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"Serving Investors Since 1980"

Frozen

by Walter S. Frank, Chief Investment Officer

We're not just talking about the weather (over half the country shivered through last month) but about the consumer, business, the stock market and the tension over Iraq. The only thing that is not frozen is the price of oil.

The result of the effects of the weather, oil, and Iraq is that it is difficult to know what is causing what. The economic numbers for January were generally encouraging. True, consumer spending slackened a bit (-0.1%) that month, but it was all due to auto spending which had rocketed in December and was bound to fall the next month. But January turned up a surprisingly encouraging number for business investment new orders, just what this economy needs.

Now come the early February numbers, and they are failing so far to confirm January. The all-important supply managers' survey for February, while still showing expansion (barely), did not confirm the Dec-Jan thrust. Was this Iraq (as Washington's words heated up), was it oil prices...who knows? By the way, the drag from oil should not be underestimated. The economists at JP Morgan point out that in the past today's oil prices led to a global recession. That is not their forecast, nor is it ours. It is just a reminder that oil is now taking a heavy toll from consumer incomes.

Free-flowing pessimism

For the market, of course, this failure of the economy to maintain some velocity is discouraging. We are talking of a matter of a few weeks, but in this fragile market environment, anything that smacks of the economic recovery losing ground brings on selling. It is difficult in such an environment for the bulls to mount a sustained charge. We are going to need relief from Iraq and, now, oil before the market turns around.

After three years of a bear market, the relatively small losses that have been sustained so far this year for the S&P 500 (-5.1%) have a magnified effect on investors' confidence and patience. And Wall Street right now is adding to the sour mood by strategists reminding us that the days of the bubble are past. Future

long-run returns from stocks (the next ten years?) they say will be modest. Lower your expectations, they counsel.

They may be right. But we are concerned about the next twelve months. We see an economy which is now being restrained by a temporary spike in oil and, most importantly, by the unknown of Iraq. It is also an economy which despite oil and Iraq continues to move ahead, too slowly to be sure.

If the drags lighten considerably over the course of the next 2-3 months, as we expect, we should see the economic numbers improve as we head into the summer. As they do the market will respond as it always has. As experience has shown, this is the time for patience.

Portfolio changes

The Hotline of Tuesday, February 11 recommended the sale of Fidelity Equity-Income II in all three Fidelity family portfolios to be switched into Fidelity Contrafund II in all three portfolios. Here are the details as of Wednesday, February 12. **Fidelity Venturesome:** Sold 791 shares of Equity-Income II @ \$15.93 per share. Purchased 1,525 shares of Contrafund II @ \$8.26 per share. **Fidelity Moderate:** Sold 665 shares of Equity-Income II, purchased 1,282 shares of Contrafund II. **Fidelity Conservative:** Sold 688 shares of Equity-Income II, Purchased 1,327 shares of Contrafund II.

The same Hotline recommended the sale of Ariel Fund in all three MONEYLETTER portfolios to be switched into RS Partners Fund in the Venturesome and Moderate portfolios. The recommended switch for the Conservative Portfolio was American Century Inflation Adjusted Bond (a TIPS fund). Here are the details as of February 12. **Venturesome:** Sold 397 shares of Ariel @ \$32.12 per share, purchased 729 shares of RS Partners @ \$17.51 per share. **Moderate:** Sold 194 shares of Ariel, purchased 355 shares of RS Partners. **Conservative:** Sold 351 shares of Ariel, purchased 1,037 shares of Am. Cent. Inflation Adjusted Bond @ \$10.88 per share.

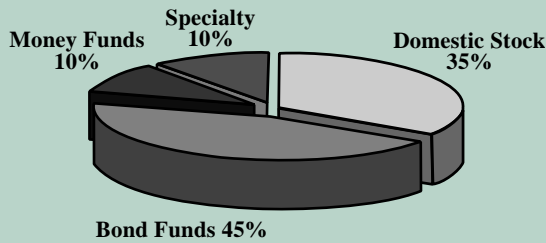
The Hotline of Tuesday, February 18 recommended a substantial change in the allocation of the Conservative Portfolio. Here are the fund switches made as of February 19 to effect the new allocation. **MONEYLETTER Conservative:** Sold \$9,000 of Schwab Money Market Fund. Sold 652 shares of Oakmark Global @ \$12.10 per share. Purchased 458 shares of American Century Inflation Protected Bond @ \$10.89 per share. Purchased 926 shares of Dodge & Cox Income @ \$12.84 per share. **Fidelity Conservative:** Sold 381 shares of International Growth & Income @ \$16.12 per share. Sold \$7,000 of Fidelity Cash Reserves. Sold 650 shares of Capital Appreciation @ \$16.11 per share. Purchased 1,597 shares of Investment Grade Bond @ \$7.60 per share. Purchased 1,105 shares of Intermediate Government Bond @ \$10.38 per share. **Vanguard Conservative:** Sold 330 shares of Capital Opportunity @ \$16.49 per share. Sold 576 shares of International Growth @ \$11.66 per share. Sold 158 shares of Strategic Equity @ \$12.64 per share. Sold \$5,000 of Prime Portfolio MMF. Purchased 1,003 shares of Inflation Protected Securities @ \$12.13 per share. Purchased 674 shares of Total Bond Market @ \$10.38 per share. \$

Market Trends

| | Trailing 12-Mo Trend | Forward 6-Mo Estimate |
|-----------------------|-------------------------|--------------------------|
| Economy | Higher | Higher |
| Interest Rates | Lower | Flat/Higher |
| Dollar | Lower | Lower |
| Inflation | Flat | Flat/Higher |
| Dow | Lower | Higher |
| NASDAQ | Lower | Higher |
| Europe | Lower | Higher |
| Japan (Nikkei) | Lower | Higher |
| Hong Kong (Hang Seng) | Lower | Higher |

CONSERVATIVE

Seeks steady long-term growth of capital with limited short-term volatility

**MONEYLETTER Conservative**

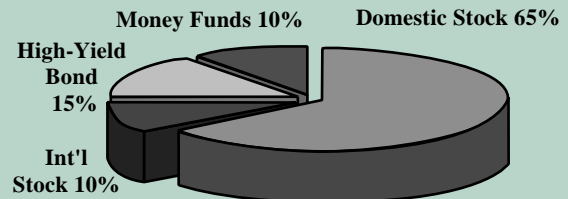
| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|-------------------------|-----------|------------------|--------|-------------|-----------------|
| Schwab Money Market | Yield YTD | 0.1% | 10,027 | \$1.00 | \$10,027 |
| Gateway Fund | 11/27/02 | -4.5 | 597 | 20.24 | 12,083 |
| Columbia High Yield | 01/17/01 | 7.4 | 1,547 | 8.42 | 13,023 |
| Third Avenue SC Value | 12/04/02 | -6.5 | 967 | 12.91 | 12,488 |
| AmerCent Inflation Adj. | 02/12/03 | 2.1 | 1,496 | 11.10 | 16,603 |
| Yacktman | 11/15/00 | 28.6 | 1,824 | 11.70 | 21,341 |
| Dodge & Cox Income | 02/19/03 | 0.8 | 926 | 12.94 | 11,980 |
| TOTAL VALUE | | | | | \$97,545 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|-------|--------|-------|
| -1.5% | -2.7% | -6.0% | -14.5% | -3.1% |

MODERATE

Seeks greater long-term growth than the Conservative Portfolio by taking prudent risks

**MONEYLETTER Moderate**

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|------------------------|-----------|------------------|--------|-------------|-----------------|
| Schwab Money Market | Yield YTD | 0.1% | 8,599 | \$1.00 | \$8,599 |
| Buffalo High Yield | 06/20/01 | 6.0 | 1,388 | 9.82 | 13,635 |
| Royce Premier | 11/27/02 | -9.5 | 870 | 8.92 | 7,760 |
| Matthews Pacific Tiger | 02/06/02 | -9.6 | 971 | 7.99 | 7,760 |
| RS Partners | 02/12/03 | 3.9 | 355 | 18.20 | 6,459 |
| Yacktman | 11/15/00 | 28.6 | 1,810 | 11.70 | 21,179 |
| Third Avenue SC Value | 12/04/02 | -6.5 | 1,156 | 12.91 | 14,927 |
| TOTAL VALUE | | | | | \$80,319 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|-------|--------|-------|
| -1.7% | -3.1% | -5.7% | -30.1% | -3.3% |

Fidelity Conservative

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|---------------------------|-----------|------------------|--------|-------------|-----------------|
| Fidelity Cash Reserves | Yield YTD | 0.1% | 8,570 | \$1.00 | \$8,570 |
| Fidelity Balanced | 11/27/02 | -4.8 | 755 | 13.03 | 9,841 |
| Fidelity High Income | 01/17/01 | -5.8 | 1,813 | 7.80 | 14,143 |
| Fid. Low Priced Stk (3%) | 02/20/02 | -11.5 | 614 | 23.74 | 14,567 |
| Fidelity Contrafund II | 02/12/03 | 2.2 | 1,327 | 8.44 | 11,204 |
| Fidelity Intermediate Gov | 02/19/03 | 0.7 | 1,108 | 10.43 | 11,554 |
| Fidelity Investment Grade | 02/19/03 | 0.9 | 1,601 | 7.65 | 12,249 |
| TOTAL VALUE | | | | | \$82,128 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|-------|--------|-------|
| -0.6% | -3.9% | -8.4% | -26.2% | -1.7% |

