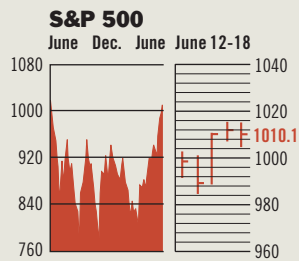


STOCKS

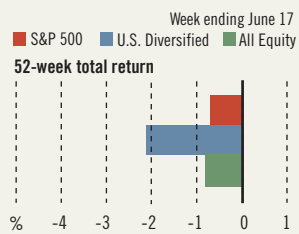
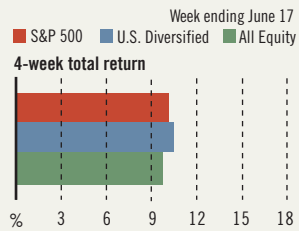


COMMENTARY

Stocks moved higher for most of the week before coming under mild pressure on June 18. After pricing in a 50 basis-point cut in rates, investors became worried that the Fed may not be so generous at its next meeting now that the economy looks ready to take off. Still, NASDAQ hit a 52-week high, while the S&P 500 ended at 1010.1.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	JUNE 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1010.1	1.3	14.8	-2.6
Dow Jones Industrials	9293.8	1.2	11.4	-4.2
NASDAQ Composite	1677.1	1.9	25.6	8.7
S&P MidCap 400	490.1	0.6	14.0	-3.7
S&P SmallCap 600	224.2	0.9	14.0	-4.7
Wilshire 5000	9646.4	1.1	15.6	-1.7

SECTORS

	JUNE 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	596.9	2.6	10.0	-8.8
BW Info Tech 100**	313.8	1.9	9.9	-1.5
S&P/BARRA Growth	513.5	2.1	14.4	-1.2
S&P/BARRA Value	493.1	0.4	15.2	-4.2
S&P Energy	199.7	-3.1	9.0	-7.2
S&P Financials	344.1	0.6	15.9	-1.8
S&P REIT	98.8	-3.4	8.8	-2.0
S&P Transportation	180.3	-0.3	6.1	-9.9
S&P Utilities	114.7	1.9	17.3	-10.5
GSTI Internet	123.3	3.0	65.0	51.2
PSE Technology	588.1	1.5	28.3	6.4

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

GLOBAL MARKETS

	JUNE 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	992.1	2.1	17.5	-1.2
London (FT-SE 100)	4207.0	1.4	6.8	-10.5
Paris (CAC 40)	3213.9	2.9	4.9	-19.8
Frankfurt (DAX)	3304.2	4.0	14.2	-25.5
Tokyo (NIKKEI 225)	9093.0	2.3	6.0	-13.2
Hong Kong (Hang Seng)	9970.3	3.2	7.0	-6.6
Toronto (S&P/TSX Composite)	7103.5	0.0	7.4	-3.1
Mexico City (IPC)	7125.4	2.1	16.3	5.3

FUNDAMENTALS

	JUNE 17	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.60%	1.64%	1.52%
S&P 500 P/E Ratio (Trailing 12 mos.)	32.3	31.5	44.0
S&P 500 P/E Ratio (Next 12 mos.)*	17.7	17.3	18.3
First Call Earnings Revision*	0.19%	-0.18%	-0.68%

*First Call Corp.

TECHNICAL INDICATORS

	JUNE 17	WK. AGO	READING
S&P 500 200-day average	888.7	886.9	Positive
Stocks above 200-day average	84.0%	80.0%	Negative
Options: Put/call ratio	0.65	0.67	Neutral
Insiders: Vickers NYSE Sell/buy ratio	3.86	3.40	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Tobacco	31.0	Internet Software 93.8
Wireless Services	25.9	Wireless Services 77.5
Divsfd. Metals & Mining	21.4	Biotechnology 47.0
Home Entertainment	20.1	Homebuilding 38.9
Homebuilding	20.0	Office Electronics 38.2

