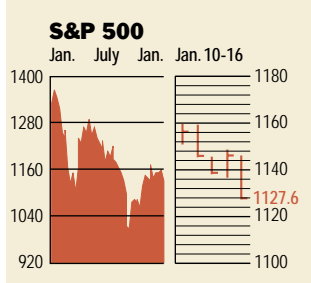


Stocks



COMMENTARY

Markets tumbled as the earnings' season began and investors started re-assessing the outlook for profits. Dismal reports from Intel and J.P. Morgan Chase and the release of the Fed's Beige Book suggesting that the economy is weak sent stocks reeling on Jan. 16. Year-to-date, the Dow Jones industrial average, the Nasdaq, and the S&P 500 are back in negative territory.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS

	Jan. 16	Week	% change	
			Year to date	Last 12 months
S&P 500	1127.6	-2.4	-1.8	-15.0
Dow Jones Industrials	9712.3	-3.8	-3.1	-8.8
Nasdaq Composite	1944.4	-4.9	-0.3	-25.7
S&P MidCap 400	495.8	-3.3	-2.5	-2.4
S&P SmallCap 600	227.7	-3.2	-1.9	2.3
Wilshire 5000	10,514.1	-2.5	-1.8	-14.3

SECTORS

	Jan. 15	Week	% change	
			Year to date	Last 12 months
BusinessWeek 50*	713.8	-3.6	-2.2	-28.9
BusinessWeek Info Tech 100**	414.0	-4.1	-1.3	-32.6
S&P/BARRA Growth	589.4	-1.6	-0.9	-13.7
S&P/BARRA Value	537.3	-3.1	-2.7	-16.8
S&P Energy	201.9	-3.0	-4.4	-13.2
S&P Financials	353.2	-0.7	-0.6	-9.0
S&P REIT	93.6	0.1	0.2	7.5
S&P Transportation	193.1	-4.9	-2.0	-4.4
S&P Utilities	144.2	-0.3	-1.2	-19.4
GSTI Internet	98.5	-10.9	-6.2	-50.0
PSE Technology	677.5	-5.8	-1.4	-20.4

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

GLOBAL MARKETS

	Jan. 16	Week	% change	
			Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1024.5	-4.2	-5.3	-28.1
London (FT-SE 100)	5127.6	-1.9	-1.7	-17.3
Paris (CAC 40)	4425.5	-3.5	-4.3	-24.8
Frankfurt (DAX)	4984.2	-5.7	-3.4	-25.1
Tokyo (NIKKEI 225)	10,177.6	-4.8	-3.5	-25.5
Hong Kong (Hang Seng)	10,964.1	-4.2	-3.8	-28.2
Toronto (TSE 300)	7584.0	-2.5	-1.4	-13.3
Mexico City (IPC)	6579.4	0.3	3.3	9.6

FUNDAMENTALS

	Jan. 15	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.36%	1.33%	1.19%
S&P 500 P/E Ratio (Trailing 12 mos.)	47.5	48.9	25.6
S&P 500 P/E Ratio (Next 12 mos.)*	22.3	22.1	21.9
First Call Earnings Surprise*	5.13%	8.19%	0.00%

*First Call Corp.

TECHNICAL INDICATORS

	Jan. 15	Wk. ago	Reading
S&P 500 200-day average	1167.1	1166.7	Negative
Stocks above 200-day average	58.0%	61.0%	Neutral
Options: Put/call ratio	0.72	0.67	Positive
Insiders: Vickers Sell/buy ratio	2.52	2.45	Negative

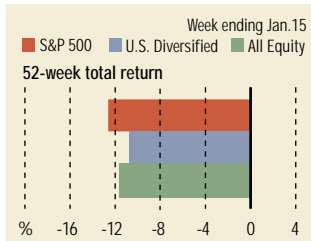
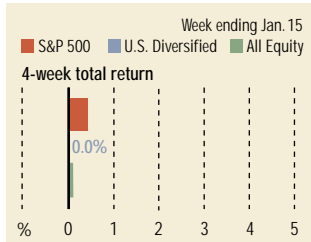
BEST-PERFORMING GROUPS

