

International Figures of the Week

Stocks

Unexpectedly strong U.S. retail sales added fuel to a late-week rally by the Global 1200 for the week ended May 14.

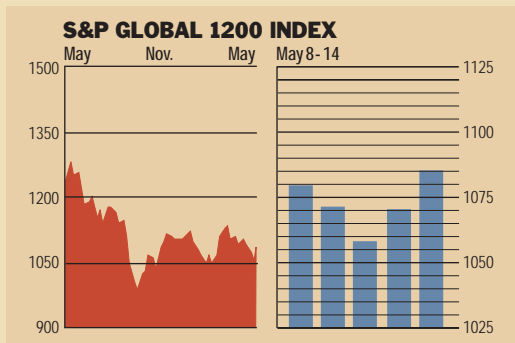
U.S. retailers surged on better-than-forecast earnings from J.C. Penney and Wal-Mart Stores. WorldCom and US Airways each fell over 40% and were removed from the Standard & Poor's 500-stock index. Expectations of strong earnings pushed Applied Materials up 19% and kept tech rallying.

In Europe, Vodafone, Cable & Wireless, Alcatel, and Olivetti, all of which finished the week up over 10%, led telecoms higher. Another jump in oil prices helped energy stocks.

In Japan, carmakers turned in a strong week, while banks slipped after three major lenders agreed to write off \$3.6 billion in loans to condominium developer Daikyo.

Brazilian stocks hit a six-month low, due largely to presidential candidate Luiz Inacio da Silva's rising popularity.

Data: Standard & Poor's



S&P GLOBAL 1200 SECTOR PERFORMANCE	% change			
	May 14	Week	4 Weeks	Year
Consumer Discretionary	1207.2	3.1	-1.1	-9.5
Consumer Staples	1144.6	-0.4	1.8	11.7
Energy	1223.0	3.0	1.0	-5.7
Financials	1149.5	2.2	0.1	-5.9
Health Care	1297.0	2.2	-3.0	-6.6
Industrials	1075.9	2.4	-2.5	-16.6
Information Technology	1166.7	11.2	-5.8	-27.5
Materials	1094.6	2.1	0.9	3.4
Telecommunications	739.2	3.7	-9.1	-38.6
Utilities	922.2	-0.5	-1.8	-18.9

S&P GLOBAL 100 BEST PERFORMING COMPANIES	% change			
	Company	4-week %	Company	52-week %
	Lucent Technologies (U.S.)	13.3	Samsung Elect. (S. Korea)	65.0
	Hewlett-Packard (U.S.)	10.2	Procter & Gamble (U.S.)	41.0
	HSBC (U.K.)	9.3	Gillette (U.S.)	27.9
	McDonald's (U.S.)	9.0	Bridgestone (Japan)	26.8
	Deutsche Bank (Ger.)	8.6	General Motors (U.S.)	23.7
	Barclays (U.K.)	7.7	Coca Cola (U.S.)	23.1

GLOBAL INDEXES (U.S. Dollars)	% change			
	May 14	Week	4 Weeks	Year
S&P Global 1200	1085.6	3.2	-1.8	-12.3
S&P 500 (US)	1097.3	4.6	-2.8	-12.2
S&P Europe 350	1001.7	1.5	-0.8	-11.9
S&P/TOPIX 150 (Japan)	965.7	-1.1	2.5	-24.5
S&P Asia Pacific 100	1190.6	0.8	1.1	6.0
S&P/TSE 60 (Canada)	1057.4	2.8	-0.5	-6.8
S&P Latin America 40	991.2	-1.9	-10.3	0.3

S&P EMERGING MARKETS INDEXES			
Best performing countries		Worst performing countries	
Last 4 weeks %	Last 52 weeks %	Last 4 weeks %	Last 52 weeks %
South Africa 18.3	Russia84.1	Brazil-13.6	Argentina...-72.7
Greece12.2	Indonesia...83.8	Argentina...-13.0	Egypt-38.8
Russia10.1	Korea58.7	Turkey.....-11.9	Greece-24.3
Czech Rep. ...6.5	Zimbabwe...50.7	Mexico.....-7.2	China.....-23.1
China.....4.0	Malaysia...50.5	Taiwan.....-7.2	Israel-21.0

