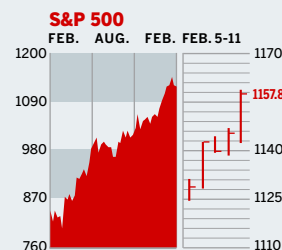


STOCKS



COMMENTARY

The market celebrated Valentine's Day early this year as buyers fell in love with Comcast's \$66 billion offer for Disney on Feb. 11. That same day, Fed Chairman Greenspan presented an upbeat outlook for the U.S. economy. All this news, coupled with other M&A activity, sent the Dow and S&P 500 to 52-week highs, with NASDAQ lagging behind somewhat.

Data: Bloomberg Financial Markets, Reuters

U.S. MARKETS

	FEB. 11	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P 500	1157.8	2.8	4.1	39.6
Dow Jones Industrials	10,737.7	2.6	2.7	36.9
NASDAQ Composite	2089.7	3.7	4.3	61.3
S&P MidCap 400	605.7	4.1	5.2	49.7
S&P SmallCap 600	286.7	5.5	6.0	56.1
Wilshire 5000	11,293.4	3.1	4.6	43.4

SECTORS

	FEB. 11	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
BusinessWeek 50*	641.3	1.4	3.1	25.5
BW Info Tech 100**	363.7	3.1	3.8	44.9
S&P/BARRA Growth	577.8	2.1	3.9	35.3
S&P/BARRA Value	575.7	3.4	4.3	44.1
S&P Energy	233.1	3.6	4.0	31.5
S&P Financials	401.8	3.1	5.8	45.7
S&P REIT	123.4	3.3	6.6	42.0
S&P Transportation	195.6	2.7	-3.1	23.3
S&P Utilities	121.2	1.6	2.4	35.9
GSTI Internet	149.8	5.5	3.6	102.3
PSE Technology	750.1	4.1	7.6	68.9

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

GLOBAL MARKETS

	FEB. 11	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1263.4	4.6	7.2	58.1
London (FT-SE 100)	4396.0	-0.1	-1.8	19.8
Paris (CAC 40)	3677.9	1.9	3.4	29.4
Frankfurt (DAX)	4122.2	2.3	4.0	56.9
Tokyo (NIKKEI 225)	10,365.4	-0.8	-2.9	22.2
Hong Kong (Hang Seng)	13,524.8	3.3	7.5	45.2
Toronto (S&P/TSX Composite)	8767.7	2.7	6.7	35.4
Mexico City (IPC)	9875.3	2.1	12.3	70.9

FUNDAMENTALS

	FEB. 10	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.53%	1.54%	1.93%
S&P 500 P/E Ratio (Trailing 12 mos.)	23.5	23.8	29.2
S&P 500 P/E Ratio (Next 12 mos.)*	18.4	18.2	15.0
First Call Earnings Revision*	0.76%	1.21%	-2.43%

*First Call Corp.

TECHNICAL INDICATORS

	FEB. 10	WEEK AGO	READING
S&P 500 200-day average	1027.0	1021.2	Positive
Stocks above 200-day average	89.0%	89.0%	Negative
Options: Put/call ratio	0.64	0.70	Neutral
Insiders: Vickers NYSE Sell/buy ratio	5.74	5.24	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Wireless Services	20.1	161.7
Health-Care Supplies	15.0	142.2
Home Furnishings	14.2	126.9
Oil & Gas Equipment	13.8	108.2
Motorcycles	13.1	106.5
Internet Software		161.7
Divsfd. Metals & Mining		142.2
Instrumentation		126.9
Wireless Services		108.2
Semiconductors		106.5

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Automobiles	-9.5	-2.3
Semiconductor Equip.	-8.7	3.2
Broadcasting	-7.3	6.0
Gold Mining	-6.6	10.0
Airlines	-6.2	10.4
Photographic Products		-2.3
Health-Care Facilities		3.2
Trading Cos. & Distribs.		6.0
Brewers		10.0
Airlines		10.4

