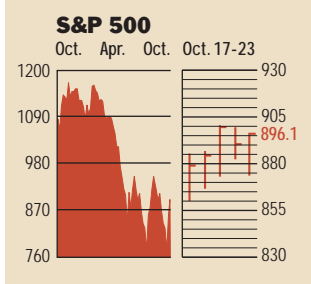


Stocks



COMMENTARY

The stock market continued its upward march for the second week in a row as positive third-quarter profit results hit the headlines. Earnings for Standard & Poor's 500-stock index companies that have reported so far are showing 10% growth over last year, according to First Call. For the week ending Oct. 23, the S&P gained 4.2%; the NASDAQ rose 7.1%; and the Dow gained 5.7%.

Data: Bloomberg Financial Markets
Reuters

U.S. MARKETS

	Oct. 23	Week	Year to date	Last 12 months
S&P 500	896.1	4.2	-21.9	-17.4
Dow Jones Industrials	8494.3	5.7	-15.2	-9.1
NASDAQ Composite	1320.2	7.1	-32.3	-22.5
S&P MidCap 400	428.4	4.6	-15.7	-5.8
S&P SmallCap 600	193.6	5.5	-16.6	-4.6
Wilshire 5000	8430.5	4.2	-21.3	-15.7

SECTORS

	Oct. 23	Week	Year to date	Last 12 months
BusinessWeek 50*	572.6	2.4	-21.6	-19.9
BusinessWeek Info Tech 100**	280.2	7.0	-33.2	-25.7
S&P/BARRA Growth	465.5	3.5	-21.7	-16.5
S&P/BARRA Value	427.4	5.0	-22.6	-18.9
S&P Energy	185.5	0.5	-12.2	-12.5
S&P Financials	304.5	3.5	-14.3	-9.2
S&P REIT	85.8	-0.9	-8.1	-2.0
S&P Transportation	170.0	1.2	-13.7	-1.7
S&P Utilities	88.4	9.6	-39.4	-43.4
GSTI Internet	75.4	4.9	-28.1	-14.0
PSE Technology	443.4	8.0	-35.5	-25.9

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

BEST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Internet Software	66.0	Casinos 49.8
Semiconductor Equip.	28.3	Homebuilding 47.1
Wireless Services	27.2	Metal & Glass Containers 46.8
Biotechnology	25.5	Managed Health Care 34.1
Photographic Products	24.5	Internet Software 30.2

GLOBAL MARKETS

	Oct. 23	Week	Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	787.2	-1.8	-27.3	-23.6
London (FT-SE 100)	4006.9	-1.3	-23.2	-22.5
Paris (CAC 40)	2992.2	-2.5	-35.3	-33.3
Frankfurt (DAX)	3015.4	0.2	-41.6	-37.3
Tokyo (NIKKEI 225)	8714.5	-1.9	-17.3	-19.3
Hong Kong (Hang Seng)	9804.7	3.7	-14.0	-4.3
Toronto (S&P/TSX Composite)	6335.2	2.9	-17.6	-8.2
Mexico City (IPC)	6000.6	1.3	-5.8	7.7

FUNDAMENTALS

	Oct. 22	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.76%	1.78%	1.44%
S&P 500 P/E Ratio (Trailing 12 mos.)	29.7	31.4	39.3
S&P 500 P/E Ratio (Next 12 mos.)*	16.2	15.9	20.6
First Call Earnings Surprise*	2.99%	1.68%	1.18%

*First Call Corp.

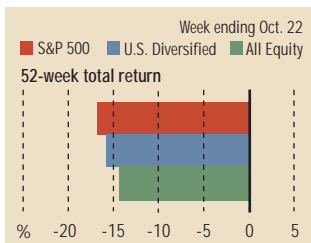
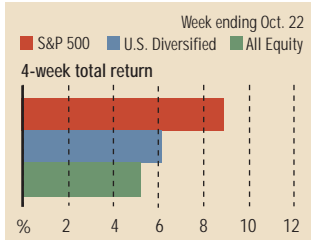
TECHNICAL INDICATORS

	Oct. 22	Wk. ago	Reading
S&P 500 200-day average	1012.5	1019.5	Negative
Stocks above 200-day average	20.0%	24.0%	Positive
Options: Put/call ratio	0.76	0.81	Positive
Insiders: Vickers NYSE Sell/buy ratio	1.44	1.37	Positive

