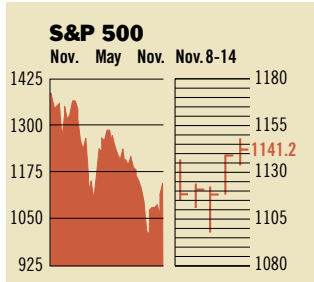


**Stocks**



**COMMENTARY**

Equity markets rose this week, buoyed by good news from Afghanistan, where the Northern Alliance made big gains against the Taliban, and the U.S. economy, where October retail sales soared 7.1%. The Nasdaq, Dow Jones Industrials, and the S&P 500 rose 3.6%, 2.8%, and 2.3%, respectively. All three indexes are now above their pre-September 11 levels.

Data: Bloomberg Financial Markets  
Bridge Information Systems, Inc.

U.S. MARKETS	Nov. 14	% change	
		Week	Last 12 months
S&P 500	1141.2	2.3	-13.6
Dow Jones Industrials	9823.6	2.8	-8.9
Nasdaq Composite	1903.2	3.6	-23.0
S&P MidCap 400	480.2	1.7	-7.1
S&P SmallCap 600	214.3	2.4	-2.4
Wilshire 5000	10,510.9	2.3	-13.7

**SECTORS**

	Nov. 14	Week	Year to date	Last 12 months
BusinessWeek 50*	749.3	2.7	-22.8	-31.6
BusinessWeek Info Tech 100**	412.4	3.2	-27.1	-45.4
S&P/BARRA Growth	591.8	2.2	-13.9	-23.5
S&P/BARRA Value	549.0	2.3	-13.7	-11.9
S&P Energy	790.3	-1.7	-15.2	-14.1
S&P Financials	146.6	1.8	-11.0	-5.6
S&P REIT	90.8	1.7	3.2	11.4
S&P Transportation	655.4	1.9	-6.1	-4.4
S&P Utilities	249.2	2.4	-28.9	-21.8
GSTI Internet	100.7	10.4	-44.5	-66.9
PSE Technology	669.5	2.4	-17.8	-28.0

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

**BEST-PERFORMING GROUPS**

Group	Last month %	Last 12 months %
Invest. Banking/Bkrgrg.	20.6	56.0
Transportation Services	20.1	48.7
Semiconductors	19.8	45.5
Apparel Manufacturing	17.8	41.7
Department Stores	17.7	38.0

GLOBAL MARKETS	Nov. 14	% change	
		Week	Last 12 months
S&P Euro Plus (U.S. Dollar)	1048.8	1.0	-26.4
London (FT-SE 100)	5240.7	0.5	-15.8
Paris (CAC 40)	4575.1	1.8	-22.8
Frankfurt (DAX)	4953.5	1.9	-23.0
Tokyo (NIKKEI 225)	10,086.8	-1.9	-26.8
Hong Kong (Hang Seng)	10,950.0	6.6	-27.5
Toronto (TSE 300)	7349.5	2.9	-17.7
Mexico City (IPC)	5751.7	2.0	1.8

**FUNDAMENTALS**

	Nov. 13	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.37%	1.40%	1.15%
S&P 500 P/E Ratio (Trailing 12 mos.)	45.2	45.8	26.7
S&P 500 P/E Ratio (Next 12 mos.)*	21.7	21.2	22.3
First Call Earnings Revision*	-6.55%	-7.11%	-3.27%

\*First Call Corp.

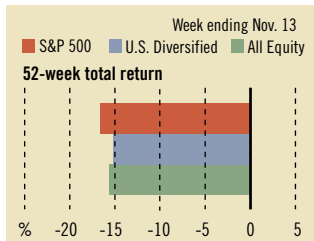
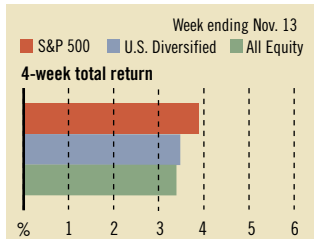
**TECHNICAL INDICATORS**

	Nov. 13	Wk. ago	Reading
S&P 500 200-day average	1191.5	1197.3	Negative
Stocks above 200-day average	45.0%	43.0%	Neutral
Options: Put/call ratio	0.70	0.69	Positive
Insiders: Vickers Sell/buy ratio	1.35	1.52	Positive

