International Figures of the Week

Stocks

Stocks returned to their losing ways, with the Standard & Poor's Global 1200 falling 3.1% over the week ended Nov. 12.

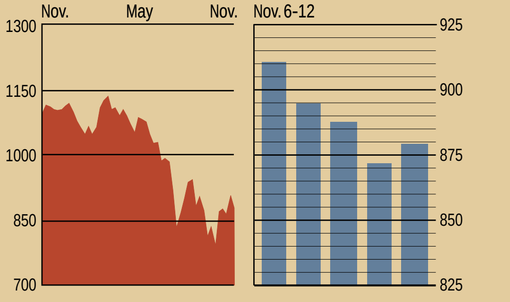
Republican-party election success, a surprise half-point interest rate cut by the Federal Reserve, and the United Nation's approval of a resolution on Iraq did little for U.S. equities. Many consumer and retail stocks were roughed up. Philip Morris, McDonald's, Safeway, and Sears all fell more than 10% for the week.

In Europe, stocks sank after the area's major central banks failed to cut rates. Over the final day, telecoms rose, with Vodafone surging 12.7% after beating estimates and painting a rosier picture for next year.

Asian stock indexes fell as major regional currencies continued to rise against the U.S. dollar. Investors responded coolly to the announcement by Japan's Finance Minister that steps may be taken to curb the yen's recent rise.

Data: Standard & Poor's

S&P GLOBAL 1200 INDEX



S&P GLOBAL 1200 SECTOR PERFORMANCE

	Nov. 12	% change Week	4 Weeks	Year
Consumer Discretionary	945.1	–3.4	0.5	–16.3
Consumer Staples	981.2	–3.1	–4.2	–4.4
Energy	991.7	–1.4	–4.3	–13.9
Financials	913.6	–4.7	0.5	–17.2
Health Care	1151.3	0.4	–0.6	–16.3
Industrials	833.9	–3.6	0.0	–22.5
Information Technology	880.6	–4.7	8.8	–35.3
Materials	884.0	–1.2	1.7	–6.0
Telecommunications	682.5	–2.6	9.2	–29.8
Utilities	698.3	–4.3	3.6	–29.0

S&P GLOBAL 100 BEST PERFORMING COMPANIES

Company	4-week %	Company	52-week %
Nortel Networks (Canada)	114.9	Samsung Elect. (S. Korea)	73.3
Ericsson (Sweden)	80.5	Canon (Japan)	27.0
Lucent Technologies (U.S.)	49.3	Bridgestone (Japan)	25.4
Alcatel (France)	42.4	3M (U.S.)	12.7
AOL Time Warner (U.S.)	24.2	Dell Computer (U.S.)	9.9
France Telecom (France)	19.7	Procter & Gamble (U.S.)	9.7

GLOBAL INDEXES

(U.S. Dollars)	Nov. 12	% change Week	4 Weeks	Year
S&P Global 1200	879.3	–3.1	1.0	–19.9
S&P 500 (US)	883.0	–3.5	0.2	–22.5
S&P Europe 350	814.2	–2.5	2.4	–17.9
S&P/TOPIX 150 (Japan)	790.7	–3.9	–0.8	–15.5
S&P Asia Pacific 100	1017.1	–1.4	5.1	2.4
S&P/TSX 60 (Canada)	875.1	–2.4	2.0	–13.6
S&P Latin America 40	689.4	–3.1	5.1	–23.1

S&P EMERGING MARKETS INDEXES

Best performing countries: Last 4 weeks %		Best performing countries: Last 52 weeks %		Worst performing countries: Last 4 weeks %		Worst performing countries: Last 52 weeks %	
Turkey	28.9	Zimbabwe	50.7	Mexico	–4.0	Argentina	–44.0
Brazil	24.1	Czech Rep.	45.7	Egypt	–3.3	Brazil	–33.2
Taiwan	16.0	Russia	43.1	India	–0.6	Israel	–22.6
Indonesia	13.9	Hungary	30.1	Colombia	0.0	Egypt	–20.0
Hungary	11.4	Korea	29.9	Pakistan	0.0	Colombia	–19.2