WORST-PERFORMING GROUPS

Group	Last month %	Last 12 months %
Department Stores	-16.6	Multi-Utilities -85.6
Gold Mining	-15.7	Wireless Services -62.3
Constr. & Engineering	-9.5	IT Consulting -58.1
Automobiles	-9.1	Telecomms. Equip. -57.3
Auto Parts & Equipment	-8.1	Instrumentation -54.6

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

Category	4-week total return %	52-week total return %
Leaders		Leaders
Communications	10.7	Precious Metals 47.0
Europe	8.7	Pacific/Asia ex-Japan 6.3
Technology	8.6	Real Estate 6.0
Financial	8.1	Diversified Emerging Mkts. 5.5
Laggards		Laggards
Precious Metals	-13.7	Communications -38.4
Japan	-6.6	Technology -36.7
Real Estate	-5.4	Utilities -29.6
Diversified Pacific/Asia	-3.6	Health -23.8

EQUITY FUNDS

Fund	4-week total return %	52-week total return %
Leaders		Leaders
Rydex Dynam. Velocity 100	28.0	First Eagle SoGen Gold 74.9
ProFunds UltraOTC Inv.	27.8	Tocqueville Gold 63.3
Sm. Barney Telecoms. Income	24.3	Monterey OCM Gold 62.1
Fidelity Select Multimedia	19.9	Gabelli Gold 61.6
Laggards		Laggards
Rydex Dynam. Venture 100	-27.8	ProFunds UltraOTC Inv. -62.1
ProFunds UltraShort OTC	-27.7	Black Oak Emerging Tech. -62.0
Frontier Equity	-19.4	World GenomicsFund.com -61.3
U.S. Glob. Wrld. Prec. Minls.	-18.7	Rydex Dynam. Velocity 100 -60.8

Interest Rates

	Oct. 23	Week ago	Year ago
KEY RATES			
MONEY MARKET FUNDS	1.35%	1.36%	2.60%
90-DAY TREASURY BILLS	1.66	1.64	2.16
2-YEAR TREASURY NOTES	2.14	2.01	2.69
10-YEAR TREASURY NOTES	4.23	4.04	4.59
30-YEAR TREASURY BONDS	5.16	5.01	5.33
30-YEAR FIXED MORTGAGE†	6.36	6.16	6.58

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS

	10-yr. bond	30-yr. bond
Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 30% federal tax rate.		
GENERAL OBLIGATIONS	3.96%	4.94%
TAXABLE EQUIVALENT	5.66	7.06
INSURED REVENUE BONDS	4.09	5.17
TAXABLE EQUIVALENT	5.84	7.39

THE WEEK AHEAD

CONSUMER CONFIDENCE Tuesday, Oct. 29, 10 a.m. EST ► The Conference Board's October confidence index probably fell to 90, says the median forecast of economists surveyed by MMs International.

GROSS DOMESTIC PRODUCT Thursday, Oct. 31, 8:30 a.m. EST ► The economy most likely grew at an annual rate of 3.6% during the third quarter.

EMPLOYMENT COST INDEX Thursday, Oct. 31, 8:30 a.m. EST ► Compensation in the

third quarter probably rose 0.9%, after a 1% gain in the second quarter.

EMPLOYMENT Friday, Nov. 1, 8:30 a.m. EST ► Nonfarm payrolls in October are expected to have increased by 23,000 jobs, after falling by 43,000 positions in September. The unemployment rate probably climbed back up to 5.8%.

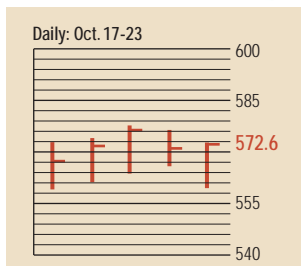
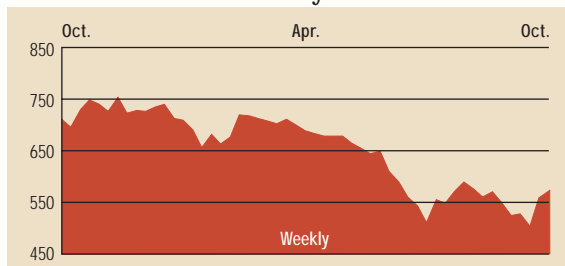
PERSONAL INCOME Friday, Nov. 1, 8:30 a.m. EST ► Personal income is forecast to have increased by 0.5% in September,

while consumer expenditures most likely slipped by 0.1%.

