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Enjoy, But Don't Overdo

by Walter S. Frank, Chief Investment Officer

As the good economic news comes rolling in and the market responds, it is tempting to sit back and let the good times roll. Warning: avoid the temptation. Yes, the economy is, at last, operating on all cylinders. The latest economic numbers, especially those reporting on manufacturing, have for the most part been much, much better than expected. Manufacturing has revved up over the last three months and is finally humming. The November Supply Managers report was a blockbuster, and we use the word advisedly.

The surprisingly good news has dragged a reluctant market along with it. The stock market has felt "heavy," as the Street traders say, for two months now. Over the last two months, the S&P 500 has been stagnant except for the last week of the month. Then the last week of the month saw a change as the market finally responded to the news. On Monday, December 1 the market made a technical breakthrough as the S&P 500 moved through the 1060 level from which it had been turned back again and again over the past two months.

We should expect more good news both from the economy and the market over the next few months ahead. We look for this quarter's earnings, due out next month, to give us another upward surprise. At the same time, the economy will continue to show rapid growth.

While all this is occurring, it will be easy to get complacent, and there is the danger. Perhaps danger is too strong a word. We are not talking about U.S. stocks falling off the cliff in the foreseeable distance, but rather that some portion of the good news is being reflected in stock prices right now. The process is by no means over. But the big upward surprises are coming into the market now, and will be coming for the immediate months ahead.

The market is a hungry beast. As the process goes on the Street will demand encore after encore, and sooner or later the encores will stop. As expectations adjust, it becomes harder and harder to produce further upward surprises. That will not necessarily mark the end of the bull market, but it will mark the end of the heady phase of the bull.

Are we there yet? We don't think so. However, we are getting close. Over the course of the next 3-4 months, the naysayers are going to revise their outlook on the economy. Earnings expectations, already robust, are going to be revised up . This is a process, though, that cannot go on and on. When it slows down we will be in the next, "mature," phase of the bull market.

We are saying all this as a "heads up" to you, to alert you that the extremely aggressive allocation we have had for months to the U.S. market is under review. This applies, of course, only to the Venturesome and Moderate portfolios. This is not to say that equities are losing their appeal. Globally, this is still very much an equities world. But the relative opportunities may be shifting.

Interest rates

We cannot leave the subject without talking about interest rates. For the first time this year, the potential of higher rates is a legitimate issue for investors. The Fed has told us that they expect to keep rates low "for a considerable period," though that phrase appears to be disappearing of late from Fed speeches.

We take the Fed at its collective word. We have no doubt that the next move in rates is months away. We also have no doubt that the next move will be up and not down. And therein lies the issue for the market.

Once we know that the next move is up, speculation begins on when, and that speculation has begun. As the astute Paul McCulley of Pimco Funds wrote recently, next year "will be a year of investors living constantly in fear of tighter Fed policy." McCulley was referring to bond market investors, but he could just as easily be referring to stock market investors.

We have a few months—3-4 months is a good guess now—before the issue of higher rates starts roiling the stock market, but their time is drawing near. Higher rates in the U.S. are another reason to enjoy the moment, but not too much.

No earnings inflation

So far there is no evidence that analysts have been carried away by the recovery in making their earnings estimates. We are seeing earnings revised down in normal fashion as we approach the end of the quarter. The year ahead price-earnings ratio for the S&P 500 index has moved up only slightly, as the market advances. As we see it, the overall market remains fairly valued.

Fund changes

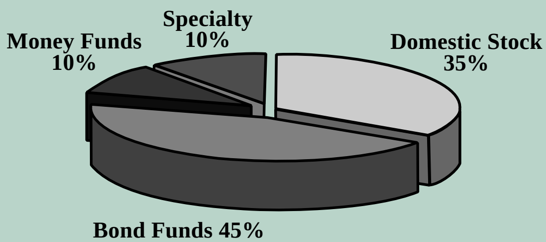
The Hotline of Tuesday, November 18 recommended the sale of Fidelity OTC Portfolio in Fidelity Venturesome Portfolio to be switched into Fidelity Low-Priced Stock Fund. Here are the details as of Wednesday, November 19: Sold 672 shares of Fidelity OTC @ $30.68 per share. Purchased 618 shares of Low-Priced Stock @ $33.35 per share. $

Market Trends

	Trailing 12-Mo Trend	Forward 6-Mo Estimate
Economy	Higher	Higher
Interest Rates	Higher	Flat/Higher
Dollar	Lower	Flat/Lower
Inflation	Flat	Flat/Higher
Dow	Higher	Higher
NASDAQ	Higher	Higher
Europe	Higher	Higher
Japan (Nikkei)	Higher	Higher
Hong Kong (Hang Seng)	Higher	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	0.5%	10,067	$1.00	$10,067
Gateway Fund	11/27/02	8.4	597	22.96	13,707
PIMCO High Yield	05/14/03	6.3	1,509	9.57	14,439
RS Partners	04/02/03	49.3	689	27.61	19,037
Heartland Value	07/16/03	21.9	179	51.87	9,274
AmerCent Inflation Adj.	02/12/03	3.9	1,548	10.97	16,981
WmBlair S-C Growth N	07/16/03	17.8	989	21.43	21,195
Dodge & Cox Income	02/19/03	4.2	959	12.91	12,385
TOTAL VALUE					$117,085

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
1.7%	10.2%	14.7%	29.3%	16.3%

Fidelity Conservative

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	0.8%	8,633	$1.00	$8,633
Fidelity Balanced	11/27/02	20.3	765	16.26	12,435
Fidelity High Income	01/17/01	12.1	1,905	8.89	16,936
Fidelity Capital Appreciation	06/25/03	19.2	844	23.49	19,816
Fidelity Growth Company	07/09/03	10.3	290	49.40	14,342
Fidelity Intermediate Gov	02/19/03	0.9	1,130	10.24	11,575
Fidelity Investment Grade	02/19/03	3.0	1,660	7.53	12,501
TOTAL VALUE					$96,238

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
0.5%	8.6%	12.1%	7.8%	15.2%

Vanguard Conservative

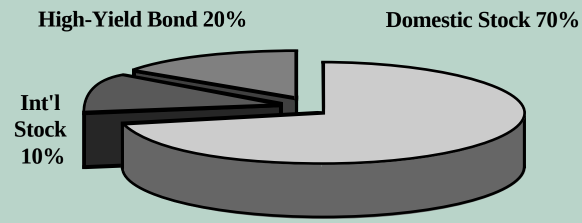
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime Port MM	Yield YTD	0.8%	8,408	$1.00	$8,408
Vanguard Balanced Index	11/27/02	13.3	562	17.87	10,036
Vanguard Bond Market	02/19/03	2.2	700	10.26	7,183
Vanguard Inflation Protect	02/19/03	4.5	1,029	12.35	12,713
Vanguard Strategic Equity	10/09/02	60.8	801	18.47	14,789
Vanguard Extended Mkt	09/10/03	9.8	436	26.32	11,467
Vanguard Small Cap Grwth	07/09/03	15.7	1,219	13.05	15,912
Vanguard FI Hi-Yld Corp	01/17/01	15.7	2,647	6.29	16,647
TOTAL VALUE					$97,155

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
1.8%	9.8%	15.9%	1.1%	18.7%

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
Buffalo High Yield	06/20/01	24.0%	1,825	$11.07	$20,200
Heartland Value	06/18/03	29.5	412	51.87	21,358
Matthews Pacific Tiger	02/06/02	41.2	971	12.48	12,120
RS Partners	02/12/03	57.7	564	27.61	15,563
WmBlair S-C Growth N	07/16/03	17.8	989	21.43	21,195
Legg Mason Special	04/02/03	50.7	511	44.94	22,958
TOTAL VALUE					$113,394