**WORST-PERFORMING GROUPS**

Group	Last month %	Last 12 months %
Photography/Imaging	-23.1	-68.8
Natural Gas	-19.9	-44.6
Engineering & Constr.	-13.3	-43.5
Defense Electronics	-10.2	-42.2
Long-Dist. Telecomms.	-10.1	-41.3

**Mutual Funds**



Data: Standard & Poor's

**EQUITY FUND CATEGORIES**

Category	4-week total return %	52-week total return %
<b>Leaders</b>		
Technology	10.8	30.8
Diversified Emerging Mkts.	7.1	12.9
Pacific/Asia ex-Japan	6.8	10.6
Latin America	6.7	7.7
<b>Laggards</b>		
Japan	-4.4	-49.5
Utilities	-2.3	-47.0
Precious Metals	-1.5	-38.4
Real Estate	0.1	-30.1

**EQUITY FUNDS**

Fund	4-week total return %	52-week total return %
<b>Leaders</b>		
ProFunds UltraOTC Inv.	24.0	94.7
Firsthand E Commerce	21.5	77.8
Pilgrim Russia A	21.4	67.4
PIMCO Global Innovation C	19.8	52.1
<b>Laggards</b>		
ProFunds UltraShort OTC	-24.6	-82.5
Rydex Dynamic Vent. 100	-23.0	-78.0
Potomac OTC Short	-12.5	-77.8
Potomac Internet Short	-10.4	-77.4

**Interest Rates**

	Nov. 14	Week ago	Year ago
<b>KEY RATES</b>			
<b>MONEY MARKET FUNDS</b>	2.34%	2.53%	6.14%
<b>90-DAY TREASURY BILLS</b>	1.86	1.78	6.36
<b>2-YEAR TREASURY NOTES</b>	2.68	2.29	6.15
<b>10-YEAR TREASURY NOTES</b>	4.52	4.18	5.71
<b>30-YEAR TREASURY BONDS</b>	5.02	4.79	5.77
<b>30-YEAR FIXED MORTGAGE†</b>	6.47	6.37	7.76
†BanxQuote, 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>	3.94%	4.87%	
<b>TAXABLE EQUIVALENT</b>	5.71	7.06	
<b>INSURED REVENUE BONDS</b>	4.16	5.18	
<b>TAXABLE EQUIVALENT</b>	6.03	7.51	

**THE WEEK AHEAD**

**NEW RESIDENTIAL CONSTRUCTION** *Monday, Nov. 19, 8:30 a.m. EST* ► Housing starts in October are forecast to decline to an annual rate of 1.52 million, after a better-than-expected pace of 1.57 million in September. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies. So far, housing has shown few signs of weakening.

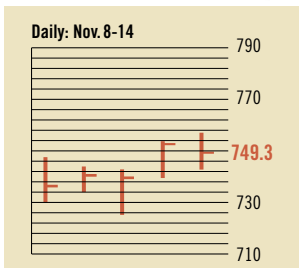
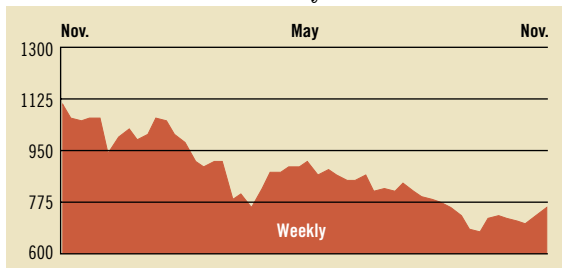
**INTERNATIONAL TRADE** *Tuesday, Nov. 20, 8:30 a.m. EST* ► The trade deficit proba-

bly narrowed to \$25.3 billion in September, from \$27.1 billion in August. The September 11 attacks likely caused a record drop in imports, due to border and port interruptions and large claims payments by foreign reinsurers.

**LEADING INDICATORS** *Tuesday, Nov. 20, 10 a.m. EST* ► The Conference Board's October composite index of leading economic indicators probably slipped 0.2%. In September, the index declined 0.5%, the largest drop since 1996.