U.S. Dollars

STOCK INDEXES LOCAL CURRENCIES

	Nov. 12	Nov. 5	% chg. year ago Index	Currency
Australia / **S&P ASX 200**	2982.6	3050.2	–9.4	7.7
Brazil / **Bovespa**	9720.6	9861.2	–24.8	–30.1
Britain / **FTSE100**	4085.0	4146.1	–22.6	10.4
Canada / **S&P TSX 60**	357.3	361.5	–16.3	0.9
Europe / **S&P Europe 350**	896.4	928.8	–28.4	15.1
France / **CAC 40**	3064.6	3247.4	–32.9	0.3
Germany / **Xetra DAX**	3115.9	3351.3	–37.0	0.3
Hong Kong / **Hang Seng**	9613.8	9655.4	–9.8	0.0
Italy / **MIB 30**	23661.0	24695.0	–25.0	0.3
Japan / **Nikkei 225**	8464.8	8937.6	–15.6	1.7
Mexico / **IPC 35**	5865.1	6040.2	3.6	–10.3
South Korea / **Composite**	654.4	664.9	11.1	6.3
Spain / **IBEX 35**	6141.9	6369.1	–26.7	0.3

Data: Standard and Poor's

Economic Indicators

FOREIGN TRADE*

Country	Month	% chg. from year ago Exports	Imports	Balance (billions)	
Britain	Sept.	–1.4	1.7	–2.7	GBP
Canada	Aug.	3.3	3.7	4.1	CAD
France	Aug.	–7.1	–7.7	1.6	EUR
Germany	Sept.	7.5	0.7	0.7	EUR
Italy	Aug.	0.8	–1.8	0.5	EUR
Japan	Sept.	7.5	12.5	608.9	JPY
U.S.	Aug.	–1.6	7.3	–42.3	USD

*Merchandise

Data: Global Insight

TRADE-WEIGHTED EXCHANGE RATES

Country	Nov. 12	Weekly %	Yearly %
Britain	105.5	0.7	–0.9
Canada	75.3	–1.3	–0.5
France	102.6	0.1	2.6
Germany	100.2	0.0	2.9
Italy	73.4	0.0	2.2
Japan	135.8	1.6	–4.5
U.S.	113.6	–1.0	–6.3

Indexes, 1990=100

Data: J.P. Morgan Chase

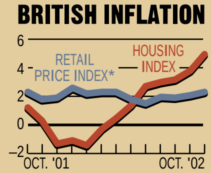
Country Focus / Britain

The Bank of England stated in its November *Inflation Report* that, "significant risks to the outlook for growth and inflation remain." The central bank also upped its forecast for inflation and reiterated its cautiously optimistic view of the future.

In October, underlying retail price inflation, which strips out mortgage interest payments, rose to 2.3%, from 2.1% in September. The strong housing market is driving inflation, with home prices up 31% from a year ago. But a jump in oil and gasoline prices also played a large role in October.

Inflationary pressures are also coming from the labor market. Wages rose by 3.8% from a year ago and could go even higher, due largely to public-sector pay raises. The unemployment rate did rise to 5.3% for the three-month period through September, but job cuts are focused in manufacturing, which lost 37,000 jobs over the period, on weak business investment and exports.

BRITISH INFLATION



PERCENT CHANGE FROM A YEAR AGO

*EXCLUDING MORTGAGE INTEREST PAYMENTS

Data: Global Insight

The BOE sees inflation topping the 2.5% target and staying there for most of 2003. The BOE also expects the global economy and exports to pick up next year as household spending cools slightly. If the scenario holds, interest rates will likely stay at 4% for a while. But the BOE said it is willing to move quickly if conditions change.

Interest Rates

BENCHMARK BOND YIELDS (10-YEAR GOVERNMENT*)

	Nov. 12	Nov. 5	Year ago
Australia	5.35	5.67	5.24
Britain	4.48	4.67	4.49
Canada	5.01	5.17	4.94
France	4.47	4.69	4.54
Germany	4.38	4.61	4.40
Hong Kong	4.20	4.71	5.01
Italy	4.65	4.86	4.73
Japan	0.96	0.96	1.32
South Korea (3-Year)	5.23	5.34	4.95
Spain	4.49	4.72	4.67
United States	3.85	4.07	4.38

*Average of Bid/Ask

Data: Standard & Poor's, Global Insight

CENTRAL BANK POLICY

	Policy rate* Nov. 12	Year ago	Last action Date	Type
U.S. Federal Reserve	1.25	2.00	11/6/02	–0.50
European Central Bank	3.25	3.75	11/8/01	–0.50
Bank of Japan	0.00	0.00	3/19/01	–0.15
Bank of England	4.00	4.50	11/8/01	–0.50
Bank of Canada	2.75	2.75	7/16/02	0.25

*Target overnight rate

CHARTS BY LAUREL DAUNIS-ALLEN/BW