/23       | -0.75 |

\*Target overnight rate