



## Catching The Jitters

by Walter S. Frank, Chief Investment Officer

Wall Street has been in a jittery mood, a mood that lasted all February. The jitters are not easily seen in the larger cap indexes, but if you look at the Nasdaq Composite, you'll soon realize what we are talking about. While the S&P 500 and the Dow were, in effect, sailing calmly through February, the Nasdaq lost almost 7% from January 26 to February 24. Seven percent is nothing to sneeze at. In effect, the Nasdaq had a genuine correction last month.

It was a quiet correction, considering that the other broad indexes held their own, but Wall Street, if not Main Street, noticed the persistent profit-taking that led the Nasdaq to close lower week after week. There is no mystery about why profit-taking should hit the Nasdaq. The only mystery is why it didn't happen sooner and, maybe, harder. The real surprise, in some ways, was why small stocks with a heavy dose of technology continued to run in January after the astonishing 50% gain last year.

The question now is will the selling continue? And even if it doesn't, are the small caps going to lead the way again this year? Wall Street is essentially betting against the small caps, at least if you go by the Street commentary. Taking question one, as with all corrections, no one can call the end with any accuracy (though many try). But it appears to us that the Nasdaq selling is drying up.

Moreover, looking at our fund list, it is apparent that the Nasdaq selling was concentrated in the Nasdaq growth sector. Small cap value was relatively unscathed. This strongly suggests that what we have seen is sheer profit-taking, and nothing more. Growth is where the profits were made last year and where the most concern about dizzying valuations exists. Profit-taking has a limited half-life. It doesn't last forever.

As for whether small caps will continue to lead the performance tables this year, we're going to fudge. We think small-caps have another year of good performance ahead, but it would not surprise us to see mid-caps making the run this year.

We're already seeing mid-cap funds moving up in our fund list. In the end, small- or mid-, it will all depend on the economy continuing to move ahead at a 5% rate or so for the rest of this year. If it does, and that is our view, the smaller cap firms in the economy will do very well, with profit growth better than Wall Street now projects. But don't expect a repeat of last year. The bargain basement has been well picked over by now.

### Rethinking High-Yield

We have been recommending high-yield funds for our less aggressive portfolios for a long time, three years to be exact. Overall, the funds have done well for us, despite some gut-wrenching moments is 2002. Last year, of course, they shined, with Fidelity High Income up 27.5 %, Vanguard High Yield up 17.2% and Buffalo High Yield up 20.2%.

It is not hard to figure out why they did well. Interest rates plummeted last year and there stood the high yields, the obvious place for yield-seekers to go. Moreover, with the economy finally righting itself, the dark side of the high-yield funds (the lower quality credits they invest in) became less worrisome. As the economy improved the worries about defaults and bankruptcies lessened. The result was a rush to the high-yield funds.

As the money poured in, the prices of high-yield bonds rose and their yields fell. They fell so much that the advantage in yield offered by high-yield funds over comparable Treasury funds has now fallen below the advantage high yield funds have traditionally offered. Another way of putting it is that high-yield investors are no longer even being paid the normal premium (in extra interest) they have received for the risk of owning low-quality bonds.

It is obvious that the heady returns of last year are now a pleasant memory. In fact, fund investors can only reasonably look forward to receiving a 6-7% return, at best, from the normal, domestically invested high-yield fund.

Aside from the return change, the interest rate outlook has also changed from last year. Last year rates went down. This year we see rates rising before year-end. This will cut into high yield returns at some point.

Obviously, given all this, we have been rethinking our high-yield allocation. At the same time, given the overall low-yielding environment, it is difficult to find attractive alternatives. Believe us, we have been searching. A particular difficulty is presented by the single fund family portfolios, where the range of bond funds available is limited.

