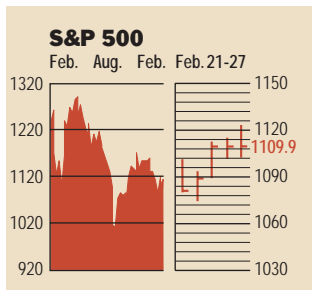


### Stocks



#### COMMENTARY

News of a pickup in durable goods orders in January sent stocks climbing on Feb. 27. Optimism faded later that day as Fed Chairman Greenspan reported to Congress that while the recession may be over, recovery will be sluggish. The bond market, though, liked what it heard and sent Treasuries higher. For the week, the broader S&P 500 index rose 1.1%, while Nasdaq fell 1.3%.

Data: Bloomberg Financial Markets  
Bridge Information Systems, Inc.

U.S. MARKETS	Feb. 27	% change		
		Week	Year to date	Last 12 months
S&P 500	1109.9	1.1	-3.3	-11.8
Dow Jones Industrials	10,127.6	1.9	1.1	-4.8
Nasdaq Composite	1751.9	-1.3	-10.2	-20.7
S&P MidCap 400	508.0	2.0	-0.1	1.3
S&P SmallCap 600	230.7	1.6	-0.7	5.9
Wilshire 5000	10,363.1	1.1	-3.2	-10.6

SECTORS	Feb. 27	% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	677.0	2.0	-7.3	-25.5
BusinessWeek Info Tech 100**	373.8	0.3	-10.9	-23.9
S&P/BARRA Growth	578.4	-0.1	-2.7	-8.6
S&P/BARRA Value	530.4	2.3	-3.9	-15.3
S&P Energy	214.5	4.8	1.5	-7.5
S&P Financials	342.0	1.9	-3.7	-9.1
S&P REIT	94.4	-0.2	1.0	10.3
S&P Transportation	222.2	5.4	12.8	8.5
S&P Utilities	134.4	2.6	-7.9	-33.8
GSTI Internet	89.2	2.1	-15.0	-44.6
PSE Technology	634.9	-0.9	-7.6	-16.8

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

BEST-PERFORMING GROUPS	Last month %	Last 12 months %	
		Group	%
Constr. & Engineering	22.4	Metal & Glass Containers	67.8
Auto Parts & Equipment	20.4	Trading Cos. & Distribs.	47.8
Tires & Rubber	20.0	Homebuilding	45.8
Trucking	17.1	Footwear	42.6
Airlines	16.1	Air Freight & Couriers	39.4

GLOBAL MARKETS	Feb. 27	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	1009.2	3.3	-6.7	-20.6
London (FT-SE 100)	5178.4	3.1	-0.7	-12.5
Paris (CAC 40)	4424.7	4.4	-4.3	-17.6
Frankfurt (DAX)	4960.2	3.8	-3.9	-20.1
Tokyo (NIKKEI 225)	10,573.1	7.5	0.3	-17.9
Hong Kong (Hang Seng)	10,648.7	-0.9	-6.6	-28.0
Toronto (TSE 300)	7646.9	2.9	-0.5	-5.2
Mexico City (IPC)	6795.9	3.2	6.6	12.0

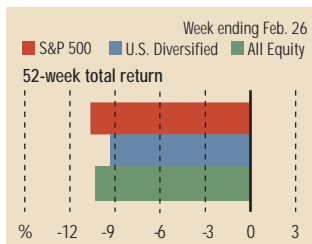
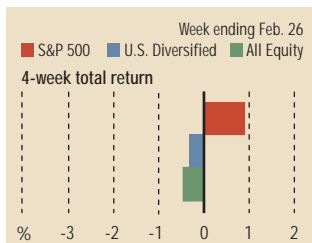
FUNDAMENTALS	Feb. 26	Wk. ago	Yr. ago
S&P 500 P/E Ratio (Trailing 12 mos.)	60.6	59.0	25.6
S&P 500 P/E Ratio (Next 12 mos.)*	20.5	20.1	21.4
First Call Earnings Revision*	-1.12%	-0.91%	-4.36%

\*First Call Corp.

