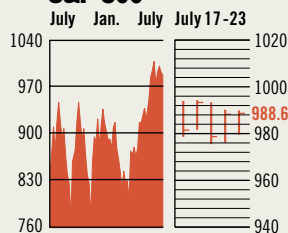


STOCKS

S&P 500

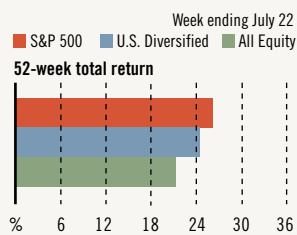
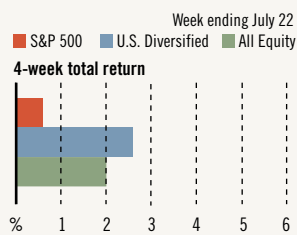


COMMENTARY

Stocks ended the week mixed, with the Dow Jones industrials adding 1.1% and the S&P 500 and NASDAQ losing 0.5% and 1.6%, respectively. Better-than-expected earnings from such companies as Eastman Kodak and Amazon.com had a muted effect as investors were distracted by the bond market, where prices fell and the 10-year note ended at 4.11%.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS	JULY 23	WEEK	% CHANGE	
			YEAR TO DATE	LAST 12 MONTHS
S&P 500	988.6	-0.5	12.4	23.9
Dow Jones Industrials	9194.2	1.1	10.2	19.4
NASDAQ Composite	1719.2	-1.6	28.7	39.9
S&P MidCap 400	492.5	-0.8	14.6	24.6
S&P SmallCap 600	228.3	-1.2	16.1	25.7
Wilshire 5000	9515.5	-0.7	14.1	25.2

SECTORS

BusinessWeek 50*	583.2	-0.7	7.5	21.9
BW Info Tech 100**	310.0	-3.2	8.6	18.5
S&P/BARRA Growth	502.1	-1.0	11.9	22.4
S&P/BARRA Value	483.1	-0.1	12.9	25.5
S&P Energy	191.1	1.5	4.3	16.6
S&P Financials	343.5	-0.8	15.7	30.3
S&P REIT	102.2	-1.1	12.5	19.2
S&P Transportation	178.2	-0.4	4.9	10.9
S&P Utilities	105.9	0.7	8.3	23.5
GSTI Internet	133.6	2.2	78.8	119.1
PSE Technology	587.4	-1.3	28.2	38.6

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

BEST-PERFORMING GROUPS

LAST MONTH %	LAST 12 MONTHS %
Semiconductor Equip. 16.9	Internet Software 153.5
Electric Mfg. Svcs. 15.3	Internet Retail 114.9
Semiconductors 15.3	Office Electronics 95.3
Employment Services 14.3	Biotechnology 91.5
Internet Retail 11.7	Wireless Services 82.5

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
Pacific/Asia ex-Japan	7.6	Communications	39.7
Technology	6.5	Health	35.3
Japan	6.0	Technology	32.2
Small-cap Growth	5.8	Small-cap Growth	29.9
LAGGARDS		LAGGARDS	
Utilities	-4.2	Japan	-9.2
Natural Resources	-2.8	Diversified Pacific/Asia	-2.7
Europe	-0.5	Pacific/Asia ex-Japan	3.4
Domestic Hybrid	-0.2	Foreign	7.0

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
American Heritage	28.6	Jacob Internet	133.3
PFds. Smicdr. Usctr. Inv.	22.2	Fidelity Adv. Lvgd. Co. A	114.2
Apex Mid Cap Growth	16.1	Apex Mid Cap Growth	107.5
Firsthand Tech. Value	15.0	PFds. Biotch. Usctr. Inv.	105.7
LAGGARDS		LAGGARDS	
PFds. UltSh. OTC Inv.	-11.6	Rydex Dynam. Vent. 100	-66.1
Rydex Dynam. Vent. 100	-11.4	PFds. UltSh. OTC Inv.	-66.0
Sm. Barney Telcmmms. Inc.	-8.8	Rydex Dyn. Tempest 500	-47.5
Rainbow	-7.4	Profunds UltBear. Inv.	-47.4

