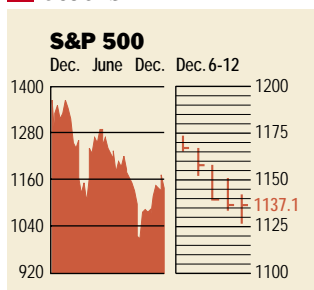


Stocks



COMMENTARY

The markets ended on a low note on Dec. 12, hit by grim profit outlooks from two of the 30 Dow industrial stocks, Merck and American Express. Enron's blowup dragged down shares of power producers, too. The S&P 500 fell 2.8% on the week and the Dow fell 2.2%, despite the Fed's interest rate cut, the 11th so far this year. The Nasdaq fell 1.7%.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS

	Dec. 12	% change		
		Year to date	Last 12 months	
S&P 500	1137.1	-2.8	-13.9	-17.1
Dow Jones Industrials	9894.8	-2.2	-8.3	-8.1
Nasdaq Composite	2011.4	-1.7	-18.6	-31.4
S&P MidCap 400	495.3	-1.7	-4.2	-4.3
S&P SmallCap 600	223.6	-1.5	1.8	4.6
Wilshire 5000	10,566.1	-2.5	-13.2	-16.7

SECTORS

	Dec. 12	% change		
		Year to date	Last 12 months	
BusinessWeek 50*	723.6	-4.1	-25.4	-32.8
BusinessWeek Info Tech 100**	433.5	-1.5	-23.4	-39.8
S&P/BARRA Growth	591.7	-2.8	-13.9	-21.9
S&P/BARRA Value	544.8	-2.9	-14.4	-12.9
S&P Energy	775.8	-4.6	-16.7	-12.9
S&P Financials	145.0	-1.1	-12.0	-9.7
S&P REIT	92.9	-0.5	5.7	7.9
S&P Transportation	675.7	-2.7	-3.1	-3.8
S&P Utilities	222.8	-4.8	-36.5	-32.1
GSTII Internet	109.6	2.7	-39.7	-57.0
PSE Technology	709.4	-2.1	-12.9	-22.0

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

BEST-PERFORMING GROUPS

	Last month %	Last 12 months %
Airlines	22.8	72.6
Homebuilding	21.6	52.2
Instrumentation	21.4	40.4
Photography/Imaging	18.5	38.7
Commercial Services	17.9	37.2

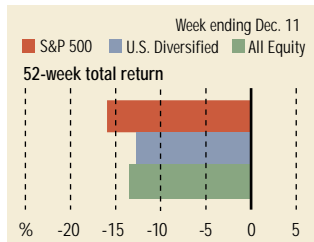
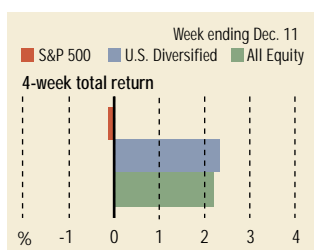
EQUITY FUND CATEGORIES

4-week total return %	52-week total return %
Leaders	Leaders
Pacific/Asia ex-Japan 12.9	Precious Metals 16.6
Diversified Emerging Mkts. 8.3	Small-cap Value 15.1
Latin America 7.4	Real Estate 11.7
Technology 6.5	Mid-cap Value 8.8
Laggards	Laggards
Utilities -5.7	Technology -43.8
Natural Resources -4.4	Communications -42.6
Domestic Hybrid -0.3	Japan -35.2
Japan -0.2	Large-cap Growth -26.9

EQUITY FUNDS

4-week total return %	52-week total return %
Leaders	Leaders
iShares MSCI Taiwan Idx. 27.2	Schroder Capital Ultra Inv. 79.8
Van Eck Asia Dynasty A 18.9	CGM Focus 77.9
Investec Asia New Economy 17.6	Pilgrim Russia A 51.8
iShares MSCI Singapore Idx. 17.3	Bost. Part. Sm. Cap Val. II 48.5
Laggards	Laggards
O Higgins -14.6	ProFunds UltraOTC Inv. -77.6
Galaxy II Utility Index -13.3	Berkshire Focus -76.2
Rydex Dynamic Vent. 100 -12.4	Berkshire Technology -75.7
ProFunds UltraShort OTC -12.1	Merrill Lynch Focus 20 B -75.5

