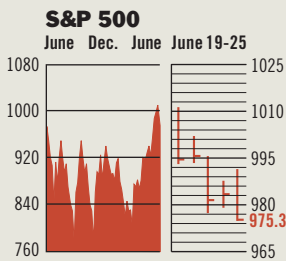


STOCKS

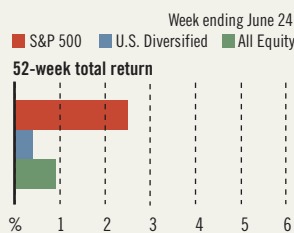
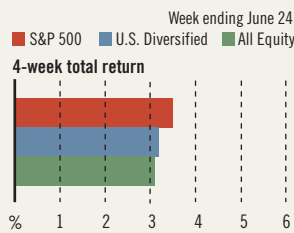


COMMENTARY

The bull market lost its drive the past week. The S&P 500 slipped 3.4% to its lowest level in three weeks. The Dow lost 3.0% and the Nasdaq fell 4.4%. One cause: The Federal Reserve cut interest rates only ¼% instead of the ½% some expected. A new round of earnings reports starting next week could recharge the bull—or stop it.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	JUNE 25	WEEK	% CHANGE	
			YEAR TO DATE	LAST 12 MONTHS
S&P 500	975.3	-3.4	10.9	-0.1
Dow Jones Industrials	9011.5	-3.0	8.0	-1.3
NASDAQ Composite	1602.7	-4.4	20.0	12.5
S&P MidCap 400	478.9	-2.3	11.4	-0.2
S&P SmallCap 600	218.1	-2.7	10.9	-3.4
Wilshire 5000	9333.2	-3.2	11.9	0.9

SECTORS

	JUNE 25	WEEK	% CHANGE	
			YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	580.7	-2.7	7.1	-5.1
BW Info Tech 100**	303.7	-3.2	6.4	3.4
S&P/BARRA Growth	495.8	-3.4	10.5	2.4
S&P/BARRA Value	476.1	-3.4	11.3	-2.6
S&P Energy	198.1	-0.8	8.2	-6.8
S&P Financials	331.7	-3.6	11.7	-0.5
S&P REIT	99.2	0.5	9.2	-3.3
S&P Transportation	174.2	-3.4	2.5	-7.5
S&P Utilities	112.4	-2.0	15.0	-7.6
GSTI Internet	118.6	-3.8	58.8	66.1
PSE Technology	559.6	-4.8	22.1	11.8

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

GLOBAL MARKETS

	JUNE 25	WEEK	% CHANGE	
			YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	957.8	-3.5	13.4	-1.6
London (FT-SE 100)	4067.9	-3.3	3.2	-1.6
Paris (CAC 40)	3108.7	-3.3	1.5	-17.5
Frankfurt (DAX)	3198.8	-3.2	10.6	-23.9
Tokyo (NIKKEI 225)	8932.3	-1.8	4.1	-11.3
Hong Kong (Hang Seng)	9629.0	-3.4	3.3	-7.0
Toronto (S&P/TSX Composite)	6970.6	-1.9	5.4	-2.1
Mexico City (IPC)	7078.4	-0.7	15.5	11.4

FUNDAMENTALS

	JUNE 24	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.65%	1.60%	1.62%
S&P 500 P/E Ratio (Trailing 12 mos.)	32.0	32.3	41.9
S&P 500 P/E Ratio (Next 12 mos.)*	17.3	17.7	17.3
First Call Earnings Revision*	-0.69%	0.19%	-0.84%

*First Call Corp.