GLOBAL MARKETS

	JULY 23	WEEK	% CHANGE	
			YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	949.6	0.5	12.4	16.2
London (FT-SE 100)	4086.5	0.2	3.7	5.9
Paris (CAC 40)	3089.4	-1.9	0.8	0.6
Frankfurt (DAX)	3304.5	-2.5	14.2	-6.0
Tokyo (NIKKEI 225)	9615.3	-1.2	12.1	-3.3
Hong Kong (Hang Seng)	9900.6	-3.0	6.2	-0.7
Toronto (S&P/TSX Composite)	7231.3	2.1	9.3	17.4
Mexico City (IPC)	7280.7	3.7	18.8	23.6

FUNDAMENTALS

	JULY 22	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.65%	1.63%	1.94%
S&P 500 P/E Ratio (Trailing 12 mos.)	31.1	32.5	28.5
S&P 500 P/E Ratio (Next 12 mos.)*	17.0	17.3	14.1
First Call Earnings Surprise*	6.01%	4.27%	0.83%

*First Call Corp.

TECHNICAL INDICATORS

	JULY 22	WK. AGO	READING
S&P 500 200-day average	903.7	899.7	Positive
Stocks above 200-day average	80.0%	85.0%	Negative
Options: Put/call ratio	0.71	0.68	Positive
Insiders: Vickers NYSE Sell/buy ratio	4.12	4.08	Negative

WORST-PERFORMING GROUPS

LAST MONTH %	LAST 12 MONTHS %
Tires & Rubber -11.4	Tires & Rubber -47.0
Oil & Gas Drilling -9.0	Health-Care Facilities -40.6
Intgrd. Telecomms. Svcs. -8.8	Food Chains -18.5
Multi-Utilities -8.6	Automobiles -12.4
Tobacco -8.0	Tobacco -8.4

INTEREST RATES

KEY RATES

	JULY 23	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	0.65%	0.67%	1.43%
90-DAY TREASURY BILLS	0.91	0.89	1.67
2-YEAR TREASURY NOTES	1.49	1.43	2.29
10-YEAR TREASURY NOTES	4.11	3.92	4.46
30-YEAR TREASURY BONDS	5.04	4.90	5.34
30-YEAR FIXED MORTGAGE †	6.05	5.86	6.34

†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	3.79%	4.75%
TAXABLE EQUIVALENT	5.41	6.79
INSURED REVENUE BONDS	3.79	4.88
TAXABLE EQUIVALENT	5.41	6.97

THE WEEK AHEAD

CONSUMER CONFIDENCE Tuesday, July 29, 10 a.m. EDT ► The Conference Board's July confidence index probably improved to 84, from 83.5 in June. That's based on the median forecast of economists surveyed by MMS International.

BEIGE BOOK Wednesday, July 30, 2 p.m. EDT ► The Federal Reserve will publish its roundup of regional economic activity ahead of its policy meeting on Aug. 12.

GROSS DOMESTIC PRODUCT Thursday, July 31, 8:30 a.m. EDT ► The economy is forecast to have grown at an annual rate of

1.8% in the second quarter, little better than the 1.4% pace of the first quarter.

EMPLOYMENT Friday, Aug. 1, 8:30 a.m. EDT ► Nonfarm payrolls in July probably slipped by 5,000, while manufacturers most likely cut 35,000 jobs. The unemployment rate is expected to have held at 6.4%, while the average workweek very likely inched up to 33.8 hours.

PURCHASING MANAGERS' INDEX Friday, Aug. 1, 10 a.m. EDT ► The Institute for Supply Management's industrial activity index for July probably rose to 51.3%, from 49.8%

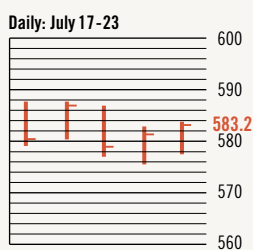
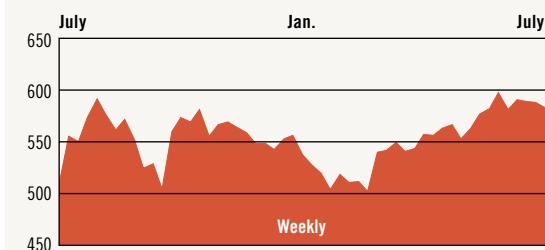
in June. It would be the first reading above 50%, the point between rising and declining factory activity, since February.

