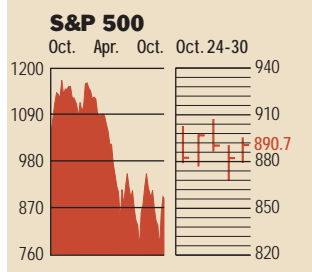


Stocks



COMMENTARY

Equities weathered some bad economic news, including warnings from auto makers of weaker sales, a drop in durable goods orders, and a sharp decline in consumer confidence. But expectations of further rate cuts by the Fed and a focus by investors on the profit outlook for 2003 lifted the markets. For the week, NASDAQ nosed up, while the Dow and the S&P fell a bit.

Data: Bloomberg Financial Markets
Reuters

U.S. MARKETS	Oct. 30	% change		
		Week	Year to date	Last 12 months
S&P 500	890.7	-0.6	-22.4	-16.0
Dow Jones Industrials	8427.4	-0.8	-15.9	-7.6
NASDAQ Composite	1326.7	0.5	-32.0	-20.4
S&P MidCap 400	425.1	-0.8	-16.4	-5.2
S&P SmallCap 600	193.9	0.2	-16.5	-3.3
Wilshire 5000	8391.6	-0.5	-21.6	-14.2

SECTORS

		% change		
		Week	Year to date	Last 12 months
BusinessWeek 50*	568.4	-0.7	-22.1	-18.2
BusinessWeek Info Tech 100**	287.0	2.4	-31.6	-22.4
S&P/BARRA Growth	460.7	-1.0	-22.5	-15.5
S&P/BARRA Value	426.9	-0.1	-22.7	-17.0
S&P Energy	180.4	-2.8	-14.6	-14.3
S&P Financials	304.7	0.1	-14.2	-7.4
S&P REIT	87.0	1.4	-6.8	-0.3
S&P Transportation	166.7	-1.9	-15.4	-2.0
S&P Utilities	92.7	4.9	-36.4	-38.2
GSTI Internet	76.5	1.5	-27.1	-6.1
PSE Technology	449.6	1.4	-34.6	-23.9

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

BEST-PERFORMING GROUPS

	Last month %	Last 12 months %
Internet Software	56.6	Casinos 49.8
Wireless Services	53.3	Homebuilding 41.8
Semiconductor Equip.	34.4	Metal & Glass Containers 35.6
Intgrd. Telecomms. Svcs.	31.5	Internet Software 35.2
Computer Hardware	29.5	Publishing & Printing 26.2

GLOBAL MARKETS

	Oct. 30	Week	% change	
			Year to date	Last 12 months
S&P Euro Plus (U.S. Dollar)	813.4	3.3	-24.8	-19.0
London (FT-SE 100)	4002.7	-0.1	-23.3	-20.6
Paris (CAC 40)	3084.2	3.1	-33.3	-29.0
Frankfurt (DAX)	3113.6	3.3	-39.7	-31.7
Tokyo (NIKKEI 225)	8756.6	0.5	-16.9	-15.5
Hong Kong (Hang Seng)	9560.5	-2.5	-16.1	-5.1
Toronto (S&P/TSX Composite)	6330.4	-0.1	-17.7	-7.3
Mexico City (IPC)	5963.8	-0.6	-6.4	7.9

FUNDAMENTALS

	Oct. 29	Wk. ago	Yr. ago
S&P 500 Dividend Yield	1.78%	1.76%	1.47%
S&P 500 P/E Ratio (Trailing 12 mos.)	28.4	29.7	42.3
S&P 500 P/E Ratio (Next 12 mos.)*	16.1	16.2	20.3
First Call Earnings Surprise*	2.90%	2.99%	1.20%

*First Call Corp.