TECHNICAL INDICATORS

	JUNE 24	WK. AGO	READING
S&P 500 200-day average	891.2	888.7	Positive
Stocks above 200-day average	80.0%	84.0%	Negative
Options: Put/call ratio	0.70	0.65	Positive
Insiders: Vickers NYSE Sell/buy ratio	4.11	3.86	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Computer Stores	19.2	Internet Software 128.5
Home Entertainment	18.3	Wireless Services 85.0
Health-Care Services	14.9	Biotechnology 55.2
Restaurants	14.6	Compr. Stge. & Perphs. 47.1
Automobiles	13.6	Office Electronics 34.4

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Photographic Products	-10.0	Tires & Rubber -52.7
Health-Care Facilities	-6.5	Health-Care Facilities -51.5
Metal & Glass Containers	-5.8	IT Consulting -37.9
Railroads	-4.7	Multi-Utilities -30.8
Oil & Gas Drilling	-4.7	Automobiles -30.7

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
Japan	7.1	Communications	19.0
Diversified Pacific/Asia	6.2	Health	12.8
Pacific/Asia ex-Japan	5.8	Latin America	10.8
Diversified Emerg. Mkts	5.8	Technology	9.6
LAGGARDS		LAGGARDS	
Natural Resources	-0.4	Japan	-13.6
Real Estate	-0.4	Diversified Pacific/Asia	-9.0
Precious Metals	0.4	Pacific/Asia ex-Japan	-5.7
Utilities	1.2	Foreign	-4.6

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
American Heritage	16.7	Jacob Internet	81.5
Apex Mid Cap Growth	12.6	Fidelity Adv. Lvgd. Co. A	73.0
Winslow Green Growth	11.6	Amerindo Technology D	61.1
Corbin Small Cap Value	10.9	Legg Mason Focus Trust	52.1
LAGGARDS		LAGGARDS	
Inland Rl. Est. Incm. & Gr. A	-7.5	Frontier Equity	-70.8
Rainbow	-7.3	PFunds. UltSh. OTC Inv	-52.8
Rydex Dyn. Tempest 500	-7.1	Rydex Dynam. Vent. 100	-52.8
ProFunds UltBear. Inv	-7.1	Potomac OTC/Short Inv.	-27.8

INTEREST RATES

KEY RATES

	JUNE 25	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	0.72%	0.75%	1.47%
90-DAY TREASURY BILLS	0.91	0.88	1.69
2-YEAR TREASURY NOTES	1.29	1.24	2.75
10-YEAR TREASURY NOTES	3.41	3.36	4.74
30-YEAR TREASURY BONDS	4.46	4.40	5.43
30-YEAR FIXED MORTGAGE †	5.24	5.29	6.54

†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	3.23%	4.46%
TAXABLE EQUIVALENT	4.61	6.37
INSURED REVENUE BONDS	3.33	4.66
TAXABLE EQUIVALENT	4.76	6.66

THE WEEK AHEAD

VEHICLE SALES *Tuesday, July 1* ▶ Sales of U.S.-made and imported cars and light trucks during June probably rose to an annual pace of 16.5 million.

PURCHASING MANAGERS' INDEX *Tuesday, July 1, 10 a.m. EDT* ▶ The Institute for Supply Management's industrial-activity index for June is forecast to have improved to 50.5%, from 49.4% in May. That's according to the median forecast of economists surveyed by MMS International.

CONSTRUCTION SPENDING *Tuesday, July 1, 10 a.m. EDT* ▶ Building outlays most likely in-

creased by 0.3% in May, reversing a 0.3% fall posted in April.

FACTORY INVENTORIES *Wednesday, July 2, 8:30 a.m. EDT* ▶ Manufacturing inventories most likely fell by 0.1% in May, the same decline posted in April.

EMPLOYMENT *Thursday, July 3, 8:30 a.m. EDT* ▶ Nonfarm payrolls in June are expected to have remained unchanged, while manufacturers probably shed another 30,000 jobs. In May, payrolls were pared by 17,000 positions, while factories cut another 53,000 jobs. The unemployment

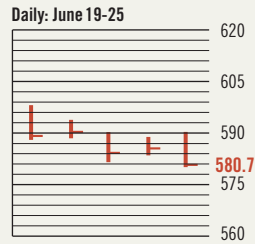
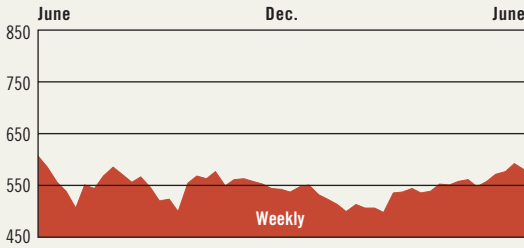
rate most likely ticked up to 6.2% and the average workweek probably inched up to 33.8 hours.