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Health	14.6	Health	10.8
Technology	12.8	Communications	10.1
Pacific/Asia ex-Japan	12.8	Precious Metals	9.8
Small-cap Growth	12.5	Real Estate	7.2
LAGGARDS			
Real Estate	3.0	Japan	-13.7
Natural Resources	5.2	Diversified Pacific/Asia	-8.8
Domestic Hybrid	6.2	Pacific/Asia ex-Japan	-5.4
Precious Metals	6.9	Miscellaneous	-3.0

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Apex Mid Cap Growth	35.1	Jacob Internet	76.8
PFds. Ult. Sm. Cp. Inv	24.8	Fidelity Adv. Lvgd. Co. A	68.1
Reynolds	24.8	Amerindo Technology D	52.7
Grand Prix A	24.7	Apex Mid Cap Growth	48.1
LAGGARDS			
PFunds. UltSh. OTC Inv.	-20.5	Frontier Equity	-67.6
Rydex Dynam. Vent. 100	-20.5	PFunds. UltSh. OTC Inv.	-46.6
Rydex Dyn. Tempest 500	-18.0	Rydex Dynam. Vent. 100	-46.5
ProFunds UltBear. Inv.	-17.9	PFds. Smicdr. Usctr. Inv.	-30.7

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Photographic Products	-4.9	Tires & Rubber -50.3
Metal & Glass Containers	-4.2	Health-Care Facilities -49.7
Oil & Gas Drilling	-3.8	IT Consulting -38.0
Motorcycles	-3.1	Multi-Utilities -34.9
Home Furnishings	-3.1	Department Stores -32.2

INTEREST RATES

KEY RATES

	JUNE 18	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	0.75%	0.76%	1.51%
90-DAY TREASURY BILLS	0.88	0.93	1.70
2-YEAR TREASURY NOTES	1.24	1.15	2.77
10-YEAR TREASURY NOTES	3.36	3.21	4.73
30-YEAR TREASURY BONDS	4.40	4.26	5.39
30-YEAR FIXED MORTGAGE †	5.29	5.21	6.55

†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	3.08%	4.40%
TAXABLE EQUIVALENT	4.40	6.29
INSURED REVENUE BONDS	3.18	4.61
TAXABLE EQUIVALENT	4.54	6.59

THE WEEK AHEAD

FOMC MEETING Tuesday, June 24, 9 a.m. EDT ▶ The Federal Reserve Board's Open Market Committee meets for two days to set monetary policy. The median forecast of economists surveyed by MMs International says the Fed will lower interest rates by 25 basis points, to 1%, on June 25.

CONSUMER CONFIDENCE Tuesday, June 24, 10 a.m. EDT ▶ The Conference Board's June confidence index probably inched down to 83 in June.

DURABLE GOODS ORDERS Wednesday, June 25, 8:30 a.m. EDT ▶ New durable goods

orders are expected to have risen by 0.7% in May, after falling by 2.3% during April.

NEW RESIDENTIAL SALES Wednesday, June 25, 10 a.m. EDT ▶ New single-family home sales in May probably eased to 1.02 million, from 1.03 million in April.

EXISTING HOME SALES Wednesday, June 25, 10 a.m. EDT ▶ Existing home sales in May are forecast to have climbed to an annual rate of 5.9 million.

PERSONAL INCOME Friday, June 27, 8:30 a.m. EDT ▶ Personal income in May probably rose 0.3%, while personal expenditures

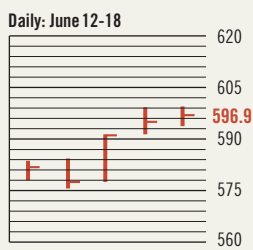
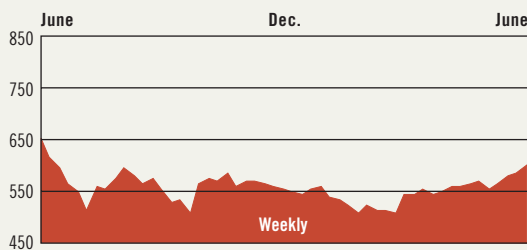
most likely grew 0.2%. In April, income remained unchanged while spending declined by 0.1%.

