

# 2003: The View from the Street

## The BusinessWeek Market Survey

We polled some of the smartest players on Wall Street, and by a wide margin, they predict a significantly stronger market. A few even see the Dow breaking 11,000.

NAME/FIRM	DOW JONES INDUSTRIAL AVERAGE MIDYEAR YEAREND	S&P 500 COMPOSITE YEAREND	NASDAQ 2000 YEAREND	RUSSELL 2000 YEAREND	ASSET ALLOCATION* STOCKS BONDS CASH	FAVORITE STOCK SECTOR	FAVORITE STOCK
ELAINE GARZARELLI Garzarelli Capital	11400	1200			100 0 0	Consumer Durables	Citigroup
MICHAEL PAINCHAUD Market Profile Theorems	11201	11301	2000	530	75 20 0	Technology	Electronic Data Systems
DENNIS FERRO Evergreen Investments	9300	11150	1134	473	65 35 0	Financials	eBAY
ALLAN RONESS ASR Corporate Consultants	10000	11000	1185	485	90 10 0	Financials	Liberty Media
JOHN REGAN Americal Investment Strategies	9888	10856	1149	500	80 15 5	Technology	Dell Computer
JAMES PAULSEN Wells Capital Management	9700	10750	1150	525	80 20 0	Technology	
TOBIN SMITH ChangeWave Research	9500	10680	1025	450	70 20 10	Health Care	Fluor
THOMAS McMANUS Banc of America Securities	10000	10600	1100	500	70 20 10	Ind. Cyclicals	Patterson-UTI Energy
C. KIM GOODWIN State Street Research & Management	10000	10550	990	450	80 20 0	Financials	USA Interactive
STEVEN FOLKER Fifth Third Investment Advisors	9819	10507	1104	496	78 19 3	Technology	Cisco Systems
CHARLES BLOOD Brown Brothers Harriman	10000	10500	1125	490	80 20 0	Health Care	
SUBODH KUMAR CIBC World Markets	9500	10500	1250	550	75 20 2	Financials	Citigroup
JOSEPH BATTIPAGLIA Ryan Beck	9450	10500	1150		80 20 0	Health Care	North Fork Bank
JEFFREY KLEINTOP PNC Advisors	9950	10450	1100	480	70 30 0	Health Care	Citigroup
GARY TAPP SunTrust Robinson Humphrey	9575	10450	1130	490	85 10 5	Utilities	AllTel
DAVID KATZ Matrix Asset Advisors	9795	10410	1105	471	80 15 5	Technology	Guidant
TOBIAS LEVKOVICH Salomon Smith Barney	10375	1075			60 30 10	Financials	American International Group
JOSHUA BROOKS Delaware Investments	9750	10370	1100	440	70 25 5	Financials	HCA
CLARE ZEMPEL Robert W. Baird & Co.	9650	10350	1100	485	65 35 0	Health Care	Fiserv
BARRY HYMAN Independent Strategist	9700	10300	1070	465	65 15 20	Financials	Liberty Media
JEFFREY M. APPLIGATE Independent Strategist	9400	10250	1100		70 10 20	Health Care	Microsoft
IVAN GEFFEN vFinance	9600	10100	1050	468	70 20 10	Health Care	
JASON TRENNERT ISI Group	9400	10050	1050	450	65 30 5	Retail	Best Buy
RICHARD SICHEL Philadelphia Trust Co.	9819	10011	1044	1771	60 35 5	Health Care	Johnson & Johnson
ASHER PLAUT Brill Securities	9525	10010	1106	655	70 30 0	Technology	Checkpoint Software
PETER TRAPP Needham Investment Management	9000	10000	1000	2000	100 0 0	Technology	Motorola
ROBERT CHRISTIAN Wilmington Trust	10000	10000	1000	1800	53 25 0	Health Care	
JOSEPH LIRO Stone & McCarthy Research Associates	9500	9975	1110	1700	470 65 25 10	Ind. Cyclicals	Pfizer
PHILIP ORLANDO Value Line Asset Management	9575	9958	1121	1721	448 85 10 5	Health Care	United Health