Mutual Funds



Data: Standard & Poor's

GLOBAL MARKETS

	Dec. 12	% change		
		Year to date	Last 12 months	
S&P Euro Plus (U.S. Dollar)	1066.8	-1.9	-25.1	-21.8
London (FT-SE 100)	5120.0	-4.0	-17.7	-20.0
Paris (CAC 40)	4510.7	-3.6	-23.9	-24.3
Frankfurt (DAX)	5062.6	-3.8	-21.3	-23.5
Tokyo (NIKKEI 225)	10,801.5	0.8	-21.6	-28.8
Hong Kong (Hang Seng)	11,847.1	1.4	-21.5	-24.2
Toronto (TSE 300)	7577.7	-0.6	-15.2	-18.9
Mexico City (IPC)	6150.3	3.7	8.8	5.5

FUNDAMENTALS

	Dec. 11	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.37%	1.36%	1.16%
S&P 500 P/E Ratio (Trailing 12 mos.)	45.8	46.3	26.2
S&P 500 P/E Ratio (Next 12 mos.)*	21.7	21.9	22.2
First Call Earnings Revision*	-2.24%	-1.80%	-2.62%

TECHNICAL INDICATORS

	Dec. 11	Wk. ago	Reading
S&P 500 200-day average	1173.6	1177.1	Negative
Stocks above 200-day average	50.0%	51.0%	Neutral
Options: Put/call ratio	0.71	0.72	Positive
Insiders: Vickers Sell/buy ratio	1.29	1.12	Positive

WORST-PERFORMING GROUPS

	Last month %	Last 12 months %
Natural Gas	-24.3	Communications Equip. -67.2
Engineering & Constr.	-11.5	Natural Gas -57.0
Food Chains	-9.6	Instrumentation -41.1
Oil-Well Equip. & Svcs.	-7.4	Oil-Well Equip. & Svcs. -32.4
Personal Loans	-7.1	Computer Systems -31.5

Interest Rates

	Dec. 12	Week ago	Year ago
KEY RATES			
MONEY MARKET FUNDS	2.01%	2.11%	6.14%
90-DAY TREASURY BILLS	1.67	1.76	6.03
2-YEAR TREASURY NOTES	2.94	3.06	5.45
10-YEAR TREASURY NOTES	4.98	4.89	5.25
30-YEAR TREASURY BONDS	5.46	5.36	5.47
30-YEAR FIXED MORTGAGE†	7.07	6.88	7.40

†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	4.37%	5.16%
TAXABLE EQUIVALENT	6.33	7.48
INSURED REVENUE BONDS	4.59	5.42
TAXABLE EQUIVALENT	6.65	7.86

THE WEEK AHEAD

NEW RESIDENTIAL CONSTRUCTION *Tuesday, Dec. 18, 8:30 a.m. EST* ► Housing starts during November are forecast to have slipped to an annual rate of 1.54 million, after a pace of 1.55 million homes in October. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies.

INTERNATIONAL TRADE *Wednesday, Dec. 19, 8:30 a.m. EST* ► The trade deficit in October likely widened to \$28 billion as im-

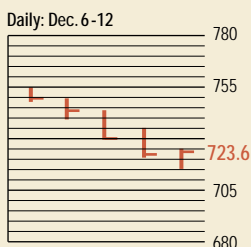
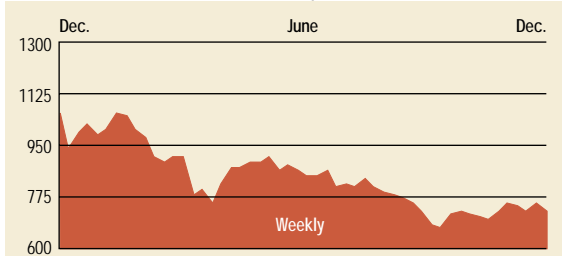
ports are expected to rebound more strongly than exports. In September, the trade deficit narrowed to a smaller-than-expected \$18.7 billion, due to border closings and interruptions resulting from the September 11 terrorist attacks.

LEADING INDICATORS *Wednesday, Dec. 19, 10 a.m. EST* ► The Conference Board's November composite index of leading economic indicators likely inched up 0.1%, according to S&P's MMS. In October, the index climbed 0.3%.

