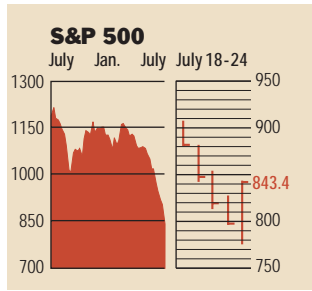


## Stocks



### COMMENTARY

Shazam! The markets were a marvel as investors marched back into stocks on July 24, staging a rally that snapped a four-day losing streak. The Dow Jones Industrial average's 489-point rise was its largest one-day gain in 15 years. The S&P 500, which had just touched its lowest level since 1995, surged 5.7%. Still, the Dow, the S&P 500, and Nasdaq, ended the week in the red.

Data: Bloomberg Financial Markets  
Reuters

## U.S. MARKETS

	July 24	Week	Year to date	Last 12 months
S&P 500	843.43	-6.9	-26.5	-28.0
Dow Jones Industrials	8,191.3	-4.1	-18.3	-20.0
Nasdaq Composite	1,290.2	-7.7	-33.8	-34.1
S&P MidCap 400	414.1	-6.7	-18.5	-16.3
S&P SmallCap 600	190.2	-6.4	-18.1	-14.3
Wilshire 5000	8,009.2	-6.8	-25.2	-26.2

## SECTORS

	July 24	Week	Year to date	Last 12 months
BusinessWeek 50*	511.9	-5.8	-29.9	-35.2
BusinessWeek Info Tech 100**	272.6	-7.7	-35.0	-34.9
S&P/BARRA Growth	434.3	-5.0	-27.0	-26.3
S&P/BARRA Value	406.2	-9.0	-26.4	-30.3
S&P Energy	176.6	-7.0	-16.4	-18.6
S&P Financials	278.5	-8.9	-21.6	-24.3
S&P REIT	86.0	-8.2	-7.9	-7.0
S&P Transportation	164.2	-9.6	-16.7	-17.2
S&P Utilities	93.3	-10.5	-36.0	-44.6
GSTI Internet	63.7	-9.2	-39.3	-42.4
PSE Technology	444.2	-7.8	-35.4	-31.4

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

## BEST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Computer Stge. & Perphs.	1.9	30.9
Photographic Products	-3.3	24.3
Semiconductors	-4.2	24.0
Food Chains	-4.5	19.2
Wireless Services	-5.0	13.4

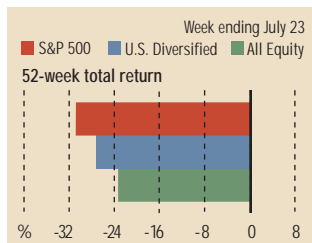
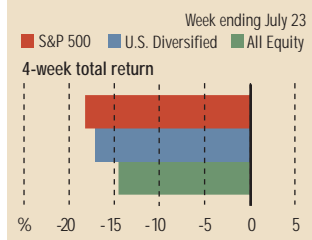
## EQUITY FUND CATEGORIES

Category	4-week total return %	52-week total return %
<b>Leaders</b>		
Japan	0.0	43.2
Pacific/Asia ex-Japan	-1.6	13.6
Diversified Pacific/Asia	-1.9	6.5
Diversified Emerging Markets	-3.4	-1.1
<b>Laggards</b>		
Utilities	-21.9	-50.8
Natural Resources	-21.6	-44.1
Precious Metals	-21.3	-37.5
Small-cap Growth	-18.2	-33.9

## EQUITY FUNDS

Fund	4-week total return %	52-week total return %
<b>Leaders</b>		
ProFunds UltraBear Inv.	45.9	100.9
Rydex Dynam. Tempest 500	45.7	95.6
Comstock Part. Cap. Val. A	25.4	92.8
Rydex Dynam. Venture 100	23.2	92.1
<b>Laggards</b>		
ProFunds UltraBull Inv.	-34.0	-75.4
U.S. Glob. Wrld. Prec. Minls.	-30.3	-62.4
Select Sector SPDR Utilities	-29.6	-61.6
Galaxy II Utility Index	-29.3	-61.6