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
2.5%	22.2%	33.9%	34.4%	36.6%

Fidelity Moderate

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Growth Company	07/09/03	10.3%	280	$49.40	$13,856
Fidelity High Income	01/17/01	12.1	2,779	8.89	24,703
Fidelity Small Cap Stock	11/12/03	1.9	1,291	16.43	21,207
Fidelity Capital Appr.	03/12/03	52.0	830	23.49	19,503
Fidelity Aggressive Grwth	07/09/03	10.2	1,327	14.65	19,436
Fidelity Int'l Small Cap	11/05/03	0.6	450	17.78	7,995
TOTAL VALUE					$106,700

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
1.4%	14.9%	19.9%	27.1%	25.0%

Vanguard Moderate

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Extended Mkt	11/27/02	33.8%	595	$26.32	$15,672
Vanguard FI Hi-Yld Corp	01/17/01	15.7	3,226	6.29	20,290
Vanguard Emerg. Mkts Stock	02/06/02	31.9	919	11.16	10,259
Vanguard Explorer	07/09/03	14.2	360	64.92	23,367
Vanguard Small Cap Grwth	09/10/03	9.3	1,262	13.05	16,464
Vanguard Strategic Equity	10/09/02	60.8	968	18.47	17,878
TOTAL VALUE					$103,930

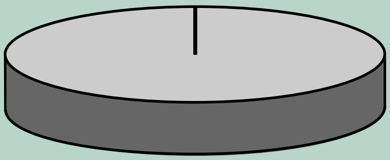
TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
2.6%	18.0%	28.5%	9.8%	31.4%

Note: Asset Allocation Portfolios were indexed to $100,000 on January 1, 2000. Pie charts show current allocations. Data shows positions as of 11/30/03.

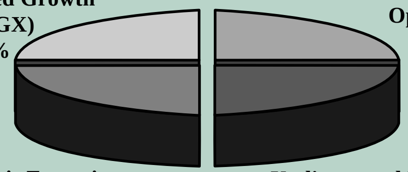
VENTURESOME

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



SELECT

Seeks maximum long-term growth by assertively upgrading fund positions



MONEYLETTER Venturesome

Fund Name	*Buy Date*	*Return Since Buy*	*Shares*	*Share Price*	*Current Value*
Henlopen Fund	11/12/03	2.3%	586	$25.67	$15,040
Heartland Value	06/18/03	29.5	345	51.87	17,890
Legg Mason Special	04/02/03	50.7	484	44.94	21,741
Royce Opportunity	07/16/03	24.5	1,219	12.44	15,170
WmBlair S-C Growth N	06/25/03	27.0	786	21.43	16,854
RS Partners	02/12/03	57.7	729	27.61	20,127
TOTAL VALUE					$106,822

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
3.7%	26.7%	39.0%	39.6%	40.7%

Fidelity Venturesome

Fund Name	*Buy Date*	*Return Since Buy*	*Shares*	*Share Price*	*Current Value*
Fidelity Growth Company	06/04/03	15.3%	827	$49.40	$40,869
Fidelity Low Priced Stock	11/19/03	2.9	618	34.32	21,223
Fidelity Aggressive Grwth	04/16/03	30.2	1,144	14.65	16,760
Fidelity Capital Apprec.	12/04/02	39.0	661	23.49	15,523
Fidelity Small Cap Stock	07/30/03	17.4	1,107	16.43	18,184
TOTAL VALUE					$112,559

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
1.2%	17.1%	20.5%	36.2%	26.8%

Vanguard Venturesome

Fund Name	*Buy Date*	*Return Since Buy*	*Shares*	*Share Price*	*Current Value*
Vanguard Capital Value	06/04/03	14.5%	1,503	$9.88	$14,851
Vanguard Extended Mkt	11/27/02	33.8	773	26.32	20,354
Vanguard Explorer	07/09/03	14.2	394	64.92	25,610
Vanguard Strategic Equity	10/09/02	60.8	1,131	18.47	20,886
Vanguard Small Cap Growth	01/29/03	46.1	1,634	13.05	21,329
TOTAL VALUE					$103,030

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	3-yr	YTD
3.3%	21.1%	30.8%	11.9%	34.6%

MONEYLETTER Select

Fund Name	*Buy Date*	*Return Since Buy*	*Shares*	*Share Price*	*Current Value*
Amer. Cent. Intl Opp.	11/05/03	-2.6%	3,784	$7.62	$28,834
Undiscovered SC Growth	09/17/03	5.1	2,978	10.39	30,940
Oberweis Emerging Grwth	07/30/03	20.3	1,135	27.99	31,779
RS Diversified Growth	09/03/03	8.4	1,322	21.76	28,769
TOTAL VALUE					$120,322

TOTAL RETURNS *(as of 11/30/03)*

1-mo	6-mo	1-yr	Incep. (9/30/02)	YTD
1.6%	19.4%	34.2%	23.0%	29.7%

MONEYLETTER Select Commentary

The Hotline of Tuesday, November 4 recommended the sale of Legg Mason Opportunity Trust (LMOPX) to be upgraded to American Century International Opportunities (AIOIX). From the proceeds, $4,000 was used to purchase shares of Undiscovered Managers Small Cap Growth (USRLX). The recommended trades were executed at the market close November 5. Details: Sold 2,212 shares of Legg Mason Opportunity Trust @ $13.38 per share. Purchased 3,784 shares of American Century International Opportunities @ $7.82 per share. Purchased 388 shares of Undiscovered Managers Small Cap Growth @ $10.30 per share.

The model remains fully invested in equity funds. An international position has been established in recognition of strengthening fundamentals throughout Asia and Japan.

Total Returns—November 30, 2003

	1-mo	6-mo	1-yr	3-yr	YTD
S&P 500	0.8%	10.7%	15.0%	-15.8%	22.1%
Asset Allocation Funds (Avg) 36 Funds	1.2	9.8	15.1	-1.9	19.5