FEDERAL BUDGET *Thursday, Dec. 20, 2 p.m. EST* ► The U.S. Treasury probably posted a \$45 billion deficit for November, up from \$23.6 billion in November, 2000. The poor economy and increased spending are expected to whittle the fiscal year 2002 budget surplus to just \$30 billion.

PERSONAL INCOME *Friday, Dec. 21, 8:30 a.m. EDT* ► Personal income in November probably grew 0.2%. Consumer spending likely fell 0.5% in November, after an unexpected jump of 2.9% in October.

The BusinessWeek Fifty

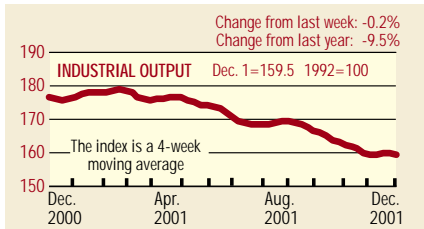


The BW 50 got clobbered this week, down 4.1%. Shares of AES sank 15.3% after Moody's downgraded some of its debt to junk. Merck fell 11.7% and Calpine fell 21.1% in a backlash to Enron's saga. Some financial stocks rose modestly, including Washington Mutual, up 1.8%. Forest Labs jumped 8.9% after an analyst upgrade, and fiber optic player ADC Telecommunications rose 5.8% after inking a deal with BellSouth Corp.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-6.4	2.5	26	Verizon Communications	-1.6	-2.2
2	Anadarko Petroleum	-6.1	-18.3	27	Citigroup	-1.7	-1.0
3	Calpine	-21.1	-64.3	28	Sun Microsystems	-7.4	-32.8
4	Dynegy	-13.4	-46.5	29	Merck	-11.7	-26.6
5	Applied Materials	-2.3	-1.0	30	El Paso	-7.2	-42.2
6	Provident Financial	-4.7	-94.2	31	Altera	-8.0	-2.1
7	Occidental Petroleum	-7.5	3.6	32	Marsh & McLennan	-5.5	-1.9
8	Apache	-4.5	-21.2	33	Household International	-11.2	-7.3
9	Kerr-McGee	-7.7	-22.2	34	ChevronTexaco	-2.2	-1.4
10	Oracle	-1.8	-29.4	35	SBC Communications	-0.3	-16.0
11	Lehman Brothers Holdings	-1.9	-2.0	36	Mercury Interactive	-0.7	-39.8
12	EMC	-9.2	-62.0	37	AOL Time Warner	-9.3	-26.1
13	AES	-15.3	-73.7	38	Washington Mutual	1.8	-6.5
14	Forest Laboratories	8.9	14.3	39	General Dynamics	-2.3	19.2
15	FleetBoston Financial	-1.3	-9.5	40	Comcast	0.0	-7.5
16	Micron Technology	-4.0	-11.6	41	Morgan Stanley Dean Witter	-1.5	-13.5
17	Xilinx	-0.4	1.8	42	Tellabs	-3.2	-62.8
18	Amerada Hess	-3.7	-19.9	43	Exxon Mobil	-3.8	-8.1
19	Duke Energy	-7.3	-16.6	44	Scientific-Atlanta	-7.6	-38.7
20	ADC Telecommunications	5.8	-52.5	45	U.S. Bancorp	1.6	-15.3
21	Capital One Financial	-3.5	-11.2	46	Paychex	-0.9	-1.1
22	Phillips Petroleum	-4.1	5.2	47	Merrill Lynch	0.6	-12.0
23	Analog Devices	-2.9	11.4	48	Bed Bath & Beyond	-8.2	26.5
24	EOG Resources	-8.8	-18.3	49	Texas Instruments	-3.9	-0.6
25	Cardinal Health	-3.8	-2.6	50	Teradyne	-2.8	0.6

BW Production Index



The production index resumed its slide during the latest week. Before calculation of the four-week moving average, the index fell to 158.2, from 158.8. On a seasonally adjusted basis, autos and truck assemblies posted the largest drops, with steel and crude-oil refining also falling. Rail-freight traffic rose on strong rebounds in coal, motor vehicle, and chemicals shipments. Lumber and coal production also rose, while electric power was virtually unchanged during the week.

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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For more investment data and the components of the production index, visit www.businessweek.com.