	Last month %	Last 12 months %	
Casinos & Gaming	44.7	Office Electronics	16.2
Metal & Glass Containers	44.3	Health-Care Supplies	16.1
Motorcycles	41.7	Trucking	13.2
Office Electronics	37.7	Drug Chains	10.6
Oil & Gas Refining	37.5	Distillers & Vintners	9.2

WORST-PERFORMING GROUPS

	Last month %	Last 12 months %	
Multi-Utilities	-75.1	Wireless Services	-18.3
Computer Storage & Perphs.	-73.0	Photographic Products	-14.0
Telecomms. Equip.	-66.7	Constr. & Engineering	-13.3
Wireless Services	-56.4	Diversified Chemicals	-12.1
Instrumentation	-53.3	Instrumentation	-11.3

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return %	52-week total return %
Leaders	Leaders
Precious Metals 6.9	Precious Metals 31.9
Diversified Emerging Mkts. 4.8	Small-cap Value 12.3
Pacific/Asia ex-Japan 3.6	Real Estate 11.5
Financial 2.3	Mid-cap Value 5.4
Laggards	Laggards
Communications -3.2	Communications -41.8
Health -3.0	Technology -36.5
Japan -2.8	Japan -29.3
Mid-cap Growth -1.3	Large-cap Growth -22.0

EQUITY FUNDS

4-week total return %	52-week total return %
Leaders	Leaders
American Heritage 55.6	CGM Focus 95.1
Pilgrim Russia A 16.4	Pilgrim Russia A 70.7
Frontier Equity 14.3	Schroder Capital Ultra Inv. 67.9
Van Eck Troika Dialog A 12.8	Am. Cent. Glob. Gold Inv. 50.9
Laggards	Laggards
World GenomicsFund.com -17.1	Berkshire Focus -71.1
Fidelity Select Wireless -12.5	Berkshire Technology -70.6
Amerindo Hlth. & Biotech. D -10.6	Merrill Lynch Focus 20 B -70.3
Liberty Newport Jap. Opps. B -10.3	ProFunds UltraOTC Inv. -69.4

Interest Rates

	Jan. 16	Week ago	Year ago
KEY RATES			
MONEY MARKET FUNDS	1.73%	1.76%	6.00%
90-DAY TREASURY BILLS	1.60	1.66	5.35
2-YEAR TREASURY NOTES	2.79	2.98	4.84
10-YEAR TREASURY NOTES	4.84	5.04	5.17
30-YEAR TREASURY BONDS	5.35	5.49	5.52
30-YEAR FIXED MORTGAGE†	6.86	7.21	7.21

†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	4.31%	4.94%
TAXABLE EQUIVALENT	6.25	7.16
INSURED REVENUE BONDS	4.48	5.19
TAXABLE EQUIVALENT	6.49	7.52

THE WEEK AHEAD

LEADING INDICATORS *Tuesday, Jan. 22, 10 a.m. EST* ► The Conference Board's December composite index of leading economic indicators likely rose 0.5%, the same gain posted in November. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies. The report will also contain annual revisions to the 2001 data.

FEDERAL BUDGET *Tuesday, Jan. 22, 2 p.m. EST* ► The U.S. Treasury is forecast to re-

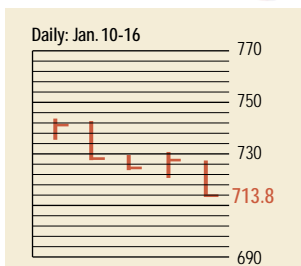
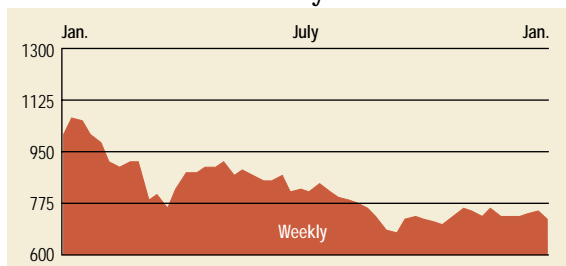
port a December surplus of \$24.5 billion, compared with a surplus of \$32.6 billion in December, 2000, and a \$54.3 billion deficit in November. Through the first two months of fiscal year 2002, falling revenues and significant stimulus and defense expenditures have caused a \$63.7 billion deficit, compared with a \$35 billion gap for the same period a year ago.

