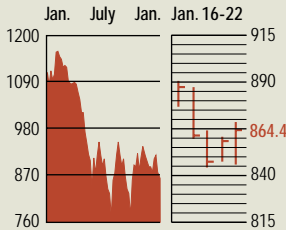


STOCKS

S&P 500

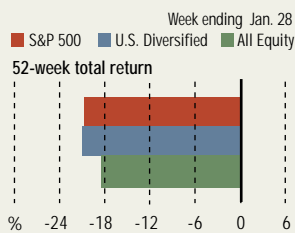
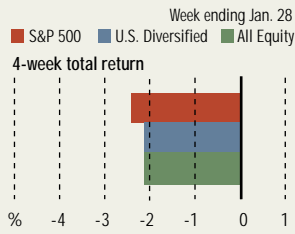


COMMENTARY

An impending war with Iraq, rising oil prices, and sagging consumer confidence had the market in a dither this week. All the major market indexes ended lower on Jan. 29, despite a mini-rally on the news that the Federal Reserve would keep interest rates low. The Dow lost 2.5%, the S&P 500 shed 1.6%, and the tech-heavy Nasdaq was flat.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	JAN. 29	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	864.4	-1.6	-1.8	-23.7
Dow Jones Industrials	8110.7	-2.5	-2.8	-17.8
NASDAQ Composite	1358.1	-0.1	1.7	-30.1
S&P MidCap 400	417.2	-1.4	-2.9	-17.8
S&P SmallCap 600	190.3	-1.4	-3.2	-17.7
Wilshire 5000	8194.2	-1.5	-1.8	-22.6

SECTORS

	JAN. 29	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	527.7	-1.8	-2.7	-22.7
BusinessWeek Info Tech 100**	283.9	-1.9	-0.5	-28.6
S&P/BARRA Growth	441.5	-1.4	-1.6	-25.2
S&P/BARRA Value	419.9	-1.8	-1.9	-22.5
S&P Energy	177.7	0.5	-2.9	-14.2
S&P Financials	293.3	-2.6	-1.2	-17.4
S&P REIT	87.1	-0.1	-4.1	-6.5
S&P Transportation	161.9	-1.1	-4.7	-22.6
S&P Utilities	95.3	-1.9	-2.5	-31.6
GSTI Internet	76.7	-1.0	2.7	-26.4
PSE Technology	465.0	0.2	1.5	-32.1

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

GLOBAL MARKETS

	JAN. 29	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	807.3	-3.2	-4.4	-19.8
London (FT-SE 100)	3483.8	-5.3	-11.6	-32.1
Paris (CAC 40)	2840.1	-3.1	-7.3	-36.6
Frankfurt (DAX)	2706.6	-3.4	-6.4	-46.8
Tokyo (NIKKEI 225)	8331.1	-3.3	-2.9	-16.9
Hong Kong (Hang Seng)	9240.8	-3.3	-0.9	-16.1
Toronto (S&P/TSX Composite)	6573.2	-2.2	-0.6	-14.0
Mexico City (IPC)	5938.0	-1.4	-3.1	-13.6

FUNDAMENTALS

	JAN. 28	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.85%	1.79%	1.42%
S&P 500 P/E Ratio (Trailing 12 mos.)	26.6	28.3	53.7
S&P 500 P/E Ratio (Next 12 mos.)*	15.7	16.1	21.0
First Call Earnings Surprise*	3.35%	3.96%	1.10%

*First Call Corp.