Domestic Stock Funds

RANK 11/28 2003	1Mo Ago	6Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN 1 mo.	6 mo.	12 mo.	PRICE PER SHARE	RISK Std. Dev.	Beta	NTF/ wtf
1	**5**	**-**	**HENLX**	**Henlopen Fund (1%r<30d)**	**SCGro**	*****	**B**	**B**	**5.6%**	**47.0%**	**61.8%**	**$25.67**	**33.7**	**1.43**	**FSW**
2	**1**	**6**	**OBEGX**	**Oberweis Emerging Growth**	**SCGro**	*****	**B**	**B**	**2.5**	**46.9**	**60.1**	**27.99**	**34.2**	**1.63**	**FSW**
3	**2**	**21**	**RYPNX**	**Royce Opportunity (1%r<180d)**	**SCVal**	**B**	**B**	**B**	**4.9**	**42.3**	**59.0**	**12.44**	**26.3**	**1.07**	**fsw**
4	-	-	FLVCX	Fidelity Leveraged Company	MC	*	B	B	4.6	30.6	80.1	18.29	-	-	Fw
5	**3**	**7**	**HRTVX**	**Heartland Value (closed,1%r<90d)**	**SCVal**	**B**	**B**	**B**	**4.8**	**37.5**	**60.1**	**51.87**	**21.0**	**0.76**	**FsW**
6	8	54	RSSGX	RS Smaller Company Growth	SCGro	*	B	B	3.0	37.8	49.3	20.43	28.0	1.33	FSW
7	18	39	BOGLX	Bogle Small Cap Growth (closed)	SCGro	B	B	B	5.0	34.5	50.6	25.98	21.3	0.90	w
8	-	-	NESGX	Needham Small Cap Growth	SCGro	B	B	B	4.3	34.1	50.2	16.82	-	-	FSW
9	**12**	**12**	**WBSNX**	**WmBlair S-C Growth N (1%r<60d)**	**SCGro**	**B**	**B**	**B**	**3.3**	**33.4**	**51.8**	**21.43**	**34.6**	**1.32**	**FSW**
10	**9**	**41**	**RSDGX**	**RS Diversified Growth**	**SCGro**	*****	**B**	**B**	**2.5**	**35.7**	**44.1**	**21.76**	**29.0**	**1.53**	**FSW**
11	6	65	PBEGX	PBHG Emerging Growth	SCGro	*	B	B	2.9	37.6	38.6	13.72	33.6	2.03	FSW
12	16	8	UBRRX	Undiscovered Behavioral Growth ($10,000)	MCGro	*	B	B	3.2	30.6	52.3	20.17	26.9	1.34	fW
13	24	-	USCGX	USAA Capital Growth	SCGro	*	B	B	4.3	30.8	47.1	6.50	-	-	fsW
14	13	14	CGMFX	CGM Focus	SCVal	*	B	B	3.7	31.8	45.1	28.46	50.6	0.13	fsw
15	31	71	EEQFX	Eclipse Small Cap Value	SCVal	B	B	B	4.3	30.6	46.3	16.96	17.5	0.63	FSW
16	**25**	**3**	**RSPFX**	**RS Partners**	**SC**	**B**	**B**	**B**	**3.3**	**27.4**	**55.2**	**27.61**	**23.0**	**0.65**	**FSW**
17	14	74	WMCVX	Wasatch Small Cap Value (closed,2%r<60d)	SCVal	B	B	B	2.0	31.7	45.9	5.15	25.4	0.86	FSW
18	7	30	POGSX	Pin Oak Aggressive Stock	MCGro	*	B	B	3.2	32.7	40.4	19.74	40.6	2.57	FSW
19	15	44	JAVTX	Janus Venture (closed)	SCGro	*	B	B	2.1	31.2	44.9	48.78	30.1	1.52	FSW
20	11	10	NBSSX	Neuberger Berman Focus	LCVal	*	B	B	3.3	30.1	43.5	35.92	36.2	1.87	FSW
21	46	-	CSMVX	Century Select Small Cap	SCGro	B	B	B	5.4	29.2	42.2	22.54	16.3	0.54	FSW
22	**4**	**2**	**USRLX**	**Undiscovered Small Cap Growth ($10,000)**	**SCGro**	**B**	**B**	**B**	**2.1**	**29.1**	**41.2**	**10.39**	**-**	**-**	**fw**
23	20	92	BUFSX	Buffalo Small Cap(closed)	SCGro	B	B	B	2.8	29.9	35.8	22.31	28.9	1.20	SW
24	26	22	BPSCX	Boston Ptnrs Smlcap Val (closed,1%r<1yr)	SCVal	B	B	B	3.1	26.3	43.6	21.87	26.4	0.74	FSW
25	28	-	BRAIX	Bridgeway Aggressive Investors 2	MCGro	*	H	H	2.8	26.9	40.0	12.33	-	-	fsw
26	**45**	**78**	**VISGX**	**Vanguard Small Cap Growth Index**	**SCGro**	**H**	**H**	**H**	**3.7**	**27.0**	**36.6**	**13.05**	**22.3**	**1.02**	**w**
27	33	73	RYLPX	Royce Low Priced Stock (1%r<180d)	SCVal	H	H	H	4.7	25.7	37.5	13.76	26.1	1.02	FSW
28	54	93	CRMSX	CRM Small Cap Value Inv	SCVal	H	H	H	3.4	27.8	33.5	23.60	22.9	0.87	FSw
29	**49**	**217**	**FSLCX**	**Fidelity Small Cap Stock (2%r<90d)**	**SCGro**	**H**	**H**	**H**	**4.0**	**27.4**	**33.1**	**16.43**	**20.3**	**0.92**	**F**
30	66	136	BERWX	Berwyn Fund (1%r<180d)	SCVal	H	H	H	5.5	24.5	37.7	24.26	20.6	0.63	fsw
31	32	16	PRNHX	T. Rowe Price New Horizons	SCGro	H	H	H	3.8	25.1	38.5	24.52	29.2	1.44	fsw
32	47	23	MNSCX	Montgomery Small Cap	SCGro	*	H	H	3.3	24.9	37.0	10.74	24.3	1.13	s
33	22	56	NEEGX	Needham Growth Fund (.75%r<30d)	MCGro	B	B	B	2.3	25.7	36.3	29.49	28.8	1.38	FSW
34	38	79	SAFGX	Safeco Growth Opportunities	SC	B	B	B	3.7	26.9	31.3	24.23	27.8	1.22	fsw
35	17	96	RSEGX	RS Emerging Growth (closed)	MCGro	*	B	B	0.8	27.2	33.7	28.50	30.6	1.68	FSW
36	48	86	MERDX	Meridian Fund	SCGro	H	H	H	4.2	24.6	35.1	33.41	20.3	0.84	fw
37	19	1	LMOPX	Legg Mason Opportunity Trust (1%r<1yr)	MC	*	B	B	2.6	18.4	52.7	13.49	32.2	1.45	-
38	**23**	**5**	**LMASX**	**Legg Mason Special Investment Trust**	**MC**	*****	**B**	**B**	**2.6**	**22.8**	**41.1**	**44.94**	**27.2**	**1.30**	**-**
39	10	83	VWEGX	Van Wagoner Emerging Growth (closed)	MCGro	B	B	B	3.9	28.0	25.6	6.67	54.7	3.00	FSW
40	30	24	TMGFX	Turner Mid Cap Growth	MCGro	*	B	B	2.2	25.3	34.8	21.96	31.2	1.70	FSW
41	21	139	TGSCX	TCW Galileo Small Cap Growth	MCGro	*	H	H	1.3	26.9	32.0	14.93	37.9	2.17	FSW
42	52	91	NAESX	Vanguard SmallCap Index	SC	H	H	H	3.8	24.3	34.3	22.27	22.2	1.03	fsw
43	27	19	MXXIX	Marsico 21st Century	LC	H	H	H	-0.5	24.8	38.3	9.71	20.5	1.01	fSW
44	39	13	RSMOX	RS MidCap Opportunities	MCGro	H	H	H	2.7	23.8	35.4	10.70	20.3	1.08	FSW
45	69	99	PENNX	Royce Penn Mutual (1%r<180d)	SCVal	H	H	H	4.4	23.5	33.6	9.03	19.2	0.71	Fsw
46	**36**	**67**	**VEXPX**	**Vanguard Explorer**	**SCGro**	**H**	**H**	**H**	**2.8**	**23.9**	**33.6**	**64.92**	**24.7**	**1.18**	**fsw**
47	79	62	TWCVX	American Century Vista	MCGro	*	H	H	4.3	23.6	32.1	12.48	20.6	0.77	FSW
48	43	26	JSVAX	Janus Special Equity	MC	*	H	H	3.0	22.3	36.9	10.27	19.0	1.00	SW
49	55	220	IZZYX	ICM/Isabelle Small Cap Value	SCVal	H	H	H	4.5	26.8	23.1	13.00	24.6	0.85	FSW
50	**64**	**37**	**VSEQX**	**Vanguard Strategic Equity**	**MCGro**	**H**	**H**	**H**	**3.4**	**22.1**	**36.2**	**18.47**	**16.2**	**0.78**	**fsw**
51	40	25	CUEGX	CS Warburg Pincus Emerging Growth	MCGro	H	H	H	2.2	22.6	35.9	27.39	24.0	1.31	FSW
52	**59**	**42**	**VEXMX**	**Vanguard Extended Market Index**	**MC**	**H**	**H**	**H**	**3.5**	**22.4**	**34.2**	**26.32**	**23.1**	**1.17**	**fsw**
53	44	70	TUDRX	WPG Tudor	SC	H	H	H	3.7	24.1	29.4	15.57	27.3	1.36	FsW
54	29	18	VHCOX	Vanguard Cap Opp ($25,000,1%r<5yr)	MCGro	H	H	H	2.0	23.1	34.1	24.76	22.8	1.29	fsw
55	51	31	KAUFX	Federated Kaufmann Fund (0.2%)	MCGro	H	H	H	1.0	22.6	36.8	4.94	20.1	0.89	FSW
56	57	102	BSCFX	Baron Small Cap	SCGro	H	H	H	0.7	22.8	35.9	18.89	22.5	0.89	FSW
57	**70**	**100**	**FLPSX**	**Fidelity L P Stock (1.5%r<90d)**	**SCVal**	**H**	**H**	**H**	**3.4**	**23.0**	**31.1**	**34.32**	**16.9**	**0.67**	**fsw**
58	56	183	TASCX	Third Avenue Small-Cap Value	SCVal	H	H	H	1.9	24.2	29.7	18.37	19.1	0.81	FSW
59	35	64	WAAEX	Wasatch Small Cap Grth (closed,2%r<60d)	SCGro	H	H	H	1.6	24.5	28.9	36.24	30.0	1.29	FSW
60	72	245	FDISX	Dreyfus-Founders Discovery	SCGro	*	H	H	3.5	24.3	25.8	25.87	25.7	1.30	FSW
61	34	121	GSETX	Columbia Small Company Equity ClZ	SCGro	H	H	H	2.3	22.9	30.3	16.79	33.0	1.10	fw
62	42	76	WGROX	Wasatch Core Growth (closed,2%r<60d)	SCGro	H	H	H	1.3	22.9	31.4	36.52	30.1	1.06	FSW
63	96	95	RYPRX	Royce Premier (1%r<180d)	SC	H	H	H	4.4	21.4	30.1	12.70	18.2	0.73	FSW
64	68	4	FBRVX	FBR Small Cap Value A (1%r<90d)	SCGro	H	H	H	1.7	18.4	40.9	32.09	22.0	0.76	FSW
65	37	63	TGVNX	TCW Galileo Value Opportunities	MC	H	H	H	2.5	21.1	32.8	19.58	-	-	FSW
66	86	36	LLSCX	Longleaf Partners Smallcap (closed)	SCVal	H	H	H	3.8	20.3	31.4	27.87	19.3	0.67	fw
67	53	15	MUHLX	Muhlenkamp Fund	MCVal	H	H	H	2.3	19.6	35.4	61.53	28.6	1.26	FSW
68	93	240	VISVX	Vanguard Small-Cap Value Index	SCVal	S	S	S	3.9	21.6	27.8	11.19	23.2	0.87	fsw

