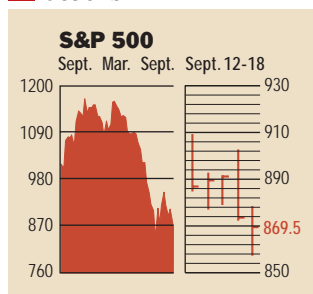


Stocks



COMMENTARY

Economic reports showing an unexpected drop in industrial production—and an uptick in consumer prices in August—added to investor pessimism for the week ending Sept. 18. The news coupled with profit warnings from J.P. Morgan Chase and uncertainty about war with Iraq dragged stocks lower. For the week, the S&P 500 fell 4.4%, while the Dow and NASDAQ sank 4.8%.

Data: Bloomberg Financial Markets
Reuters

U.S. MARKETS

	Sept. 18	% change		
		Week	Year to date	Last 12 months
S&P 500	869.5	-4.4	-24.3	-15.8
Dow Jones Industrials	8172.5	-4.8	-18.5	-8.2
Nasdaq Composite	1252.1	-4.8	-35.8	-19.5
S&P MidCap 400	426.0	-4.4	-16.2	-2.6
S&P SmallCap 600	193.5	-4.4	-16.6	-1.3
Wilshire 5000	8244.9	-4.2	-23.0	-13.4

SECTORS

	Sept. 18	% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	551.2	-3.5	-24.5	-20.0
BusinessWeek Info Tech 100**	263.3	-5.0	-37.2	-21.6
S&P/BARRA Growth	450.0	-3.9	-24.3	-14.4
S&P/BARRA Value	416.4	-5.0	-24.6	-17.9
S&P Energy	178.4	-4.0	-15.6	-14.2
S&P Financials	290.5	-5.2	-18.2	-8.3
S&P REIT	94.4	-1.3	1.1	4.7
S&P Transportation	164.7	-3.4	-16.4	3.4
S&P Utilities	98.5	-3.3	-32.5	-39.2
GSTI Internet	67.4	-3.8	-35.8	-14.9
PSE Technology	424.4	-6.2	-38.3	-21.2

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

BEST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Home Improvement Stores	17.6	74.2
Broadcasting	13.0	59.8
Metal & Glass Containers	7.6	45.1
Office Electronics	6.7	40.6
Health-Care Supplies	6.0	30.8

GLOBAL MARKETS

	Sept. 18	% change		
		Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	789.7	-10.4	-27.0	-15.4
London (FT-SE 100)	3865.4	-8.2	-25.9	-18.1
Paris (CAC 40)	3001.0	-11.7	-35.1	-22.8
Frankfurt (DAX)	3124.9	-12.8	-39.4	-22.7
Tokyo (NIKKEI 225)	9472.1	1.7	-10.2	-4.7
Hong Kong (Hang Seng)	9474.1	-4.1	-16.9	-0.9
Toronto (TSE 300)	6304.8	-4.7	-18.0	-7.9
Mexico City (IPC)	5960.38	-4.3	-6.5	12.5

FUNDAMENTALS

	Sept. 17	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.78%	1.71%	1.50%
S&P 500 P/E Ratio (trailing 12 mos.)	30.9	32.1	28.5
S&P 500 P/E Ratio (Next 12 mos.)*	15.5	16.1	18.6
First Call Earnings Revision*	-1.02%	-1.19%	-2.43%

*First Call Corp.

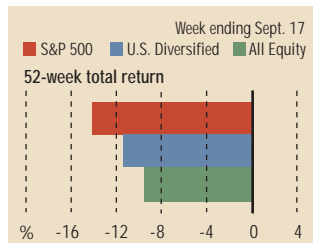
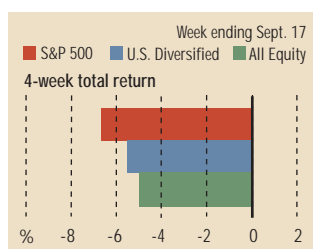
TECHNICAL INDICATORS

	Sept. 17	Wk. ago	Reading
S&P 500 200-day average	1051.1	1057.5	Negative
Stocks above 200-day average	30.0%	36.0%	Positive
Options: Put/call ratio	0.87	0.77	Positive
Insiders: Vickers NYSE Sell/buy ratio	1.13	1.06	Positive