EQUITY FUND CATEGORIES

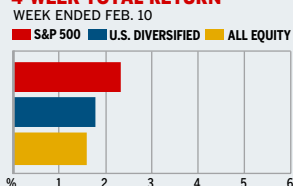
4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Real Estate	5.9	Latin America	84.0
Health	5.4	Technology	73.7
Financial	4.2	Diversified Emerg. Mkts.	69.9
Europe	2.8	Pacific/Asia ex-Japan	62.9
LAGGARDS			
Precious Metals	-4.3	Domestic Hybrid	26.1
Latin America	-3.0	Miscellaneous	29.6
Japan	-2.8	Utilities	35.5
Diversified Pacific/Asia	-1.4	International Hybrid	35.8

EQUITY FUNDS

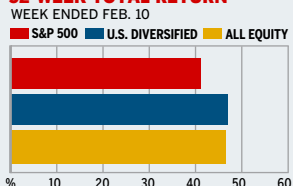
4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
American Heritage	22.2	Apex Mid Cap Growth	174.4
ProFds. Wrless. Ultsr. Inv.	14.8	Reynolds	173.4
Live Oak Health Sciences	10.0	ProFds. Smicdr. Ultsr. Inv.	164.8
PFds. Real Est. Ult. Inv.	9.5	PFds. Ult. Sm. Cap Inv.	156.6
LAGGARDS			
iShares MSCI Brazil Index	-9.5	Rydex Dynam. Vent. 100	-64.5
Grand Prix A	-9.2	ProFunds UltSh. OTC Inv.	-64.4
ProFds. Smicdr. Ultsr. Inv.	-9.2	ProFunds UltraBear Inv.	-52.4
Corbin Small Cap Value	-7.9	Rydex Dyn. Tempest 500	-52.4

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Standard & Poor's

INTEREST RATES

KEY RATES

	FEB. 11	WEEK AGO	YEAR AGO
Money Market Funds	0.60%	0.60%	0.91%
90-Day Treasury Bills	0.92	0.92	1.16
2-Year Treasury Notes	1.71	1.76	1.60
10-Year Treasury Notes	4.03	4.11	3.91
30-Year Treasury Bonds	4.90	4.96	4.84
30-Year Fixed Mortgage †	5.61	5.61	5.90

†Barr'sQuote, 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	3.45%	4.37%
Taxable Equivalent	4.93	6.24
Insured Revenue Bonds	3.61	4.71
Taxable Equivalent	5.16	6.73

THE WEEK AHEAD

INDUSTRIAL PRODUCTION

Tuesday, Feb. 17, 9:15 a.m. EST » Factory output probably increased 0.2% in January, after a 0.1% gain in December. That's based on the median forecast of economists surveyed by Informa Global Markets. The average operating rate most likely nudged up to 75.9%, from 75.8%.

RESIDENTIAL CONSTRUCTION

Wednesday, Feb. 18, 8:30 a.m. EST » January housing

starts are expected to have held virtually unchanged at an annual rate of 2.1 million.

PRODUCER PRICE INDEX

Thursday, Feb. 19, 8:30 a.m. EST » Producer prices during January probably rose 0.2%, after climbing 0.3% in December. Minus food and energy, core prices most likely increased 0.1%, reversing the 0.1% fall in December.

LEADING INDICATORS Thursday, Feb. 19, 10 a.m. EST » The

Conference Board's January index of leading economic indicators very likely increased by 0.3%, after improving by 0.2% in December.

CONSUMER PRICE INDEX Friday,

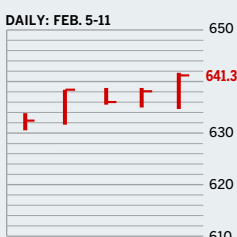
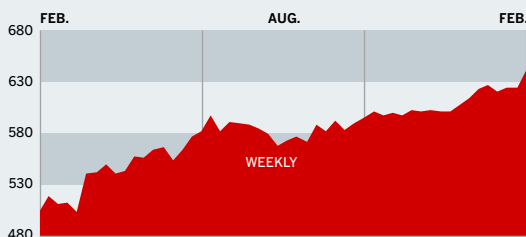
Feb. 20, 8:30 a.m. EST » January consumer prices for goods and services are forecast to have moved up by 0.2%. Excluding the more volatile food and energy components, prices likely inched 0.1% higher for the second consecutive period.