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 11/28 2003	1Mo Ago	6Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN 1 mo.	6 mo.	12 mo.	PRICE PER SHARE	RISK Std. Dev.	Beta	NTF/ wtf
69	67	134	STDIX	Strong Discovery	MCGro	S	S	S	1.5	22.1	30.0	19.76	17.9	0.84	FSW
70	61	72	MPEGX	MSI Mid Cap Growth	MCGro	*	S	S	1.7	21.3	31.5	17.14	22.9	1.30	fsw
71	60	77	ARTSX	Artisan Small Cap	SCGro	S	S	H	3.5	19.3	33.5	13.90	27.8	1.23	FSW
72	78	184	FIEGX	INVESCO Small Company Growth	SCGro	*	S	S	3.3	21.8	27.1	11.30	27.8	1.39	FSW
73	63	27	RSVPX	RS Value+Growth	LC	S	S	S	2.3	21.2	30.0	17.47	17.4	1.04	FSW
74	65	57	SLSSX	Selected Special Shares	MCGro	S	S	S	2.1	21.7	28.7	11.87	19.0	1.04	sW
75	76	84	CRIMX	CRM Mid Cap Value Ins	MCVal	S	S	S	1.7	20.4	32.5	20.74	20.0	0.65	w
76	103	241	FDSCX	Fidelity Small Cap Ind. (1.5%r<90d)	SC	S	S	S	3.8	21.5	26.2	17.51	17.7	0.58	fsw
77	98	118	PRSVX	T. Rowe Price S-C Value (closed,1%r<1yr)	SCVal	S	S	S	3.3	19.8	30.9	29.04	17.6	0.62	fsw
78	80	88	CRMMX	CRM Mid Cap Value Inv	MCVal	S	S	S	1.6	20.2	32.2	20.56	-	-	FSw
79	**41**	**17**	**FDCAX**	**Fidelity Capital Appreciation**	**MC**	**H**	**H**	**H**	**-0.2**	**20.8**	**32.9**	**23.49**	**23.2**	**1.27**	**fsw**
80	58	181	TAVFX	Third Avenue Value	MCVal	S	S	S	0.0	21.9	28.6	40.61	16.1	0.75	FSW
81	84	239	PBSVX	PBHG Small Cap Value	SC	S	S	S	3.2	20.3	26.5	18.92	24.3	1.08	FSW
82	75	34	CBMDX	C&B Mid Cap Value	MCVal	S	S	S	2.3	19.2	30.3	18.38	19.5	0.66	FSW
83	94	137	PESPX	Dreyfus Mid Cap Index	MCGro	S	S	S	3.4	19.8	27.2	23.19	19.6	0.95	FSW
84	91	51	AVALX	Aegis Value Fund	SCVal	S	S	S	2.2	19.1	29.9	16.61	16.9	0.47	fw
85	136	216	VALSX	Value Line Special Situations	MCGro	S	S	S	2.9	19.9	26.2	20.84	20.9	0.94	FSW
86	71	107	FMILX	Fidelity New Millennium (closed)	MCGro	S	S	S	2.8	19.9	26.3	30.27	30.4	1.51	fsw
87	87	94	FIDYX	INVESCO Dynamics	MCGro	S	S	S	3.2	19.5	26.4	14.57	29.5	1.67	FSW
88	89	50	SMCDX	Strong Mid Cap Disciplined	MCVal	S	S	S	3.0	18.0	29.7	19.77	21.3	0.94	FSW
89	130	167	NBGNX	Neuberger Berman Genesis (closed)	SC	S	S	S	4.1	18.5	26.4	25.37	15.5	0.57	fSW
90	116	126	BGRFX	Baron Growth	SCGro	S	S	S	2.7	18.9	26.9	35.23	20.2	0.81	FSW
91	81	80	MPSCX	MSI Small Cap Value (closed)	SCVal	S	S	S	2.7	18.7	27.2	20.04	18.7	0.91	fsw
92	99	185	LSSCX	Loomis Sayles Small Cap Value	SC	S	S	S	2.2	18.7	28.0	23.23	17.8	0.72	sW
93	90	48	NBNGX	SIT Mid Cap Growth	MCGro	*	S	S	2.4	17.7	29.8	9.45	24.6	1.40	FSW
94	141	208	NBFSX	Neuberger Berman Fasciano Inv	SCGro	S	S	S	5.0	18.1	24.6	38.62	17.3	0.67	FSW
95	**114**	**32**	**VCVLX**	**Vanguard Capital Value**	**LCVal**	**H**	**H**	**H**	**3.4**	**17.3**	**28.4**	**9.88**	**-**	**-**	**fsw**
96	85	43	RPMGX	T. Rowe Price Mid Cap Growth	MCGro	S	S	S	2.2	17.7	28.8	42.02	21.7	1.13	fsw
97	82	200	FOCPX	Fidelity OTC Portfolio	LCGro	*	S	S	1.1	20.9	22.4	31.82	29.2	1.59	fsw
98	73	104	SSMGX	SIT Small Cap Growth	MCGro	*	S	S	1.4	18.7	27.2	25.22	24.2	1.29	FSW
107	**62**	**46**	**FDGRX**	**Fidelity Growth Company**	**LCGro**	**H**	**H**	**H**	**0.5**	**18.0**	**25.5**	**49.40**	**24.6**	**1.46**	**Fsw**
128	**109**	**103**	**FDEGX**	**Fidelity Aggressive Growth(0.75%r<90d)**	**LCGro**	**H**	**H**	**H**	**2.4**	**16.0**	**20.4**	**14.65**	**30.5**	**1.96**	**fsw**