### MOST POPULAR STOCKS

CITIGROUP	NUMBER OF RECOMMENDATIONS
PFIZER	4
CISCO SYSTEMS	3
LIBERTY MEDIA	2
MICROSOFT	2

### MOST POPULAR SECTORS

HEALTH CARE	NUMBER OF RECOMMENDATIONS
TECHNOLOGY	17
FINANCIALS	14
INDUSTRIAL CYCLICALS	14
	5

INDEX FORECAST RANGES		HIGH	LOW	AVG.
DOW JONES INDUSTRIAL AVERAGE		11400	7600	9871
NASDAQ COMPOSITE		2500	1065	1703
S&P 500		1250	800	1049
RUSSELL 2000		655	390	467

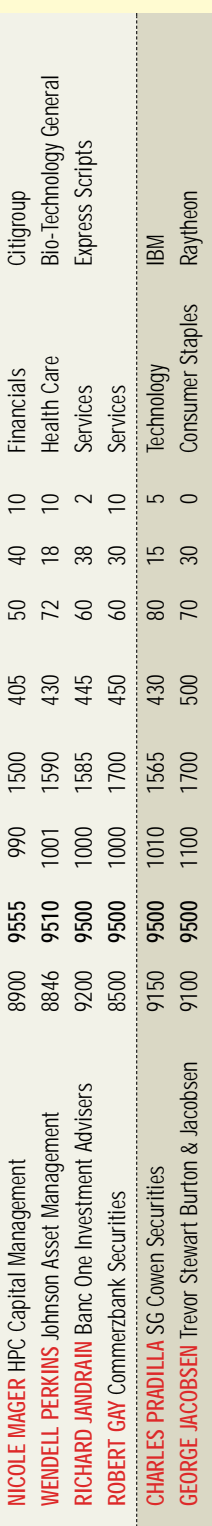
9400	9920	1050	1660	60	15	25	Basic Materials	Flextronics
<b>SAM STOVALL</b> Standard & Poor's								
9325	9875	1025	1660	65	35	0	Ind. Cyclicals	Harsco
9300	9850	1040	1750	70	20	10	Retail	Kohls
8800	9850	1080	1620	75	15	10	Health Care	UST
9300	9800	1020	1625	455	70	20	Consumer Cyclicals	Clear Channel Comm.
9300	9800	1020	1625	455	64	0	Ind. Cyclicals	Honeywell
8300	9800	1000	1650	480	70	20	Technology	General Electric
9350	9800	1043	1600	460	70	20	Technology	NASDAQ 100 Trust
9650	9800	1050	1850	445	75	15	Financials	Pfizer
9250	9794	1244	1810	60	0	15	Technology	Riverstone Networks
9600	9750	1050	1700	460	63	37	Utilities	
9500	9700	1020	1630	460	65	35	Consumer Staples	
9000	9650	1175	2250	475	45	10	Technology	Cisco Systems
9000	9650	1050	1550	450	65	35	Financials	Microsoft
9367	9645	1014	1616	448	58	20	0	
9162	9608	1030	1641	443	50	20	Financials	Merrill Lynch
8000	9600	943	1500	420	70	30	0	
8900	9555	990	1500	405	50	40	10	Consumer Durables
8846	9510	1001	1590	430	72	18	10	Financials
9200	9500	1000	1585	445	60	38	2	Health Care
8500	9500	1000	1700	450	60	30	10	Services
9150	9500	1010	1565	430	80	15	5	Services
9100	9500	1100	1700	500	70	30	0	Technology
9150	9500	1000	1625	420	69	31	0	Consumer Staples
9172	9482	1000	1625	420	70	30	0	Financials
10200	9400	1020	1800	480	70	20	10	Consumer Staples
9500	9300	975	1500	629	70	30	0	Technology
9000	9300	985	1550	435	70	25	5	Health Care
8200	9000	900	1300	450	60	40	0	Consumer Staples
7200	9000	1000	1500	390	60	20	15	Health Care
9000	8800	930	1500	400	80	0	20	Ind. Cyclicals
6000	8500	950	2200	425	25	0	65	Financials
9500	8250	875	1250	53	42	4	0	Technology
9720	7800	910	1065	410	50	20	0	Energy
8100	7600	800	1020	50	30	20	0	Utilities
1020			1020	75	25	0	0	Health Care
860			860	45	35	20	0	Consumer Staples
<b>9300</b>	<b>9871</b>	<b>1049</b>	<b>1703</b>	<b>68</b>	<b>23</b>	<b>7</b>		

Subodh Kumar of CIBC World Markets is the biggest bull on the S&P 500 and the Nasdaq. Why? Better profits, fueled by easy Fed policy and higher capital spending.

