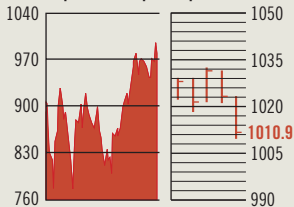


STOCKS

S&P 500

Sept. Mar. Sept. Sept. 4-10

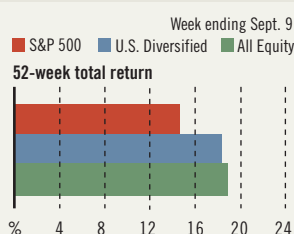
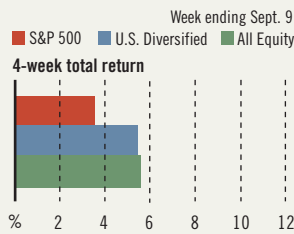


COMMENTARY

Equities gave up ground this week, despite the absence of bad economic news. Some attributed the decline to a new threatening tape from al Qaeda head Osama bin Laden, while others pointed to a weakness in tech, namely Nokia warning that revenues will be at the low end of estimates. The likely reason: Buyers are hedging bets into a new earnings season.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	SEPT. 10	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1010.9	-1.5	14.9	11.1
Dow Jones Industrials	9420.5	-1.5	12.9	9.5
NASDAQ Composite	1823.8	-1.6	36.6	38.2
S&P MidCap 400	514.8	-2.1	19.8	15.6
S&P SmallCap 600	243.6	-2.1	23.9	20.0
Wilshire 5000	9794.4	-1.5	17.4	13.7

SECTORS

	SEPT. 9	WK. AGO	YR. AGO	
BusinessWeek 50*	581.6	-0.9	7.2	1.9
BW Info Tech 100**	318.8	-1.5	11.7	15.4
S&P/BARRA Growth	515.3	-1.0	14.8	9.9
S&P/BARRA Value	492.2	-2.0	15.0	12.5
S&P Energy	200.7	-0.8	9.6	7.6
S&P Financials	339.1	-2.1	14.2	10.2
S&P REIT	105.5	-1.8	16.2	10.2
S&P Transportation	178.1	-2.0	4.8	4.3
S&P Utilities	108.8	0.1	11.3	7.2
GST Internet	134.0	-0.3	79.4	91.9
PSE Technology	630.7	-1.9	37.6	39.5

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

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Electric Mfg. Svcs.	20.7	229.9
Tires & Rubber	19.7	97.6
Internet Software	19.2	88.0
Semiconductors	18.7	83.7
Comptr. Stge. & Perphs.	18.3	71.9

EQUITY FUND CATEGORIES

	4-WEEK TOTAL RETURN %	52-WEEK TOTAL RETURN %
LEADERS		
Technology	14.7	49.8
Japan	13.5	39.2
Precious Metals	12.5	38.7
Diversified Pacific/Asia	10.5	32.5
LAGGARDS		
Financial	2.0	10.4
Utilities	2.7	10.6
Domestic Hybrid	2.8	12.5
Large-cap Value	3.0	12.5

EQUITY FUNDS

	4-WEEK TOTAL RETURN %	52-WEEK TOTAL RETURN %
LEADERS		
PFds. Smicdr. Ultsr. Inv.	33.3	182.9
Reynolds	26.5	165.0
Rydex Electronics Inv.	23.4	113.6
Profunds UltraOTC Inv.	21.5	107.2
LAGGARDS		
PFds. UKSh. OTC Inv.	-18.5	-64.5
Rydex Dynam. Vent. 100	-18.5	-64.4
Potomac OTC/Short Inv.	-9.9	-64.3
Profunds Short OTC Inv.	-9.7	-38.9