INITIAL UNEMPLOYMENT CLAIMS *Thursday, Jan. 24, 8:30 a.m. EST* ► New filings for state unemployment benefits likely came

to 415,000 for the week ended Jan. 19. Because of office closings during the holiday season, jobless claims have been volatile recently.

EXISTING HOME SALES *Tuesday, Jan. 25, 10 a.m. EST* ► Sales of existing homes in December probably fell at an annual rate of 5.13 million, from 5.21 million in November. Based on the S&P forecast, existing home sales in 2001 reached a record 5.24 million units, eclipsing the previous high of 5.19 million houses in 1999.

The BusinessWeek Fifty

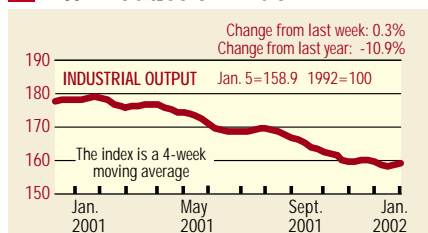


The BW 50 plunged 3.6% for the week ended Jan. 16. Leading the decline was power company AES, with a precipitous 71.1% fall. Chip-equipment maker Teradyne fell 17.0%. Tyco International, the top-rated company, sank 13.6% after warning that profits would be disappointing. The week's bright spot, Providian Financial—up 20.3%—is still down 91.2% since the latest BW 50 was compiled.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-13.6	-14.3	26	Verizon Communications	0.2	1.2
2	Anadarko Petroleum	-6.9	-22.6	27	Citigroup	-2.6	-0.3
3	Calpine	-5.1	-66.5	28	Sun Microsystems	-10.8	-39.6
4	Dynegy	-9.6	-49.9	29	Merck	-1.1	-27.0
5	Applied Materials	-11.0	-8.3	30	El Paso	-8.4	-43.7
6	Providian Financial	20.3	-91.2	31	Altera	-8.5	-8.8
7	Occidental Petroleum	-4.0	4.7	32	Marsh & McLennan	1.0	-1.9
8	Apache	-4.1	-13.3	33	Household International	-5.3	-7.4
9	Kerr-McGee	-2.6	-18.6	34	ChevronTexaco	-2.1	0.5
10	Oracle	-0.9	-22.4	35	SBC Communications	-3.5	-19.0
11	Lehman Brothers Holdings	-6.3	-6.5	36	Mercury Interactive	-10.7	-45.2
12	EMC	-10.1	-63.6	37	AOL Time Warner	-6.5	-33.0
13	AES	-71.1	-90.9	38	Washington Mutual	-2.9	-0.6
14	Forest Laboratories	1.2	19.0	39	General Dynamics	-7.4	11.8
15	FleetBoston Financial	-3.0	-17.6	40	Comcast	-0.8	-16.2
16	Micron Technology	-4.5	-6.8	41	Morgan Stanley Dean Witter	-4.3	-12.2
17	Xilinx	-7.3	-0.5	42	Tellabs	-8.6	-64.3
18	Amerada Hess	-2.8	-18.0	43	Exxon Mobil	-1.9	-5.5
19	Duke Energy	-1.9	-8.1	44	Scientific-Atlanta	-10.2	-48.0
20	ADC Telecommunications	-9.8	-55.2	45	U.S. Bancorp	-2.8	-13.3
21	Capital One Financial	-0.3	-3.1	46	Paychex	4.7	-6.1
22	Phillips Petroleum	-2.2	7.9	47	Merrill Lynch	-5.2	-8.3
23	Analog Devices	-10.2	3.2	48	Bed Bath & Beyond	-5.7	26.2
24	EOG Resources	-8.4	-21.3	49	Texas Instruments	-6.9	-19.0
25	Cardinal Health	1.6	-6.2	50	Teradyne	-17.0	-7.3

BW Production Index



The production index rose a second straight week for the first time since last August. Before calculation of the four-week moving average, the index fell to 158.9, from 160.5. On a seasonally adjusted basis, autos and trucks posted the largest drops: *Ward's Automotive Reports* forecasts sales in January will be the weakest in over three years. Rail-freight traffic, coal, and electric power production were also lower. Steel rose sharply, with crude-oil refining and lumber also up.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2002 by The McGraw-Hill Companies

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