9400	9920	1050	1660	60	15	25	Basic Materials	Flextronics
9325	9875	1025	1660	65	35	0	Ind. Cyclicals	Harsco
9300	9850	1040	1750	70	20	10	Retail	Kohls
8800	9850	1080	1620	75	15	10	Health Care	UST
9300	9800	1020	1625	455	70	20	Consumer Cyclicals	Clear Channel Comm.
9300	9800	1020	1625	455	64	0	Ind. Cyclicals	Honeywell
8300	9800	1000	1650	480	70	20	Technology	General Electric
9350	9800	1043	1600	460	70	20	Technology	NASDAQ 100 Trust
9650	9800	1050	1850	445	75	15	Financials	Pfizer
9250	9794	1244	1810	60	0	15	Technology	Riverstone Networks
9600	9750	1050	1700	460	63	37	0	Utilities
9500	9700	1020	1630	460	65	35	0	Consumer Staples
9000	9650	1175	2250	475	45	10	Technology	Cisco Systems
9000	9650	1050	1550	450	65	35	0	Financials
9367	9645	1014	1616	448	58	20	0	
9162	9608	1030	1641	443	50	20	30	Financials
8000	9600	943	1500	420	70	30	0	
8900	9555	990	1500	405	50	40	10	Consumer Durables
8846	9510	1001	1590	430	72	18	10	Financials
9200	9500	1000	1585	445	60	38	2	Health Care
8500	9500	1000	1700	450	60	30	10	Services
9150	9500	1010	1565	430	80	15	5	Services
9100	9500	1100	1700	500	70	30	0	Technology
9150	9500	1000	1625	420	69	31	0	Consumer Staples
9172	9482	1000	1625	420	70	30	0	Financials
10200	9400	1020	1800	480	70	20	10	Consumer Staples
9500	9300	975	1500	629	70	30	0	Technology
9000	9300	985	1550	435	70	25	5	Health Care
8200	9000	900	1300	450	60	40	0	Consumer Staples
7200	9000	1000	1500	390	60	20	15	Health Care
9000	8800	930	1500	400	80	0	20	Ind. Cyclicals
6000	8500	950	2200	425	25	0	65	Financials
9500	8250	875	1250	53	42	4	0	Technology
9720	7800	910	1065	410	50	20	0	Energy
8100	7600	800	1020	50	30	20	0	Utilities
1020			1020	75	25	0	0	Health Care
860			860	45	35	20	0	Consumer Staples
<b>9300</b>	<b>9871</b>	<b>1049</b>	<b>1703</b>	<b>68</b>	<b>23</b>	<b>7</b>		

**THE CONSENSUS ASSET ALLOCATION**

- U.S. STOCKS
- NON-U.S. STOCKS
- CASH
- OTHER
- BONDS



The forecasters we surveyed like stocks both at home and abroad, but they're not betting the bank on them. Even with record low interest rates, they still put 23% in bonds and 7% in cash.

9400	9920	1050	1660	60	15	25	Basic Materials	Flextronics
9325	9875	1025	1660	65	35	0	Ind. Cyclicals	Harsco
9300	9850	1040	1750	70	20	10	Retail	Kohls
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9600	9750	1050	1700	460	63	37	0	Utilities
9500	9700	1020	1630	460	65	35	0	Consumer Staples
9000	9650	1175	2250	475	45	10	Technology	Cisco Systems
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9367	9645	1014	1616	448	58	20	0	
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8000	9600	943	1500	420	70	30	0	
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**CONSENSUS**

\* Asset allocations do not total 100% because of allocations in other categories, such as REITs, gold, and hedge funds.

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