GLOBAL MARKETS

	SEPT. 10	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	985.2	0.4	16.7	14.9
London (FT-SE 100)	4252.1	-0.2	7.9	1.8
Paris (CAC 40)	3328.7	-2.7	8.6	0.9
Frankfurt (DAX)	3536.9	-3.0	22.3	1.2
Tokyo (NIKKEI 225)	10,856.3	1.3	26.5	15.5
Hong Kong (Hang Seng)	10,810.3	-2.6	16.0	9.4
Toronto (S&P/TSX Composite)	7571.1	-0.1	14.5	15.7
Mexico City (IPC)	7734.7	0.2	26.2	24.2

FUNDAMENTALS

	SEPT. 9	WK. AGO	YR. AGO
S&P 500 Dividend Yield	1.62%	1.62%	1.71%
S&P 500 P/E Ratio (Trailing 12 mos.)	28.7	28.7	32.1
S&P 500 P/E Ratio (Next 12 mos.)*	16.7	17.2	16.1
First Call Earnings Revision*	0.46%	0.02%	-1.19%

*First Call Corp.

TECHNICAL INDICATORS

	SEPT. 9	WK. AGO	READING
S&P 500 200-day average	924.2	921.8	Positive
Stocks above 200-day average	82.0%	81.0%	Negative
Options: Put/call ratio	0.65	0.76	Neutral
Insiders: Vickers NYSE Sell/buy ratio	4.69	4.29	Negative

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Homebuilding	-5.3	-38.9
Banks	-4.0	-33.8
Specialty Appar. Retailers	-3.1	-16.5
Health Care Equipment	-2.3	-13.6
Multi-line Insurers	-2.2	-12.7

INTEREST RATES

KEY RATES

	SEPT. 10	WEEK AGO	YEAR AGO
MONEY MARKET FUNDS	0.61%	0.62%	1.38%
90-DAY TREASURY BILLS	0.94	0.97	1.67
2-YEAR TREASURY NOTES	1.63	2.00	2.17
10-YEAR TREASURY NOTES	4.27	4.60	4.06
30-YEAR TREASURY BONDS	5.16	5.35	4.88
30-YEAR FIXED MORTGAGE†	6.43	6.49	6.21

†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	3.94%	4.80%
TAXABLE EQUIVALENT	5.63	6.86
INSURED REVENUE BONDS	4.06	4.99
TAXABLE EQUIVALENT	5.80	7.13

THE WEEK AHEAD

CURRENT ACCOUNT Monday, Sept. 15, 8:30 a.m. EDT ► The U. S. current account deficit is forecast to have reached \$138 billion in the second quarter.

INDUSTRIAL PRODUCTION Monday, Sept. 15, 9:15 a.m. EDT ► August factory output probably rose by 0.1%. That's based on the median forecast of economists surveyed by MMS International. The average operating rate most likely held at 74.5%.

CONSUMER PRICE INDEX Tuesday, Sept. 16, 8:30 a.m. EDT ► Consumer prices for

goods and services in August probably moved up 0.3%. Minus food and energy, core prices most likely climbed 0.2%.

FOMC MEETING Tuesday, Sept. 16, 9 a.m. EDT ► The Federal Reserve Board's Open Market Committee meets to set monetary policy. Every economist surveyed by MMS International believes the Fed will keep the federal funds rate at 1%.

NEW RESIDENTIAL CONSTRUCTION Wednesday, Sept. 17, 8:30 a.m. EDT ► Housing starts in August are expected to have eased to an annual rate of 1.83 million.

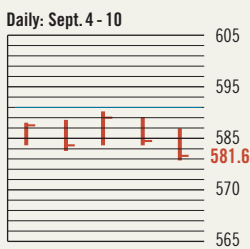
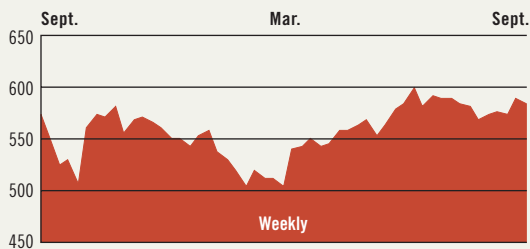
LEADING INDICATORS Thursday, Sept. 18, 10 a.m. EDT ► The Conference Board's August leading indicators index likely rose 0.3%.