Fidelity Moderate

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|---------------------------|-----------|------------------|--------|-------------|-----------------|
| Fidelity Cash Reserves | Yield YTD | 0.1% | 12,124 | \$1.00 | \$12,124 |
| Fidelity Convertible Sec. | 01/29/03 | 0.3 | 654 | 16.63 | 10,872 |
| Fidelity High Income | 01/17/01 | -5.8 | 1,947 | 7.76 | 15,190 |
| Fidelity Fifty | 02/20/02 | -3.3 | 954 | 15.63 | 14,907 |
| Fid. Low Priced Stk (3%) | 01/10/01 | 12.0 | 569 | 23.74 | 13,498 |
| Fidelity Contrafund II | 02/12/03 | 2.2 | 1,282 | 8.44 | 10,824 |
| Fidelity SE Asia (3%) | 02/06/02 | -17.7 | 665 | 9.27 | 6,160 |
| TOTAL VALUE | | | | | \$83,575 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|-------|--------|-------|
| -1.2% | -5.2% | -8.6% | -21.6% | -2.1% |

Vanguard Conservative

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|----------------------------|-----------|------------------|--------|-------------|-----------------|
| Vanguard Prime Port MM | Yield YTD | 0.1% | 8,347 | \$1.00 | \$8,347 |
| Vanguard Balanced Index | 11/27/02 | -4.5 | 551 | 15.36 | 8,466 |
| Vanguard Bond Market | 02/19/03 | 1.0 | 677 | 10.44 | 7,069 |
| Vanguard Inflation Protect | 02/19/03 | 1.8 | 1,003 | 12.35 | 12,388 |
| Vanguard Strategic Equity | 10/09/02 | 11.0 | 801 | 12.75 | 10,209 |
| Vanguard Capital Value | 01/29/03 | -3.5 | 1,153 | 6.95 | 8,011 |
| Vanguard Convertible | 09/04/02 | 6.6 | 1,133 | 10.53 | 11,927 |
| Vanguard FI Hi-Yld Corp | 01/17/01 | 4.4 | 2,498 | 5.97 | 14,913 |
| TOTAL VALUE | | | | | \$81,330 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|--------|--------|-------|
| -0.1% | -1.3% | -11.0% | -21.4% | -0.6% |

Vanguard Moderate

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|----------------------------|-----------|------------------|--------|-------------|-----------------|
| Vanguard Prime Port MM | Yield YTD | 0.1% | 8,077 | \$1.00 | \$8,077 |
| Vanguard Extended Mkt | 11/27/02 | -9.6 | 408 | 17.85 | 7,291 |
| Vanguard FI Hi-Yld Corp | 01/17/01 | 4.4 | 2,411 | 5.97 | 14,393 |
| Vanguard Emerg. Mkts Stock | 02/06/02 | -12.1 | 919 | 7.35 | 6,757 |
| Vanguard Convertible | 09/04/02 | 6.6 | 1,685 | 10.53 | 17,742 |
| Vanguard Capital Value | 01/29/03 | -3.5 | 1,663 | 6.95 | 11,555 |
| Vanguard Strategic Equity | 10/09/02 | 11.0 | 968 | 12.75 | 12,341 |
| TOTAL VALUE | | | | | \$78,156 |

TOTAL RETURNS (as of 2/28/03)

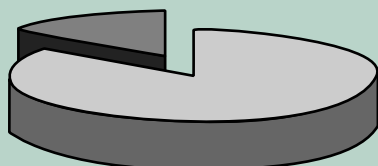
| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|--------|--------|-------|
| -0.9% | -1.9% | -13.9% | -25.1% | -1.2% |

Note: Asset Allocation Portfolios were indexed to \$100,000 on January 1, 2000. Pie charts show current allocations. Data shows positions as of 2/28/03.

VENTURESOME

Seeks maximum long-term growth by accepting greater short-term volatility

Money Funds 15%



Domestic Stock 85%

MONEYLETTER Venturesome

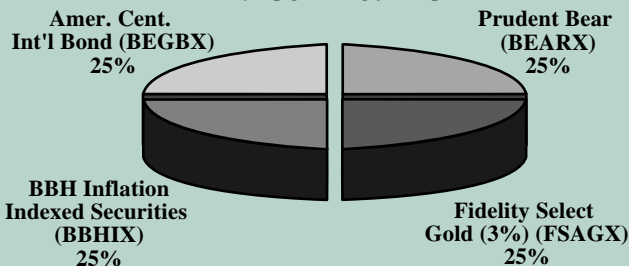
| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|-------------------------|-----------|------------------|--------|-------------|-----------------|
| Schwab Money Market | Yield YTD | 0.1% | 12,486 | \$1.00 | \$12,486 |
| Royce Premier | 11/27/02 | -9.5 | 1,263 | 8.92 | 11,268 |
| Third Avenue SC Value | 12/04/02 | -6.5 | 1,095 | 12.91 | 14,135 |
| Yacktman | 11/15/00 | 28.6 | 868 | 11.70 | 10,152 |
| Neuberger Berm. Genesis | 02/14/01 | 0.0 | 612 | 18.89 | 11,566 |
| RS Partners | 02/12/03 | 3.9 | 729 | 18.20 | 13,267 |
| TOTAL VALUE | | | | | \$72,874 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|--------|--------|-------|
| -1.3% | -5.0% | -10.3% | -25.8% | -4.0% |

SELECT

Seeks maximum long-term growth by assertively upgrading fund positions



MONEYLETTER Select

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|---------------------------|----------|------------------|--------|-------------|-----------------|
| Prudent Bear | 09/30/02 | -4.3% | 3,195 | \$ 7.49 | \$23,934 |
| Fidelity Select Gold (3%) | 02/27/03 | 0.4 | 777 | 22.73 | 17,664 |
| BBH Inflation Indexed Sec | 02/27/03 | 0.5 | 1,992 | 11.37 | 22,651 |
| Amer. Cent Int'l Bond | 09/30/02 | 11.0 | 2,190 | 12.67 | 27,749 |
| TOTAL VALUE | | | | | \$91,998 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | Incep. (9/30/02) |
|-------|------|------|------|------------------|
| -2.8% | n/a | n/a | n/a | -8.0% |

Fidelity Venturesome

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|---------------------------|-----------|------------------|--------|-------------|-----------------|
| Fidelity Cash Reserves | Yield YTD | 0.1% | 15,330 | \$1.00 | \$15,330 |
| Fidelity Convertible Sec. | 01/29/03 | 0.3 | 827 | 16.63 | 13,748 |
| Fid. Low Priced Stk (3%) | 11/29/00 | 18.4 | 724 | 23.74 | 17,196 |
| Fidelity Contrafund II | 02/12/03 | 2.2 | 1,525 | 8.44 | 12,871 |
| Fidelity Capital Apprec. | 12/04/02 | -4.0 | 661 | 16.22 | 10,719 |
| Fidelity Fifty | 02/20/02 | -3.3 | 1,050 | 15.63 | 16,409 |
| TOTAL VALUE | | | | | \$86,273 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|--------|--------|-------|
| -1.3% | -6.6% | -11.1% | -20.8% | -2.8% |

Commentary

The Hotline of Tuesday, February 25 recommended the sale of Yacktman Fund (YACKX) to be upgraded to the BBH Inflation Indexed Securities Fund (BBHIX) and the sale of Fidelity Select Multimedia Fund (FBMPX) to be upgraded to the Fidelity Select Gold Fund (FSAGX). These recommended trades were executed at the market close on February 27. Details: Sold 1,931 shares of Yacktman @ \$11.67 per share. Purchased 1,992 shares of BBH Inflation Indexed @ \$11.37 per share. Sold 557 shares of Fidelity Select Multimedia @ \$31.56 per share. Purchased 777 shares of Fidelity Select Gold @ \$22.64 per share.

These changes reflect the heightened anxiety felt by investors, businesses and the markets, as we remain on edge with respect to possible actions in Iraq and stalled diplomatic efforts to resolve issues with North Korea. With no predictable timetable, selling pressure remains dominant, despite continued improvement in economic fundamentals.

Vanguard Venturesome

| Fund Name | Buy Date | Return Since Buy | Shares | Share Price | Current Value |
|---------------------------|-----------|------------------|--------|-------------|-----------------|
| Vanguard Prime Port MM | Yield YTD | 0.1% | 12,930 | \$1.00 | \$12,930 |
| Vanguard Extended Mkt | 11/27/02 | -9.6 | 654 | 17.85 | 11,673 |
| Vanguard Convertible | 09/04/02 | 6.6 | 1,847 | 10.53 | 19,445 |
| Vanguard Strategic Equity | 10/09/02 | 11.0 | 951 | 12.75 | 12,131 |
| Vanguard Equity-Income | 08/28/02 | -9.4 | 261 | 17.63 | 4,601 |
| Vanguard Small Cap Growth | 01/29/03 | -3.5 | 1,634 | 8.67 | 14,170 |
| TOTAL VALUE | | | | | \$74,950 |

TOTAL RETURNS (as of 2/28/03)

| 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|-------|-------|--------|--------|-------|
| -1.5% | -4.0% | -16.8% | -28.8% | -2.1% |

Total Return %—February 28, 2003

| | 1-mo | 6-mo | 1-yr | 3-yr | YTD |
|---------------------------------------|------|------|-------|-------|------|
| S&P 500 | -2.0 | -7.8 | -23.0 | -35.3 | -4.5 |
| Asset Allocation Funds (Avg) 55 Funds | -0.9 | -3.9 | -12.6 | -18.2 | -2.2 |

