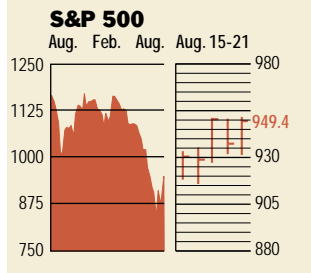


## Stocks



### COMMENTARY

Stocks held on to their four-week gain by ending on an up note through Aug. 21, though the way up was erratic and marked by triple-digit gains and losses on any particular day. Assurances from three regional Fed presidents that the economy was on the mend boosted confidence. The Dow rose 2.4%; the S&P, 3.2%; and rising tech stocks sent the Nasdaq up 5.6%.

Data: Bloomberg Financial Markets Reuters

### U.S. MARKETS

	Aug. 21	% change		
	Week	Year to date	Last 12 months	
S&P 500	949.4	3.2	-17.3	-18.0
Dow Jones Industrials	8957.2	2.4	-10.6	-12.0
Nasdaq Composite	1409.3	5.6	-27.7	-23.0
S&P MidCap 400	460.3	4.5	-9.4	-6.7
S&P SmallCap 600	208.5	4.8	-10.2	-7.3
Wilshire 5000	8958.5	3.4	-16.3	-16.4

### SECTORS

	Aug. 21	% change		
	Week	Year to date	Last 12 months	
BusinessWeek 50*	590.5	3.1	-19.1	-24.2
BusinessWeek Info Tech 100**	296.4	4.9	-29.3	-23.8
S&P/BARRA Growth	489.6	3.0	-17.7	-15.5
S&P/BARRA Value	456.5	3.5	-17.3	-21.1
S&P Energy	190.8	0.0	-9.7	-13.5
S&P Financials	321.3	2.0	-9.6	-12.0
S&P REIT	94.8	1.7	1.5	-3.0
S&P Transportation	181.2	4.3	-8.0	-4.4
S&P Utilities	111.5	3.1	-23.6	-34.8
GSTI Internet	72.6	14.2	-30.9	-24.3
PSE Technology	487.0	7.0	-29.2	-22.6

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

### BEST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Biotechnology	32.1	44.6
Pharmaceuticals	24.9	41.6
Food Wholesalers	24.8	40.9
Health-Care Services	23.9	38.7
Conglomerates	22.0	24.1

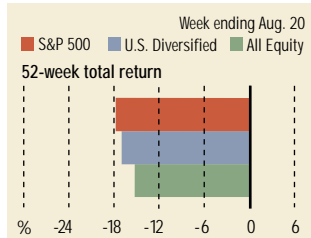
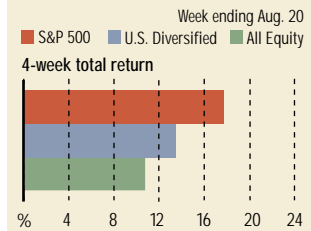
### EQUITY FUND CATEGORIES

Category	4-week total return %	52-week total return %
<b>Leaders</b>		
Utilities	18.2	Precious Metals 42.0
Financial	17.4	Pacific/Asia ex-Japan 7.9
Health	16.5	Diversified Emerging Mkts. 3.3
Large-cap Blend	15.6	Real Estate 2.8
<b>Laggards</b>		
Japan	-5.5	Communications -42.1
Diversified Pacific/Asia	-3.7	Technology -36.1
Pacific/Asia ex-Japan	-3.6	Utilities -26.8
Diversified Emerging Mkts.	-3.0	Health -22.9

### EQUITY FUNDS

Fund	4-week total return %	52-week total return %
<b>Leaders</b>		
Rydex Dynam. Titan 500	36.3	First Eagle SoGen Gold 74.3
ProFunds UltraBull Inv.	36.2	Matthews Korea 63.6
Yorktown Classic Val. Trust	28.1	Gabelli Gold 58.8
Potomac U.S. Plus	27.4	iShares MSCI S. Korea Indx. 57.3
<b>Laggards</b>		
Rydex Dynam. Tempest 500	-31.4	ProFunds UltraOTC Inv. -64.0
ProFunds UltraBear Inv.	-31.0	Rydex Dynam. Velocity 100 -62.9
ProFunds UltraShort OTC	-27.2	Black Oak Emerging Tech. -61.7
Rydex Dynam. Venture 100	-27.2	iShares Gold. Sachs Netwkg. -57.8