The *BusinessWeek* production index climbed to 194.6 in the week ended June 7, up 3.2% from a year ago. Before calculation of the four-week moving average, the index rose to 196.

BusinessWeek online

For the BW50, more investment data, and the components of the production index visit www.businessweek.com

THE BUSINESSWEEK FIFTY



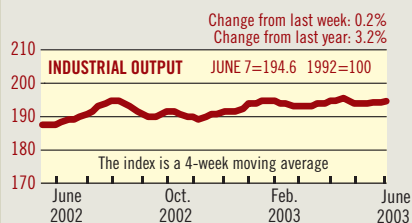
The **BW50** trounced the broader market, rising 2.6% for the week ending June 18. Investors bid up shares of drugmakers and other health-care companies after Pfizer, up 8.3% for the week, said 2004 earnings would beat expectations. The pharmaceutical giant moved into second place in U.S. market cap, ahead of Microsoft, which rose 4.8%. The biggest loser was Kohl's, which declined 5.2% after analysts downgraded it.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/03			WEEK	SINCE 3/1/03
1	Forest Laboratories	8.5	21.7	26	U.S. Bancorp	1.4	19.4
2	WellPoint Health Networks	3.0	33.0	27	H&R Block	-2.0	6.3
3	UnitedHealth Group	3.0	25.8	28	Sysco	0.7	13.8
4	Johnson & Johnson	3.7	4.8	29	Procter & Gamble	1.1	11.8
5	Progressive	7.6	46.3	30	eBay	3.7	31.1
6	AmerisourceBergen	1.8	25.0	31	Biomet	-0.9	-0.5
7	Lowe's	2.7	15.3	32	Exelon	2.7	22.5
8	Pfizer	8.3	20.9	33	Kohl's	-5.2	-0.1
9	Dell Computer	2.6	20.4	34	Wachovia	-0.5	19.2
10	St. Jude Medical	-1.6	32.6	35	3M	3.0	5.1
11	Cardinal Health	4.0	15.5	36	Harley-Davidson	-1.9	6.5
12	Bed Bath & Beyond	-2.6	28.4	37	Walgreen	-1.1	16.1
13	Washington Mutual	0.7	26.0	38	Altria Group	1.3	14.5
14	United Parcel Service	-0.1	11.0	39	Mattel	0.9	-2.8
15	Microsoft	4.8	10.0	40	AFLAC	-1.3	0.7
16	Freddie Mac	2.6	-4.8	41	Abbott Laboratories	0.9	29.1
17	Electronic Arts	2.7	41.6	42	First Data	-1.8	26.1
18	International Game Technology	1.7	22.2	43	Dominion Resources	3.4	20.7
19	Pulte Homes	3.0	5.1	44	Coca-Cola	0.4	16.9
20	Merck	6.6	19.9	45	Wrigley (Wm.) Jr.	1.9	7.4
21	Medtronic	0.0	11.6	46	Wal-Mart Stores	-0.3	14.9
22	PepsiCo	1.2	17.3	47	Quest Diagnostics	1.4	23.0
23	Wells Fargo	1.1	14.7	48	General Dynamics	6.9	29.9
24	McKesson	7.8	34.8	49	Northrop Grumman	0.1	0.5
25	Stryker	-1.8	9.1	50	Best Buy	1.7	50.2

Data: Reuters

BW PRODUCTION INDEX



The production index moved higher over the latest period. Before calculation of the four-week moving average, the index bounced up to 196, from 194.4. On a seasonally adjusted basis, auto and truck assemblies were up the most, despite a forecast by *Ward's Automotive Reports* of weaker sales and rising inventories in June. Steel and lumber output also increased. Crude-oil refining posted a large decline, followed by smaller decreases in coal and electric-power production, and rail-freight traffic.

Information on each of the index components is at www.businessweek.com
BW production index Copyright 2003 by The McGraw-Hill Companies

ONLINE RESOURCES

BW50 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.

MUTUAL FUNDS Search for funds, view BW ratings, and read Q&A's with fund managers.

COLUMNS Hot stocks, takeover plays, and the latest strategies for managing your money.

BusinessWeek online

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