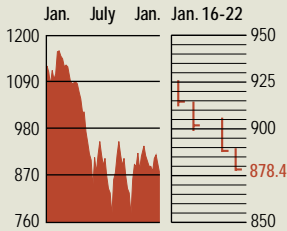


STOCKS

S&P 500

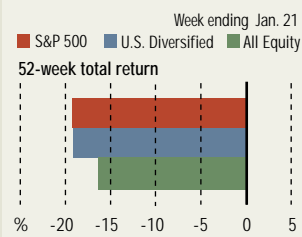
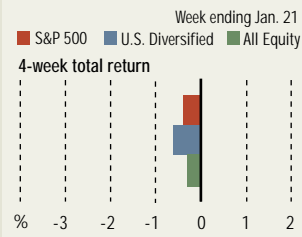


COMMENTARY

The three major indexes fell throughout the week, with uncertainty over Iraq contributing to the gloom. The NASDAQ Composite fell 5.5%, the Dow Jones industrial average dipped 4.6%, and the S&P 500 was down 4.3%. Earnings shortfalls didn't help. J.P. Morgan Chase announced a dreary quarter; Eastman Kodak said it would not meet profit targets.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	JAN. 22	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	878.4	-4.3	-0.2	-22.1
Dow Jones Industrials	8318.7	-4.6	-0.3	-14.9
NASDAQ Composite	1359.5	-5.5	1.8	-29.6
S&P MidCap 400	423.2	-3.7	-1.5	-14.9
S&P SmallCap 600	193.0	-3.3	-1.8	-14.9
Wilshire 5000	8322.1	-4.1	-0.3	-20.8

SECTORS

BusinessWeek 50*	537.4	-3.3	-0.9	-23.5
BusinessWeek Info Tech 100**	289.3	-6.3	1.3	-27.7
S&P/BARRA Growth	447.6	-4.1	-0.3	-24.0
S&P/BARRA Value	427.7	-4.6	-0.1	-20.4
S&P Energy	176.9	-3.3	-3.4	-12.0
S&P Financials	301.2	-4.2	1.5	-15.3
S&P REIT	87.2	-2.3	-4.0	-6.5
S&P Transportation	163.6	-4.9	-3.7	-16.9
S&P Utilities	97.2	-3.7	-0.6	-31.4
GSTI Internet	77.5	-5.0	3.7	-22.6
PSE Technology	464.1	-6.0	1.3	-31.5

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

GLOBAL MARKETS

	JAN. 22	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	833.7	-5.9	-1.3	-19.3
London (FT-SE 100)	3678.0	-5.4	-6.7	-28.6
Paris (CAC 40)	2931.4	-6.5	-4.3	-34.1
Frankfurt (DAX)	2803.3	-8.1	-3.1	-44.4
Tokyo (NIKKEI 225)	8611.0	0.0	0.4	-14.3
Hong Kong (Hang Seng)	9560.3	-3.2	2.6	-11.5
Toronto (S&P/TSX Composite)	6721.3	-1.2	1.6	-11.4
Mexico City (IPC)	6024.1	-5.9	-1.7	-8.8

FUNDAMENTALS

	JAN. 21	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.79%	1.71%	1.40%
S&P 500 P/E Ratio (Trailing 12 mos.)	28.3	29.8	55.1
S&P 500 P/E Ratio (Next 12 mos.)*	16.1	16.7	21.5
First Call Earnings Surprise*	3.96%	6.99%	3.28%

*First Call Corp.

TECHNICAL INDICATORS

	JAN. 21	WK. AGO	READING
S&P 500 200-day average	944.0	948.4	Negative
Stocks above 200-day average	32.0%	39.0%	Positive
Options: Put/call ratio	0.72	0.72	Positive
Insiders: Vickers NYSE Sell/buy ratio	2.34	2.28	Neutral

BEST-PERFORMING GROUPS

Group	LAST MONTH %	LAST 12 MONTHS %
Divsfd. Metals & Mining	10.5	37.8
Office Electronics	9.8	26.4
Broadcasting	9.6	22.2
Internet Software	8.1	16.8
Internet Retail	7.7	14.4