## Mutual Funds



Data: Standard & Poor's

## GLOBAL MARKETS

	July 24	Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	815.6	-13.5	-24.6	-25.2
London (FT-SE 100)	3777.1	-9.9	-27.6	-28.4
Paris (CAC 40)	3023.7	-12.1	-34.6	-36.7
Frankfurt (DAX)	3632.7	-11.2	-29.6	-34.9
Tokyo (NIKKEI 225)	9947.7	-3.4	-5.6	-16.3
Hong Kong (Hang Seng)	9972.0	-3.5	-12.5	-18.4
Toronto (TSE 300)	6382.1	-4.7	-17.0	-15.9
Mexico City (IPC)	6010.4	-6.1	-5.7	-5.8

## FUNDAMENTALS

	July 23	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.94%	1.76%	1.33%
S&P 500 P/E Ratio (Trailing 12 mos.)	28.5	38.2	29.0
S&P 500 P/E Ratio (Next 12 mos.)*	14.1	15.7	21.0
First Call Earnings Surprise*	0.83%	1.48%	0.96%

\*First Call Corp.

## TECHNICAL INDICATORS

	July 23	Wk. ago	Reading
S&P 500 200-day average	1091.0	1096.1	Negative
Stocks above 200-day average	19.0%	32.0%	Positive
Options: Put/call ratio	0.93	0.84	Positive
Insiders: Vickers NYSE Sell/buy ratio	3.17	3.61	Negative

## WORST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Multi-Utilities	-42.1	-88.0
Office Electronics	-37.6	-73.8
Oil & Gas Drilling	-28.9	-55.3
IT Consulting	-28.3	-55.0
Broadcasting	-28.2	-53.2

## Interest Rates

Instrument	July 24	Week ago	Year ago
<b>KEY RATES</b>			
MONEY MARKET FUNDS	1.43%	1.44%	3.69%
90-DAY TREASURY BILLS	1.67	1.71	3.52
2-YEAR TREASURY NOTES	2.29	2.60	3.98
10-YEAR TREASURY NOTES	4.46	4.68	5.09
30-YEAR TREASURY BONDS	5.34	5.45	5.52
30-YEAR FIXED MORTGAGE†	6.34	6.46	7.08

†BanxQuote, Inc.

## BLOOMBERG MUNI YIELD EQUIVALENTS

Instrument	10-yr. bond	30-yr. bond
Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 30% federal tax rate.		
<b>GENERAL OBLIGATIONS</b>	3.95%	4.88%
<b>TAXABLE EQUIVALENT</b>	5.64	6.97
<b>INSURED REVENUE BONDS</b>	4.10	5.07
<b>TAXABLE EQUIVALENT</b>	5.86	7.24

## THE WEEK AHEAD

**CONSUMER CONFIDENCE** Tuesday, July 30, 10 a.m. EDT ► The Conference Board's July confidence index is forecast to have fallen to 102.3, from 106.4 in June. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies.

**GROSS DOMESTIC PRODUCT** Wednesday, July 31, 8:30 a.m. EDT ► The economy is expected to have grown at an annual rate of 2.5% in the second quarter, after a

6.1% surge in the first quarter. A ballooning trade deficit and a slowdown in inventory liquidation cooled growth.

**BEIGE BOOK** Wednesday, July 31, 2 p.m. EDT ► The Federal Reserve Board releases its survey of regional economic activity ahead of its Aug. 13 policy meeting.

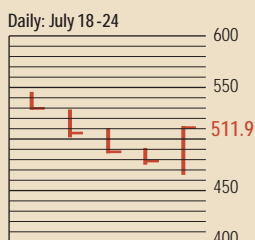
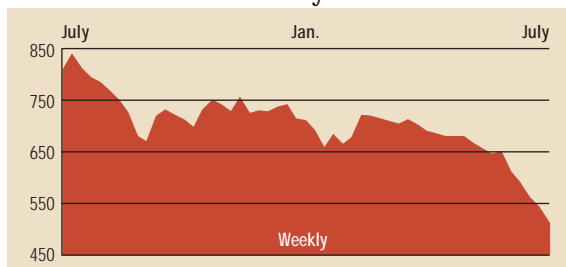
**PURCHASING MANAGERS' INDEX** Thursday, Aug. 1, 10 a.m. EDT ► The Institute for Supply Management's industrial-activity index most likely fell to 55.5% in July.