## Mutual Funds



Data: Standard & Poor's

## GLOBAL MARKETS

	Aug. 21	% change		
	Week	Year to date	Last 12 months	
S&P Euro Plus (U.S. Dollar)	914.0	6.5	-15.5	-18.5
London (FT-SE 100)	4364.8	4.6	-16.3	-19.3
Paris (CAC 40)	3485.2	7.5	-24.6	-27.6
Frankfurt (DAX)	3868.2	7.8	-25.0	-25.9
Tokyo (NIKKEI 225)	9642.6	0.0	-8.5	-15.4
Hong Kong (Hang Seng)	10,402.3	4.4	-8.7	-7.0
Toronto (TSE 300)	6664.9	1.8	-13.3	-10.8
Mexico City (IPC)	6267.9	3.5	-1.6	-0.1

### FUNDAMENTALS

	Aug. 20	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.65%	1.75%	1.35%
S&P 500 P/E Ratio (Trailing 12 mos.)	33.1	31.4	32.4
S&P 500 P/E Ratio (Next 12 mos.)*	16.7	15.7	20.8
First Call Earnings Revision*	-3.51%	-3.82%	-4.80%

\*First Call Corp.

### TECHNICAL INDICATORS

	Aug. 20	Wk. ago	Reading
S&P 500 200-day average	1072.1	1075.7	Negative
Stocks above 200-day average	37.0%	31.0%	Positive
Options: Put/call ratio	0.64	0.75	Neutral
Insiders: Vickers NYSE Sell/buy ratio	1.56	2.32	Positive

### WORST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Computer Stores	-17.8	Multi-Utilities -83.2
Telecomms. Equip.	-11.0	Wireless Services -67.8
Paper Packaging	-10.3	Telecomms. Equip. -55.7
Oil & Gas Refining	-6.8	Instrumentation -47.1
Employment Services	-6.4	Movies & Entertainment -44.2

## Interest Rates

### KEY RATES

	Aug. 21	Week ago	Year ago
<b>MONEY MARKET FUNDS</b>	1.39%	1.39%	3.40%
90-DAY TREASURY BILLS	1.62	1.64	3.38
2-YEAR TREASURY NOTES	2.09	2.15	3.76
10-YEAR TREASURY NOTES	4.20	4.11	4.91
30-YEAR TREASURY BONDS	5.01	4.93	5.44
30-YEAR FIXED MORTGAGE†	6.27	6.20	6.93

†BanxQuote, Inc.

### BLOOMBERG MUNI YIELD EQUIVALENTS

	10-yr. bond	30-yr. bond
<b>GENERAL OBLIGATIONS</b>	3.82%	4.78%
<b>TAXABLE EQUIVALENT</b>	5.46	6.83
<b>INSURED REVENUE BONDS</b>	3.98	5.05
<b>TAXABLE EQUIVALENT</b>	5.69	7.21

## THE WEEK AHEAD

**EXISTING HOME SALES** *Monday, Aug. 26, 10 a.m. EDT* Sales of existing homes during July probably rose to an annual rate of 5.2 million, after falling to a pace of 5.1 million units in June. That's based on the median forecast of economists surveyed by Standard & Poor's MMS, a unit of The McGraw-Hill Companies.

**NEW RESIDENTIAL SALES** *Monday, Aug. 26, 10 a.m. EDT* New single-family home sales in July most likely eased to an annual rate of 975,000. In June, sales

reached a record level pace of just over 1 million homes.

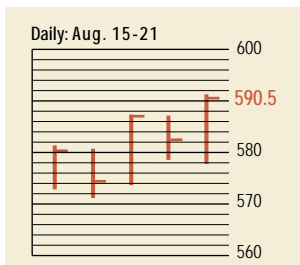
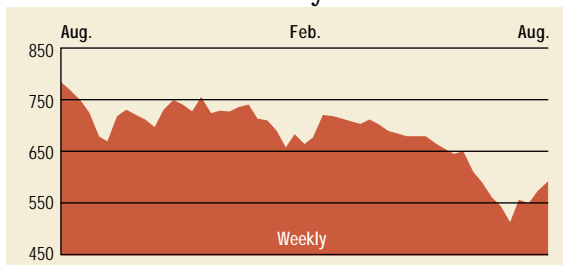
**DURABLE GOODS ORDERS** *Tuesday, Aug. 27, 8:30 a.m. EDT* New orders for durable goods are forecast to have risen 1.5% in July, following a 4.1% drop in June.