WORST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Semiconductors	-21.3	-83.6
Computer Stge. & Perphs.	-19.7	-66.7
Semiconductor Equip.	-19.2	-54.3
Tires & Rubber	-19.1	-47.9
Internet Software	-17.3	-45.5

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

Category	4-week total return	%	52-week total return	%
Leaders				
Precious Metals	15.8		Precious Metals	60.1
Real Estate	0.4		Pacific/Asia ex-Japan	23.6
Latin America	-2.3		Diversified Emerging Mkts.	16.0
Diversified Emerging Mkts.	-2.6		Real Estate	12.1
Laggards			Laggards	
Technology	-10.9		Communications	-38.9
Europe	-7.8		Technology	-30.5
Utilities	-7.0		Utilities	-29.1
Financial	-6.8		Health	-20.2

EQUITY FUNDS

Fund	4-week total return	%	52-week total return	%
Leaders				
Rydex Dynam. Venture 100	21.1		First Eagle SoGen Gold	91.7
ProFunds UltraShort OTC	20.9		Matthews Korea	83.5
U.S. Global Investors Gold	20.0		Tocqueville Gold	79.9
Midas	19.7		Gabelli Gold	75.7
Laggards			Laggards	
Berkshire Technology	-24.1		ProFunds UltraOTC Inv.	-58.2
Berkshire Focus	-24.1		Rydex Dynam. Velocity 100	-56.9
ProFunds UltraOTC Inv.	-22.5		Black Oak Emerging Tech.	-56.8
Rydex Electronics Inv.	-22.3		World GenomicsFund.com	-54.5

Interest Rates

	Sept. 18	Week ago	Year ago
KEY RATES			
MONEY MARKET FUNDS	1.38%	1.38%	3.22%
90-DAY TREASURY BILLS	1.67	1.67	2.19
2-YEAR TREASURY NOTES	1.99	2.17	2.81
10-YEAR TREASURY NOTES	3.84	4.06	4.69
30-YEAR TREASURY BONDS	4.74	4.88	5.55
30-YEAR FIXED MORTGAGE†	6.08	6.21	6.72
†BanxQuote, Inc.			
BLOOMBERG MUNI YIELD EQUIVALENTS			
Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 30% federal tax rate.			
	10-yr. bond	30-yr. bond	
GENERAL OBLIGATIONS	3.54%	4.65%	
TAXABLE EQUIVALENT	5.06	6.64	
INSURED REVENUE BONDS	3.70	4.87	
TAXABLE EQUIVALENT	5.29	6.96	

THE WEEK AHEAD

LEADING INDICATORS *Monday, Sept. 23, 10 a.m. EDT* ► The Conference Board's August composite index of leading economic indicators is forecast to have increased by 0.1%, following a 0.4% decline during July. That's according to the median forecast of economists surveyed by MMS International.

FOMC MEETING *Tuesday, Sept. 24, 9 a.m. EDT* ► The Federal Reserve Board's Open Market Committee will meet to set monetary policy. All economists surveyed by

MMS International expect the Fed will leave the federal funds rate at 1.75%.

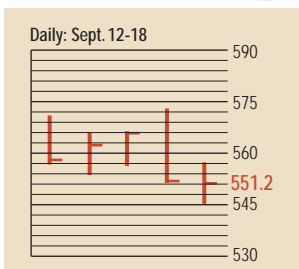
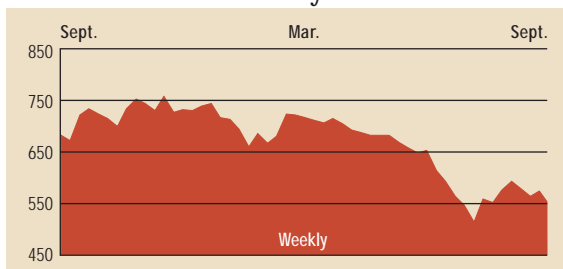
CONSUMER CONFIDENCE *Tuesday, Sept. 24, 10 a.m. EDT* ► The Conference Board's September confidence index most likely inched a little higher, to 93.6.

EXISTING HOME SALES *Wednesday, Sept. 25, 10 a.m. EDT* ► August sales of existing homes were probably unchanged at a 5.33 million annual rate. Resales are on a record pace of 5.61 million this year.