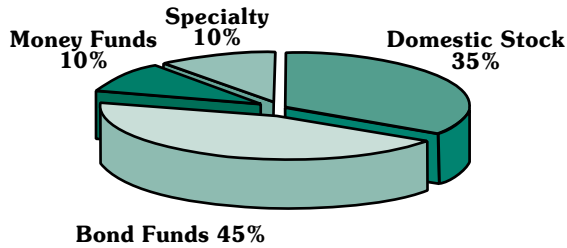
We haven't felt any particular urgency to change the high-yield allocation, considering the allocation adjustment and closed fund changes we have made recently. And any concern about the Fed and higher rates is months away. Still we believe in being adequately paid for the risks we assume. In the case of the high-yield market, while the risks are less than average now, we don't believe that is the case. Stay tuned. \$

#### 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
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	0.1%	10,077	\$1.00	\$10,077
Gateway Fund	11/27/02	10.6	601	23.25	13,983
PIMCO High Yield	05/14/03	10.1	1,534	9.70	14,875
RS Partners	04/02/03	70.6	735	29.60	21,747
Royce Opportunity	01/28/04	-0.2	796	12.89	10,261
AmerCent Inflation Adj.	02/12/03	8.8	1,562	11.34	17,709
Needham Small Cap Growth	01/28/04	-0.7	1,305	17.61	22,974
Dodge & Cox Income	02/19/03	6.9	970	13.10	12,703
<b>TOTAL VALUE</b>					<b>\$124,329</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
1.3%	12.7%	27.5%	33.0%	3.2%

**Fidelity Conservative**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	0.1%	8,650	\$1.00	\$8,650
Fidelity Balanced	11/27/02	29.5	768	17.42	13,387
Fidelity High Income	01/17/01	16.4	1,952	8.96	17,494
Fidelity Capital Appreciation	06/25/03	29.4	845	25.45	21,497
Fidelity Small Cap Stock	12/10/03	10.6	848	17.95	15,226
Fidelity Intermediate Gov	02/19/03	3.2	1,138	10.40	11,837
Fidelity Investment Grade	02/19/03	5.8	1,681	7.64	12,842
<b>TOTAL VALUE</b>					<b>\$100,933</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
1.3%	10.2%	22.9%	7.7%	2.7%

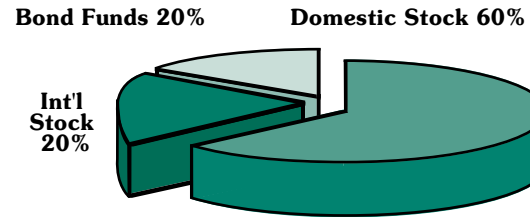
**Vanguard Conservative**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime Port MM	Yield YTD	0.1%	8,424	\$1.00	\$8,424
Vanguard Balanced Index	11/27/02	20.2	566	18.82	10,651
Vanguard Bond Market	02/19/03	5.1	706	10.43	7,385
Vanguard Inflation Protect	02/19/03	9.1	1,051	12.63	13,273
Vanguard Strategic Equity	10/09/02	71.8	806	19.60	15,804
Vanguard Extended Mkt	09/10/03	18.3	439	28.12	12,350
Vanguard Small Cap Grwth	07/09/03	22.5	1,221	13.79	16,843
Vanguard FI Hi-Yld Corp	01/17/01	19.5	2,695	6.38	17,193
<b>TOTAL VALUE</b>					<b>\$101,923</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
1.0%	11.6%	25.3%	6.2%	3.4%

**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	27.7%	1,843	\$11.28	\$20,794
Henlopen Fund	12/15/03	11.5	859	27.75	23,835
Matthews Pacific Tiger	02/06/02	59.3	975	14.03	13,674
Fidelity Int'l Small Cap	01/07/04	5.6	630	20.17	12,700
RS Partners	02/12/03	80.1	601	29.60	17,778
Fidelity Leveraged Company	01/28/04	2.2	1,141	20.81	23,736
Legg Mason Special	04/02/03	53.1	263	45.67	11,992
<b>TOTAL VALUE</b>					<b>\$124,509</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
2.1%	21.0%	55.0%	50.1%	5.8%

**Fidelity Moderate**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Leveraged Company	12/10/03	17.0%	751	\$20.81	\$15,620
Fidelity High Income	01/17/01	16.4	2,848	8.96	25,516
Fidelity Small Cap Stock	11/12/03	11.8	1,296	17.95	23,268
Fidelity Capital Appr.	03/12/03	64.9	831	25.45	21,157
Fidelity Aggressive Grwth	07/09/03	17.8	669	15.66	10,473
Fidelity SE Asia	01/07/04	5.9	465	15.93	7,409
Fidelity Int'l Small Cap	11/05/03	16.2	615	20.17	12,406
<b>TOTAL VALUE</b>					<b>\$115,849</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
2.0%	16.8%	38.6%	32.9%	4.8%