4 FUND SCORECARD & RECOMMENDATIONS

Domestic Stock Funds

| RANK | 2/28 2003 | 1 Mo Ago | 6 Mo Ago | Ticker Symbol | FUND NAME (Max. Load) | Fund Type | Conservative | Moderate | Venturesome | TOTAL RETURN | | | PRICE | RISK | | NTF/ wtf |
|------|--------------|-------------|-------------|--|-----------------------|--------------|--------------|----------|-------------|--------------|-------|--------|--------------|--------------|------|-------------|
| | | | | | | | | | | 1 mo. | 6 mo. | 12 mo. | PER SHARE | Std. Dev. | Beta | |
| 1 | 2 | 17 | RSPFX | RS Partners | SC | * | B | B | B | 0.8% | 4.8% | 5.9% | \$18.20 | - | 0.59 | FSW |
| 2 | 3 | 23 | VCV SX | Vanguard Convertible Securities | Convrt | B | B | B | B | -0.2 | 5.7 | -1.8 | 10.53 | 20.4 | 0.69 | fsw |
| 3 | 11 | 229 | TGM CX | TCW Galileo Aggressive Growth | MCGro | B | B | B | B | -0.4 | 12.9 | -23.9 | 8.17 | 38.0 | 1.88 | sw |
| 4 | 4 | 55 | FCV SX | Fidelity Convertible Securities | Convrt | B | B | B | B | 0.5 | 4.6 | -7.7 | 16.63 | 27.4 | 0.89 | Fsw |
| 5 | 5 | - | HSGFX | Hussman Strategic Growth (1.5%r<180d) | MCGro | B | B | B | B | -1.4 | -3.0 | 6.9 | 12.42 | - | - | fsw |
| 6 | 7 | - | OAKBX | Oakmark Equity&Income | Bal | (B) | (B) | (B) | (B) | -1.0 | -0.1 | -4.6 | 17.61 | 10.6 | 0.37 | FSW |
| 7 | 23 | 183 | GINLX | Gintel Fund (2%r<45d) | MC | (B) | (B) | (B) | (B) | 0.6 | 4.4 | -20.1 | 8.73 | 49.8 | 1.20 | fsW |
| 8 | 1 | 1 | YACKX | Yacktman Fund | MC | B | B | B | B | -4.0 | -2.7 | 3.3 | 11.70 | 18.2 | 0.55 | FSW |
| 9 | 10 | - | RYSEX | Royce Special Equity (1%r<180d) | SCVal | B | B | B | B | -2.1 | -3.5 | 2.1 | 13.41 | 15.9 | 0.36 | Sw |
| 10 | 13 | 131 | LMOPX | Legg Mason Opportunity Trust | MC | B | B | B | B | -2.8 | 0.6 | -10.6 | 8.06 | - | - | - |
| 11 | 9 | 10 | PRWCX | T. Rowe Price Cap Appreciation | LCVal | B | B | B | B | -1.7 | -2.4 | -5.4 | 13.85 | 10.7 | 0.24 | fsw |
| 12 | 6 | 28 | LMASX | Legg Mason Special Investment Trust | MC | B | B | B | B | -4.4 | -1.2 | -6.3 | 28.65 | 30.6 | 1.18 | w |
| 13 | 42 | 147 | FDCAX | Fidelity Capital Appreciation | MC | H | H | H | H | 0.4 | 0.4 | -18.2 | 16.22 | 31.5 | 1.26 | fsw |
| 14 | 8 | 8 | FFTYX | Fidelity Fifty (.75%r<30d) | LC | B | B | B | B | -1.9 | -3.2 | -6.8 | 15.63 | 28.2 | 0.87 | Fsw |
| 15 | 111 | 218 | SCDVX | Scudder Development | MCGro | * | H | H | H | 1.3 | 0.9 | -22.3 | 13.97 | 41.9 | 1.47 | FSW |
| 16 | 31 | 34 | PRNEX | T. Rowe Price New Era | LC | (B) | (B) | (B) | (B) | 1.4 | -3.9 | -11.1 | 20.20 | 26.7 | 0.72 | fsw |
| 17 | 26 | 126 | STCSX | Strong Advisor Common Stock (closed) | MC | (B) | (B) | (B) | (B) | -0.4 | -0.8 | -17.0 | 15.68 | 23.2 | 0.95 | FSW |
| 18 | 14 | 7 | NBGNX | Neuberger Berman Genesis (closed) | SC | B | B | B | B | -1.0 | -3.8 | -9.0 | 18.89 | 19.6 | 0.62 | fsw |
| 19 | 46 | 101 | ACBGX | Bonnel Growth Fund (.25%r<30d) | MCGro | (B) | (B) | (B) | (B) | -1.1 | -1.0 | -18.0 | 11.28 | 43.9 | 1.10 | fsw |
| 20 | 56 | 48 | STDIX | Strong Discovery | MCGro | H | H | H | H | -0.1 | -3.8 | -12.8 | 13.99 | 25.1 | 0.83 | FSW |
| 21 | 17 | 24 | TWEIX | American Century Equity Income | MCVal | B | B | B | B | -2.2 | -4.1 | -9.9 | 6.22 | 15.1 | 0.44 | FSW |
| 22 | 27 | 206 | SACPX | Salomon Brothers Capital (closed) | MCVal | H | H | H | H | -2.1 | 0.4 | -21.9 | 19.01 | 22.0 | 0.85 | sw |
| 23 | 30 | - | FCONX | Fidelity Contrafund II (3%) | LC | (B) | (B) | (B) | (B) | -0.8 | -2.5 | -16.5 | 8.44 | 18.5 | 0.98 | fsw |
| 24 | 21 | 9 | RYTRX | Royce Total Return (1%r<180d) | SCVal | B | B | B | B | -1.6 | -5.1 | -9.1 | 7.96 | 13.6 | 0.41 | FSW |
| 25 | 53 | - | RSMOX | RS MidCap Opportunities | MCGro | H | H | H | H | 0.1 | -1.8 | -20.4 | 7.18 | 27.0 | 1.06 | FSW |
| 26 | 19 | 12 | RYPRX | Royce Premier (1%r<180d) | SC | B | B | B | B | -1.9 | -4.6 | -10.9 | 8.92 | 18.7 | 0.62 | FSW |
| 27 | 70 | 217 | NEEGX | Needham Growth Fund (.75%r<30d) | MCGro | H | H | H | H | -0.5 | 0.3 | -25.7 | 19.73 | 50.6 | 1.11 | FSW |
| 28 | 39 | - | GAATX | Liberty Asset Allocation CIZ | G&I | H | H | H | H | -1.1 | -4.3 | -13.5 | 12.45 | 11.4 | 0.61 | f |
| 29 | 12 | 83 | LMVTX | Legg Mason Value | LCVal | B | B | B | B | -3.0 | -3.4 | -13.1 | 39.25 | 28.1 | 1.16 | w |
| 30 | 22 | - | FEXPX | Fidelity Export & Multinat'l (.75%r<30d) | LC | (H) | (H) | (H) | (H) | -1.8 | -2.4 | -18.3 | 13.21 | 18.5 | 0.91 | fsw |
| 31 | 38 | 31 | LLPFX | Longleaf Partners | MCVal | B | B | B | B | -2.2 | -4.8 | -12.1 | 21.72 | 20.1 | 0.58 | fsw |
| 32 | 131 | 232 | FDEGX | Fidelity Aggressive Growth (0.75%r<90d) | LCGro | * | H | H | H | -1.4 | 2.2 | -31.2 | 10.97 | 53.5 | 1.75 | fsw |
| 33 | 25 | 37 | MUTHX | Mutual Shares (1%) CIZ | MCVal | (B) | (B) | (B) | (B) | -1.6 | -5.1 | -12.7 | 16.43 | 16.6 | 0.62 | sw |
| 34 | 33 | 18 | PRSVX | T. Rowe Price S-C Value (closed,1%r<1yr) | SCVal | H | H | H | H | -2.7 | -5.0 | -11.6 | 20.61 | 16.4 | 0.44 | fsw |
| 35 | 79 | 158 | JAENX | Janus Enterprise | MCGro | H | H | H | H | -0.9 | -3.4 | -18.6 | 22.51 | 54.1 | 1.59 | FSW |
| 36 | 45 | 56 | BEMVX | Berger Mid Cap Value | MCVal | H | H | H | H | -1.3 | -4.8 | -15.7 | 14.24 | 23.3 | 0.80 | FSW |
| 37 | 50 | 174 | CUEGX | CS Warburg Pincus Emerging Growth | MCGro | H | H | H | H | -1.3 | -1.9 | -23.1 | 18.74 | 35.5 | 1.26 | FSW |
| 38 | 15 | 5 | AVALX | Aegis Value Fund | SCVal | (H) | (H) | (H) | (H) | -5.0 | -6.1 | -7.1 | 11.72 | 18.2 | 0.31 | fw |
| 39 | 52 | 11 | BSCFX | Baron Small Cap | SCGro | H | H | H | H | -2.2 | -5.6 | -13.5 | 13.01 | 28.0 | 1.07 | FSW |
| 40 | 37 | 51 | VSEQX | Vanguard Strategic Equity | MCGro | H | H | H | H | -1.9 | -5.5 | -14.2 | 12.75 | 17.2 | 0.82 | fsw |
| 41 | 188 | 78 | FMLIX | Fidelity New Millennium (3%) (closed) | MCGro | H | H | H | H | -0.7 | -4.6 | -18.4 | 21.09 | 59.0 | 1.67 | fsw |
| 42 | 124 | 220 | FIDYX | INVESCO Dynamics | MCGro | H | H | H | H | -1.5 | -1.1 | -25.9 | 10.45 | 44.2 | 1.43 | FSW |
| 43 | 57 | 16 | BERWX | Berwyn Fund (1%r<180d) | SCVal | H | H | H | H | -0.8 | -7.0 | -12.6 | 16.51 | 18.7 | 0.41 | fsw |
| 44 | 164 | 189 | TGVOX | TCW Galileo Value Opportunity | MCVal | H | H | H | H | 0.3 | -2.1 | -26.3 | 13.24 | 31.3 | 0.97 | - |
| 45 | 83 | 72 | TASCX | Third Avenue Small-Cap Value | SCVal | H | H | H | H | -1.5 | -5.8 | -14.5 | 12.91 | 17.5 | 0.58 | FSW |
| 46 | 67 | 2 | EEQFX | Eclipse Small Cap Value | SCVal | H | H | H | H | -0.8 | -9.0 | -8.0 | 11.21 | 18.6 | 0.75 | FSW |
| 47 | 123 | 165 | FOCPX | Fidelity OTC Portfolio | LCGro | * | H | H | H | -1.6 | -3.5 | -20.5 | 22.64 | 29.1 | 1.57 | fsw |
| 48 | 180 | 225 | RSAGX | RS Aggressive Growth | MCGro | H | H | H | H | -0.5 | -0.7 | -29.4 | 4.02 | - | - | FSW |
| 49 | 55 | 60 | OTCFX | T. Rowe Price Small Cap Stock Fund | SC | H | H | H | H | -2.0 | -4.8 | -17.2 | 20.35 | 22.0 | 0.73 | fsw |
| 50 | 86 | 96 | FEQTX | Fidelity Equity-Income II | G&I | H | H | H | H | -0.5 | -5.4 | -18.0 | 16.64 | 17.2 | 0.74 | Fsw |
| 51 | 32 | 76 | WBSNX | WmBlair S-C Growth N (1%r<60d) | SCGro | H | H | H | H | -4.1 | -3.9 | -16.4 | 12.81 | - | 0.95 | FSW |
| 52 | 72 | 104 | RPMGX | T. Rowe Price Mid Cap Growth | MCGro | H | H | H | H | -1.9 | -4.2 | -19.2 | 29.99 | 24.5 | 1.12 | fsw |
| 53 | 191 | 223 | SMDCX | Strong Advisor Midcap Growth | MCGro | H | H | H | H | 0.7 | -2.6 | -26.9 | 8.85 | 50.6 | 1.52 | FSW |
| 54 | 155 | 216 | TMGFX | Turner Midcap Growth | MCGro | * | H | H | H | -1.4 | -2.1 | -25.2 | 14.55 | 58.5 | 1.57 | FSW |
| 55 | 34 | 46 | BEGRX | Mutual Beacon (1%) CIZ | MCVal | (H) | (H) | (H) | (H) | -2.2 | -6.1 | -14.2 | 10.94 | 15.9 | 0.58 | sw |
| 56 | 44 | 22 | OAKLX | Oakmark Select (closed) (2%r<90d) | MCVal | H | H | H | H | -0.6 | -7.0 | -14.2 | 23.38 | 26.2 | 0.83 | FSW |
| 57 | 76 | 164 | PRNHX | T. Rowe Price New Horizons | SCGro | * | H | H | H | -2.0 | -2.9 | -22.5 | 15.91 | 37.8 | 1.24 | fsw |
| 58 | 62 | 19 | FCNTX | Fidelity Contrafund | LC | H | H | H | H | -1.3 | -7.1 | -13.1 | 36.95 | 20.1 | 0.84 | fsw |
| 59 | 96 | 103 | TAVFX | Third Avenue Value | MCVal | H | H | H | H | -1.4 | -5.4 | -17.3 | 29.28 | 16.0 | 0.61 | FSW |
| 60 | 77 | 219 | VHCOX | Vanguard Cap Opp (\$25,000&1%r<5yr) | MCGro | S | S | S | S | -2.0 | -1.5 | -26.4 | 16.48 | 38.1 | 1.06 | fsw |
| 61 | 35 | 27 | PENNX | Royce Penn Mutual (1%r<180d) | SCVal | H | H | H | H | -2.8 | -5.3 | -15.5 | 6.24 | 16.7 | 0.51 | Fsw |
| 62 | 89 | 44 | DNLDX | Dreyfus New Leaders | MCGro | H | H | H | H | -1.5 | -6.5 | -14.5 | 33.28 | 25.2 | 0.92 | FSW |
| 63 | 92 | 148 | ARTMX | Artisan Midcap (closed) | MCGro | H | H | H | H | -1.3 | -4.2 | -20.8 | 18.77 | 35.5 | 1.11 | FSW |
| 64 | 65 | 53 | FDVLX | Fidelity Value | MCVal | H | H | H | H | -1.5 | -6.3 | -15.4 | 44.22 | 22.8 | 0.64 | Fsw |
| 65 | 28 | 45 | WPSRX | Westport Small Cap R | SCVal | S | S | S | S | -3.8 | -4.5 | -16.5 | 15.63 | - | - | FSW |
| 66 | 211 | 222 | FDGRX | Fidelity Growth Company | LCGro | S | S | S | S | 0.3 | -2.7 | -27.2 | 34.54 | 42.1 | 1.12 | Fsw |
| 67 | 54 | - | FGRTX | Fidelity Growth & Income II | LC | H | H | H | H | -1.5 | -5.6 | -18.0 | 7.31 | 13.7 | 0.76 | Fw |
| 68 | 147 | 133 | MNSCX | Montgomery Small Cap | SCGro | S | S | S | S | -0.7 | -4.9 | -21.0 | 7.05 | 38.5 | 1.31 | s |