The *BusinessWeek* production index slipped to 212.7 over the week ended Jan. 31, but remained 9.2% higher than a year ago. Before calculation of the four-week moving average, the index eased to 211.9.

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 turned in a solid performance for the week ended Feb. 11, rising 1.4%. Leading the way was consumer-electronics-retailer Best Buy, up 8.6%—the stock has almost doubled since being added to the BW50. Pulte Homes also added 7.8% as the housing market shows no sign of a slowdown. Heart-device maker Medtronic sank 8.9%, as sales growth disappointed investors.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/03
1	Forest Laboratories	-2.0	52.4
2	WellPoint Health Networks	-0.6	54.7
3	UnitedHealth Group	-1.1	43.3
4	Johnson & Johnson	0.3	4.2
5	Progressive	2.1	59.5
6	AmerisourceBergen	2.4	3.6
7	Lowe's	7.7	46.7
8	Pfizer	-0.3	27.9
9	Dell Computer	4.0	25.0
10	St. Jude Medical	5.1	64.3
11	Cardinal Health	1.2	14.8
12	Bed Bath & Beyond	2.2	28.5
13	Washington Mutual	2.7	30.3
14	United Parcel Service	1.0	24.8
15	Microsoft	0.5	14.6
16	Freddie Mac	2.3	16.3
17	Electronic Arts	2.8	72.0
18	International Game Technology	4.3	93.6
19	Pulte Homes	7.8	83.1
20	Merck	-0.7	-2.8
21	Medtronic	-8.9	6.0
22	PepsiCo	7.4	33.4
23	Wells Fargo	1.9	28.3
24	McKesson	-2.1	7.0
25	Stryker	1.5	39.4

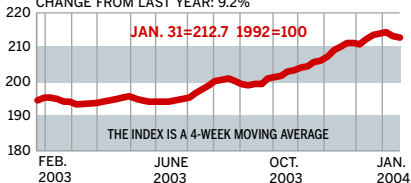
RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/03
26	U.S. Bancorp	0.3	35.9
27	H&R Block	4.6	49.6
28	Sysco	2.2	41.4
29	Procter & Gamble	0.0	26.1
30	eBay	5.6	76.3
31	Biomet	1.3	33.8
32	Exelon	0.1	34.6
33	Kohl's	7.3	-1.0
34	Wachovia	1.5	33.9
35	3M	2.5	29.8
36	Harley-Davidson	6.4	34.8
37	Walgreen	1.1	23.9
38	Altria Group	-0.1	42.1
39	Mattel	-1.2	-11.8
40	AFLAC	4.5	30.2
41	Abbott Laboratories	0.8	25.2
42	First Data	-0.5	11.3
43	Dominion Resources	1.0	18.5
44	Coca-Cola	4.1	28.8
45	Wrigley (Wm.) Jr.	1.1	6.5
46	Wal-Mart Stores	3.0	18.7
47	Quest Diagnostics	-0.2	61.5
48	General Dynamics	2.5	61.8
49	Northrop Grumman	4.9	19.9
50	Best Buy	8.6	87.7

Data: Reuters

BW PRODUCTION INDEX

INDUSTRIAL OUTPUT

CHANGE FROM LAST WEEK: -0.3%
CHANGE FROM LAST YEAR: 9.2%



The production index declined for a second straight week. Before calculation of the four-week moving average, the index declined to 211.9, from 213. On a seasonally adjusted basis, all but one component fell. Leading the pack downward were auto and truck assemblies, followed by rail-freight traffic, steel, crude-oil refining, and coal. Lumber output was virtually unchanged. Crude oil refining was higher. For the month of January, the average index level slipped to 212.7, from 213 for December.

Information on each of the index components is at www.businessweek.com.
BW production index Copyright 2004 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&As 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