EQUITY FUND CATEGORIES

Category	4-WEEK TOTAL RETURN %	52-WEEK TOTAL RETURN %
LEADERS		
Japan	4.9	55.9
Communications	4.2	2.0
Diversified Pacific/Asia	2.5	1.4
Precious Metals	2.4	-4.7
LAGGARDS		
Natural Resources	-3.3	-38.6
Real Estate	-2.2	-31.4
Latin America	-2.1	-24.9
Mid-cap Growth	-1.3	-24.7

EQUITY FUNDS

Fund	4-WEEK TOTAL RETURN %	52-WEEK TOTAL RETURN %
LEADERS		
Sm. Barney Telcms. Inc.	64.9	88.5
OPTI-flex Dynamic	18.5	77.3
Apex Mid Cap Growth	17.6	74.0
Van Wagoner Post Venture	10.8	71.9
LAGGARDS		
Frontier Equity	-13.0	-68.0
Fidelity Sel. Energy Serv.	-10.9	-65.4
Rydex Energy Svcs. Adv.	-9.9	-64.4
ICON Energy	-8.2	-63.6

WORST-PERFORMING GROUPS

Group	LAST MONTH %	LAST 12 MONTHS %
Airlines	-16.6	-67.3
Motorcycles	-12.9	-59.4
Aluminum	-12.8	-55.0
Building Products	-12.1	-52.6
Constr. Materials	-11.1	-50.9

INTEREST RATES

KEY RATES

	JAN. 22	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	0.99%	1.01%	1.69%
90-DAY TREASURY BILLS	1.16	1.18	1.69
2-YEAR TREASURY NOTES	1.61	1.72	3.01
10-YEAR TREASURY NOTES	3.91	4.06	5.03
30-YEAR TREASURY BONDS	4.85	4.96	5.47
30-YEAR FIXED MORTGAGE†	5.88	6.02	6.96

†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	3.84%	4.72%
TAXABLE EQUIVALENT	5.49	6.74
INSURED REVENUE BONDS	4.01	5.00
TAXABLE EQUIVALENT	5.73	7.14

THE WEEK AHEAD

DURABLE GOODS ORDERS Tuesday, Jan. 28, 8:30 a.m. EST ▶ New orders for durable goods probably rose 0.8% in December. That's based on the median forecast of economists surveyed by MMS International.

FOMC MEETING Tuesday, Jan. 28, 9 a.m. EST ▶ The Federal Reserve Board's Open Market Committee will meet for two days to set monetary policy. Economists surveyed by MMS International fully expect interest rates will hold at 1.25%.

CONSUMER CONFIDENCE Tuesday, Jan. 28, 10 a.m. EST ▶ The Conference Board's Janu-

ary confidence index very likely slipped to 80, from 80.3 in December.

GROSS DOMESTIC PRODUCT Thursday, Jan. 30, 8:30 a.m. EST ▶ The economy is forecast to have grown at an annual rate of 1% in the fourth quarter, much slower than the 4% pace of the third quarter.

EMPLOYMENT COST INDEX Thursday, Jan. 30, 8:30 a.m. EST ▶ Compensation in the fourth quarter probably climbed by 0.8%, for a second straight period.

PERSONAL INCOME Friday, Jan. 31, 8:30

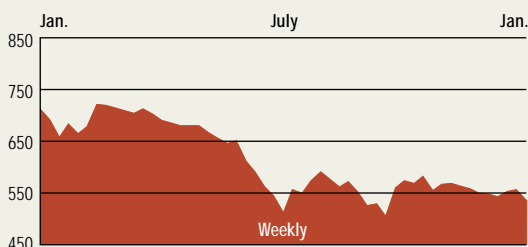
a.m. EST ▶ Personal income in December most likely rose 0.2%, while personal ex-

The BusinessWeek production index rose in the week ended Jan. 11 to 194.6, up 4.3% from a year ago. The index has been revised back to 1992 to reflect the impact of the new North American Industry Classification System on certain components. More complete information is available at www.businessweek.com.