TECHNICAL INDICATORS

	JAN. 28	WK. AGO	READING
S&P 500 200-day average	937.7	944.0	Negative
Stocks above 200-day average	28.0%	32.0%	Positive
Options: Put/call ratio	0.77	0.72	Positive
Insiders: Vickers NYSE Sell/buy ratio	2.38	2.34	Neutral

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Computer Stge. & Perphs.	18.7	25.0
Office Electronics	16.5	17.4
Internet Software	14.2	17.3
Broadcasting	14.1	11.5
Internet Retail	11.8	7.4

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
Precious Metals	3.0	Precious Metals	57.3
Pacific/Asia ex-Japan	1.9	Real Estate	0.6
Technology	1.9	Natural Resources	-2.6
Communications	-0.3	Japan	-6.8
LAGGARDS		LAGGARDS	
Latin America	-6.6	Technology	-40.5
Europe	-5.2	Communications	-33.5
Natural Resources	-4.3	Small-cap Growth	-26.9
Foreign	-4.1	Large-cap Growth	-24.9

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
ASAF Bernstein Mgd. 500 B	53.1	First Eagle SoGen Gold	89.7
Apex Mid Cap Growth	16.7	Monterey OCM Gold	76.9
iShares MSCI Taiwan Index	12.3	Van Eck Intl. Invr. Gold A	76.4
New York Equity	12.3	Gabelli Gold	72.8
LAGGARDS		LAGGARDS	
iShares MSCI Brazil Index	-10.1	ProFunds UltraSemicdr. Inv.	-70.9
iShares MSCI UK Index	-9.4	ProFunds UltraWr. Serv.	-68.9
RS Diversified Growth A	-9.3	ProFunds UltraOTC Inv.	-65.8
iShares MSCI Nethlds. Idx.	-9.1	Rydex Dynam. Veloc. 100	-65.2

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Photographic Products	-15.4	-68.2
IT Consulting	-10.9	-59.6
Household Appliances	-10.7	-57.9
Tobacco	-9.9	-52.0
Aluminum	-9.8	-50.1

INTEREST RATES

KEY RATES

	JAN. 29	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	0.96%	0.99%	1.66%
90-DAY TREASURY BILLS	1.17	1.16	1.75
2-YEAR TREASURY NOTES	1.70	1.61	3.09
10-YEAR TREASURY NOTES	4.02	3.91	5.01
30-YEAR TREASURY BONDS	4.91	4.85	5.43
30-YEAR FIXED MORTGAGE†	5.97	5.88	6.96

†BancQuote, 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%	4.75%
TAXABLE EQUIVALENT	5.51	6.79
INSURED REVENUE BONDS	4.00	5.00
TAXABLE EQUIVALENT	5.71	7.14

THE WEEK AHEAD

PURCHASING MANAGERS' INDEX Monday, Feb. 3, 10 a.m. EST ► The Institute for Supply Management's January industrial-activity index probably slipped to 53.5%. That's based on the median forecast of economists surveyed by MMS International.

VEHICLE SALES Tuesday, Feb. 4 EST ► Sales of U.S.-made and imported cars and light trucks most likely slowed to an annual pace of about 16 million in January.

PRODUCTIVITY & COSTS Thursday, Feb. 6, 8:30 a.m. EST ► Output per hour worked in the fourth quarter is expected to have

increased at a 0.7% annual rate after a 5.1% jump in the third quarter. Unit labor costs most likely surged 2.7%, following a 0.2% decline from the previous quarter.

EMPLOYMENT Friday, Feb. 7, 8:30 a.m. EST ► Nonfarm payrolls in January are forecast to have grown by 50,000, while factories most likely trimmed 38,000 jobs. The jobless rate probably held at 6%, with hourly earnings very likely rising 0.3%.

INSTALLMENT CREDIT Friday, Feb. 7, 3 p.m. EST ► Consumers are expected to have added another \$3.4 billion of debt in De-

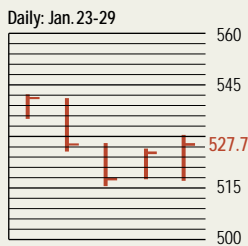
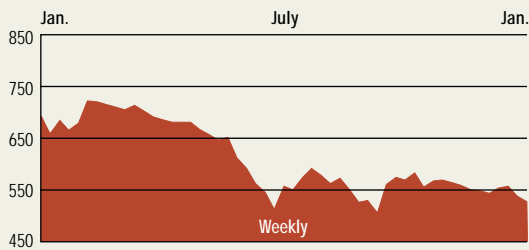
ember, compared with a decline of \$2.2 billion in November.