Bold funds are currently held in MONEYLETTER model portfolios.

Advice: B=Buy, H=Hold, S=Sell, (B), (H), (S)= advice new this issue, *=-not for this portfolio.

Std. Dev.: Standard Deviation based on trailing 3-yr. returns.

Beta: fund's correlation to the market (S&P 500 = 1.0). A fund with a beta greater than 1.0 is more volatile than the S&P 500.

NTF/wtf: NO TRANSACTION FEE/with transaction fee (F/f) for Fidelity, (S/s) for Schwab and (W/w) for TD Waterhouse.

Domestic Stock Funds

| RANK | 2/28 2003 | 1 Mo Ago | 6 Mo Ago | Ticker Symbol | FUND NAME (Max. Load) | Fund Type | Conservative | Moderate | Venturesome | TOTAL RETURN | | | PRICE PER SHARE | RISK | | NTF/ wtf |
|------|--------------|-------------|-------------|--------------------------------------|-----------------------|--------------|--------------|----------|-------------|--------------|-------|--------|-----------------------|--------------|------|-------------|
| | | | | | | | | | | 1 mo. | 6 mo. | 12 mo. | | Std. Dev. | Beta | |
| 69 | 162 | 141 | SGROX | Strong Growth | LCGro | S | S | S | -0.6 | -5.0 | -21.0 | 12.86 | 43.9 | 1.16 | Fsw | |
| 70 | 18 | 40 | HRTVX | Heartland Value (1%r<90d) | SCVal | H | H | H | -4.8 | -4.8 | -15.2 | 29.74 | 22.5 | 0.63 | Fsw | |
| 71 | 109 | 208 | FMC SX | Fidelity Mid-Cap Stock (.75%r<30d) | MCGro | S | S | S | -1.6 | -2.9 | -25.6 | 15.74 | 33.9 | 0.72 | Fsw | |
| 72 | 97 | 193 | PRWAX | T. Rowe Price New America | LC | S | S | S | -1.4 | -4.0 | -23.4 | 21.42 | 27.0 | 1.27 | fsw | |
| 73 | 20 | 91 | WVALX | Weitz Value Fund | MCVal | (H) | (H) | (H) | -3.3 | -4.4 | -19.4 | 26.54 | 16.6 | 0.52 | SW | |
| 74 | 98 | 61 | NCTWX | Nicholas II | MCVal | S | S | S | -1.2 | -6.6 | -17.2 | 15.39 | 21.3 | 1.00 | w | |
| 75 | 40 | - | VISGX | Vanguard Small Cap Growth Index | SCGro | H | H | H | -2.8 | -5.6 | -17.4 | 8.67 | 28.2 | 0.85 | w | |
| 76 | 61 | 109 | SLSSX | Selected Special Shares | MCGro | H | H | H | -2.5 | -4.5 | -20.7 | 8.13 | 23.9 | 1.04 | sW | |
| 77 | 41 | 52 | MQIFX | Mutual Qualified (1%) CIZ | MCVal | H | H | H | -2.1 | -6.9 | -15.3 | 13.55 | 16.9 | 0.61 | sw | |
| 78 | 114 | 124 | OBEGX | Oberweis Emerging Growth | SCGro | H | H | H | -4.3 | -3.8 | -20.0 | 14.64 | 48.7 | 1.49 | FSW | |
| 79 | 73 | 66 | MPSCX | MSI Small Cap Value (closed) | SCVal | S | S | S | -2.5 | -5.8 | -18.0 | 14.07 | 25.5 | 0.77 | fsw | |
| 80 | 166 | 180 | MPEGX | MSI Midcap Growth | MCGro | S | S | S | -0.8 | -4.0 | -25.3 | 11.89 | 44.0 | 1.50 | w | |
| 81 | 90 | 122 | VMRGX | Vanguard/Morgan Growth | LC | S | S | S | -1.6 | -5.0 | -21.6 | 10.78 | 26.7 | 1.22 | fsw | |
| 82 | 95 | 87 | BPMC X | Boston Partners Mid Cap Value | MCVal | S | S | S | -1.2 | -6.2 | -19.4 | 8.99 | 18.3 | 0.76 | FSW | |
| 83 | 108 | 177 | JAMRX | Janus Mercury | LCGro | * | S | S | -1.7 | -4.1 | -24.0 | 14.29 | 42.5 | 1.43 | FSW | |
| 84 | 93 | - | VALSX | Value Line Special Situations | MCGro | S | S | S | -1.5 | -7.4 | -15.9 | 15.54 | 28.6 | 0.88 | FSW | |
| 85 | 117 | 139 | FDSSX | Fidelity Stock Selector | LC | S | S | S | -1.1 | -5.8 | -20.8 | 15.95 | 20.9 | 0.97 | Fsw | |
| 86 | 101 | 136 | FTRNX | Fidelity Trend | LC | S | S | S | -1.3 | -5.8 | -20.7 | 37.21 | 27.3 | 1.16 | Fsw | |
| 87 | 104 | 100 | BEQGX | American Century Equity Growth | LCVal | S | S | S | -1.1 | -6.4 | -19.4 | 14.72 | 20.8 | 1.03 | FSW | |
| 88 | 64 | 79 | VEXMX | Vanguard Extended Market Index | MC | H | H | H | -2.6 | -6.1 | -18.2 | 17.85 | 31.4 | 1.17 | fsw | |
| 89 | 140 | 199 | VPMCX | Vanguard PRIMECAP (\$25,000&1%r<5yr) | LC | S | S | S | -1.0 | -4.4 | -24.8 | 37.56 | 26.7 | 1.00 | fsw | |
| 90 | 81 | 99 | JAVLX | Janus Twenty (closed) | LCGro | S | S | S | -1.3 | -6.1 | -20.6 | 28.25 | 38.1 | 1.43 | FSW | |
| 91 | 74 | 112 | PRGFX | T. Rowe Price Growth Stock | LC | S | S | S | -1.5 | -5.9 | -20.9 | 18.01 | 22.9 | 1.06 | fsw | |
| 92 | 47 | 38 | DODGX | Dodge & Cox Stock | LCVal | H | H | H | -2.4 | -7.5 | -15.7 | 83.44 | 19.8 | 0.64 | sw | |
| 93 | 58 | 14 | FLPSX | Fidelity L P Stock (3%&1.5%r<90d) | SCVal | H | H | H | -3.5 | -8.4 | -12.4 | 23.74 | 16.6 | 0.57 | fsw | |
| 94 | 128 | 94 | CLSPX | Columbia Special | MCGro | * | S | S | -2.2 | -6.2 | -20.1 | 14.46 | 37.1 | 0.97 | FSW | |
| 95 | 24 | 30 | TRMCX | T. Rowe Price Mid Cap Value | MCVal | H | H | H | -4.2 | -7.0 | -15.3 | 14.13 | 15.9 | 0.60 | fsw | |
| 108 | 16 | 70 | SMCDX | Strong Mid Cap Disciplined | MCVal | (S) | (S) | (S) | -5.3 | -6.2 | -17.2 | 13.88 | 23.4 | 0.92 | FSW | |
| 163 | 29 | 113 | THPGX | Thompson Plumb Growth | LC | (S) | (S) | (S) | -4.5 | -6.1 | -23.7 | 32.38 | 19.6 | 0.69 | fsw | |
| 176 | 48 | 74 | SSHFX | Sound Shore | MCVal | (S) | (S) | (S) | -4.2 | -8.7 | -19.5 | 23.95 | 18.4 | 0.60 | sW | |