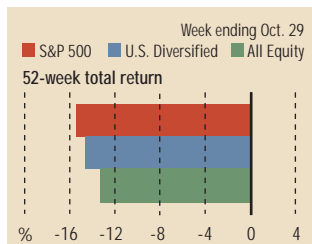
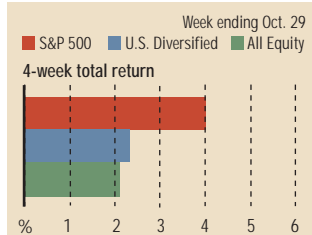
TECHNICAL INDICATORS

	Oct. 29	Wk. ago	Reading
S&P 500 200-day average	1006.0	1012.5	Negative
Stocks above 200-day average	20.0%	20.0%	Positive
Options: Put/call ratio	0.75	0.76	Positive
Insiders: Vickers NYSE Sell/buy ratio	1.53	1.44	Positive

WORST-PERFORMING GROUPS

	Last month %	Last 12 months %
Commercial Printing	-15.5	Multi-Utilities -81.9
Automobiles	-15.3	IT Consulting -57.8
Tires & Rubber	-13.5	Wireless Services -56.0
Constr. & Engineering	-11.9	Telecomms. Equip. -55.0
Auto Parts & Equipment	-10.0	Gas Utilities -49.6

Mutual Funds



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-week total return	%	52-week total return	%
Leaders		Leaders	
Technology	9.2	Precious Metals	43.6
Communications	9.0	Pacific/Asia ex-Japan	8.6
Large-cap Growth	3.7	Real Estate	7.7
Large-cap Blend	3.3	Diversified Emerging Mkts.	7.1
Laggards		Laggards	
Precious Metals	-5.8	Communications	-37.1
Japan	-5.4	Technology	-34.2
Real Estate	-4.1	Utilities	-26.3
Natural Resources	-2.4	Health	-24.4

EQUITY FUNDS

4-week total return	%	52-week total return	%
Leaders		Leaders	
Jacob Internet	26.0	First Eagle SoGen Gold	70.5
RS Information Age A	24.1	Tocqueville Gold	60.4
RS Internet Age	23.8	Monterey OCM Gold	56.1
Sm. Barney Telecoms. Income	23.3	Gabelli Gold	55.3
Laggards		Laggards	
Rydex Dynam. Venture 100	-22.0	World GenomicsFund.com	-61.6
ProFunds UltraShort OTC	-22.0	ProFunds UltraOTC Inv.	-59.7
American Heritage	-12.5	Black Oak Emerging Tech.	-59.2
Rydex Arktos Investor	-10.8	Berkshire Technology	-58.8

Interest Rates

KEY RATES	Oct. 30	Week ago	Year ago
MONEY MARKET FUNDS	1.35%	1.35%	2.53%
90-DAY TREASURY BILLS	1.49	1.66	2.01
2-YEAR TREASURY NOTES	1.74	2.14	2.42
10-YEAR TREASURY NOTES	3.96	4.23	4.23
30-YEAR TREASURY BONDS	5.03	5.16	4.87
30-YEAR FIXED MORTGAGE†	6.07	6.36	6.46

†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	3.88%	4.81%
TAXABLE EQUIVALENT	5.54	6.87
INSURED REVENUE BONDS	4.08	5.00
TAXABLE EQUIVALENT	5.83	7.14

THE WEEK AHEAD

FACTORY INVENTORIES *Monday, Nov. 4, 10 a.m. EST* ► Manufacturing inventories are forecast to have fallen by 0.4% in September, after holding steady in August. That's according to the median forecast of economists surveyed by MMS International. Uncertainty over Iraq and the economy most likely led manufacturers to further draw down inventories rather than boost production.

FOMC MEETING *Wednesday, Nov. 6, 9 a.m. EST* ► The Federal Reserve Board's Open

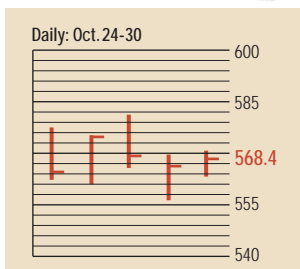
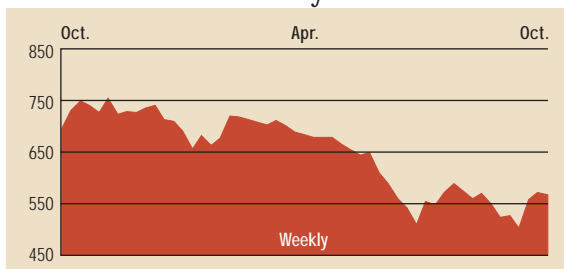
Market Committee will meet to set monetary policy. In light of the October drop in consumer confidence, Fed-watchers increasingly think policymakers will trim the federal funds rate by a quarter-point, to 1.5%. Sentiment is also growing for another cut by yearend.

