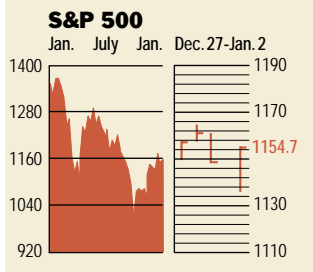


Stocks



COMMENTARY

Equities began 2002 on a positive note, with the Dow Jones industrial average, the S&P 500 index, and the Nasdaq Composite rising 0.5%, 0.6%, and 1.5% respectively. Adding to Wall Street's cheer was a report on Jan. 2 pointing to a rebound in U.S. manufacturing. Cisco Systems, rising 6.2%, and Intel, up 4.9%, paced the large-caps in the first trading session of the year.

Data: Bloomberg Financial Markets
Bridg Information Systems, Inc.

U.S. MARKETS	Jan. 2	% change		
		Week	Year to date	Last 12 months
S&P 500	1154.7	0.5	0.6	-10.0
Dow Jones Industrials	10,073.4	-0.1	0.5	-5.4
Nasdaq Composite	1979.3	0.9	1.5	-13.6
S&P MidCap 400	506.5	-0.3	-0.4	2.4
S&P SmallCap 600	231.7	-0.6	-0.2	10.3
Wilshire 5000	10,750.9	0.4	0.4	-8.6

SECTORS		% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	729.1	0.3	-0.1	-21.1
BusinessWeek Info Tech 100**	425.8	1.6	1.5	-19.7
S&P/BARRA Growth	599.8	-0.2	0.9	-8.8
S&P/BARRA Value	553.6	1.1	0.3	-11.8
S&P Energy	818.4	-0.2	0.0	-13.7
S&P Financials	147.4	0.9	0.0	-8.0
S&P REIT	93.5	0.4	0.1	7.0
S&P Transportation	686.7	0.0	0.0	-0.8
S&P Utilities	236.6	1.4	0.0	-30.1
GSTl Internet	105.5	1.2	0.5	-33.2
PSE Technology	695.8	1.3	1.2	-9.3

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

GLOBAL MARKETS	Jan. 2	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1085.2	4.4	0.4	-21.9
London (FT-SE 100)	5218.3	0.8	0.0	-13.6
Paris (CAC 40)	4580.4	1.7	-1.0	-19.4
Frankfurt (DAX)	5167.9	3.0	0.2	-19.7
Tokyo (NIKKEI 225)	10,542.6	3.4	0.0	-23.5
Hong Kong (Hang Seng)	11,350.9	1.3	-0.4	-22.2
Toronto (TSE 300)	7646.8	1.2	-0.5	-11.2
Mexico City (IPC)	6410.1	0.6	0.6	15.4

FUNDAMENTALS	Dec. 31	Wk. ago	Yr. ago
S&P 500 P/E Ratio (Trailing 12 mos.)	47.8	48.2	24.7
S&P 500 P/E Ratio (Next 12 mos.)*	21.8	21.9	21.4
First Call Earnings Surprise*	8.13%	1.16%	-3.66%

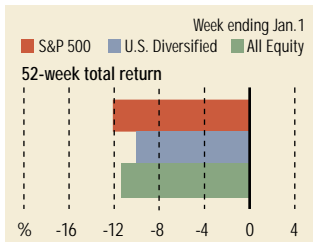
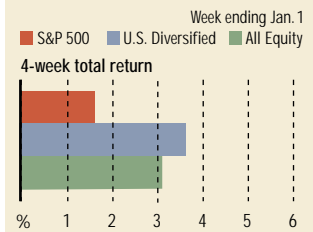
*First Call Corp.

