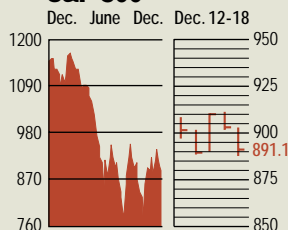


STOCKS

S&P 500

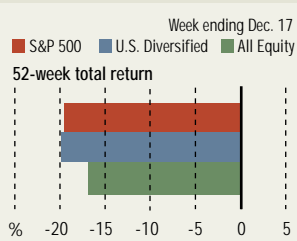
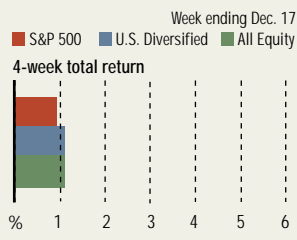


COMMENTARY

As the U.S. edged closer to a declaration of war on Iraq, Treasuries climbed sharply and stocks continued to slide. Still, contrarians were busy buying in the belief that sellers are overreacting. Oracle's Dec. 18 earnings announcement that quarterly profits were flat lent support to that view. For the week, NASDAQ fell 2.5%, followed by the Dow, off 1.7%, and the S&P 500, off 1.5%.

Data: Bloomberg Financial Markets (Reuters)

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	DEC. 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	891.1	-1.5	-22.4	-22.0
Dow Jones Industrials	8447.4	-1.7	-15.7	-15.5
NASDAQ Composite	1361.5	-2.5	-30.2	-32.1
S&P MidCap 400	430.0	-1.7	-15.4	-14.5
S&P SmallCap 600	197.1	-1.9	-15.1	-14.0
Wilshire 5000	8431.3	-1.5	-21.3	-20.7

SECTORS

	DEC. 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	548.4	-1.7	-24.9	-23.9
BusinessWeek Info Tech 100**	292.1	-2.0	-30.3	-32.1
S&P/BARRA Growth	455.3	-2.5	-23.4	-23.9
S&P/BARRA Value	432.7	-0.5	-21.6	-20.4
S&P Energy	186.3	0.5	-11.8	-7.5
S&P Financials	301.9	-1.1	-15.0	-13.5
S&P REIT	89.7	-1.0	-4.0	-3.9
S&P Transportation	171.2	-0.9	-13.1	-13.5
S&P Utilities	97.3	3.1	-33.3	-29.3
GSTII Internet	77.8	-1.9	-25.9	-27.1
PSE Technology	466.7	-2.0	-32.1	-34.0

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

GLOBAL MARKETS

	DEC. 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	840.4	-1.8	-22.3	-20.3
London (FT-SE 100)	3835.2	-3.5	-26.5	-25.5
Paris (CAC 40)	3077.4	-3.5	-33.5	-31.3
Frankfurt (DAX)	3022.7	-5.4	-41.4	-40.0
Tokyo (NIKKEI 225)	8344.0	-4.4	-20.9	-20.0
Hong Kong (Hang Seng)	9548.7	-2.4	-16.2	-16.9
Toronto (S&P/TSX Composite)	6560.9	-0.4	-14.7	-13.5
Mexico City (IPC)	6089.7	0.1	-4.4	-2.9

FUNDAMENTALS

	DEC. 17	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.75%	1.75%	1.36%
S&P 500 P/E Ratio (Trailing 12 mos.)	29.2	29.5	46.5
S&P 500 P/E Ratio (Next 12 mos.)*	16.4	16.4	21.8
First Call Earnings Revision*	-1.95%	-2.02%	-3.28%

*First Call Corp.