| 179 | 115 | 108 | VEIPX | Vanguard Equity-Income | LCVal | H | H | H | -3.0 | -9.0 | -20.6 | 17.63 | 16.0 | 0.55 | fsw | |
| 197 | 132 | 239 | VCVLX | Vanguard Capital Value | LCVal | H | H | H | -2.5 | -7.6 | -27.7 | 6.95 | - | - | fsw | |

Dow Jones
NASDAQ
S&P 500

-2.0%
1.3
-1.7

-8.9%
1.7
-8.2

-21.9%
-22.8
-24.0

indexes do not
include dividends

International Stock Funds

| | | | | | | | | | | | | | | | |
|----|----|----|--------|---|---------|-----|-----|-----|------|-------|-------|---------|------|---|-----|
| 1 | 1 | 1 | MACSX | Mathews Asia Growth&Income (2%r<90d) | Pacific | B | B | B | 0.5% | -0.8% | 3.7% | \$10.40 | 14.4 | - | Fsw |
| 2 | 5 | 19 | ICHKX | Investec China & Hong Kong | Pacific | B | B | B | -0.3 | -1.1 | -5.2 | 10.45 | 39.2 | - | FSW |
| 3 | 7 | 5 | BJBIX | Julius Baer International Equity A | Int'l | B | B | B | -2.1 | -6.2 | -7.6 | 18.73 | 28.8 | - | FS |
| 4 | 22 | 15 | FJPNX | Fidelity Japan (1.5%r<90d) | Japan | * | H | H | 0.9 | -9.8 | -6.2 | 8.14 | 34.8 | - | Fsw |
| 5 | 3 | 3 | DRFMX | Dreyfus Emerging Market (1%r) | Int'l | * | B | B | -2.7 | -6.3 | -10.8 | 10.67 | 21.8 | - | FSW |
| 6 | 14 | 2 | MAPT X | Mathews Pacific Tiger (2%r<90d) | Pacific | (B) | (B) | (B) | -2.7 | -6.4 | -12.2 | 7.99 | 47.1 | - | FSW |
| 7 | 6 | 12 | MNEMX | Montgomery Emerging Mkts (closed) | Int'l | * | B | B | -3.2 | -5.1 | -15.5 | 7.61 | 31.6 | - | FSW |
| 8 | 12 | 17 | FDIVX | Fidelity Diversified Intl (1%r<30d) | Int'l | B | B | B | -2.1 | -7.4 | -12.0 | 16.39 | 20.4 | - | Fsw |
| 9 | 35 | 35 | SJPNX | Japan Fund (Scudder) (2%r<180d) | Japan | * | H | H | 0.7 | -10.3 | -9.2 | 5.86 | 31.4 | - | FSW |
| 10 | 2 | 14 | VEIEX | Vanguard Emerging Mkts Stk Index (0.5%r) | Int'l | * | B | B | -3.8 | -5.0 | -15.6 | 7.35 | 32.3 | - | fsw |
| 11 | 16 | 20 | HAINX | Harbor International | Int'l | B | B | B | -1.3 | -7.8 | -12.9 | 25.14 | 17.8 | - | sw |
| 12 | 11 | 36 | PRIDX | T. Rowe Price Intl Disc. (closed,2%r<1yr) | Int'l | B | B | B | -2.7 | -6.3 | -15.0 | 15.57 | 37.1 | - | fsw |
| 13 | 28 | 21 | VPACX | Vanguard Pacific Stock Index | Pacific | * | H | H | 0.2 | -10.6 | -8.7 | 5.72 | 24.7 | - | fsw |
| 14 | 17 | 24 | USIFX | USAA International | Int'l | B | B | B | -2.4 | -7.6 | -13.6 | 14.14 | 18.1 | - | w |
| 15 | 27 | 6 | VNEPX | Vontobel International Equity (2%r<360d) | Int'l | H | H | H | -1.3 | -10.7 | -8.4 | 11.07 | 21.1 | - | FsW |
| 16 | 21 | 42 | SGSCX | Scudder Global Discovery(closed) | Int'l | H | H | H | -2.2 | -7.5 | -17.7 | 18.14 | 34.4 | - | FSW |
| 17 | 10 | 10 | FEMKX | Fidelity Emerging Mkts (3%&1.5%r<90d) | Int'l | H | H | H | -3.8 | -7.9 | -15.7 | 6.89 | 32.9 | - | fsw |
| 18 | 19 | 38 | SCOBX | Scudder Global | Global | H | H | H | -2.6 | -8.0 | -18.4 | 17.07 | 16.7 | - | FSW |
| 19 | 4 | 11 | OAKGX | Oakmark Global (2%r<90d) | Global | B | B | B | -6.2 | -8.1 | -13.2 | 11.73 | - | - | FSW |
| 20 | 41 | 43 | LSIEX | Loomis Sayles International Equity | Int'l | H | H | H | -0.4 | -9.8 | -18.9 | 7.78 | 32.2 | - | fsw |
| 21 | 24 | 13 | FPBFX | Fidelity Pacific Basin (1.5%r<90d) | Pacific | * | H | H | -1.9 | -11.5 | -12.8 | 12.17 | 30.0 | - | Fsw |
| 22 | 20 | 33 | USAWX | USAA World Growth | Int'l | H | H | H | -2.9 | -8.5 | -19.1 | 11.33 | 20.0 | - | w |
| 23 | 23 | 23 | FIGRX | Fidelity International G & I | Int'l | H | H | H | -3.2 | -11.0 | -14.0 | 15.75 | 22.0 | - | Fsw |
| 24 | 36 | 41 | SWINX | Schwab International Index (1.5%r<180d) | Int'l | H | H | H | -2.0 | -10.6 | -17.2 | 9.72 | 18.0 | - | S |
| 25 | 31 | 16 | PFIFX | Preferred International | Int'l | H | H | H | -2.7 | -11.7 | -14.3 | 9.71 | 17.4 | - | w |
| 26 | 44 | 31 | CMISX | Columbia International Stock | Int'l | H | H | H | -1.5 | -11.5 | -17.2 | 9.47 | 22.2 | - | fsw |
| 27 | 9 | 44 | SLAFX | Scudder Latin America | LatinA | * | H | H | -2.8 | -7.2 | -26.2 | 15.03 | 37.7 | - | FSW |
| 28 | 49 | - | GIETF | Liberty Intl Equity CIZ | Int'l | S | S | S | -1.2 | -9.9 | -21.7 | 8.87 | 16.3 | - | f |
| 29 | 34 | 40 | FWWFX | Fidelity Worldwide (1%r<30d) | Global | S | S | S | -2.5 | -9.8 | -21.1 | 11.24 | 18.5 | - | Fsw |
| 30 | 46 | 49 | STISX | Strong International Stock | Int'l | S | S | S | -1.3 | -11.0 | -19.9 | 6.87 | 30.5 | - | FSW |
| 31 | 13 | 4 | PRASX | T. Rowe Price New Asia | Pacific | S | S | S | -5.1 | -10.8 | -15.0 | 5.43 | 33.6 | - | fsw |
| 32 | 18 | 9 | SCOPX | Scudder Pacific Opportunity (2%r<1yr) | Pacific | S | S | S | -4.9 | -10.6 | -15.8 | 7.73 | 33.5 | - | FSW |
| 33 | 29 | 26 | GIGRX | Gabelli Intl. Growth | intl | H | H | H | -3.4 | -10.9 | -17.6 | 10.95 | 21.0 | - | FSW |
| 34 | 43 | 30 | VTRIX | Vanguard International Value | Int'l | S | S | S | -2.6 | -11.6 | -18.4 | 17.60 | 15.9 | - | fsw |
| 53 | 40 | 7 | FSEAX | Fidelity SE Asia (1.5%r<90d) | Pacific | * | H | H | -4.6 | -15.2 | -19.6 | 9.27 | 38.5 | - | fsw |