PURCHASING MANAGERS' INDEX Friday, Nov. 1, 10 a.m. EST ► The Institute for Supply Management's October industrial activity index probably edged down to 49%, from to 49.5% in September.

CONSTRUCTION SPENDING Friday, Nov. 1, 10 a.m. EST ► Building outlays in September most likely slipped by 0.2%, for a fifth straight monthly decline.

The BusinessWeek Fifty

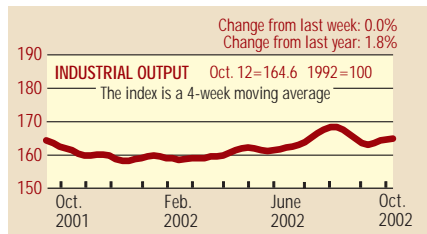


The BW50 registered gains this week, albeit modest compared to the broader market. A handful of stocks were up by the double-digits, including Pulte Homes, Best Buy, and American Electric Power—up 14.1, 12.7%, and 18.5%, respectively. Large-cap drug stocks got hit on news of patent concerns and downgrades: Johnson & Johnson lost 1.6%, while Pfizer fell 2.8%. WellPoint Health Networks declined 2.5% despite reports of profit gains.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/02			Week	Since 3/1/02
1	Johnson & Johnson	-1.6	-4.8	26	Tenet Healthcare	0.0	31.3
2	Freddie Mac	2.2	-0.4	27	Household International	-4.7	-48.6
3	Pfizer	-2.8	-24.2	28	WellPoint Health Networks	-2.5	39.1
4	MBNA	6.2	-16.0	29	Washington Mutual	8.0	9.8
5	Philip Morris	11.1	-18.6	30	Duke Energy	8.0	-42.9
6	KLA-Tencor	11.6	-43.5	31	Kohl's	-3.1	-18.0
7	Fannie Mae	0.6	-10.5	32	Bed Bath & Beyond	8.3	9.5
8	Lowe's	3.4	-4.4	33	Cardinal Health	1.6	4.4
9	Best Buy	12.7	-51.5	34	Centex	10.1	-17.5
10	AmerisourceBergen	1.4	10.3	35	American Electric Power	18.5	-50.3
11	UnitedHealth Group	2.4	38.5	36	Golden West Financial	4.8	8.3
12	Exelon	6.3	-2.8	37	Stryker	-0.6	0.6
13	Home Depot	7.0	-39.1	38	Harley-Davidson	1.9	6.5
14	Wal-Mart Stores	0.8	-7.7	39	PepsiCo	2.4	-11.7
15	Dynergy	8.6	-96.6	40	Merck	2.9	-16.3
16	General Dynamics	3.6	-10.4	41	Apache	-1.4	6.3
17	ConocoPhillips	-0.2	-18.9	42	Amerada Hess	0.1	-4.9
18	Forest Laboratories	0.0	22.8	43	KB Home	10.5	15.5
19	Block (H&R)	3.8	-9.5	44	First Data	7.7	-16.6
20	Calpine	-4.4	-70.7	45	Tyco International	8.3	-52.1
21	Occidental Petroleum	0.5	11.9	46	International Game Technology	7.2	10.5
22	Sysco	5.2	6.3	47	Capital One Financial	14.1	-35.5
23	Pulte Homes	14.1	-7.8	48	Electronic Data Systems	1.3	-76.5
24	Marathon Oil	-1.9	-22.2	49	Nabors Industries	9.4	5.7
25	Citigroup	4.8	-16.3	50	Xcel Energy	18.5	-55.6

BW Production Index



The production index remained unchanged over the latest week. Before calculation of the four-week moving average, the index posted a small decline to 163.6, from 164. On a seasonally adjusted basis, steel, lumber, and coal output were all up moderately, with rail-freight traffic rising slightly and autos almost unchanged. Electric power production and crude-oil refining showed the largest declines, with truck assemblies also falling during 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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For more investment data and the components of the production index, visit www.businessweek.com.