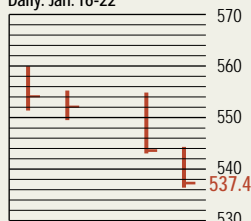
BusinessWeek online

For the BW 50, more investment data, and the components of the production index visit www.businessweek.com

THE BUSINESSWEEK FIFTY



Daily: Jan. 16-22



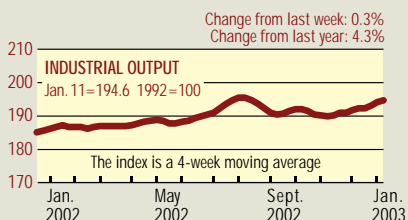
The BW 50 outperformed the broader indexes even though only six of the companies were in the positive column for the week. KB Home, benefiting from the strong housing market, rose 4.8%. Among the losing stocks, Electronic Data Systems fell 16.2% after Fitch downgraded its debt on news of an SEC investigation. Defense giant General Dynamics fell 15.9%, after reporting lower-than-expected earnings for the fourth quarter.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/02			WEEK	SINCE 3/1/02
1	Johnson & Johnson	-1.8	-11.3	26	Tenet Healthcare	-1.5	-51.8
2	Freddie Mac	-3.6	-3.3	27	Household International	-4.5	-47.2
3	Pfizer	0.9	-25.0	28	WellPoint Health Networks	3.3	15.0
4	MBNA	-7.7	-20.8	29	Washington Mutual	-2.7	5.7
5	Philip Morris	-0.7	-22.5	30	Duke Energy	-5.1	-51.5
6	KLA-Tencor	-5.9	-37.5	31	Kohl's	-8.1	-20.9
7	Fannie Mae	-2.2	-13.6	32	Bed Bath & Beyond	-4.2	1.3
8	Lowe's	-7.5	-22.3	33	Cardinal Health	-0.7	-9.9
9	Best Buy	-3.3	-39.8	34	Centex	-0.5	-10.1
10	AmerisourceBergen	0.8	-19.4	35	American Electric Power	-2.7	-39.4
11	UnitedHealth Group	0.9	14.2	36	Golden West Financial	-0.1	16.4
12	Exelon	-4.9	6.0	37	Stryker	-1.5	7.6
13	Home Depot	-1.3	-56.8	38	Harley-Davidson	-14.5	-19.5
14	Wal-Mart Stores	-5.0	-22.5	39	PepsiCo	-0.3	-15.2
15	Dynegy	-11.9	-91.6	40	Merck	-6.2	-9.3
16	General Dynamics	-15.9	-28.6	41	Apache	1.0	17.4
17	ConocoPhillips	-0.5	-19.7	42	Amerada Hess	-1.0	-19.4
18	Forest Laboratories	-5.1	30.4	43	KB Home	4.8	5.8
19	Block (H&R)	-4.8	-22.3	44	First Data	-6.7	-17.1
20	Calpine	-10.7	-50.2	45	Tyco International	-7.8	-43.3
21	Occidental Petroleum	-0.6	5.9	46	International Game Technology	-0.9	13.2
22	Sysco	-0.5	0.8	47	Capital One Financial	-11.2	-33.4
23	Pulte Homes	-1.0	-2.1	48	Electronic Data Systems	-16.2	-71.6
24	Marathon Oil	-3.5	-23.9	49	Nabors Industries	-0.3	-5.2
25	Citigroup	-4.1	-15.4	50	Xcel Energy	-2.9	-50.0

Data: Reuters

BW PRODUCTION INDEX



The **Production Index** rose. Before calculation of the four-week moving average, however, the index slipped to 195.6, from 195.9. After seasonal adjustments, trucks, lumber, and electric power lifted the index. Crude-oil refining and coal were the biggest drags, followed by steel, autos, and rail-freight traffic. The index has been revised back to 1992 to reflect the impact of the new North American Industry Classification System on certain components. To request the new data, please e-mail business_outlook@businessweek.com.

Information on each of the index components is at www.businessweek.com
 BW production index Copyright 2002 by The McGraw-Hill Companies

ONLINE RESOURCES

BW 50 Track the index and the companies in it all day long. Plus: our exclusive Info Tech 100 index.

BUSINESSWEEK INVESTING Real-time market coverage and investment tools in partnership with Standard & Poor's.

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BusinessWeek online

For more investment data and the components of the production index, visit www.businessweek.com