**CONSUMER CONFIDENCE** *Tuesday, Aug. 27, 10 a.m. EDT* The Conference Board's August confidence index was probably virtually unchanged at 97, after tumbling to 97.1 in July.

**GROSS DOMESTIC PRODUCT (REVISION)** *Thursday, Aug. 29, 8:30 a.m. EDT* The Commerce Dept.'s second look at second-quarter growth is expected to show real GDP grew at an annual rate of 1.2%, compared to the preliminary level of 1.1%. Aftertax corporate profits probably rose 3.5%.

**PERSONAL INCOME** *Friday, Aug. 30, 8:30 a.m. EDT* Personal income in July most likely rose 0.3%. Consumer expenditures probably increased by 0.7%.

## The BusinessWeek Fifty

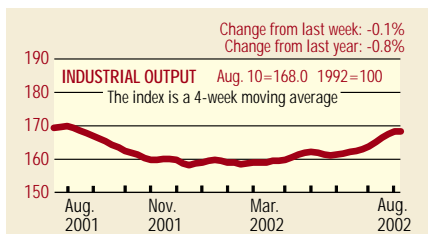


The BW50 rose 3.1% for the week. As with the major indexes, stock prices fluctuated wildly. Leading the winners was energy outfit Dynegy, up 43.0%, regaining from an 81% freefall earlier in August. Calpine was also up 26.9%. Tyco International jumped 29.6% on speculation of a board shakeup. And retailers—such as Lowe's, Bed Bath & Beyond, and Home Depot—were also winners this week as consumers continued to spend.

### COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/02			Week	Since 3/1/02
1	Johnson & Johnson	-1.1	-9.9	26	Tenet Healthcare	1.6	25.8
2	Freddie Mac	0.4	0.6	27	Household International	-2.5	-27.9
3	Pfizer	3.4	-16.5	28	WellPoint Health Networks	-0.5	22.5
4	MBNA	2.0	-13.5	29	Washington Mutual	-0.3	15.9
5	Philip Morris	-1.5	-3.9	30	Duke Energy	2.2	-19.7
6	KLA-Tencor	7.7	-30.6	31	Kohl's	6.3	8.0
7	Fannie Mae	0.8	-2.0	32	Bed Bath & Beyond	5.3	2.8
8	Lowe's	16.6	-5.3	33	Cardinal Health	6.4	2.5
9	Best Buy	0.3	-48.6	34	Centex	5.4	-15.1
10	AmerisourceBergen	1.2	4.1	35	American Electric Power	4.5	-21.6
11	UnitedHealth Group	-0.8	23.1	36	Golden West Financial	0.6	6.0
12	Exelon	3.9	5.3	37	Stryker	1.9	-10.5
13	Home Depot	15.6	-34.6	38	Harley-Davidson	6.3	-4.6
14	Wal-Mart Stores	2.8	-12.8	39	PepsiCo	-3.2	-13.7
15	Dynegy	43.0	-91.7	40	Merck	1.5	-15.4
16	General Dynamics	1.8	-12.0	41	Apache	2.0	4.8
17	Phillips Petroleum	-0.8	-12.2	42	Amerada Hess	1.0	2.1
18	Forest Laboratories	5.5	-7.8	43	KB Home	5.7	13.5
19	Block (H&R)	7.1	2.5	44	First Data	7.0	-7.8
20	Calpine	26.9	-41.0	45	Tyco International	29.6	-42.5
21	Occidental Petroleum	2.2	7.3	46	International Game Technology	9.0	-3.5
22	Sysco	-1.8	-3.2	47	Capital One Financial	13.6	-28.4
23	Pulte Homes	7.5	-5.4	48	Electronic Data Systems	13.7	-29.1
24	Marathon Oil	-2.6	-11.7	49	Nabors Industries	2.5	-6.7
25	Citigroup	4.0	-19.0	50	Xcel Energy	-5.8	-57.8

## BW Production Index



The production index fell for the first time since May. Before calculation of the four-week moving average, the index dropped to 166.7 from 168.5. On a seasonally adjusted basis all but two components were lower. Vehicle assemblies suffered the largest declines, although third-quarter output is expected to outpace year-ago levels by more than 10%. Coal, lumber, rail-freight traffic, and electric power were also down. Steel and crude-oil refining posted moderate increases.

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).