PRODUCTIVITY & COSTS *Thursday, Nov. 7, 8:30 a.m. EST* ► Output per hour worked during the third quarter most likely accelerated to an annual rate of 3.5%, and quarterly unit labor costs probably re-

mained unchanged. In the second quarter, productivity rose at an annual rate of 1.5%, while unit labor costs increased 2.1%, their first rise in a year.

INSTALLMENT CREDIT *Thursday, Nov. 7, 3 p.m. EST* ► Consumers most likely assumed an additional \$4 billion of new debt in September. In August, growth in consumer credit moderated to \$4.2 billion. The accumulation of nonrevolving debt fell sharply in August to just \$0.2 billion, despite strong sales in vehicles.

The BusinessWeek Fifty

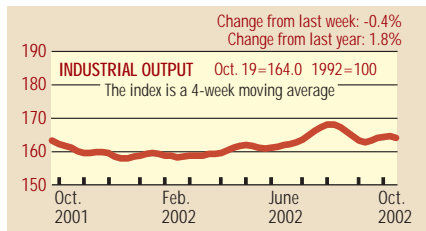


The BW 50 fell fractionally for the week ended Oct. 30. Tenet Healthcare, which had been a stellar performer, sank 22.9% on fears that its Medicare reimbursements may not grow. Also fueling the decline was Amerada Hess, off 22.6%, which reported a weak third quarter and suffered a debt downgrade by Moody's. KLA-Tencor, which makes monitoring equipment for chipmakers, rose 10.9% on analyst upgrades.

COMPANY PERFORMANCE

Rank	Company	% change		Rank	Company	% change	
		Week	Since 3/1/02			Week	Since 3/1/02
1	Johnson & Johnson	-1.1	-5.9	26	Tenet Healthcare	-22.9	1.2
2	Freddie Mac	-2.4	-2.7	27	Household International	-11.9	-54.8
3	Pfizer	3.3	-21.8	28	WellPoint Health Networks	-7.1	29.1
4	MBNA	3.6	-13.0	29	Washington Mutual	-0.4	9.3
5	Philip Morris	-3.6	-21.5	30	Duke Energy	0.1	-42.9
6	KLA-Tencor	10.9	-37.4	31	Kohl's	2.8	-15.8
7	Fannie Mae	-3.4	-13.5	32	Bed Bath & Beyond	-3.0	6.1
8	Lowe's	-0.7	-5.1	33	Cardinal Health	1.2	5.6
9	Best Buy	-0.2	-51.6	34	Centex	-6.7	-23.0
10	AmerisourceBergen	-1.8	8.3	35	American Electric Power	18.9	-40.9
11	UnitedHealth Group	-5.0	31.5	36	Golden West Financial	0.0	8.2
12	Exelon	5.2	2.3	37	Stryker	0.5	1.0
13	Home Depot	-3.2	-41.1	38	Harley-Davidson	-2.7	3.6
14	Wal-Mart Stores	-6.0	-13.2	39	PepsiCo	-1.8	-13.3
15	Dynegy	-10.2	-96.9	40	Merck	5.6	-11.6
16	General Dynamics	-2.9	-13.0	41	Apache	-3.0	3.0
17	ConocoPhillips	2.5	-16.8	42	Amerada Hess	-22.6	-26.4
18	Forest Laboratories	1.4	24.5	43	KB Home	-9.2	4.9
19	Block (H&R)	-3.5	-12.7	44	First Data	1.9	-15.0
20	Calpine	-7.4	-72.9	45	Tyco International	5.7	-49.4
21	Occidental Petroleum	-5.9	5.4	46	International Game Technology	2.7	13.5
22	Sysco	2.2	8.6	47	Capital One Financial	-1.4	-36.4
23	Pulte Homes	-6.2	-13.5	48	Electronic Data Systems	-0.9	-76.7
24	Marathon Oil	-2.8	-24.4	49	Nabors Industries	-5.5	-0.2
25	Citigroup	4.5	-12.6	50	Xcel Energy	1.9	-54.8

BW Production Index



The production index declined during the latest week. Before calculation of the four-week moving average, the index slipped from 163.6 to 162.7. The seasonally adjusted output of steel dropped sharply, followed closely by autos. Electric power production, coal, and lumber were also lower for the week. Among the components that increased, crude-oil refining showed the largest gain. Truck assemblies and rail-freight traffic also rose.

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.