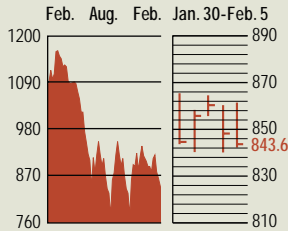


## STOCKS

### S&P 500

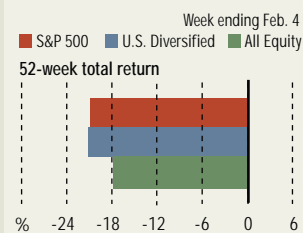
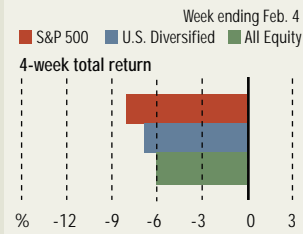


## COMMENTARY

The markets reacted positively at first to Secretary of State Colin L. Powell's presentation of the case against Iraq to the U.N. Security Council. But support for stocks faded as investors began to fret about a war's side effects on an already weak U.S. economy. For the week, the NASDAQ, S&P, and Dow fell 4.2%, 2.4%, and 1.5%, respectively.

Data: Bloomberg Financial Markets, Reuters

## MUTUAL FUNDS



Data: Standard & Poor's

## U.S. MARKETS

	FEB. 5	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	843.6	-2.4	-4.1	-22.6
Dow Jones Industrials	7985.2	-1.5	-4.3	-17.6
NASDAQ Composite	1301.5	-4.2	-2.5	-29.2
S&P MidCap 400	411.3	-1.4	-4.3	-16.5
S&P SmallCap 600	187.3	-1.6	-4.8	-17.6
Wilshire 5000	8010.0	-2.2	-4.0	-21.5

## SECTORS

	FEB. 5	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	518.8	-1.7	-4.4	-21.5
BusinessWeek Info Tech 100**	276.7	-2.6	-3.1	-27.5
S&P/BARRA Growth	432.0	-2.1	-3.7	-25.5
S&P/BARRA Value	408.8	-2.7	-4.5	-19.9
S&P Energy	179.7	1.1	-1.9	-11.6
S&P Financials	283.7	-3.3	-4.4	-14.4
S&P REIT	87.7	0.8	-3.4	-6.1
S&P Transportation	161.6	-0.2	-4.9	-22.6
S&P Utilities	92.7	-2.7	-5.1	-30.2
GSTI Internet	73.0	-4.8	-2.3	-17.4
PSE Technology	447.3	-3.8	-2.4	-31.9

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

## GLOBAL MARKETS

	FEB. 5	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	815.8	1.1	-3.4	-17.0
London (FT-SE 100)	3678.7	5.6	-6.6	-27.8
Paris (CAC 40)	2884.6	1.6	-5.9	-33.0
Frankfurt (DAX)	2725.9	0.7	-5.8	-44.8
Tokyo (NIKKEI 225)	8549.9	2.6	-0.3	-9.8
Hong Kong (Hang Seng)	9180.5	-0.7	-1.5	-13.5
Toronto (S&P/TSX Composite)	6521.0	-0.8	-1.4	-13.3
Mexico City (IPC)	5968.5	0.5	-2.6	-13.1

## FUNDAMENTALS

	FEB. 4	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.88%	1.85%	1.43%
S&P 500 P/E Ratio (Trailing 12 mos.)	30.0	26.6	59.0
S&P 500 P/E Ratio (Next 12 mos.)*	15.3	15.7	20.5
First Call Earnings Surprise*	3.11%	3.35%	1.41%

\*First Call Corp.

## TECHNICAL INDICATORS

	FEB. 4	WK. AGO	READING
S&P 500 200-day average	931.0	937.7	Negative
Stocks above 200-day average	32.0%	28.0%	Positive
Options: Put/call ratio	0.86	0.77	Positive
Insiders: Vickers NYSE Sell/buy ratio	2.24	2.38	Neutral

## BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Comptr. Stge. & Perphs.	9.8	Metal & Glass Containers 23.0
Computer Stores	8.1	Photographic Products 13.0
Distillers & Vintners	6.4	Internet Software 13.0
Office Electronics	5.6	Divsfd. Metals & Mining 11.7
Internet Retail	5.1	Casinos 8.7

## WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Tires & Rubber	-26.2	Tires & Rubber -66.4
Advertising	-16.9	Multi-Utilities -63.2
Aluminum	-16.6	IT Consulting -58.2
Semiconductor Equip.	-16.6	Semiconductors -54.8
Photographic Products	-16.5	Instrumentation -49.6

## EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
<b>LEADERS</b>		<b>LEADERS</b>	
Precious Metals	5.5	Precious Metals	43.5
Natural Resources	0.8	Real Estate	1.5
Pacific/Asia ex-Japan	-0.9	Natural Resources	0.9
Japan	-1.2	Japan	-2.0
<b>LAGGARDS</b>		<b>LAGGARDS</b>	
Technology	-10.4	Technology	-39.4
Communications	-9.9	Communications	-29.1
Latin America	-8.9	Small-cap Growth	-26.6
Large-cap Value	-7.3	Large-cap Growth	-25.0

## EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
<b>LEADERS</b>		<b>LEADERS</b>	
Saratoga Hlth. & Biotech. A	163.4	First EagleGold	70.2
ASAF Bernstein Mgd. 500 B	45.9	Saratoga Hlth. & Biotech. A	60.3
ProFunds UltraShort OTC	18.8	Monterey OCM Gold	60.2
Rydex Dynam. Vent. 100	18.6	Van Eck Intl. Invrs. Gold A	58.4
<b>LAGGARDS</b>		<b>LAGGARDS</b>	
ProFunds UltraWriss. Serv.	-22.3	ProFunds UltraSemicdr. Inv.	-72.9
ProFunds UltraSemicdr. Inv.	-20.7	ProFunds UltraOTC Inv.	-65.2
Rydex Dynam. Veloc. 100	-19.0	Rydex Dynam. Veloc. 100	-64.5
ProFunds UltraOTC Inv.	-18.7	Frontier Equity	-61.7

†BanxQuote, Inc.

## INTEREST RATES

### KEY RATES

	FEB. 5	WEEK AGO	YEAR AGO
<b>MONEY MARKET FUNDS</b>	0.94%	0.96%	1.63%
<b>90-DAY TREASURY BILLS</b>	1.16	1.17	1.73
<b>2-YEAR TREASURY NOTES</b>	1.68	1.70	2.95
<b>10-YEAR TREASURY NOTES</b>	3.96	4.02	4.92
<b>30-YEAR TREASURY BONDS</b>	4.80	4.91	5.37
<b>30-YEAR FIXED MORTGAGE †</b>	5.92	5.97	6.81

## 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
<b>GENERAL OBLIGATIONS</b>	3.90%	4.75%
<b>TAXABLE EQUIVALENT</b>	5.57	6.79
<b>INSURED REVENUE BONDS</b>	4.04	4.98
<b>TAXABLE EQUIVALENT</b>	5.77	7.11

## THE WEEK AHEAD

**RETAIL SALES** *Thursday, Feb. 13, 8:30 a.m. EST* ▶ January retail sales were most likely unchanged, while sales excluding vehicles are expected to have increased 0.4%. That's according to the median forecast of economists surveyed by MMS International. In December, retail sales jumped 1.2% on surprisingly strong vehicle sales, while sales excluding autos were flat. Consumers continued to spend in 2002, with annual retail sales rising 3.4%.

**EXPORT-IMPORT PRICES** *Thursday, Feb. 13, 8:30 a.m. EST* ▶ Import prices in January

probably climbed 0.6%, following a 0.7% gain. Higher crude oil prices are the main culprit for the recent jumps. Export prices most likely slipped 0.1%, after a 0.2% decline from December.

**BUSINESS INVENTORIES** *Friday, Feb. 14, 8:30 a.m. EST* ▶ December inventories are expected to have risen by 0.2% for the second consecutive month.

**INDUSTRIAL PRODUCTION** *Friday, Feb. 14, 9:15 a.m. EST* ▶ Factory output in January probably rose 0.2%, reversing a 0.2%

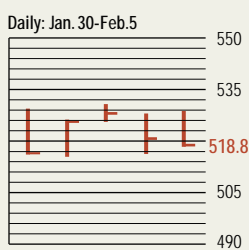
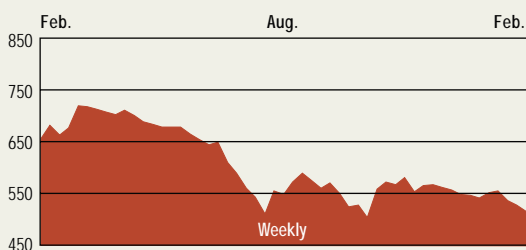
decline in the previous month. The average operating rate most likely inched up to 75.5%, from 75.4% in December.