DURABLE GOODS ORDERS *Thursday, Sept. 26, 8:30 a.m. EDT* ► New orders for durable goods are forecast to have fallen by 1.4% in August. The drop follows an 8.7% jump in July, which was led by a surge in aircraft bookings.

NEW RESIDENTIAL SALES *Thursday, Sept. 26, 10 a.m. EDT* ► New single-family home sales in August most likely cooled to an annual rate of 989,000 homes. In July, sales topped the 1 million mark, putting new home sales on a record pace as well.

The BusinessWeek Fifty

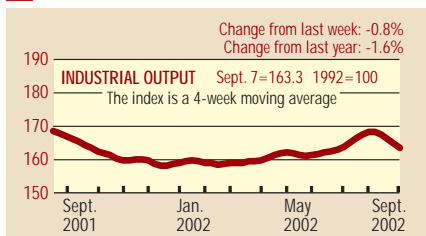


The BW 50 outdid the broader market, falling 3.5% for the week. General Dynamics rose 4.3% after being awarded a \$3.2 billion defense contract. Health-related companies such as UnitedHealth Group, up 3.4%, Forest Laboratories, up 2.6%, and Stryker, up 2.1%, buoyed the BW 50's performance. Dragging down results, however, was the weakness in financial stocks, including Household International, which fell 15.7%.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/02			Week	Since 3/1/02
1	Johnson & Johnson	-2.9	-11.6	26	Tenet Healthcare	0.2	29.2
2	Freddie Mac	-4.6	-4.6	27	Household International	-15.7	-42.0
3	Pfizer	-4.5	-28.1	28	WellPoint Health Networks	-0.3	26.2
4	MBNA	-10.6	-17.0	29	Washington Mutual	-9.3	1.5
5	Philip Morris	-1.7	-10.6	30	Duke Energy	-3.0	-35.9
6	KLA-Tencor	-10.9	-48.5	31	Kohl's	-3.6	3.5
7	Fannie Mae	-10.3	-13.6	32	Bed Bath & Beyond	-1.5	2.8
8	Lowe's	-0.9	-1.0	33	Cardinal Health	-6.2	-5.2
9	Best Buy	-3.3	-46.6	34	Centex	-4.9	-17.1
10	AmerisourceBergen	-2.1	2.3	35	American Electric Power	-1.8	-32.8
11	UnitedHealth Group	3.4	26.6	36	Golden West Financial	-4.7	-2.3
12	Exelon	-2.3	-9.5	37	Stryker	2.1	-2.4
13	Home Depot	-0.2	-33.6	38	Harley-Davidson	-3.2	-7.4
14	Wal-Mart Stores	0.3	-12.3	39	PepsiCo	-3.6	-24.7
15	Dynegy	-4.2	-93.7	40	Merck	-5.1	-23.3
16	General Dynamics	4.3	-7.7	41	Apache	-0.1	7.2
17	ConocoPhillips	-4.1	-14.9	42	Amerada Hess	-4.4	-2.1
18	Forest Laboratories	2.6	-0.7	43	KB Home	-2.2	15.1
19	Block (H&R)	-2.2	-0.6	44	First Data	-6.1	-20.2
20	Calpine	-10.9	-53.3	45	Tyco International	-10.6	-45.3
21	Occidental Petroleum	-4.6	5.6	46	International Game Technology	-1.6	-2.8
22	Sysco	-0.9	2.5	47	Capital One Financial	-12.2	-27.0
23	Pulte Homes	-3.2	-9.7	48	Electronic Data Systems	-9.9	-38.2
24	Marathon Oil	-6.7	-13.9	49	Nabors Industries	-3.6	-9.2
25	Citigroup	-3.4	-31.4	50	Xcel Energy	1.1	-61.7

BW Production Index



The production index was down again. Before calculation of the four-week moving average, the index fell to 161.7 from 162.7. On a seasonally adjusted basis, auto and truck production had the largest drops, although *Ward's Automotive Reports* stated 2002 should be the third best production year in history. Lumber and rail-freight traffic also suffered declines. The energy components of coal, electric power, and crude-oil refining were all up. Steel was also higher on the week.

Information on each of the index components is at www.businessweek.com. BW production index Copyright 2002 by The McGraw-Hill Companies

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