TECHNICAL INDICATORS	Dec. 31	Wk. ago	Reading
Stocks above 200-day average	56.0%	51.0%	Neutral
Options: Put/call ratio	0.67	0.67	Neutral
Insiders: Vickers Sell/buy ratio	2.39	2.27	Neutral

BEST-PERFORMING GROUPS	Last month %		Last 12 months %	
	Office Electronics	24.1	Office Electronics	84.8
Internet Software	19.7	Computers & Electronics	65.1	
Homebuilding	18.5	Specialty Stores	59.2	
Building Products	15.9	Metal & Glass Containers	50.5	
Health-Care Suppliers	13.5	Motorcycle Manufacturers	44.1	

WORST-PERFORMING GROUPS	Last month %		Last 12 months %	
	Food Retail	-11.4	Multi-Utilities	-76.6
Biotechnology	-9.0	Computer Storage & Perphs.	-65.5	
Automobile Manufacturers	-9.0	Telecomms. Equip.	-58.8	
Agricultural Products	-7.9	Electronic Equip. & Instrms.	-43.0	
Multi-Utilities	-7.4	Network Equipment	-40.9	

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return		52-week total return	
	%		%
Leaders		Leaders	
Latin America	8.0	Precious Metals	20.8
Small-cap Value	6.6	Small-cap Value	15.4
Small-cap Growth	6.4	Real Estate	9.9
Small-cap Blend	6.2	Mid-cap Value	7.5
Laggards		Laggards	
Japan	-3.4	Technology	-35.9
Health	0.4	Communications	-35.0
Diversified Pacific/Asia	0.6	Japan	-28.8
Domestic Hybrid	1.1	Europe	-22.9

EQUITY FUNDS

4-week total return		52-week total return	
	%		%
Leaders		Leaders	
Frontier Equity	24.2	Pilgrim Russia A	80.3
Van Wagoner Emerging Gr.	16.3	Schroder Cap. Ultra Inv.	73.5
Van Wagoner Post Venture	15.5	Matthews Korea	71.1
Polynous Growth A	15.0	Ameristock Focused Value	60.4
Laggards		Laggards	
American Heritage	-11.1	Berkshire Focus	-72.2
World GenomicsFund.com	-10.9	Berkshire Technology	-71.7
Banknorth Large Cap Value	-9.7	Merrill Lynch Focus 20 B	-70.4
Potomac Internet Short	-8.4	Van Wagoner Mid-Cap Gr.	-66.4

Interest Rates

KEY RATES	Jan. 2		
	Week ago	Year ago	
MONEY MARKET FUNDS	1.81%	1.85%	6.11%
90-DAY TREASURY BILLS	1.73	1.72	5.65
2-YEAR TREASURY NOTES	3.20	3.23	4.92
10-YEAR TREASURY NOTES	5.16	5.20	5.16
30-YEAR TREASURY BONDS	5.56	5.53	5.49
30-YEAR FIXED MORTGAGE†	7.21	7.25	7.19

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS	10-yr. bond		30-yr. bond
	4.55%	5.16%	
GENERAL OBLIGATIONS	4.55%	5.16%	
TAXABLE EQUIVALENT	6.59	7.48	
INSURED REVENUE BONDS	4.68	5.42	
TAXABLE EQUIVALENT	6.78	7.86	

Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 31% federal tax rate.

THE WEEK AHEAD

FACTORY INVENTORIES Tuesday, Jan. 8, 10 a.m. EST ► Manufacturing inventories probably fell 1% in November, after a ninth consecutive decline in October of 0.4%.

INSTALLMENT CREDIT Tuesday, Jan. 8, 3 p.m. EST ► Consumers likely added \$5 billion of debt in November, after piling up \$7 billion of new debt in October. That's according to the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill

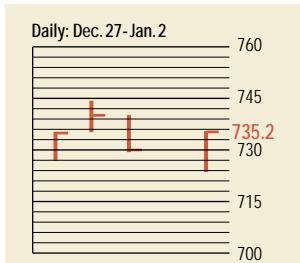
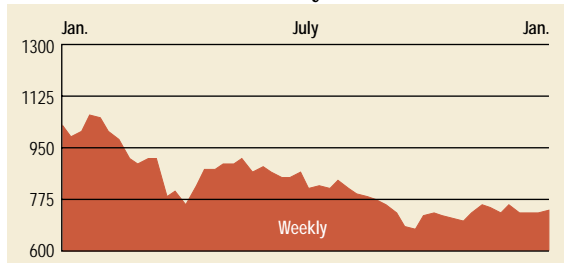
Companies. Since June, consumers have paid off over \$10 billion of revolving credit—consisting primarily of credit card debt. Conversely, incentives by automakers and low mortgage rates have enticed consumers to pile up \$23 billion of non-revolving debt over the past four months.