TECHNICAL INDICATORS

	DEC. 17	WK. AGO	READING
S&P 500 200-day average	971.0	976.7	Negative
Stocks above 200-day average	29.0%	28.0%	Positive
Options: Put/call ratio	0.75	0.76	Positive
Insiders: Vickers NYSE Sell/buy ratio	2.33	1.97	Neutral

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Paper Packaging	25.2	31.2
Gold Mining	19.5	20.2
Constr. & Engineering	15.7	19.1
Fertilizers & Ag. Chems.	14.9	15.6
Oil & Gas Refining	14.1	12.1

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Agricultural Products	-10.7	-63.7
Semiconductor Equip.	-10.5	-58.1
Health-Care Services	-10.1	-56.4
Movies & Entertainment	-10.0	-55.2
Employment Services	-9.9	-53.3

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN % 52-WEEK TOTAL RETURN %

LEADERS

Precious Metals	12.6	Precious Metals	58.9
Natural Resources	7.6	Real Estate	3.9
Latin America	7.3	Natural Resources	1.7
Utilities	4.5	Diversified Emerging Mkts.	-0.9

LAGGARDS

Europe	-1.6	Technology	-40.9
Health	-1.2	Communications	-38.7
Foreign	-0.7	Health	-28.3
Large-cap Growth	-0.4	Small-cap Growth	-25.8

EQUITY FUNDS

4-WEEK TOTAL RETURN % 52-WEEK TOTAL RETURN %

LEADERS

U.S. Gl. Wld. Pr. Minls.	16.4	First Eagle SoGen Gold	94.0
U.S. Global Investors Gold	16.2	Monterey OCM Gold	75.7
Van Eck Intl. Invs Gold A	15.3	Gabelli Gold	75.5
Amer Century Gl. Gold Inv.	14.8	Tocqueville Gold	74.2

LAGGARDS

American Heritage	-22.2	ProFunds UltraWrlls. Serv.	-74.6
Van Kampen Intl. Advge. A	-6.6	ProFunds UltraOTC Inv.	-69.1
Rydex Dynam. Vent. 100	-6.6	Rydex Dynam. Veloc. 100	-68.1
ProFunds UltraSh. OTC Inv.	-6.5	ProFunds UltraSemicdr. Inv.	-67.8

INTEREST RATES

KEY RATES

	DEC. 18	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	1.08%	1.11%	1.92%
90-DAY TREASURY BILLS	1.20	1.19	1.68
2-YEAR TREASURY NOTES	1.77	1.85	3.07
10-YEAR TREASURY NOTES	4.03	4.02	5.04
30-YEAR TREASURY BONDS	4.96	4.88	5.44
30-YEAR FIXED MORTGAGE†	6.00	6.02	7.15

†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	3.86%	4.76%
TAXABLE EQUIVALENT	5.51	6.80
INSURED REVENUE BONDS	3.98	4.98
TAXABLE EQUIVALENT	5.69	7.11

THE WEEK AHEAD

PERSONAL INCOME *Monday, Dec. 23, 8:30 a.m. EST* ► Personal income is forecast to have increased by 0.3% in November, after rising 0.1% in October. That's according to the median forecast of economists surveyed by MMS International. Consumer expenditures most likely rose by 0.5% during the month, following a 0.4% increase in October. Consumers are still spending at healthy clip, with purchases in October up 3.7% from a year ago, underpinned by steady growth in personal incomes.

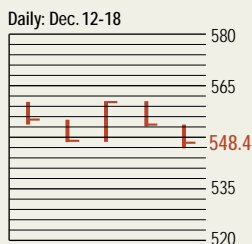
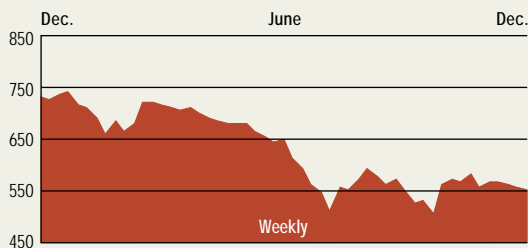
DURABLE GOODS ORDERS *Tuesday, Dec. 24, 8:30 a.m. EST* ► New orders for durable goods most likely increased 0.4% in November. A broad upturn in orders for capital goods helped push durable goods orders up a strong 2.4% in October.

EXISTING HOME SALES *Thursday, Dec. 26, 10 a.m. EST* ► Existing home sales likely eased to an annual pace of 5.7 million in November. In October, sales came in at an annual rate of 5.77 million. Low interest rates and steady income growth are help-

ing propel the 2002 housing market to a record level of sales, which should reach 5.6 million homes.