	1 mo.	6 mo.	12 mo.	
Dow Jones	**-0.2%**	**10.5%**	**10.0%**	*indexes do not include dividends*
NASDAQ	**1.5**	**22.8**	**32.6**	
S&P 500	**0.7**	**9.8**	**13.0**	

International Stock Funds

RANK 11/28 2003	1Mo Ago	6Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	1 mo.	6 mo.	12 mo.	PRICE PER SHARE	Std. Dev.	Beta	NTF/ wtf
1	**2**	**-**	**FISMX**	**Fidelity Intl Small Cap (2%r<90d)**	**Int'l**	**B**	**B**	**B**	**0.4%**	**42.0%**	**67.7%**	**$17.78**	**-**	**-**	**Fw**
2	5	50	MJFOX	Matthews Japan Fund (2%r<90d)	Japan	*	B	B	-2.5	50.4	45.6	12.48	15.2	-	FSW
3	1	49	SJPNX	Japan Fund (Scudder) (2%r<180d)	Japan	*	B	B	-4.2	50.7	40.0	8.92	14.8	-	FSW
4	**3**	**-**	**AIOIX**	**Amer.Cent.Intl Opportunity (2%r<180d)**	**Int'l**	**B**	**B**	**B**	**-1.8**	**40.6**	**61.5**	**7.62**	**-**	**-**	**FSW**
5	7	8	ICHKX	Investec China & Hong Kong	Pacific	*	B	B	2.7	39.6	48.0	15.75	19.6	-	FSW
6	6	5	PRIDX	T. Rowe Price Intl Disc. (2%r<1yr)	Int'l	B	B	B	-0.6	33.8	56.1	25.05	16.0	-	fsw
7	**4**	**19**	**MAPTX**	**Matthews Pacific Tiger (2%r<90d)**	**Pacific**	*****	**B**	**B**	**-1.2**	**38.4**	**45.1**	**12.48**	**23.6**	**-**	**FSW**
8	26	3	FLATX	Fidelity Latin Amer. (1.5%<90d)	LatinA	*	H	H	4.6	27.2	54.9	14.00	29.8	-	fs
9	14	1	ARTJX	Artisan Intl Small Cap (closed,2%r<90d)	Int'l	B	B	B	1.4	28.7	55.1	14.67	-	-	SW
10	**12**	**22**	**VEIEX**	**Vanguard Emerging Mkts Stk Index (.5%r)**	**Int'l**	*****	**B**	**B**	**1.1**	**34.0**	**41.5**	**11.16**	**22.6**	**-**	**fsw**
11	8	51	PRASX	T. Rowe Price New Asia	Pacific	*	B	B	-1.0	37.8	34.8	8.06	19.7	-	fsw
12	13	11	OAKEX	Oakmark Intl Small Cap (closed,2%r<90d)	Int'l	B	B	B	1.3	30.7	44.2	15.09	20.4	-	FSW
13	16	63	VINEX	Vanguard Intl Explorer ($10.000,2%<60d)	int'l	B	B	B	2.2	28.3	44.7	12.15	16.3	-	fsw
14	9	62	PRJPX	T. Rowe Price Japan	Japan	*	B	B	-4.9	37.3	31.7	6.77	14.4	-	s
15	18	18	DRFMX	Dreyfus Emerging Market (1%r)	Int'l	*	B	B	1.9	29.0	40.0	15.81	21.6	-	FSW
16	10	59	FSEAX	Fidelity SE Asia (1.5%r<90d)	Pacific	*	B	B	-0.8	33.5	29.0	13.62	21.1	-	fsw
17	20	41	FEMKX	Fidelity Emerging Mkts (1.5%r<90d)	Int'l	H	H	H	1.1	29.0	33.0	9.92	-	-	fsw
18	40	7	PRLAX	T. Rowe Price Latin America (2%r<1yr)	LatinA	*	H	H	4.4	22.0	44.8	10.77	29.7	-	fsw
19	31	9	FIEUX	Fidelity Europe (1%r<90d)	Europe	H	H	H	6.4	24.3	32.2	25.92	22.5	-	fsw
20	11	61	WPJGX	CS Warburg Pincus Japan Grth (2%r<180d)	Japan	*	H	H	-4.9	35.1	21.7	5.00	22.7	-	FSW
21	15	58	SCOPX	Scudder Pacific Opportunity (2%r<1yr)	Pacific	H	H	H	-1.7	31.0	26.5	10.79	19.0	-	FSW
22	22	4	SGSCX	Scudder Global Discovery (closed)	Int'l	H	H	H	2.5	23.5	38.3	26.90	20.1	-	FSW
23	23	2	OAKGX	Oakmark Global (2%r<90d)	Global	H	H	H	2.9	23.0	38.0	18.37	26.5	-	FSw
24	17	60	FJPNX	Fidelity Japan (1.5%<90d)	Japan	*	H	H	-3.5	31.3	25.0	10.79	17.3	-	Fsw
25	28	28	VTRIX	Vanguard International Value	Int'l	H	H	H	2.0	26.6	27.9	25.04	16.8	-	fsw
26	21	53	VPACX	Vanguard Pacific Stock Index	Pacific	*	H	H	-2.3	29.8	26.2	7.62	13.7	-	fsw
27	19	54	FPBFX	Fidelity Pacific Basin (1.5%r<90d)	Pacific	H	H	H	-2.5	29.9	26.2	16.64	14.7	-	Fsw
28	24	25	FOSFX	Fidelity Overseas (1%r<30d)	Int'l	H	H	H	1.6	27.5	25.7	29.68	15.5	-	Fsw
29	45	6	SLAFX	Scudder Latin America	LatinA	*	S	S	3.8	18.5	44.6	22.43	27.3	-	FSW
30	29	17	FIGRX	Fidelity International G & I	Int'l	S	S	S	2.4	24.0	29.5	22.40	15.2	-	Fsw
31	27	30	LLINX	Longleaf Partners International	Int'l	H	H	H	2.1	25.3	25.2	13.62	19.4	-	fw
32	25	31	WBIGX	Wm. Blair Intl Growth Stock N	Int'l	S	S	S	0.5	24.8	28.5	17.61	14.6	-	FSW
33	36	38	PFIFX	Preferred International	Int'l	S	S	S	2.6	24.9	25.0	13.54	17.4	-	w
34	34	13	FDIVX	Fidelity Diversified Intl (1%r<30d)	Int'l	S	S	S	2.2	21.5	31.7	22.86	13.8	-	Fsw
35	32	15	HAINX	Harbor International	Int'l	S	S	S	1.5	22.6	28.6	35.05	17.9	-	Fsw