Specialty Funds (next issue: Bond Funds)

| RANK | 2/28 2003 | 1Mo Ago | 6Mo Ago | Ticker Symbol | FUND NAME (Max. Load) | Fund Type | Conservative Moderate Venturesome | TOTAL RETURN | | | PRICE PER SHARE | RISK | | NTF/ wtf |
|------|--------------|------------|------------|---|-----------------------|--------------|---|--------------|-------|---------|-----------------------|--------------|------|-------------|
| | | | | | | | | 1 mo. | 6 mo. | 12 mo. | | Std. Dev. | Beta | |
| 1 | 1 | - | SCGD | Scudder Gold (closed) | NatRes | * * * | -4.9% | 13.0% | 38.0% | \$11.18 | 31.90 | 0.28 | FSW | |
| 2 | 8 | - | BEAR | Prudent Bear | Altern | * * * | -0.7 | 5.7 | 42.8 | 7.49 | 44.10 | -1.57 | FSW | |
| 3 | 2 | - | USER | U.S.Global Gold Shares (.25%r<30d) | NatRes | * * * | -6.3 | 12.0 | 30.5 | 5.05 | 42.40 | 0.41 | fsw | |
| 4 | 4 | - | FSAG | Fidelity Gold (3%&.75%r<30d) | NatRes | * * * | -5.1 | 8.2 | 26.7 | 22.73 | 34.10 | 0.36 | fsw | |
| 5 | 11 | - | RYUR | Rydex Ursa | Altern | * * * | 1.2 | 4.9 | 22.8 | 13.24 | 21.50 | -1.01 | fsw | |
| 6 | 12 | - | BRPI | ProFunds Bear Inv | Altern | * * * | 1.3 | 4.3 | 21.5 | 46.80 | 21.60 | -1.02 | Sw | |
| 7 | 3 | - | BGEI | Amer. Cent. Global Gold (1%r<60d) | NatRes | * * * | -7.6 | 6.7 | 27.3 | 8.49 | 36.90 | 0.15 | fSW | |
| 8 | 5 | - | FGLD | INVESCO Gold Inv | NatRes | * * * | -5.8 | 4.8 | 24.4 | 2.60 | 30.30 | 0.22 | FS | |
| 9 | 22 | - | FSSE | Fidelity Energy Services (3%&.75%r<30d) | NatRes | * * * | 6.4 | 7.3 | -3.3 | 29.73 | 46.40 | 1.18 | fsw | |
| 10 | 6 | - | VGPM | Vanguard Precious Metals (closed,1%r<1yr) | NatRes | * * * | -5.2 | 6.8 | 11.5 | 10.66 | 32.70 | 0.56 | fsw | |
| 11 | 13 | - | RSCQ | RS Contrarian | Altern | * * * | -0.1 | 3.9 | 9.1 | 10.63 | 17.60 | 0.57 | FSW | |
| 12 | 14 | - | FSCS | Fidelity Software (3%&.75%r<30d) | Tech | * * * | -1.9 | 14.1 | -15.2 | 35.48 | 52.00 | 2.14 | fsw | |
| 13 | 15 | - | BRMI | AXARosenberg Value L/S (2%r<30d) | Value | * * * | 2.1 | -2.0 | 18.9 | 10.58 | 18.90 | -0.58 | fSW | |
| 14 | 17 | - | FSME | Fidelity Medical Equip (3%&.75%r<30d) | Health | * * * | 1.6 | 5.8 | -1.8 | 15.63 | 15.50 | 0.29 | fsw | |
| 15 | 20 | - | FSTEX | INVESCO Energy Inv | NatRes | * * * | 4.0 | 3.7 | -0.5 | 16.92 | 33.90 | 0.84 | FS | |
| 16 | 30 | - | RYVI | Rydex Energy Services | NatRes | * * * | 5.2 | 4.5 | -10.3 | 6.08 | 37.90 | 1.15 | fsw | |
| 17 | 26 | - | FSNG | Fidelity Natural Gas (3%&.75%r<30d) | Utility | * * * | 4.8 | 1.3 | -2.2 | 17.42 | 27.70 | 0.61 | fsw | |
| 18 | 7 | - | RYPM | Rydex Precious Metals | NatRes | * * * | -6.6 | 2.1 | 11.5 | 28.87 | 31.70 | 0.24 | fsw | |
| 19 | 16 | - | MERF | Merger Fund | Altern | * * * | -0.1 | 4.1 | -3.9 | 13.78 | 6.84 | 0.14 | FSW | |
| 20 | 19 | - | VGEN | Vanguard Energy (1%r<1yr) | Energy | * * * | 2.5 | 1.3 | -3.0 | 23.42 | 24.50 | 0.64 | fsw | |
| 21 | 10 | - | FBMP | Fidelity Multimedia (3%&.75%r<30d) | Consmr | * * * | -8.3 | 11.9 | -14.1 | 32.10 | 21.80 | 1.08 | fsw | |
| 22 | 31 | - | FRES | Fidelity Real Estate (.75%r<90d) | RealEs | * * * | 2.1 | -3.1 | 3.1 | 18.25 | 13.90 | 0.20 | Fsw | |
| 23 | 25 | - | RYII | Rydex Internet | Tech | * * * | -1.7 | 10.9 | -27.4 | 20.35 | - | - | fsw | |
| 24 | 36 | - | CSEI | Cohen & Steers Equity Income | RealEs | * * * | 2.1 | -3.9 | 1.5 | 11.28 | 13.10 | 0.13 | FSW | |
| 25 | 18 | - | FSDP | Fidelity Indust MatrIs (3%&.75%r<30d) | Cycls | * * * | -1.0 | 0.7 | -6.2 | 23.83 | 23.00 | 0.87 | fsw | |
| 26 | 32 | - | IVSR | INVESCO Real Estate Inv | RealEs | * * * | 1.4 | -4.7 | 2.2 | 7.38 | 13.90 | 0.34 | FS | |
| 27 | 39 | - | VGSI | Vanguard REIT Index (1%r<1yr) | RealEs | * * * | 1.7 | -4.4 | 1.0 | 11.72 | 13.70 | 0.14 | fsw | |
| 28 | 43 | - | FSEN | Fidelity Energy (3%&.75%r<30d) | NatRes | * * * | 3.8 | -0.7 | -11.5 | 20.63 | 22.10 | 0.70 | fsw | |
| 29 | 38 | - | CSRS | Cohen & Steers Realty Shares (1%r<180d) | RealEs | * * * | 1.7 | -4.4 | 0.4 | 42.55 | 14.60 | 0.23 | FSW | |
| 30 | 21 | - | GATE | Gateway Fund | Altern | B * * | -1.4 | 0.1 | -6.8 | 20.24 | 7.84 | 0.40 | FSW | |
| 31 | 9 | - | FSTC | Fidelity Telecomm (3%&.75%r<30d) | Utility | * * * | -7.3 | 9.9 | -22.6 | 23.62 | 25.00 | 1.38 | fsw | |
| 32 | 27 | - | CGMR | CGM Realty | RealEs | * * * | 1.0 | -2.2 | -5.6 | 13.62 | 17.50 | 0.21 | fsw | |
| 33 | 34 | - | STMD | Stratton Mthly Div REIT (1.5%r<120d) | RealEs | * * * | 0.6 | -5.2 | 1.8 | 25.64 | 13.20 | 0.17 | fsw | |
| 34 | 65 | - | FSPT | Fidelity Technology (3%&.75%r<30d) | Tech | * * * | 2.9 | 4.6 | -26.2 | 38.44 | 46.60 | 2.14 | fsw | |
| 35 | 47 | - | FNAR | Fidelity Natrl Resources (3%&.75%r<30d) | NatRes | * * * | 2.7 | -1.3 | -13.6 | 11.04 | 21.90 | 0.78 | fsw | |
| 36 | 37 | - | RYEI | Rydex Energy | NatRes | * * * | 1.4 | -0.6 | -13.7 | 8.90 | 21.30 | 0.66 | fsw | |
| 37 | 28 | - | FBAL | Fidelity Balanced | Hybrid | B * * | -0.6 | -2.2 | -10.2 | 13.03 | 10.50 | 0.54 | FSW | |
| 38 | 33 | - | VBIN | Vanguard Balanced Index | Hybrid | B * * | -0.4 | -2.4 | -10.0 | 15.36 | 10.70 | 0.57 | fsw | |
| 39 | 48 | - | FBIO | Fidelity Biotechnology (3%&.75%r<30d) | Health | * * * | -1.4 | 4.2 | -28.2 | 38.42 | 53.10 | 0.88 | fsw | |
| 40 | 23 | - | RYMI | Rydex Telecommunications | Utility | * * * | -4.5 | 7.9 | -33.2 | 3.42 | 21.60 | 1.52 | fsw | |
| 41 | 44 | - | FSDC | Fidelity Developing Comm (3%&.75%r<30d) | Tech | * * * | -0.5 | 3.4 | -33.0 | 10.03 | 37.00 | 1.72 | fsw | |
| 42 | 83 | - | FDCP | Fidelity Computers (3%&.75%r<30d) | Tech | * * * | 3.8 | 0.3 | -31.7 | 22.36 | 41.20 | 2.09 | fsw | |
| 43 | 70 | - | RYTI | Rydex Technology | Tech | * * * | 1.6 | 0.8 | -30.8 | 7.19 | 34.10 | 2.04 | fsw | |
| 44 | 35 | - | FSPH | Fidelity Health Care (3%&.75%r<30d) | Health | * * * | -2.3 | -2.7 | -16.1 | 99.56 | 15.30 | 0.28 | fsw | |
| 45 | 40 | - | RYKI | Rydex Banking | FinServ | * * * | -1.1 | -9.7 | -4.5 | 7.49 | 27.50 | 0.70 | fsw | |
| 46 | 24 | - | FDSL | Fidelity Leisure (3%&.75%r<30d) | Consmr | * * * | -3.7 | -1.9 | -21.1 | 48.61 | 21.20 | 1.10 | fsw | |
| 47 | 49 | - | VGHX | Vanguard Health Care (\$25k&1%r<5yr) | Health | * * * | -2.8 | -5.7 | -15.0 | 91.72 | 15.00 | 0.37 | fsw | |
| 48 | 46 | - | FPHX | Fidelity Pharmaceuticals (3%&.75%r<30d) | Health | * * * | -2.6 | -2.1 | -24.2 | 7.00 | - | - | fsw | |
| 49 | 52 | - | FSPF | Fidelity Paper & Forest (3%&.75%r<30d) | Cycls | * * * | -2.0 | -5.9 | -16.4 | 24.07 | 24.70 | 0.80 | fsw | |
| 50 | 51 | - | FSTU | INVESCO Utilities Inv | Utility | * * * | -2.9 | -5.2 | -17.2 | 8.10 | 16.10 | 0.66 | FS | |
| 51 | 29 | - | FSLE | Fidelity Environmental Ser (3%&.75%r<30) | Cycls | * * * | -3.0 | -5.7 | -16.2 | 9.71 | 19.70 | 0.59 | fsw | |
| 52 | 42 | - | RYHI | Rydex Health Care | Health | * * * | -2.2 | -4.7 | -20.2 | 9.00 | 15.50 | 0.31 | fsw | |
| 53 | 53 | - | FSVL | Fidelity Home Finance (3%&.75%r<30d) | FinServ | * * * | -1.7 | -10.4 | -8.3 | 47.60 | 25.80 | 0.37 | fsw | |
| 54 | 82 | - | FNIN | Fidelity Networking | Tech | * * * | 1.3 | -1.3 | -36.1 | 1.52 | - | - | fsw | |
| 55 | 41 | - | FSRB | Fidelity Banking (3%&.75%r<30d) | FinServ | * * * | -1.6 | -10.4 | -9.3 | 29.86 | 24.50 | 0.70 | fsw | |
| 56 | 59 | - | VGSU | Vanguard Utilities Income | Utility | * * * | 0.0 | -8.0 | -19.0 | 9.01 | 15.00 | 0.45 | fsw | |
| 57 | 45 | - | FLIS | INVESCO Leisure Inv | Consmr | * * * | -3.5 | -6.7 | -20.5 | 30.05 | 22.60 | 1.04 | FS | |
| 58 | 54 | - | FIDS | Fidelity Fin'l Serv (3%&.75%r<30d) | FinServ | * * * | -3.2 | -9.3 | -15.1 | 84.14 | 21.80 | 0.79 | fsw | |
| 59 | 66 | - | FHLS | INVESCO Health Sciences Inv | Health | * * * | -1.8 | -7.8 | -21.4 | 36.86 | 31.50 | 0.29 | FS | |
| 60 | 58 | - | RYCI | Rydex Consumer Products | Consmr | * * * | -2.8 | -10.5 | -13.6 | 6.94 | 15.90 | 0.52 | fsw | |
| 61 | 62 | - | ISWC | INVESCO Telecommunications Inv | Utility | * * * | -3.4 | -3.2 | -33.7 | 7.94 | 35.80 | 1.97 | FS | |
| 62 | 76 | - | RYOI | Rydex Biotechnology | Health | * * * | -1.6 | -3.5 | -35.6 | 12.98 | 59.70 | 0.96 | fsw | |
| 63 | 68 | - | FSCP | Fidelity Consumer Ind (3%&.75%r<30d) | Consmr | * * * | -1.6 | -9.0 | -22.0 | 18.39 | 14.00 | 0.66 | fsw | |
| 64 | 86 | - | FTCH | INVESCO Technology Inv | Tech | * * * | 1.0 | -4.5 | -37.3 | 17.21 | 48.00 | 2.26 | FS | |
| 65 | 61 | - | FSAV | Fidelity Automotive (3%&.75%r<30d) | Cycls | * * * | -1.9 | -10.7 | -18.0 | 21.27 | 25.10 | 0.93 | fsw | |
| 66 | 55 | - | FSUT | Fidelity Utilities Growth (3%&.75%r<30d) | Utility | * * * | -4.7 | -5.4 | -27.6 | 24.44 | 17.50 | 0.95 | fsw | |
| 67 | 60 | - | FSFS | INVESCO Financial Serv Inv | FinServ | * * * | -3.3 | -10.5 | -17.7 | 21.86 | 22.80 | 0.86 | FS | |
| 68 | 79 | - | FWRL | Fidelity Wireless | Tech | * * * | 0.4 | -6.6 | -34.2 | 2.42 | - | - | fsw | |
| 69 | 57 | - | FSPC | Fidelity Insurance (3%&.75%r<30d) | FinServ | * * * | -5.5 | -10.2 | -16.4 | 41.06 | 27.70 | 0.56 | fsw | |
| 70 | 50 | - | FSCH | Fidelity Chemicals (3%&.75%r<30d) | Cycls | * * * | -3.9 | -12.5 | -13.5 | 36.79 | 21.60 | 0.82 | fsw | |

