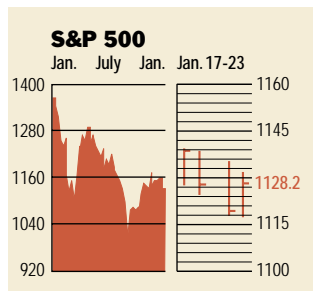


Stocks



COMMENTARY

A spate of weak earnings reports, coupled with the ongoing Enron scandal, rained down on the markets, sending investors scurrying for cover. Then on Jan. 23, Merrill Lynch, the nation's largest brokerage, reported a record \$1.3 billion loss in the quarter ended Dec. 31. Buyers, however, emerged that day, on the hope that the worst may be over for equities.

Data: Bloomberg Financial Markets
Bridge Information Systems, Inc.

U.S. MARKETS	Jan. 23	Week	% change	
			Year to date	Last 12 months
S&P 500	1128.2	-1.6	-1.7	-17.1
Dow Jones Industrials	9731.0	-1.9	-2.9	-8.6
Nasdaq Composite	1922.4	-3.9	-1.4	-32.3
S&P MidCap 400	501.4	1.1	-1.3	-3.6
S&P SmallCap 600	228.7	-0.8	-1.5	1.1
Wilshire 5000	10,522.1	-1.5	-1.7	-16.4

SECTORS

		Week	Year to date	Last 12 months
BusinessWeek 50*	710.0	-0.5	-2.7	-32.3
BusinessWeek Info Tech 100**	405.0	-2.2	-3.4	-39.9
S&P/BARRA Growth	589.3	-1.5	-0.9	-17.1
S&P/BARRA Value	537.9	-1.7	-2.6	-17.6
S&P Energy	205.0	-0.9	-3.0	-9.8
S&P Financials	354.9	-0.7	-0.1	-9.1
S&P REIT	93.3	-0.6	-0.1	6.3
S&P Transportation	202.6	3.3	2.9	1.5
S&P Utilities	140.1	-3.1	-3.9	-27.1
GST Internet	100.8	-4.2	-3.9	-56.0
PSE Technology	676.2	-3.2	-1.6	-27.0

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

BEST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Health-Care Supplies	13.8	48.9
Internet Software	9.0	41.2
Specialty Appr. Retailers	8.2	40.0
Restaurants	8.1	39.5
Tobacco	7.9	33.3

WORST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Wireless Services	-21.2	-78.0
Photographic Products	-16.1	-77.5
Conglomerates	-11.7	-71.5
Oil & Gas Drilling	-10.2	-60.8
Constr. & Engineering	-9.9	-58.3

GLOBAL MARKETS	Jan. 23	Week	% change	
			Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1032.4	0.8	-4.6	-26.7
London (FT-SE 100)	5180.6	1.0	-0.7	-17.3
Paris (CAC 40)	4450.8	0.6	-3.8	-24.6
Frankfurt (DAX)	5163.0	3.6	0.1	-23.0
Tokyo (NIKKEI 225)	10,040.9	-1.3	-4.8	-27.7
Hong Kong (Hang Seng)	10,762.1	-1.8	-5.6	-32.9
Toronto (TSE 300)	7598.5	0.2	-1.2	-18.0
Mexico City (IPC)	6782.8	3.1	6.4	6.3

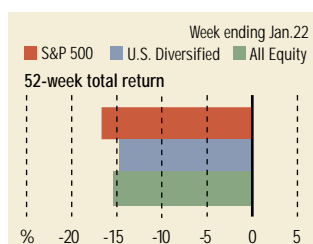
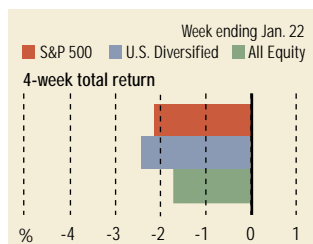
FUNDAMENTALS