The **BusinessWeek** production index rose to 200.8 in the week ended July 12, up 0.6% from a year ago. Before calculation of the four-week moving average, the index climbed to 198.7.

BusinessWeek online

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

THE BUSINESSWEEK FIFTY



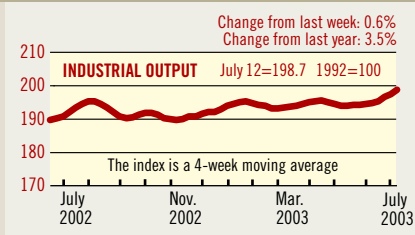
The BW50 fell 0.7% for the week ended July 23. Progressive led the decline, as downgrades from several investment banks shaved 10.9% off the insurer's shares. Quest Diagnostics was another casualty of revised analyst ratings, falling 10.6%. On the positive side, UnitedHealth Group climbed 12.1%, and Pulte Homes added 8.7% as buyers bet that the health-care and homebuilding sectors will remain strong.

COMPANY PERFORMANCE

		% CHANGE				% CHANGE	
RANK	COMPANY	WEEK	SINCE 3/1/03	RANK	COMPANY	WEEK	SINCE 3/1/03
1	Forest Laboratories	-3.0	-4.4	26	U.S. Bancorp	-0.6	19.2
2	WellPoint Health Networks	6.3	24.5	27	H&R Block	2.5	10.7
3	UnitedHealth Group	12.1	31.5	28	Sysco	1.0	9.8
4	Johnson & Johnson	-0.6	-0.4	29	Procter & Gamble	0.4	8.6
5	Progressive	-10.9	25.4	30	eBay	1.2	45.5
6	AmerisourceBergen	-3.2	21.8	31	Biomet	0.2	-3.9
7	Lowe's	0.9	20.9	32	Exelon	2.3	13.9
8	Pfizer	-1.3	10.4	33	Kohl's	-0.2	17.5
9	Dell Computer	-1.5	24.3	34	Wachovia	6.7	24.2
10	St. Jude Medical	-1.5	10.3	35	3M	8.7	10.7
11	Cardinal Health	0.5	13.7	36	Harley-Davidson	-1.2	14.4
12	Bed Bath & Beyond	-3.5	12.3	37	Walgreen	-4.9	5.2
13	Washington Mutual	-0.2	20.2	38	Altria Group	0.4	3.9
14	United Parcel Service	0.5	11.6	39	Mattel	1.7	-3.3
15	Microsoft	-3.9	11.6	40	AFLAC	-3.2	-0.8
16	Freddie Mac	-3.0	-5.4	41	Abbott Laboratories	-3.8	14.5
17	Electronic Arts	-1.2	47.1	42	First Data	-6.8	15.0
18	International Game Technology	-1.1	33.5	43	Dominion Resources	0.6	11.3
19	Pulte Homes	8.7	10.7	44	Coca-Cola	5.3	12.3
20	Merck	-6.2	9.7	45	Wrigley (Wm.) Jr.	-0.3	3.1
21	Medtronic	3.0	12.1	46	Wal-Mart Stores	-0.3	17.6
22	PepsiCo	-1.5	22.7	47	Quest Diagnostics	-10.6	10.6
23	Wells Fargo	-0.1	14.4	48	General Dynamics	1.7	33.0
24	McKesson	-3.3	31.2	49	Northrop Grumman	1.3	2.0
25	Stryker	0.7	13.7	50	Best Buy	-5.3	47.6

Data: Reuters

BW PRODUCTION INDEX



The production index rose for the sixth straight week. Before calculation of the four-week moving average, the index moved up to 200.8, from 199.4. On a seasonally adjusted basis, the autos component showed the biggest increase, as manufacturers continued with some production during the annual model changeover. Lumber and steel were also moderately higher, while electric-power production managed a small gain. Rail-freight traffic, coal, crude-oil refining, and truck assemblies were all lower.

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.

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BusinessWeek online

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