Pay Yourself First!

It was our intention to bring you Part II of the President's new savings proposals. But given that this initiative has moved—at least temporarily—to the political back burner since last issue, we thought we'd focus on what you can do right now for your retirement. **Most important: with April 15 a little more than a month away, make sure you have made all your 2002 IRA contributions.** For the 2002 tax year, most Americans may open and make IRA contributions until April 15, 2003.

Some other items you should consider:

- To make IRA contributions you must have earned income at least equal to your IRA contribution. If you are retired, earned income—for example consulting income, income from a part-time business, or your spouse's earned income—may be considered for qualification. Please note: IRA "rollovers," "transfers," and "conversions" are completely separate transactions and should not affect your IRA contributions.
- If you contributed to a retirement plan at work during tax year 2002, you may still contribute up to \$3000 in "after tax money" into a traditional or Roth IRA. While your contribution may not be tax deductible, after your money is inside your IRA it can still grow tax deferred. Don't pass up the opportunity to use this powerful benefit.
- If you are married and filing jointly, you and your spouse may each make contributions into your respective IRAs. So long as one spouse has the qualifying "earned income" the other spouse can open and make contributions into their own IRA.
- For people 50 years and older, you may be able to add another \$500 "catch up" contribution to the \$3000. In other words, for tax year 2002 you and your spouse may qualify to make cumulative IRA contributions between \$6000 to \$7000. Not a "fortune" you say? Maybe, but by deferring taxes in most cases you can build your retirement wealth quicker.
- If you qualify, the Roth IRA has several benefits. Among them, after your contribution has been in your Roth IRA for five years and you are over the age of 59½, all withdrawals are Federal tax-free. Yes, free from Federal income tax! Plus, Roth IRAs don't have "Required Minimum Distributions" after the age of 70½. If they don't need it for themselves, wise and generous grandparents may use the Roth IRA as a beneficial estate-planning tool to efficiently transfer a portion of their wealth to their grandchildren, children, or other beneficiaries.
- There are income limitations for Roth IRA contributions (due to space constraints, we can't list the details). However, if you don't qualify for a Roth IRA, you may still contribute to a traditional IRA. There aren't any income limitations for a traditional IRA.
- As long as you do not exceed the maximum contribution limit, you may divide the total between your Roth and your traditional IRA.