The *BusinessWeek* production index rose in the week ended Jan. 18 to 195.1, up 4.3% from the year before. 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



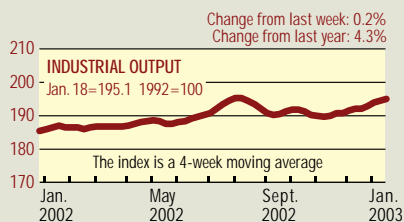
THE BW 50 lost 1.8% this week in a tumultuous market. The best performer was energy outfit Dynegy, which rose 10.3% on news that it was divesting itself of some trading businesses. The company formerly known as Philip Morris, now tobacco and food giant Altria, lost 9.3% as fourth quarter profits fell more than 18%. Many large, blue-chip stocks, including Pfizer, Home Depot, Citigroup, and PepsiCo., ended the week down.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/02			WEEK	SINCE 3/1/02
1	Johnson & Johnson	-3.0	-14.0	26	Tenet Healthcare	-2.4	-53.0
2	Freddie Mac	-6.8	-9.8	27	Household International	-3.5	-49.0
3	Pfizer	-0.5	-25.4	28	WellPoint Health Networks	1.5	16.7
4	MBNA	-5.8	-25.4	29	Washington Mutual	-0.9	4.8
5	Altria	-9.3	-29.7	30	Duke Energy	-0.6	-51.8
6	KLA-Tencor	-1.0	-38.1	31	Kohl's	-2.5	-22.9
7	Fannie Mae	-3.1	-16.3	32	Bed Bath & Beyond	0.4	1.8
8	Lowe's	-1.5	-23.5	33	Cardinal Health	-3.0	-12.6
9	Best Buy	-1.9	-41.0	34	Centex	4.7	-5.9
10	AmerisourceBergen	6.9	-13.8	35	American Electric Power	-9.4	-45.1
11	UnitedHealth Group	3.9	18.6	36	Golden West Financial	-1.2	15.0
12	Exelon	-1.7	4.2	37	Stryker	-4.9	2.4
13	Home Depot	-2.8	-58.1	38	Harley-Davidson	0.5	-19.2
14	Wal-Mart Stores	0.1	-22.4	39	PepsiCo	-5.4	-19.8
15	Dynegy	10.3	-90.8	40	Merck	-0.4	-9.7
16	General Dynamics	2.4	-26.9	41	Apache	-2.0	15.1
17	ConocoPhillips	1.2	-18.8	42	Amerada Hess	0.8	-18.8
18	Forest Laboratories	-0.9	29.3	43	KB Home	-1.1	4.7
19	Block (H&R)	-2.0	-23.8	44	First Data	4.3	-13.5
20	Calpine	-5.2	-52.8	45	Tyco International	-1.8	-44.3
21	Occidental Petroleum	0.9	6.9	46	International Game Technology	4.1	17.7
22	Sysco	-5.7	-4.9	47	Capital One Financial	-2.9	-35.4
23	Pulte Homes	1.5	-0.6	48	Electronic Data Systems	-0.1	-71.6
24	Marathon Oil	1.6	-22.6	49	Nabors Industries	2.6	-2.7
25	Citigroup	-1.0	-16.2	50	Xcel Energy	-4.5	-52.2

Data: Reuters

BW PRODUCTION INDEX



The **Production Index** moved slightly higher. Before calculation of the four-week moving average, though, the index slipped once again. On a seasonally adjusted basis, gains were posted by only two components: steel and electric power. Vehicles, crude-oil refining, coal, lumber, and rail-freight traffic were all lower. 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.

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