The BusinessWeek production index improved to 194.9 in the week ended June 14, up 3% from a year ago. Before calculation of the four-week moving average, the index slipped to 195.7.

BusinessWeek online

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

THE BUSINESSWEEK FIFTY



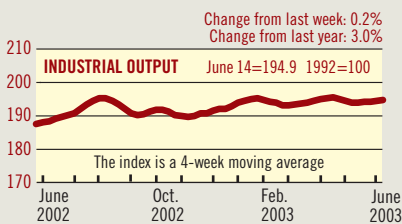
The **BW50** held up better than the S&P 500's 3.4% loss last week, but still fell 2.7%. International Game Technology climbed 4.0% on rising earnings estimates. Higher consumer confidence helped lift Kohl's 1.7%. Coca-Cola, Procter & Gamble, and Altria provided stability, each slipping less than 1%. But Forest Labs reported discouraging results from an experimental Alzheimer's drug and plunged 8.3%, chilling biotech speculation.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/03			WEEK	SINCE 3/1/03
1	Forest Laboratories	-8.3	13.2	26	U.S. Bancorp	-1.3	18.6
2	WellPoint Health Networks	-7.0	24.9	27	H&R Block	-2.9	4.5
3	UnitedHealth Group	-4.1	21.0	28	Sysco	-4.3	6.0
4	Johnson & Johnson	-4.5	-0.6	29	Procter & Gamble	-0.9	9.8
5	Progressive	-2.8	43.2	30	eBay	-2.0	30.2
6	AmerisourceBergen	-0.1	24.1	31	Biomet	-2.9	-2.8
7	Lowe's	-4.2	11.8	32	Exelon	-1.2	19.7
8	Pfizer	-2.0	20.2	33	Kohl's	1.7	1.7
9	Dell Computer	-4.1	17.4	34	Wachovia	-4.5	14.5
10	St. Jude Medical	-5.1	26.5	35	3M	-1.9	2.5
11	Cardinal Health	-2.3	11.1	36	Harley-Davidson	-4.7	2.0
12	Bed Bath & Beyond	-6.6	18.8	37	Walgreen	-7.4	7.7
13	Washington Mutual	-3.4	22.1	38	Altria Group	-0.6	13.6
14	United Parcel Service	-1.6	9.8	39	Mattel	-6.5	-9.4
15	Microsoft	-3.1	7.1	40	AFLAC	-0.8	1.6
16	Freddie Mac	-2.2	-6.9	41	Abbott Laboratories	-3.6	24.9
17	Electronic Arts	-0.1	41.5	42	First Data	-4.0	21.0
18	International Game Technology	4.0	28.6	43	Dominion Resources	-1.6	17.9
19	Pulte Homes	-1.9	2.5	44	Coca-Cola	-0.8	15.8
20	Merck	-3.3	15.9	45	Wrigley (Wm.) Jr.	-1.7	4.8
21	Medtronic	-2.7	9.3	46	Wal-Mart Stores	-1.9	12.5
22	PepsiCo	-3.1	13.9	47	Quest Diagnostics	-3.3	17.7
23	Wells Fargo	-2.6	11.4	48	General Dynamics	-4.1	22.6
24	McKesson	-3.0	27.5	49	Northrop Grumman	0.4	0.6
25	Stryker	-3.0	5.9	50	Best Buy	-2.3	48.5

Data: Reuters

BW PRODUCTION INDEX



The **production index** posted a second consecutive increase during the latest period. Before calculation of the four-week moving average, however, the index declined to 195.7, from 196. After seasonal adjustments, the only component to show an increase was electric-power production. Autos suffered the steepest drop, followed by more moderate declines in lumber, crude-oil refining, and truck assemblies. Levels of steel, rail-freight traffic, and coal output were also lower on the week.

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