Before opening or making any IRA contributions, consult your financial planner and tax advisor. For estate planning, consult your financial planner and legal advisor. \$

100% U.S. TREASURY FUNDS

| | 7-Day | 30-Day | 1-Year |
|--------------------------------------|--------------|---------------|---------------|
| Gabelli US Treasury MMF | 1.02% | 1.02% | 1.44% |
| Vanguard Treasury MMF | 0.97 | 0.99 | 1.44 |
| Amer Century Capital Presv Fund/Inv | 0.88 | 0.89 | 1.30 |
| Fidelity Spartan US Treas MMF | 0.88 | 0.92 | 1.38 |
| T Rowe Price US Treasury MF | 0.74 | 0.77 | 1.27 |
| Prudential Govt Sec Tr/US Treas/CI A | 0.67 | 0.68 | 1.19 |
| Schwab US Treasury Money Fund | 0.63 | 0.67 | 1.09 |
| CMA Treasury Fund | 0.60 | 0.62 | 1.24 |
| Dreyfus 100% US Treas MMF | 0.59 | 0.63 | 1.16 |
| RMK Select Treas MMF/CI A | 0.58 | 0.59 | 0.99 |
| US Treasury MF of America/CI A | 0.58 | 0.59 | 1.03 |

GENERAL PURPOSE TAXABLE FUNDS

| | 7-Day | 30-Day | 1-Year |
|---------------------------------------|--------------|---------------|---------------|
| PayPal Money Market Fund | 1.35% | 1.37% | 1.79% |
| RBB MMP/Sansom Street Class | 1.17 | 1.17 | 1.66 |
| Bunker Hill MMF | 1.11 | 1.11 | 1.60 |
| Phoenix-Goodwin Money Market Series/A | 1.11 | 1.08 | 1.24 |
| TIAA-CREF Money Market Fund | 1.11 | 1.11 | 1.57 |
| SAFECO MMF/CI I | 1.10 | 1.04 | 1.24 |
| Scudder YieldWise Money Fund | 1.10 | 1.11 | 1.53 |
| USAA Money Market Fund | 1.10 | 1.12 | 1.47 |
| Vanguard Prime MMF/Retail | 1.10 | 1.12 | 1.58 |
| McMorgan Principal Preservation Fund | 1.09 | 1.11 | 1.53 |

TAX-FREE GENERAL PURPOSE FUNDS

| | 7-Day | 30-Day | 1-Year |
|---------------------------------|--------------|---------------|---------------|
| Strong Tax-Free Money Fund | 1.08% | 1.08% | 1.33% |
| Vanguard Tax-Exempt MMF | 1.03 | 1.04 | 1.37 |
| Strong Municipal MMF | 0.99 | 1.00 | 1.30 |
| Evergreen Municipal MMF/CI I | 0.95 | 0.92 | 1.25 |
| USAA Tax Exempt MMF | 0.93 | 0.91 | 1.18 |
| Scudder YieldWise Muni MF | 0.92 | 0.91 | 1.18 |
| Amer Century T-F MMF/Inv Class | 0.86 | 0.84 | 1.17 |
| T Rowe Price Summit Muni MMF | 0.86 | 0.86 | 1.16 |
| Scudder Tax-Exempt Money Fund | 0.81 | 0.82 | 1.09 |
| Dreyfus BASIC Muni MM Portfolio | 0.78 | 0.78 | 1.14 |
| Fidelity Municipal MMF | 0.78 | 0.78 | 1.14 |

TAX-FREE STATE-SPECIFIC FUNDS

| | 7-Day | 30-Day | 1-Year |
|-----------------------------|--------------|---------------|---------------|
| Vanguard OH Tax-Exempt MMF | 1.05% | 1.05% | 1.35% |
| Vanguard CA Tax-Exempt MMF | 0.99 | 0.98 | 1.27 |
| Vanguard PA Tax-Exempt MMF | 0.97 | 0.98 | 1.26 |
| Vanguard NJ Tax-Exempt MMF | 0.94 | 0.95 | 1.21 |
| Vanguard NY Tax-Exempt MMF | 0.93 | 0.94 | 1.26 |
| USAA Tax Exempt CA MMF | 0.88 | 0.90 | 1.17 |
| Fidelity NY Municipal MMF | 0.74 | 0.74 | 1.02 |
| Northern CA Municipal MMF | 0.71 | 0.76 | 1.01 |
| Fidelity PA Municipal MMF | 0.70 | 0.71 | 1.06 |
| CMA NY Municipal Money Fund | 0.69 | 0.69 | 0.96 |
| Fidelity FL Municipal MMF | 0.69 | 0.69 | 1.08 |

Taxable equivalent yield = yield / (1—total effective tax bracket).
 Funds are ranked by 7-day yields; 7-day and 30-day yields are compound yields as of 2/25/03. Third column refers to 1-year total return. Criteria for inclusion include: top-yielding unrestricted retail funds only, with minimum initial investment <\$25,000 and assets >\$100 million.

Source: Money Fund Report (800) 343-5413

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Investing In Tips

In the last issue of *MONEYLETTER*, Conservative investors' portfolios became even more conservative, with the addition (in several cases) of inflation-protected bond funds. These vehicles may be new to many investors; in fact, there are not that many of them around. And in actuality, inflation-protected bonds themselves are relative newcomers to the market. The U.S. Treasury issued its first "Treasury inflation-indexed securities," known more commonly as TIPS for "Treasury inflation-protected securities" in 1997. Initial expectations of great demand for the securities did not materialize. Yet demand has escalated in recent years, even as inflation has remained relatively benign, as investors worry about rising costs.

TIPS are similar in some ways, yet different in others, from standard Treasury bonds. TIPS are issued with 10-year maturities at auctions in January, July, and October. Like a conventional bond, TIPS are issued with fixed maturity dates and coupon rates. The difference is that while a conventional bond pays a fixed principal payment at maturity, the final maturity value of a TIPS bond will be adjusted over the life of the bond to reflect the level of inflation, as measured by the consumer price index (CPI). That means not only does your bond's principal value keep pace with inflation, but so do your interest payments.

Here's how they work. Assume that the beginning principal amount of a TIPS bond is \$1000 and it has a coupon of 4%. If the CPI rises by 3% in the first year, the principal value of the bond becomes \$1030, and the annual coupon payment rises from the original \$40 to \$41.20. On the other hand, should the U.S. experience deflation, the principal would be adjusted in the opposite direction. However, the Treasury guarantees that you will receive your original principal back at maturity. These bonds are guaranteed to pay you a "real interest rate," i.e., the current interest rate minus the inflation rate. Because much of these bonds' intended return derives from the inflation adjustments, TIPS's original coupons tend to be quite a bit lower than those on conventional bonds.

Like a regular bond, TIPS bonds' prices will fluctuate, but what they react to is different. Because inflation risk is removed from the TIPS, these bonds will fluctuate based on changes in "real" interest rates. On the other hand, conventional bonds' prices fluctuate based on changes in both real interest rates and inflation expectations. Taking that a step further, two bond funds with similar structures, one invested in TIPS and one invested in Treasuries, could experience quite different price changes in any given investing environment. Thus far, TIPS prices generally have been less volatile than comparable Treasury bond prices, though certainly, that may not always hold true.

There is one big drawback to investing in TIPS. Tax treatment of the bonds is akin to that of zero-coupon bonds, in that investors have a tax liability on the phantom income a TIPS produces. In other words, increases in the principal value resulting from a rising CPI are considered taxable in that year, even though you won't receive that increase until the bond matures.

Fund strategies

Generally, inflation-protected bond funds invest primarily in TIPS issued by the U.S. Treasury, but may also buy similar bonds issued by U.S. Government agencies or corporations. Some may also commit a small portion of the portfolio to inflation-protected bonds issued by foreign governments, or by corporations but linked to a non-U.S. inflation rate. But because investors in these funds tend to be conservative by nature, we can probably expect to see the minimal investment in non-U.S. issues.

How do the funds seek to maximize their returns? Basically, the strategies used in these funds are akin to those used in "plain" bond funds. Their managers may adjust the fund's duration relative to its benchmark, look for values within the marketplace, and over- or underweight various maturities of investments.

Investing in inflation-protected bond funds offers advantages over buying TIPS directly. First is strictly record keeping— if you are going to invest in more than one issue, but don't want to concern yourself with keeping track of different securities, a fund is preferable. But perhaps the most valuable benefit is reinvestment. Interest payments and inflation adjustments are difficult to reinvest if you are buying individual securities, and reinvestment is a key part of keeping your inflation hedge intact. Funds offer automatic reinvestment, as well as ever-important liquidity.

With inflation most likely headed higher in upcoming years,

TIPS should continue to prove attractive investments, especially for conservative investors. While TIPS are sensitive to rising interest rates, as long as rates are heading up because of accelerating economic growth and rising inflation, they should perform better than straight bonds.

Annual Total Returns (%)

| | 2001 | 2002 | 2/28/03 | Minimum Investment |
|--|------|------|---------|--------------------|
| American Century Inflation-Adjusted Bond (ACITX) | 7.6 | 14.7 | 3.6 | \$2,500 |
| Fidelity Inflation-Protected Bond (FINPX) | - | 8.2* | 4.3 | 2,500 |
| T. Rowe Price Inflation-Protected Bond (PRIPX) | - | - | 4.1 | 2,500 |
| Vanguard Inflation-Protected Securities (VIPSX) | 7.7 | 16.6 | 4.3 | 3,000 |

* From 7/1/02

With inflation most likely headed higher in upcoming years, TIPS should continue to prove attractive investments, especially for conservative investors. While TIPS are sensitive to rising interest rates, as long as rates are heading up because of accelerating economic growth and rising inflation, they should perform better than straight bonds.

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Fidelity Investments, 82 Devonshire Street, Boston, MA 02109; (800) 544-8544

T. Rowe Price Funds, 100 East Pratt Street, Baltimore, MD 21202; (800) 225-5132

Vanguard Group, Vanguard Financial Center, P.O. Box 2600, Valley Forge, PA 19482; (800) 662-7447

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