The *BusinessWeek* production index climbed in the week ended Aug. 30 to 199.2, up 3.8% from a year ago. Before calculation of the four-week moving average, the index rose to 200.7.

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



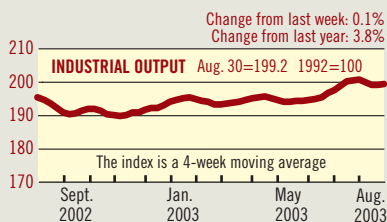
The BW50 lost 0.9%, thus turning in a better performance than the broader market. Helping results was a strong showing from drugmakers Forest Laboratories, Merck, Abbott Laboratories, and Johnson & Johnson, which rose 7.1%, 6.0%, 3.7%, and 3.6%, respectively. Meanwhile, Lowe's lost 7.3% on fears that higher mortgage rates will hurt the home improvement movement. And Best Buy sank 7.0%, as investors took profits.

COMPANY PERFORMANCE

		% CHANGE				% CHANGE	
RANK	COMPANY	WEEK	SINCE 3/1/03	RANK	COMPANY	WEEK	SINCE 3/1/03
1	Forest Laboratories	7.1	1.0	26	U.S. Bancorp	-1.8	13.1
2	WellPoint Health Networks	0.4	17.1	27	H&R Block	-5.8	1.4
3	UnitedHealth Group	0.9	20.6	28	Sysco	-0.9	17.1
4	Johnson & Johnson	3.6	-0.8	29	Procter & Gamble	2.4	11.1
5	Progressive	1.2	41.0	30	eBay	-2.1	31.1
6	AmerisourceBergen	2.2	5.5	31	Biomet	4.0	4.0
7	Lowe's	-7.3	29.9	32	Exelon	-0.3	22.4
8	Pfizer	2.9	6.5	33	Kohl's	-6.2	20.9
9	Dell Computer	-3.5	22.3	34	Wachovia	-5.0	14.4
10	St. Jude Medical	4.3	19.1	35	3M	-4.2	9.0
11	Cardinal Health	0.2	-0.1	36	Harley-Davidson	-2.6	18.8
12	Bed Bath & Beyond	-6.2	21.4	37	Walgreen	-2.7	11.3
13	Washington Mutual	-6.1	7.7	38	Altria Group	-0.7	7.6
14	United Parcel Service	-1.9	8.0	39	Mattel	-2.3	-8.7
15	Microsoft	-2.7	16.2	40	AFLAC	-0.9	1.9
16	Freddie Mac	-4.1	-2.3	41	Abbott Laboratories	3.7	21.5
17	Electronic Arts	-1.4	70.2	42	First Data	-1.5	16.6
18	International Game Technology	2.6	34.7	43	Dominion Resources	-0.9	12.6
19	Pulte Homes	-4.2	9.0	44	Coca-Cola	2.8	11.8
20	Merck	6.0	7.4	45	Wrigley (Wm.) Jr.	0.0	0.3
21	Medtronic	-1.9	8.4	46	Wal-Mart Stores	-5.2	18.3
22	PepsiCo	-0.5	16.7	47	Quest Diagnostics	-1.7	13.3
23	Wells Fargo	-2.8	10.3	48	General Dynamics	-3.9	41.4
24	McKesson	-0.6	29.2	49	Northrop Grumman	-3.3	7.0
25	Stryker	-2.7	13.5	50	Best Buy	-7.0	69.9

Data: Reuters

BW PRODUCTION INDEX



The production index eked out a small gain in the latest period. Before calculation of the four-week moving average, the index climbed to 200.7, from 200.3. After seasonal adjustments, lumber output and rail-freight traffic increased the most. More moderate gains came in coal, crude-oil refining, and steel production. Both auto and truck assemblies, along with electric power, were lower on the week. For the month of August, the average index level slipped to 199.3, from 200.5 for July.

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