EXPORT-IMPORT PRICES Thursday, Jan. 10, 8:30 a.m. EST ► Import prices in December likely dropped 0.6%, while export prices probably fell 0.3%. In November, falling oil prices pulled import prices

down 1.6%. Petroleum prices have fallen 41% over the past twelve months.

PRODUCER PRICE INDEX Friday, Jan. 11, 8:30 a.m. EST ► Producer prices of finished goods during December are forecast to have fallen 0.2%, after a 0.6% drop in November. Core prices, excluding the volatile food and energy categories, probably rose 0.1%, after a 0.2% November increase. Differences between the headline and core indexes are due to a long slide in crude-oil prices.

The BusinessWeek Fifty

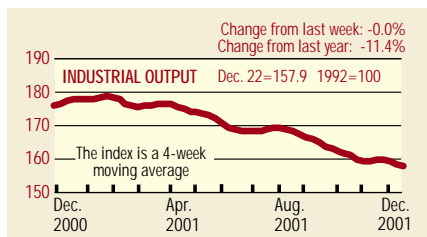


The BW 50 rose 0.3% for the week ending Jan. 2, as more than 75% of the companies on the list finished in positive territory. Leading the surge was the utility-power provider AES, which rose 12.7%. The brightest spot on the BW 50, however, was in technology, where storage giant EMC jumped 11.1%, DRAM maker Micron Technology chipped in 9.3%, and programmable chip manufacturer Xilinx leaped 8.2%.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-2.7	4.9	26	Verizon Communications	2.7	0.1
2	Anadarko Petroleum	-0.8	-13.3	27	Citigroup	1.6	4.9
3	Calpine	5.3	-62.2	28	Sun Microsystems	6.7	-35.0
4	Dynegy	7.1	-44.3	29	Merck	-0.3	-25.1
5	Applied Materials	2.8	-8.1	30	El Paso	1.6	-35.7
6	Provident Financial	8.6	-92.8	31	Altera	5.7	-11.8
7	Occidental Petroleum	-1.2	11.1	32	Marsh & McLennan	0.9	1.2
8	Apache	1.0	-8.3	33	Household International	1.3	-2.2
9	Kerr-McGee	0.2	-16.4	34	ChevronTexaco	0.3	3.0
10	Oracle	-0.8	-34.6	35	SBC Communications	2.0	-12.3
11	Lehman Brothers Holdings	-1.5	-4.8	36	Mercury Interactive	2.8	-41.8
12	EMC	11.1	-65.5	37	AOL Time Warner	0.5	-28.2
13	AES	12.7	-69.3	38	Washington Mutual	1.8	-3.6
14	Forest Laboratories	-1.2	18.9	39	General Dynamics	2.7	19.2
15	FleetBoston Financial	-0.6	-12.4	40	Comcast	0.8	-17.1
16	Micron Technology	9.3	-7.4	41	Morgan Stanley Dean Witter	-0.4	-13.2
17	Xilinx	8.2	0.1	42	Tellabs	6.3	-63.1
18	Amerada Hess	0.7	-14.2	43	Exxon Mobil	0.0	-2.7
19	Duke Energy	3.1	-3.8	44	Scientific-Atlanta	9.4	-45.7
20	ADC Telecommunications	1.7	-57.7	45	U.S. Bancorp	0.2	-11.6
21	Capital One Financial	3.5	-4.8	46	Paychex	-2.6	-12.3
22	Phillips Petroleum	-0.5	12.4	47	Merrill Lynch	1.2	-13.3
23	Analog Devices	4.5	10.1	48	Bed Bath & Beyond	0.1	33.2
24	EOG Resources	-2.3	-12.7	49	Texas Instruments	2.7	-11.0
25	Cardinal Health	0.0	-4.0	50	Teradyne	6.8	-0.8

BW Production Index



The production index remained unchanged over the past week. Before calculation of the four-week moving average, the index increased to 159.0, from 157.3 for the week ended Dec. 15. On a seasonally adjusted basis, autos and trucks posted large gains as automakers announced increases to first-quarter production schedules. Crude-oil refining, rail-freight traffic, and electric power also rose. Steel and coal remained unchanged, while lumber production fell for 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.