Specialty Funds *(next issue on page 6: Bond Funds)*

RANK 11/28 2003	1Mo Ago	6Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN 1 mo.	6 mo.	12 mo.	PRICE PER SHARE	RISK Std. Dev.	Beta	NTF/ wtf
1	1	26	SCGDX	Scudder Gold (closed)	NatRes	*	*	*	6.4%	91.0%	136.4%	$21.97	31.90	0.28	FSW
2	2	77	USERX	U.S.Global Gold Shares (.25%r<30d)	NatRes	*	*	*	18.8	80.7	125.0	9.09	42.40	0.41	fsw
3	7	63	BGEIX	Amer. Cent. Global Gold (1%r<60d)	NatRes	*	*	*	13.2	54.9	88.4	13.57	36.90	0.15	fSW
4	6	51	VGPMX	Vanguard Precious Metals (closed,1%r<1yr)	NatRes	*	*	*	11.0	54.6	77.2	17.22	32.70	0.56	fsw
5	9	55	FGLDX	INVESCO Gold Inv	NatRes	*	*	*	12.5	52.3	79.2	4.05	30.30	0.22	FS
6	16	78	RYPMX	Rydex Precious Metals	NatRes	*	*	*	16.2	51.3	71.5	44.30	31.70	0.24	fsw
7	3	-	RYTVX	Royce Technology Value	Tech	*	*	*	2.2	44.8	78.3	8.31	-	-	FSW
8	4	1	CGMRX	CGM Realty	RealEs	*	*	*	5.7	37.7	90.8	25.55	17.50	0.21	sw
9	14	65	FSAGX	Fidelity Gold (.75%r<30d)	NatRes	*	*	*	9.0	42.6	70.4	31.51	34.10	0.36	Fsw
10	-	-	RIAFX	RS Internet Age	Tech	*	*	*	2.3	40.4	68.5	6.74	59.30	2.65	FSW
11	-	-	EUEYX	Alpine U.S. Real Estate Equity ClY	RealEs	*	*	*	5.8	34.3	76.0	30.90	32.70	0.87	fSW
12	-	-	RSIFX	RS Information Age	Tech	*	*	*	2.2	37.9	65.5	15.31	48.30	2.33	FSW
13	5	73	RYSIX	Rydex Electronics	Tech	*	*	*	5.5	38.8	37.2	14.86	50.30	2.33	fsw
14	20	5	RSCOX	RS Contrarian	Altern	*	*	*	3.6	31.9	54.0	16.15	17.60	0.57	FSW
15	8	8	FSDCX	Fidelity Developing Comm (.75%r<30d)	Tech	*	*	*	1.6	32.6	50.0	16.71	37.00	1.72	Fsw
16	19	61	FSDPX	Fidelity Indust Matrls (.75%r<30d)	Cycls	*	*	*	3.6	32.9	40.8	32.79	23.00	0.87	Fsw
17	10	57	FSELX	Fidelity Electronics (.75%r<30d)	Tech	*	*	*	4.2	32.6	36.6	42.20	51.20	2.32	Fsw
18	11	17	FDCPX	Fidelity Computers (.75%r<30d)	Tech	*	*	*	2.2	30.8	43.1	36.61	41.20	2.09	Fsw
19	21	23	FSHOX	Fidelity Const & Housing (.75%r<30d)	Cycls	*	*	*	3.2	28.3	37.5	34.31	24.40	0.80	Fsw
20	13	18	FWRLX	Fidelity Wireless	Tech	*	*	*	0.8	28.0	36.9	3.93	-	-	fsw
21	15	12	FSPTX	Fidelity Technology (.75&r<30d)	Tech	*	*	*	1.2	26.9	36.8	60.36	46.60	2.14	Fsw
22	69	82	FSHCX	Fidelity Med Del (.75%r<30d)	Health	*	*	*	11.0	25.5	25.4	30.06	23.10	0.07	Fsw
23	12	9	FNINX	Fidelity Networking	Tech	*	*	*	1.7	25.8	38.2	2.39	-	-	fsw
24	26	46	FSAVX	Fidelity Automotive (.75%r<30d)	Cycls	*	*	*	3.3	28.0	27.7	31.12	25.10	0.93	Fsw
25	22	-	PRMTX	T. Rowe Price Media & Telecommunications	Utility	*	*	*	2.6	23.0	35.9	21.26	30.00	1.53	fsw
26	17	13	RYTIX	Rydex Technology	Tech	*	*	*	1.7	25.1	31.4	11.30	34.10	2.04	fsw
27	32	68	FSCGX	Fidelity Industrial Equip (.75%r<30d)	Cycls	*	*	*	4.4	26.0	24.0	22.61	22.90	1.11	Fsw
28	28	59	FSDAX	Fidelity Defense & Aero (.75%r<30d)	Cycls	*	*	*	2.9	25.0	28.3	51.29	19.50	0.76	Fsw
29	45	27	CSRSX	Cohen & Steers Realty Shares (1%r<180d)	RealEs	*	*	*	4.6	19.5	35.1	55.81	14.60	0.23	FSW
30	30	75	RYRIX	Rydex Retailing	Consmr	*	*	*	1.5	24.1	25.3	11.48	20.50	0.95	fsw
31	24	32	FSAIX	Fidelity Air Transport (.75%r<30d)	Cycls	*	*	*	-1.6	23.1	32.2	29.91	28.50	1.14	Fsw
32	18	4	RYIIX	Rydex Internet	Tech	*	*	*	2.6	21.4	28.9	32.02	41.00	2.70	fsw
33	51	45	FRESX	Fidelity Real Estate (.75%r<90d)	RealEs	*	*	*	4.2	19.0	32.2	23.52	13.90	0.20	Fsw
34	49	40	VGSIX	Vanguard REIT Index (1%r<1yr)	RealEs	*	*	*	4.3	18.7	32.7	14.99	13.70	0.14	fsw
35	56	-	TRREX	T. Rowe Price Real Estate	RealEs	*	*	*	4.7	18.3	32.6	13.45	13.70	0.16	fsw
36	25	-	PRSCX	T. Rowe Price Science & Tech	Tech	*	*	*	2.1	20.9	28.1	18.27	39.20	2.41	fsw
37	39	48	FSVLX	Fidelity Home Finance (.75%r<30d)	FinServ	*	*	*	3.1	18.5	32.7	65.17	25.80	0.37	Fsw
38	48	30	CSEIX	Cohen & Steers Equity Income	RealEs	*	*	*	3.8	17.5	32.5	14.24	13.10	0.13	FSW
39	23	62	FTCHX	INVESCO Technology Inv	Tech	*	*	*	1.8	21.4	24.4	24.81	48.00	2.26	FS
40	41	54	FCYIX	Fidelity Cyclical Ind (.75%r<30d)	Cycls	*	*	*	3.2	20.3	24.6	15.25	22.00	0.98	Fsw
41	31	24	FSRFX	Fidelity Transportation (.75%r<30d)	Cycls	*	*	*	-0.2	18.6	33.8	33.18	23.00	0.88	Fsw
42	37	67	RYLIX	Rydex Leisure	Consmr	*	*	*	2.5	20.6	22.7	24.59	22.00	1.10	fsw
43	35	69	FSRPX	Fidelity Retailing (.75%r<30d)	Consmr	*	*	*	1.7	21.2	21.1	45.07	19.80	0.89	Fsw
44	42	38	RYKIX	Rydex Banking	FinServ	*	*	*	2.6	16.9	28.0	9.79	27.50	0.70	fsw
45	34	20	FSCSX	Fidelity Software (.75%r<30d)	Tech	*	*	*	2.3	18.4	24.5	48.17	52.00	2.14	Fsw
46	54	43	STMDX	Stratton Mthly Div REIT (1.5%r<120d)	RealEs	*	*	*	3.0	16.2	28.7	31.83	13.20	0.17	fsw
47	38	11	FDLSX	Fidelity Leisure (.75%r<30d)	Consmr	*	*	*	1.9	16.3	28.7	68.30	21.20	1.10	Fsw
48	43	81	RYBIX	Rydex Basic Materials	Cycls	*	*	*	2.3	18.6	16.5	23.18	23.40	0.90	fsw
49	50	60	FSLEX	Fidelity Environmental Ser (3%&.75%r<30)	Cycls	*	*	*	2.7	16.5	19.8	13.02	19.70	0.59	fsw
50	61	6	FSMEX	Fidelity Medical Equip (.75%r<30d)	Health	*	*	*	3.2	11.8	30.5	20.03	15.50	0.29	Fsw
51	46	35	FSRBX	Fidelity Banking (.75%r<30d)	FinServ	*	*	*	0.9	15.3	22.3	38.68	24.50	0.70	Fsw
52	27	7	FBMPX	Fidelity Multimedia (.75%r<30d)	Consmr	*	*	*	0.4	14.7	23.7	46.24	21.80	1.08	Fsw
53	36	-	PRISX	T. Rowe Price Financial Services	FinServ	*	*	*	-0.5	15.8	21.7	21.57	20.00	0.80	fsw
54	62	16	RYHIX	Rydex Health Care	Health	*	*	*	2.5	12.4	25.2	11.77	15.50	0.31	fsw
55	71	79	FSCHX	Fidelity Chemicals (.75%r<30d)	Cycls	*	*	*	3.7	15.0	15.8	47.42	21.60	0.82	Fsw
56	65	-	PRHSX	T. Rowe Price Health Sciences	Health	*	*	*	3.4	10.0	26.7	19.15	22.60	0.84	fsw
57	55	64	FBSOX	Fidelity Bus Services (.75%r<30d)	Tech	*	*	*	2.8	13.6	18.5	13.87	22.60	1.03	Fsw
58	53	52	RYFIX	Rydex Financial Services	FinServ	*	*	*	1.3	13.4	20.9	10.13	24.10	0.93	fsw
59	57	36	FIDSX	Fidelity Finl Serv (.75%r<30d)	FinServ	*	*	*	0.5	12.7	19.8	110.80	21.80	0.79	Fsw
60	70	66	RYCIX	Rydex Consumer Products	Consmr	*	*	*	2.9	12.1	17.3	26.44	15.90	0.52	fsw
61	64	34	FLISX	INVESCO Leisure Inv	Consmr	*	*	*	2.7	11.6	18.2	39.58	22.60	1.04	FS
62	81	25	FHLSX	INVESCO Health Sciences Inv	Health	*	*	*	3.7	10.3	19.5	46.35	31.50	0.29	FS
63	29	10	FSLBX	Fidelity Brokerage (.75%r<30d)	FinServ	*	*	*	-2.0	14.0	18.7	47.25	30.80	1.47	Fsw
64	**60**	**33**	**FBALX**	**Fidelity Balanced**	**Hybrid**	**B**	*****	*****	**1.7**	**10.7**	**20.4**	**16.26**	**10.50**	**0.54**	**Fsw**
65	76	28	VGHCX	Vanguard Health Care ($25k&1%r<5yr)	Health	*	*	*	3.7	10.3	17.7	115.40	15.00	0.37	fsw
66	63	83	RYPIX	Rydex Transportation	Cycls	*	*	*	-0.1	13.4	13.7	19.40	20.80	0.76	fsw
67	33	44	RYMIX	Rydex Telecommunications	Utility	*	*	*	0.8	12.7	12.2	13.75	21.60	1.52	fsw
68	58	39	FSFSX	INVESCO Financial Serv Inv	FinServ	*	*	*	-0.5	11.3	17.3	28.05	22.80	0.86	FS
77	**78**	**53**	**VBINX**	**Vanguard Balanced Index**	**Hybrid**	**B**	*****	*****	**1.0**	**7.4**	**13.3**	**17.87**	**10.70**	**0.57**	**fsw**
83	**86**	**74**	**GATEX**	**Gateway Fund**	**Altern**	**B**	*****	*****	**0.7**	**4.5**	**8.5**	**22.96**	**7.84**	**0.40**	**FSW**