TECHNICAL INDICATORS	Feb. 26	Wk. ago	Reading
Stocks above 200-day average	62.0%	55.0%	Neutral
Options: Put/call ratio	0.80	0.86	Positive
Insiders: Vickers Sell/buy ratio	2.91	2.65	Negative

WORST-PERFORMING GROUPS	Last month %	Last 12 months %	
		Group	%
Wireless Services	-26.6	Multi-Utilities	-80.5
Computer Stge. & Perphs.	-26.5	Computer Stge. & Perphs.	-66.0
Network Equipment	-25.8	Wireless Services	-60.9
Internet Software	-22.1	Telecomms. Equip.	-59.3
Telecomms. Equip.	-20.3	Instrumentation	-44.3

### Mutual Funds



Data: Standard & Poor's

### EQUITY FUND CATEGORIES

4-week total return %	52-week total return %
<b>Leaders</b>	<b>Leaders</b>
Precious Metals 12.6	Precious Metals 39.5
Natural Resources 7.3	Real Estate 13.5
Miscellaneous 4.2	Small-cap Value 11.2
Latin America 3.3	Mid-cap Value 4.2
<b>Laggards</b>	<b>Laggards</b>
Communications -10.1	Communications -39.7
Technology -10.1	Technology -32.9
Small-cap Growth -3.5	Japan -30.5
Mid-cap Growth -1.9	Utilities -23.4

### EQUITY FUNDS

4-week total return %	52-week total return %
<b>Leaders</b>	<b>Leaders</b>
Van Eck Intl. Invs. Gold A 18.2	Pilgrim Russia A 77.8
Potomac Internet Short 17.7	CGM Focus 76.4
U.S. Global Investors Gold 17.3	Schroder Capital Ultra Inv. 72.7
Prudential Nat. Resources A 16.9	First Eagle SoGen Gold 63.8
<b>Laggards</b>	<b>Laggards</b>
Potomac Internet Plus -23.5	Firsthand Communications -64.7
Firsthand Communications -23.0	Black Oak Emerging Tech. -63.7
Black Oak Emerging Tech. -20.2	Pilgrim Glob. Commun. A -63.7
iShares Gold. Sachs Netwkg. -19.5	Profunds UltraOTC Inv. -62.7

### Interest Rates

KEY RATES	Feb. 27	Week ago	Year ago
MONEY MARKET FUNDS	1.55%	1.57%	5.45%
90-DAY TREASURY BILLS	1.75	1.75	4.85
2-YEAR TREASURY NOTES	2.92	2.97	4.41
10-YEAR TREASURY NOTES	4.83	4.89	4.91
30-YEAR TREASURY BONDS	5.37	5.39	5.34
30-YEAR FIXED MORTGAGE†	6.75	6.76	6.99

†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	4.21%	4.97%
TAXABLE EQUIVALENT	6.01	7.10
INSURED REVENUE BONDS	4.32	5.12
TAXABLE EQUIVALENT	6.17	7.31

### THE WEEK AHEAD

**FACTORY INVENTORIES** *Wednesday, Mar. 6, 10 a.m. EST* ► Manufacturing inventories are forecast to have fallen 0.5% in January, due largely to a decline in durable goods inventories. In December, inventories fell for an eleventh consecutive month, by 0.6%.

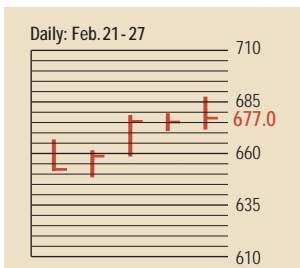
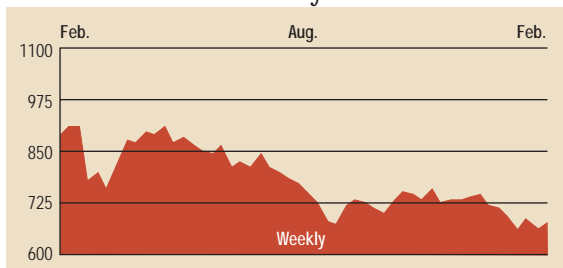
**BEIGE BOOK** *Wednesday, Mar. 6, 2 p.m. EST* ► The Federal Reserve Bank will release its collection of regional economic activity in advance of the policy meeting scheduled for Mar. 19.

**INSTALLMENT CREDIT** *Thursday, Mar. 7, 3 p.m. EST* ► Consumers probably added \$2.5 billion of debt in January, based on the median forecast of economists surveyed by Standard & Poor's MMS, a division of The McGraw-Hill Companies. In December, consumers lowered their level of debt by \$5.1 billion, the largest decline since December, 1990, led by an \$8.1 billion reduction in revolving debt.