	Jan. 22	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.40%	1.36%	1.16%
S&P 500 P/E Ratio (Trailing 12 mos.)	55.1	47.5	26.5
S&P 500 P/E Ratio (Next 12 mos.)*	21.5	22.3	22.8
First Call Earnings Surprise*	3.28%	5.13%	-1.46%

TECHNICAL INDICATORS

	Jan. 22	Wk. ago	Reading
S&P 500 200-day average	1166.4	1167.1	Negative
Stocks above 200-day average	55.0%	58.0%	Neutral
Options: Put/call ratio	0.73	0.72	Positive
Insiders: Vickers Sell/buy ratio	2.72	2.52	Negative

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

Category	4-week total return %	52-week total return %
Precious Metals	8.9	30.0
Diversified Emerging Mkts.	5.5	9.8
Pacific/Asia ex-Japan	4.7	9.1
Financial	1.1	2.6
Communications	-6.1	-47.6
Health	-5.7	-45.3
Natural Resources	-5.1	-33.8
Mid-cap Growth	-3.8	-26.6

EQUITY FUNDS

Fund	4-week total return %	52-week total return %
American Heritage	62.5	113.6
Pilgrim Russia A	16.9	73.2
Frontier Equity	13.4	69.0
Vontobel Eastern Europ. Eq.	12.9	67.8
World GenomicsFund.com	-24.7	-78.4
Amerindo Hlth. & Biotech. D	-20.3	-77.0
Fidelity Select Wireless	-17.6	-76.6
Rydex BioTechnology Inv.	-13.1	-75.4

Interest Rates

KEY RATES	Jan. 23	Week ago	Year ago
MONEY MARKET FUNDS	1.69%	1.73%	5.90%
90-DAY TREASURY BILLS	1.69	1.60	5.26
2-YEAR TREASURY NOTES	3.01	2.79	4.81
10-YEAR TREASURY NOTES	5.03	4.84	5.31
30-YEAR TREASURY BONDS	5.47	5.35	5.66
30-YEAR FIXED MORTGAGE†	6.96	6.86	7.15

†BancQuote, 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	4.27%	4.97%
TAXABLE EQUIVALENT	6.19	7.20
INSURED REVENUE BONDS	4.44	5.18
TAXABLE EQUIVALENT	6.43	7.51

THE WEEK AHEAD

DURABLE GOODS ORDERS Tuesday, Jan. 29, 8:30 a.m. EST ► New orders for durable goods probably increased 1.5% in December. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies.

FOMC MEETING Tuesday, Jan. 29, 9 a.m. EST ► The Federal Reserve Board's Open Market Committee will meet for two days to set monetary policy. Three quarters of the economists surveyed by S&P's MMS

forecast a further quarter-point cut in the federal funds rate, to 1.5%.

CONSUMER CONFIDENCE Tuesday, Jan. 29, 10 a.m. EST ► The Conference Board's confidence index probably climbed to 96 in January, up from 93.7 in December.

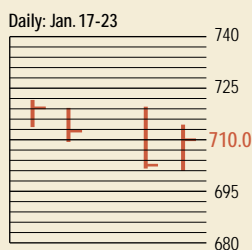
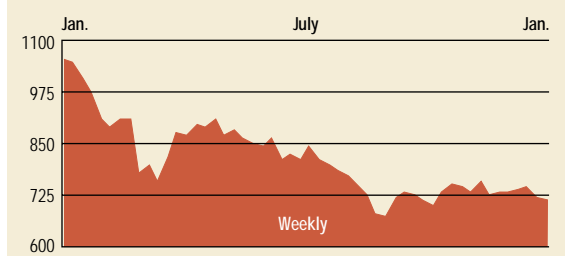
GROSS DOMESTIC PRODUCT Wednesday, Jan. 30, 8:30 a.m. EST ► The economy is estimated to have contracted at an annual rate of 1.2% in the fourth quarter after shrinking by 1.3% in the third quarter.

EMPLOYMENT COST INDEX Thursday, Jan. 31, 8:30 a.m. EST ► Compensation in the fourth quarter likely rose by 0.9%.