Yields Steady, Assets Shift to Stock & Bond Funds

Low yields and soaring stock prices have accelerated the shift of assets away from the nation's money market funds. $183 billion has left so far in 2003, according to data from iMoneyNet's Money Fund Report. By comparison, assets of all other types of mutual funds have increased by $953 billion through October 31st, according to the Investment Company Institute. Nearly 90% of that increase is attributable to stock funds and hybrid funds.

Taxable money fund yields have dropped 36 basis points so far this year. The Fed has cut the fed funds rate once this year—by 25 basis points on June 25th—leaving iMoneyNet's Money Fund Report Averages/All Taxable 7-day yield (MFA) at 0.52% as of November 11th. On the tax-free side, the All Tax-Free 7-day yield has decreased by 41 basis points to 0.39% during the year-to-date period. This decline is overstated, as Tax-Free yields spiked temporarily due to year-end window dressing.

As the economy improves and the threat of inflation potentially appears, yields may begin to rise concurrent with a change in Fed policy. When evaluating money funds, remember: 1) if you shop, you can find above average funds—see the accompanying table of top-yielding funds; 2) double and triple tax-free funds (i.e. exempt from federal, plus state and/or local taxes) can provide an edge for investors in certain states or municipalities. To calculate the taxable equivalent yield of a tax free fund for comparison purposes, take the tax-free yield and divide it by (1 minus your total effective tax bracket).

Money Fund Yields and Assets

	12/31/02	4/1/03	8/5/03	11/11/03	Change
7-Day All Taxable MFA	0.88%	0.74%	0.53%	0.52%	-0.36%
7-Day All Tax-Free MFA	0.91%*	0.65%	0.39%	0.50%	-0.41%
Taxable Money Fund Assets	$1.949T	$1.874T	$1.815T	$1.752T	-$197B
T-F Money Fund Assets	$280B	$289B	$301B	$294B	+$14B
Total Money Fund Assets	$2.229T	$2.163T	$2.116T	$2.046T	-$183B
All Other Mutual Funds^	$4.119T	$4.061T	$4.714T	$5.072T	+$953B

** Year-end Tax-Free MFA was up from 0.59% two weeks earlier due to year-end factors.*

^ "All Other Mutual Funds" assets through month end December (02), March (03), July (03), and October (03).