**FEDERAL BUDGET** *Wednesday, Nov. 21, 2:00 p.m. EST* ► The U.S. Treasury will likely report an October deficit of \$14 billion, compared with a deficit of \$11.3 billion in October, 2000, and a surplus of \$35.4 billion in September. For fiscal year 2001, which ended Sept. 30, the U.S. Treasury ended with a surplus of \$127.2 billion. Excluding Social Security, however, it ran a deficit of \$33.5 billion. Fiscal 2002 will likely parallel 2001, due to more tax cuts and large amounts of economic stimulus spending.

## The BusinessWeek Fifty

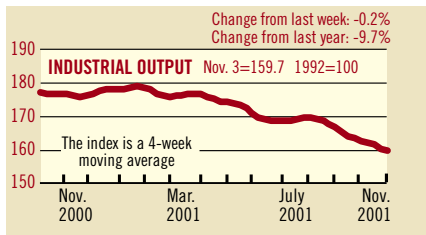


Another solid performance for the BW 50, which rose 2.7% for the week. Energy companies lit up the list: Dynege, which is acquiring the troubled Enron, leapt 40.0%, while Calpine rose 12.4%. Financial giants, such as Morgan Stanley, up 8.1%, and Merrill Lynch, 5.9%, as well as tech leaders AOL Time Warner, up 10.7% and Tellabs, up 9.2%, benefited from investor optimism on the economy.

### COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	6.7	3.7	26	Verizon Communications	-1.2	1.7
2	Anadarko Petroleum	-3.3	-13.1	27	Citigroup	4.9	3.7
3	Calpine	12.4	-38.1	28	Sun Microsystems	5.0	-34.1
4	Dynege	40.0	-1.5	29	Merck	0.2	-18.6
5	Applied Materials	3.5	-10.2	30	El Paso	6.8	-29.8
6	Provident Financial	32.9	-92.6	31	Altera	0.7	-2.5
7	Occidental Petroleum	-2.1	4.1	32	Marsh & McLennan	3.2	0.5
8	Apache	-5.0	-18.7	33	Household International	3.7	4.3
9	Kerr-McGee	-4.2	-17.2	34	ChevronTexaco	-0.8	-0.3
10	Oracle	-4.2	-30.2	35	SBC Communications	-1.6	-17.7
11	Lehman Brothers Holdings	5.9	4.4	36	Mercury Interactive	5.9	-47.4
12	EMC	3.5	-63.8	37	AOL Time Warner	10.9	-13.1
13	AES	15.4	-72.7	38	Washington Mutual	2.7	-5.8
14	Forest Laboratories	-7.5	1.2	39	General Dynamics	-3.0	18.5
15	FleetBoston Financial	3.5	-9.0	40	Comcast	1.0	-12.6
16	Micron Technology	7.2	-22.7	41	Morgan Stanley Dean Witter	8.1	-8.5
17	Xilinx	-0.3	-8.9	42	Tellabs	9.2	-64.7
18	Amerada Hess	-2.2	-21.3	43	Exxon Mobil	-1.0	-4.9
19	Duke Energy	1.0	-8.6	44	Scientific-Atlanta	2.4	-48.9
20	ADC Telecommunications	24.7	-57.6	45	U.S. Bancorp	-0.5	-21.5
21	Capital One Financial	9.5	-2.3	46	Paychex	5.8	-7.1
22	Phillips Petroleum	-4.0	-0.1	47	Merrill Lynch	5.9	-13.5
23	Analog Devices	3.2	13.3	48	Bed Bath & Beyond	9.1	26.7
24	EOG Resources	-3.6	-22.1	49	Texas Instruments	6.4	4.6
25	Cardinal Health	2.7	-1.7	50	Teradyne	4.9	-11.3

## BW Production Index



The production index slipped lower for the week. Before calculation of the four-week moving average, however, the index rose for the first time in five weeks, to 159.8, from 158.8. On a seasonally adjusted basis, autos, truck assemblies, steel, coal, and rail-freight traffic were all higher for the week. Crude-oil refining fell, as the slowing economy pushed U.S. West Texas crude oil prices below \$20 per barrel—the lowest price in over two years. Electric power and lumber also declined.

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.

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