EMPLOYMENT Friday, Feb. 1, 8:30 a.m. EST ► Nonfarm payrolls probably declined by 60,000 jobs in January, pushing the unemployment rate to 5.9%.

PURCHASING MANAGERS' INDEX Friday, Feb. 1, 10 a.m. EST ► The Institute for Supply Management's January industrial activity index likely climbed to 49.6%.

The BusinessWeek Fifty

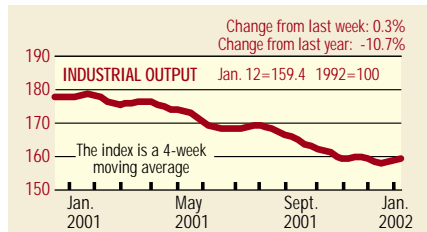


The BW 50 lost 0.5% for the week through Jan. 23. All eyes, however, were on the widely held Tyco International, down 3.4%; it announced a plan to split itself into four separate companies, in effect undoing a decade of deal-making. Energy companies, such as ExxonMobil, Apache, and Occidental Petroleum, were up about 1%, while in technology, software maker Mercury Interactive led the gainers, rising 10.9%.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	-3.4	-17.4	26	Verizon Communications	-0.4	1.5
2	Anadarko Petroleum	-3.3	-25.0	27	Citigroup	1.3	1.7
3	Calpine	-13.0	-70.8	28	Sun Microsystems	-6.9	-43.8
4	Dynegy	4.5	-47.7	29	Merck	0.1	-27.0
5	Applied Materials	-0.7	-9.0	30	El Paso	-5.1	-46.5
6	Provident Financial	-6.7	-91.8	31	Altera	0.4	-8.5
7	Occidental Petroleum	0.8	5.5	32	Marsh & McLennan	-0.9	-2.9
8	Apache	1.0	-12.4	33	Household International	-1.4	-8.6
9	Kerr-McGee	-0.2	-18.8	34	ChevronTexaco	0.6	1.0
10	Oracle	1.0	-21.6	35	SBC Communications	-1.8	-20.2
11	Lehman Brothers Holdings	0.1	-6.5	36	Mercury Interactive	10.9	-39.2
12	EMC	-6.7	-66.1	37	AOL Time Warner	-2.9	-34.5
13	AES	-5.6	-72.3	38	Washington Mutual	2.3	2.7
14	Forest Laboratories	4.3	24.1	39	General Dynamics	5.5	18.0
15	FleetBoston Financial	3.1	-15.1	40	Comcast	-2.4	-18.3
16	Micron Technology	-5.4	-11.9	41	Morgan Stanley Dean Witter	-0.7	-12.8
17	Xilinx	-1.6	-2.1	42	Tellabs	-0.6	-64.5
18	Amerada Hess	-2.0	-19.6	43	Exxon Mobil	1.1	-4.4
19	Duke Energy	-6.3	-13.9	44	Scientific-Atlanta	2.4	-46.8
20	ADC Telecommunications	-2.6	-56.3	45	U.S. Bancorp	3.8	-10.0
21	Capital One Financial	-3.8	-6.8	46	Paychex	-3.3	-9.1
22	Phillips Petroleum	1.8	10.0	47	Merrill Lynch	-0.8	-8.5
23	Analog Devices	-1.6	1.9	48	Bed Bath & Beyond	1.9	28.7
24	EOG Resources	-2.3	-23.1	49	Texas Instruments	-1.0	-19.8
25	Cardinal Health	8.4	2.3	50	Teradyne	-1.6	-8.7

BW Production Index



The production index rose once again. Before calculation of the four-week moving average, the index increased to 159.2, from 158.9. On a seasonally adjusted basis, lumber posted the largest gain, with autos, trucks, and coal also rising significantly. Rail freight traffic showed a moderate increase due to increased vehicle and coal shipments. Crude-oil refining dropped sharply, while steel and electric power production were also lower for the week.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2002 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.

COLUMNS Hot stocks, takeover plays, and the latest strategies for managing your money.

BusinessWeek online

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