Sources: iMoneyNet's Money Fund Report, (800) 343-5413 Investment Company Institute

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TOP-YIELDING MONEY FUNDS

100% U.S. TREASURY FUNDS

	7-Day	30-Day	1-Year
Gabelli US Treasury MMF	0.68%	0.67%	0.91%
Vanguard Treasury MMF	0.67	0.68	0.92
Fidelity Spartan US Treas MMF	0.55	0.60	0.84
Amer Century Capital Presv Fund/Inv	0.54	0.54	0.77
T Rowe Price US Treasury MF	0.50	0.49	0.70
DBAB Cash Reserve Treasury	0.41	0.36	0.56
CMA Treasury Fund RIC	0.37	0.35	0.59
WCMA Treasury Fund Class 3	0.37	0.35	-
Schwab US Treasury Money Fund	0.35	0.35	0.58
US Treasury MF of America/Cl A	0.33	0.35	0.57

GENERAL PURPOSE TAXABLE FUNDS

	7-Day	30-Day	1-Year
PayPal Money Market Fund	1.02%	1.02%	1.25%
GE Money Market Fund	0.92	0.91	0.92
Bunker Hill MMF	0.86	0.86	1.06
McMorgan Principal Preservation	0.85	0.84	1.07
Flex-fund Money Market Fund	0.83	0.84	0.99
TIAA-CREF Money Market Fund	0.82	0.82	1.02
Phoenix-Goodwin Money Market Series/A	0.81	0.81	1.00
AIG Money Market Fund/Cl B	0.80	0.82	0.77
AIM MMF/Investor Class	0.80	0.80	-
Centennial Money Market Trust	0.78	0.82	1.00
Scudder YieldWise Money Fund	0.78	0.76	1.01

TAX-FREE GENERAL PURPOSE FUNDS

	7-Day	30-Day	1-Year
Strong Tax-Free Money Fund	0.96%	0.93%	1.01%
Vanguard Tax-Exempt MMF	0.94	0.91	0.99
Scudder YieldWise Muni MF	0.83	0.79	0.89
Strong Municipal MMF	0.82	0.80	0.92
USAA Tax Exempt MMF	0.77	0.75	0.84
Amer Century T-F MMF/Inv Class	0.75	0.71	0.79
Dreyfus BASIC Muni MMF	0.74	0.70	0.76
Fidelity Municipal MMF	0.72	0.70	0.78
Scudder Tax-Exempt Money Fund	0.70	0.66	0.76
T Rowe Price Summit Muni MMF	0.69	0.67	0.80

TAX-FREE STATE-SPECIFIC FUNDS

	7-Day	30-Day	1-Year
Vanguard OH Tax-Exempt MMF	0.93%	0.91%	0.98%
Vanguard PA Tax-Exempt MMF	0.93	0.90	0.94
Vanguard CA Tax-Exempt MMF	0.91	0.87	0.94
Vanguard NY Tax-Exempt MMF	0.88	0.85	0.92
Vanguard NJ Tax-Exempt MMF	0.87	0.85	0.90
Fidelity PA Municipal MMF	0.72	0.63	0.70
USAA Tax Exempt CA MMF	0.70	0.67	0.81
Fidelity FL Municipal MMF	0.66	0.63	0.70
Amer Century CA T-F MMF/Inv Class	0.65	0.61	0.64
Fidelity OH Municipal MMF	0.64	0.61	0.70

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 11/25/03. 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

MANAGED ACCOUNTS

For information on the "*MONEYLETTER* Managed Account" Program[1], call PRI Financial Advisors Inc. toll-free at (800) 707-2060. Ask about PRI's free, no-obligation portfolio review.

Minimum investment is $100,000.

[1]As an independent Registered Investment Advisor, PRI Financial Advisors will exercise discretion with regard to asset allocation and fund selection and may make investment decisions for client accounts that differ from recommendations found in *MONEYLETTER*.

Needham Small Cap Growth

With Needham Small Cap Growth's (NESGX) astonishing gain of 58.3% thus far in 2003, Vince Gallagher, portfolio manager of the fund, almost wishes he could shut the fund down now for the year. "There are a lot of us who would like to do that today, simply because many of us have generated very attractive returns we would like to lock in," he told MONEYLETTER recently.

Gallagher has managed this young fund, begun in May 2002, since its inception. The Needham group consists of three funds: Needham Growth (NEEGX) and Needham Aggressive Growth (NEAGX), in addition to the Small Cap. Yet, lest you think this fund company is too small to compete on a long-term basis, know that it has a lot of power behind it. Its parent, Needham & Company, is a major investment banking and asset management firm focused on serving emerging growth industries and their investors. Their stable of 40 analysts supports the Needham funds. Meanwhile, Small Cap Growth's success has attracted assets at a rapid pace recently, as fund assets mushroomed from $18.1 million on September 30, 2003, to $36.5 million on November 21.

MONEYLETTER recently spoke with Vince Gallagher to gain insight into the fund.

ML: *What is the most important factor you look at when selecting stocks for the portfolio?*
Gallagher: The first thing we look at is management, not the numbers. We visit management on their premises, walk the plant, and get a flavor of how well the management knows its operations, and how well the people know the management. It's as simple as that. We certainly are not going to invest if management is not willing to meet with us, though we might short the stock.

ML: *Your literature describes your investment process as GARP—growth at a reasonable price. What do you look for in the numbers?*
Gallagher: We always look for growth companies, but are not willing to pay up for that growth. We feel many growth stories out there today have gotten ahead of themselves. We ideally look for growth in the range of 15%-20%, with valuation about half the growth rate. We don't get that all the time, but that's the ideal. Next, we try to find firms with positive cash flows, and hopefully, accelerating cash flows to accompany earnings growth. We like companies with no debt. We have an expression, 'Take your risk with your business, not with your balance sheet,' and we think those are words to live by.

ML: *You can have up to 25% of the portfolio in a short position. How do use that option?*
Gallagher: That is a hedging technique, just as cash is a hedging technique. Many older funds do not have this flexibility, and their only option if they think the market is acting poorly or going to have a rough time, is to go to cash. We don't have to go to cash with our long positions, which in many cases, would result in taking short-term gains or losses as opposed to long-term gains. We can short certain industries, typically mirroring the industries we're long in. We can short, say, three stocks that are overvalued while we are hopefully invested in three that are undervalued.

ML: *Your cash postion is very high—45% as of October 31. Is this typical?*
Gallagher: Actually, the fund is about 49% in cash today. That is not our ideal; we would prefer to operate with a 5%-10% cash position. Most of this cash has been created by money coming in from new investors, with the remainder from appreciation in the fund. I'm in no rush to invest it. Given where the market is today, I'm not seeing a lot of values out there.

ML: *You had more than 60% of assets in technology/telecommunication earlier this year. Will this be standard for the fund?*
Gallagher: No, I would not ordinarily invest to that level. I believed the fall in technology was overdone at the end of September last year, and I kept buying into the declines in September, October, November, and December. Fortunately, I was 100% correct on that call. Currently, technology is only about 25% of assets and telecom about 5%. I think about a third of the portfolio will be in the technology sphere at any given time. Over the last six months, I have been doing a lot of work in the healthcare area to find new names. I'd like that sector to become about 20% of the fund.

ML: *What other industries are you targeting?*
Gallagher: We tend to follow sectors that Needham & Co. has followed historically. When it started up in 1985, the firm's focus was entirely on technology for the first couple of years. Then it branched into health care; next, what I'd loosely define as business services; and fourth, specialty retail. We thought these three sectors would be counter-cyclical to technology. The fund group has sort of piggybacked on that. This fund owns some homebuilders, and we'll probably own some financial stocks, owing to my background in those areas.

ML: *What is your outlook for the next year or so?*
Gallagher: Because 2004 is an election year, because of all the incentives in place tax-wise and government-wise, and with the economy showing many signs of life, I believe we will have another good year for the market. Not on the scale of what the NASDAQ advanced this year, but certainly up. The wild card is 2005. After the election, whether a Republican or Democrat is in office, deficit spending will have to be considered. We will probably see taxes raised, and spending curbed, which could make for a tougher market in '05.

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