**EMPLOYMENT** Friday, Aug. 2, 8:30 a.m. EDT ► Nonfarm payrolls in July most likely increased by 68,000 jobs. The unemployment rate probably held at 5.9%.

**PERSONAL INCOME** Friday, Aug. 2, 8:30 a.m. EDT ► Personal income in June probably rose 0.4%, while consumer expenditures are forecast to have risen 0.5%.

**FACTORY INVENTORIES** Friday, Aug. 2, 10 a.m. EDT ► Manufacturing inventories most likely slipped 0.1% in June.

## ■ The BusinessWeek Fifty

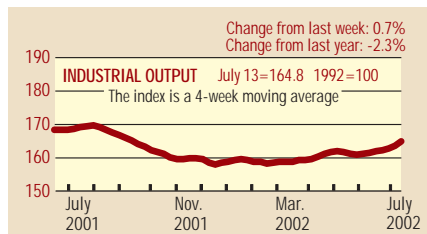


The BW 50 fell 5.8% in a week in which only three companies in the index—Philip Morris, Bed Bath & Beyond, and Capital One Financial—eked out gains. Among the losers, Dynegy led the decline, falling a steep 81.4% on an S&P credit downgrade. Also hurt by bad news were Tyco International, down 16.5%, on worries of weakening cash flow, and Citigroup, which declined 19.9% on worries about its exposure to Enron and WorldCom.

### COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/02			Week	Since 3/1/02
1	Johnson & Johnson	-6.9	-21.7	26	Tenet Healthcare	-6.8	-23.4
2	Freddie Mac	-1.0	-8.1	27	Household International	-5.7	-22.4
3	Pfizer	-4.7	-31.9	28	WellPoint Health Networks	-0.8	24.6
4	MBNA	-9.6	-51.8	29	Washington Mutual	-2.9	3.0
5	Philip Morris	1.2	-15.2	30	Duke Energy	-1.6	-37.5
6	KLA-Tencor	-5.2	-26.9	31	Kohl's	1.2	-5.4
7	Fannie Mae	-3.5	-10.5	32	Bed Bath & Beyond	1.3	-6.0
8	Lowe's	-1.8	-17.1	33	Cardinal Health	-6.6	-22.5
9	Best Buy	-2.8	-30.3	34	Centex	-2.6	-18.5
10	AmerisourceBergen	-3.6	-8.2	35	American Electric Power	-23.6	-40.0
11	UnitedHealth Group	-4.1	22.4	36	Golden West Financial	-4.3	-6.5
12	Exelon	-1.8	-10.7	37	Stryker	-11.2	-26.1
13	Home Depot	-0.5	-38.6	38	Harley-Davidson	-4.3	-9.6
14	Wal-Mart Stores	-0.6	-22.7	39	PepsiCo	-6.7	-21.7
15	Dynegy	-81.4	-96.2	40	Merck	-4.3	-30.5
16	General Dynamics	-5.1	-5.8	41	Apache	-5.6	-7.8
17	Phillips Petroleum	-7.8	-19.2	42	Amerada Hess	-12.6	-5.3
18	Forest Laboratories	-6.0	-12.0	43	KB Home	-2.4	2.5
19	Block (H&R)	-4.9	-12.0	44	First Data	-3.3	-15.5
20	Calpine	-28.3	-48.3	45	Tyco International	-16.5	-65.6
21	Occidental Petroleum	-6.1	-7.6	46	International Game Technology	-3.9	-21.3
22	Sysco	-6.7	-22.9	47	Capital One Financial	9.3	-32.4
23	Pulte Homes	-0.2	-10.9	48	Electronic Data Systems	-2.8	-44.1
24	Marathon Oil	-7.5	-19.0	49	Nabors Industries	-6.2	-15.5
25	Citigroup	-19.9	-34.6	50	Xcel Energy	-21.3	-50.1

## ■ BW Production Index



The production index grew at an accelerated pace during the latest week. Before calculation of the four-week moving average, the index climbed to 167.2 from 165.6. On a seasonally-adjusted basis, lumber and crude-oil refining posted the largest gains, with steel and rail-freight traffic also rising. Vehicles were mixed with autos up and truck assemblies down, as manufacturers continued their annual changeovers. Coal and electric power production were lower.

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.

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For more investment data and the components of the production index, visit [www.businessweek.com](http://www.businessweek.com).