NEW RESIDENTIAL SALES *Friday, Dec. 27, 10 a.m. EST* ► New single-family home sales for November are expected to come in at an annual rate of 1 million. It would be the fourth straight month of sales at a pace of 1 million homes or better. When 2002 wraps up, annual sales will likely exceed 960,000 units, another record for housing.

THE BUSINESSWEEK FIFTY

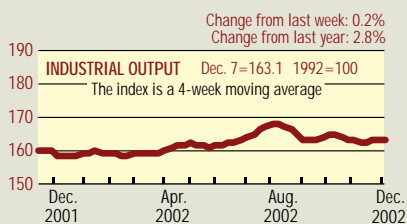


The BW 50 declined 1.7% for the week ending Dec. 18. KLA-Tencor, the maker of chip-monitoring equipment, fell 8.2% along with other tech capital-equipment makers despite little in the way of hard news. On the brighter side, Pulte Homes and KB Home rose 6.9% and 6.2% respectively on news housing starts were up 2.4% in November. Forest Laboratories' announcement of a 2-for-1 stock split added another 4.1% to the share price.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/02			WEEK	SINCE 3/1/02
1	Johnson & Johnson	-4.4	-11.8	26	Tenet Healthcare	-0.9	-55.5
2	Freddie Mac	1.9	-5.5	27	Household International	-0.6	-46.0
3	Pfizer	-4.2	-26.1	28	WellPoint Health Networks	-0.8	15.4
4	MBNA	-2.4	-15.6	29	Washington Mutual	-1.3	10.4
5	Philip Morris	1.2	-21.5	30	Duke Energy	1.8	-44.2
6	KLA-Tencor	-8.2	-38.0	31	Kohl's	-4.5	-13.2
7	Fannie Mae	3.0	-13.7	32	Bed Bath & Beyond	-2.5	-3.2
8	Lowe's	-4.0	-15.6	33	Cardinal Health	-3.6	-9.9
9	Best Buy	-3.9	-45.3	34	Centex	6.7	-12.4
10	AmerisourceBergen	-3.5	-18.5	35	American Electric Power	4.8	-37.3
11	UnitedHealth Group	-1.3	13.1	36	Golden West Financial	0.1	11.8
12	Exelon	0.0	5.5	37	Stryker	0.9	7.1
13	Home Depot	-4.9	-49.1	38	Harley-Davidson	-4.5	-9.5
14	Wal-Mart Stores	-3.1	-18.8	39	PepsiCo	-5.3	-19.1
15	Dynegy	9.2	-95.8	40	Merck	-2.6	-7.3
16	General Dynamics	-3.2	-14.0	41	Apache	1.6	9.4
17	ConocoPhillips	-0.6	-16.6	42	Amerada Hess	-3.8	-19.5
18	Forest Laboratories	4.1	22.4	43	KB Home	6.2	0.5
19	Block (H&R)	2.1	-20.5	44	First Data	0.2	-10.6
20	Calpine	-3.7	-54.0	45	Tyco International	-0.1	-41.6
21	Occidental Petroleum	1.6	6.3	46	International Game Technology	-3.1	7.3
22	Sysco	-1.0	-0.2	47	Capital One Financial	-4.8	-37.8
23	Pulte Homes	6.9	-7.4	48	Electronic Data Systems	-2.3	-68.9
24	Marathon Oil	0.5	-22.7	49	Nabors Industries	2.2	3.1
25	Citigroup	2.5	-12.4	50	Xcel Energy	5.1	-54.3

BW PRODUCTION INDEX



The production index bounced back during the latest week. Before calculation of the four-week moving average, the index rose to 163.3, from 162.6. On a seasonally adjusted basis, lumber and rail-freight traffic led the index higher with significant rebounds. Truck assemblies and electric power production also made a positive contribution. Autos and crude-oil refining were the biggest laggards, while steel and coal also showed moderate declines.

Information on each of the index components is at www.businessweek.com
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For more investment data and the components of the production index, visit www.businessweek.com