STOCK INDEXES LOCAL CURRENCIES	% chg. year ago			
	May 14	May 7	Index	Currency
Australia / S&P ASX 200	3314.3	3325.0	-2.2	5.0
Brazil / Bovespa	12204.1	12342.5	-14.2	-6.7
Britain / FTSE100	5239.5	5119.9	-10.3	1.8
Canada / S&P TSX 60	435.8	426.2	-6.0	-0.9
Europe / S&P Europe 350	1236.7	1201.1	-14.1	2.8
France / CAC 40	4447.1	4296.4	-19.8	0.6
Germany / Xetra DAX	5049.1	4872.4	-16.8	0.6
Hong Kong / Hang Seng	11690.3	11796.0	-11.8	0.0
Italy / MIB 30	31853.0	30972.0	-20.2	0.4
Japan / Nikkei 225	11356.2	11316.0	-19.2	-4.0
Mexico / IPC 35	7361.9	7431.9	23.0	-3.1
South Korea / Composite	837.4	826.3	43.5	2.7
Spain / IBEX 35	8103.6	7910.7	-16.2	0.5

Data: Standard and Poor's

Economic Indicators

FOREIGN TRADE*					
Country	Month	% chg. from year ago		Balance (billions)	
		Exports	Imports		
Britain	Mar.	-7.6	-6.7	-3.0	GBP
Canada	Feb.	-5.9	-0.7	4.5	CAD
France	Feb.	-6.9	-8.8	0.4	EUR
Germany	Mar.	3.2	-4.3	-4.3	EUR
Italy	Feb.	-3.9	-4.8	0.7	EUR
Japan	Mar.	-5.2	-13.4	1056.3	JPY
U.S.	Feb.	-16.0	-8.2	-36.9	USD

*Merchandise Data: DRI-WEFA

TRADE-WEIGHTED EXCHANGE RATES			
Country	May 14	Weekly %	Yearly %
Britain	105.2	-0.4	-0.1
Canada	77.7	0.9	-0.7
France	100.8	-0.3	0.6
Germany	98.4	-0.2	0.7
Italy	72.3	-0.3	0.4
Japan	132.5	-0.2	-5.5
U.S.	121.1	0.5	0.2

Indexes, 1990=100 Data: J.P. Morgan Chase

Interest Rates

BENCHMARK BOND YIELDS (10-YEAR GOVERNMENT*)

	May 14			May 7			Year ago			
	May 14	May 7	Year ago	May 14	May 7	Year ago	May 14	May 7	Year ago	
Australia	6.34	6.04	6.02	Italy	5.49	5.34	5.43			
Britain	5.30	5.15	5.10	Japan	1.36	1.36	1.25			
Canada	5.74	5.52	5.93	South Korea (3-Year)	6.24	6.34	6.65			
France	5.33	5.18	5.22	Spain	5.42	5.27	5.39			
Germany	5.25	5.10	5.09	United States	5.28	5.06	5.49			
Hong Kong	5.95	5.74	6.41	*Average of Bid/Ask						

Data: Standard & Poor's, DRI-WEFA

Country Focus / Italy

The Italian economy is most likely headed for a weak recovery, as first-quarter real gross domestic product showed a minimal increase, and March industrial production fell unexpectedly.

First-quarter real GDP managed to rise a mere 0.1% from a year ago, the smallest increase in five years. On a quarter-to-quarter basis, growth was up only 0.2%, after contracting 0.2% in the fourth quarter. Details will be reported later, but inventory clearing and weakening household demand probably played a role in the disappointing figures. Factory output provided a significant drag, too.

Industrial output in March shrank by

0.7% compared with February, and it was off 4.8% for the quarter. Growing demand from the U.S., which buys about a tenth of all

Italian exports, should provide a large boost to manufacturers during the second half of the year. However, the short-term outlook still remains cloudy: A one-day strike last month has April forecasts of industrial output falling again.

Overall, the weak first-quarter growth and unresolved labor strife makes the government's forecast of 2.3% real GDP growth for 2002 almost unreachable. Private economists now believe growth will end up closer to 1.3%.



Data: DRI-WEFA

CENTRAL BANK POLICY

	Policy rate*		Last action	
	May 14	Year ago	Date	Type
U.S. Federal Reserve	1.75	4.50	12/11/01	-0.25
European Central Bank	3.25	4.50	11/8/01	-0.50
Bank of Japan	0.00	0.00	3/19/01	-0.15
Bank of England	4.00	5.25	11/8/01	-0.50
Bank of Canada	2.25	4.75	4/16/02	0.25

*Target overnight rate