**EMPLOYMENT** *Friday, Mar. 8, 8:30 a.m. EST* ► Nonfarm payrolls in February probably

increased for the first time since July, 2001. The S&P MMS consensus is for a gain of 15,000 jobs. In January, employment fell by 89,000 jobs. Manufacturers, however, very likely cut an additional 40,000 positions in February, after laying off 89,000 in January. The unemployment rate probably climbed back to 5.8%, after slipping to 5.6% in January. But the average workweek is forecast to have increased to 43.1 hours, from 43 hours in January. Overall, the labor market may have bottomed out in January.

## The BusinessWeek Fifty

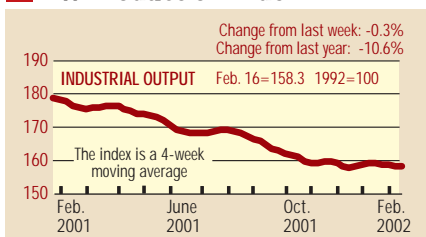


The BW 50 advanced 2.0% for the week ended Feb. 27. Pacing the rise were energy providers AES, Dynegy, and Calpine, which bounced back 17.4%, 16.5%, and 10.6%, respectively. Looking beyond the power patch, EMC fell 14.0% as investors worried that data storage sales may be weaker than expected. SBC Communications, up 2.0%, and Verizon Communications, up 1.1%, rose on hopes of regulatory easing for phone companies.

### COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/01			Week	Since 3/1/01
1	Tyco International	4.5	-45.0	26	Verizon Communications	1.1	-2.7
2	Anadarko Petroleum	6.4	-18.4	27	Citigroup	1.7	-9.1
3	Calpine	10.6	-82.6	28	Sun Microsystems	2.9	-56.8
4	Dynegy	16.5	-44.0	29	Merck	-0.6	-23.7
5	Applied Materials	-4.9	-2.3	30	El Paso	12.5	-42.6
6	Provident Financial	-7.1	-92.4	31	Altera	-9.9	-21.2
7	Occidental Petroleum	6.7	12.0	32	Marsh & McLennan	1.7	2.7
8	Apache	4.8	-3.0	33	Household International	2.8	-10.8
9	Kerr-McGee	4.4	-14.3	34	ChevronTexaco	4.0	-2.1
10	Oracle	5.5	-23.4	35	SBC Communications	2.0	-16.9
11	Lehman Brothers Holdings	-2.2	-17.9	36	Mercury Interactive	-1.2	-41.6
12	EMC	-14.0	-73.5	37	AOL Time Warner	-1.9	-46.0
13	AES	17.4	-90.9	38	Washington Mutual	0.6	-2.1
14	Forest Laboratories	-1.3	18.0	39	General Dynamics	-1.0	36.5
15	FleetBoston Financial	3.5	-17.7	40	Comcast	10.3	-24.0
16	Micron Technology	-6.3	-4.7	41	Morgan Stanley Dean Witter	1.2	-24.0
17	Xilinx	-2.3	-12.1	42	Tellabs	-5.0	-75.2
18	Amerada Hess	5.8	-4.2	43	Exxon Mobil	4.9	0.5
19	Duke Energy	3.3	-15.3	44	Scientific-Atlanta	1.7	-50.4
20	ADC Telecommunications	-1.4	-67.7	45	U.S. Bancorp	6.5	-10.3
21	Capital One Financial	4.7	-12.4	46	Paychex	1.9	-6.7
22	Phillips Petroleum	3.5	8.6	47	Merrill Lynch	0.4	-21.2
23	Analog Devices	-3.3	-7.3	48	Bed Bath & Beyond	0.0	35.8
24	EOG Resources	6.4	-20.9	49	Texas Instruments	1.2	-6.3
25	Cardinal Health	1.7	-0.6	50	Teradyne	0.4	8.7

## BW Production Index



The production index declined for the fourth consecutive week. Before calculation of the four-week moving average, the index posted a slight increase for a second straight week. Truck assemblies dropped the furthest, with lumber, electric power, and steel also falling for the week. Auto production continued to rise, as carmakers rebuild inventory levels. Also higher were crude-oil refining, coal, and rail-freight traffic—on an increase in vehicle shipments.

Information on each of the index components is at [www.businessweek.com](http://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](http://www.businessweek.com).