The *BusinessWeek* production index rose to 195.4 in the week ended Jan. 25, up 4.7% from the year before. More complete information is available at [www.businessweek.com](http://www.businessweek.com).

**BusinessWeek** online

For the BW 50, more investment data, and the components of the production index visit [www.businessweek.com](http://www.businessweek.com)

## THE BUSINESSWEEK FIFTY

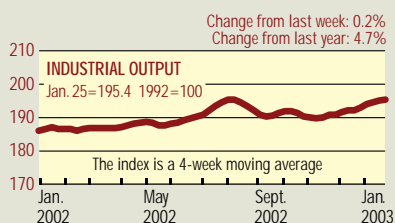


**THE BW 50** fell 1.7%. Leading the slide was Amerada Hess, down 17.8% after posting a \$371 million quarterly loss which it attributed to weak production from an African oilfield. The other drag was Dynegy, off 14.8% after restating results for the past four years. Nabors Industries, the world's biggest onshore oil driller, rose 11.2%, despite lower sales and earnings.

COMPANY PERFORMANCE		% CHANGE SINCE		% CHANGE SINCE			
RANK	COMPANY	WEEK	3/1/02	RANK	COMPANY	WEEK	3/1/02
1	Johnson & Johnson	-0.6	-14.4	26	Tenet Healthcare	-1.3	-53.6
2	Freddie Mac	-2.6	-12.2	27	Household International	1.5	-48.3
3	Pfizer	-2.8	-27.5	28	WellPoint Health Networks	-4.4	11.6
4	MBNA	-4.3	-28.6	29	Washington Mutual	1.3	6.2
5	Altria	2.8	-27.7	30	Duke Energy	-1.4	-52.4
6	KLA-Tencor	-8.5	-43.4	31	Kohl's	-0.8	-23.5
7	Fannie Mae	-2.1	-18.1	32	Bed Bath & Beyond	-3.2	-1.5
8	Lowe's	0.0	-23.5	33	Cardinal Health	-1.7	-14.1
9	Best Buy	3.5	-38.9	34	Centex	-1.8	-7.6
10	AmerisourceBergen	-0.3	-14.1	35	American Electric Power	-5.8	-48.3
11	UnitedHealth Group	-2.4	15.8	36	Golden West Financial	0.1	15.1
12	Exelon	-2.3	1.8	37	Stryker	-1.1	1.2
13	Home Depot	1.6	-57.4	38	Harley-Davidson	-1.3	-20.2
14	Wal-Mart Stores	-2.8	-24.6	39	PepsiCo	1.4	-18.7
15	Dynegy	-14.8	-92.1	40	Merck	-1.3	-10.9
16	General Dynamics	-0.6	-27.4	41	Apache	2.0	17.4
17	ConocoPhillips	2.9	-16.4	42	Amerada Hess	-17.8	-33.2
18	Forest Laboratories	-2.4	26.2	43	KB Home	1.2	5.9
19	Block (H&R)	-2.5	-25.7	44	First Data	-3.8	-16.8
20	Calpine	-10.4	-57.7	45	Tyco International	-3.7	-46.4
21	Occidental Petroleum	1.8	8.8	46	International Game Technology	-3.8	13.3
22	Sysco	3.8	-1.3	47	Capital One Financial	-4.0	-38.0
23	Pulte Homes	-2.2	-2.8	48	Electronic Data Systems	-3.0	-72.5
24	Marathon Oil	3.4	-20.0	49	Nabors Industries	11.2	8.1
25	Citigroup	-5.3	-20.7	50	Xcel Energy	-2.7	-53.5

Data: Reuters

## BW PRODUCTION INDEX



The **production index** rose over the latest week. Before calculation of the four-week moving average, the index reached 195.8, from 194.5. On a seasonally adjusted basis, auto and truck production posted the strongest gains. Electric power and crude oil-refining were also higher. Rail-freight traffic and lumber showed the largest declines, followed by coal and steel. For the month of January, the index climbed to 195.4, from 193 in December.

Information on each of the index components is at [www.businessweek.com](http://www.businessweek.com)  
BW production index Copyright 2003 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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For more investment data and the components of the production index, visit [www.businessweek.com](http://www.businessweek.com)