**Vanguard Moderate**

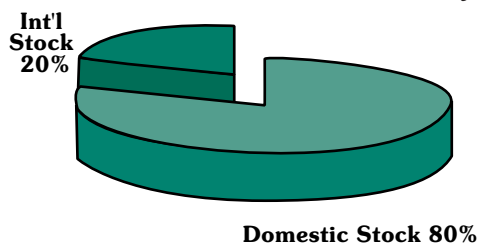
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Extended Mkt	11/27/02	44.1%	600	28.12	16,879
Vanguard FI Hi-Yld Corp	01/17/01	19.5	3,285	6.38	20,956
Vanguard Emerg. Mkts Stock	02/06/02	52.8	933	12.73	11,879
Vanguard Int'l Value	01/07/04	2.6	373	27.48	10,258
Vanguard Explorer	07/09/03	20.9	286	68.74	19,660
Vanguard Small Cap Grwth	09/10/03	15.7	1,264	13.79	17,427
Vanguard Strategic Equity	10/09/02	71.8	713	19.60	13,965
<b>TOTAL VALUE</b>					<b>\$111,024</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
1.4%	16.7%	42.1%	17.3%	4.6%

Note: Asset Allocation Portfolios were indexed to \$100,000 on January 1, 2000. Pie charts show current allocations.

**VENTURESOME**

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



**MONEYLETTER Venturesome**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Henlopen Fund	11/12/03	10.6%	586	\$27.75	\$16,259
RS Smaller Company Grwth	12/15/03	10.3	905	21.83	19,746
Fidelity Int'l Small Cap	01/07/04	5.6	596	20.17	12,027
Matthews Pacific Tiger	01/07/04	3.0	836	14.03	11,731
Royce Opportunity	07/16/03	35.4	1,280	12.89	16,496
Fidelity Leveraged Co.	01/28/04	2.2	907	20.81	18,875
RS Partners	02/12/03	80.1	777	29.60	22,992
<b>TOTAL VALUE</b>					<b>\$118,126</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
2.5%	23.6%	62.1%	60.6%	6.9%

**Fidelity Venturesome**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Small Cap Indep.	12/10/03	9.0%	1,144	\$18.70	\$21,388
Fidelity Leveraged Company	12/10/03	17.0	1,107	20.81	23,037
Fidelity OTC Portfolio	01/28/04	-0.1	667	33.72	22,492
Fidelity Int'l Small Cap	01/07/04	5.6	455	20.17	9,182
Fidelity SE Asia	01/07/04	5.9	578	15.93	9,203
Fidelity Capital Apprec.	12/04/02	50.8	662	25.45	16,840
Fidelity Small Cap Stock	07/30/03	28.8	1,111	17.95	19,951
<b>TOTAL VALUE</b>					<b>\$122,093</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
1.9%	16.9%	41.5%	33.5%	5.2%

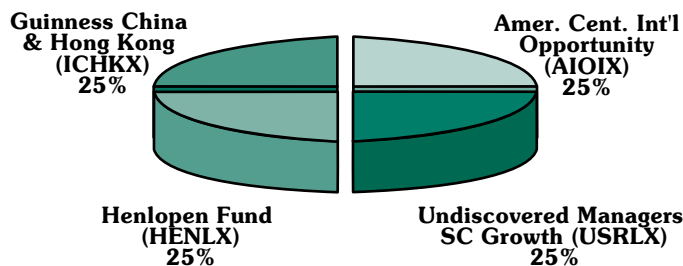
**Vanguard Venturesome**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Emerging Mkts	01/07/04	3.3%	1,605	\$12.73	\$20,428
Vanguard Extended Mkt	11/27/02	44.1	780	28.12	21,921
Vanguard Explorer	07/09/03	20.9	335	68.74	23,052
Vanguard Strategic Equity	10/09/02	71.8	1,139	19.60	22,319
Vanguard Small Cap Growth	01/29/03	54.7	1,637	13.79	22,577
<b>TOTAL VALUE</b>					<b>\$110,297</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	3-yr	YTD
1.7%	18.0%	47.2%	19.1%	5.1%

**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
Amer.Cent. Intl Opp.	11/05/03	13.6%	3,904	\$8.57	\$33,453
Undiscovered SC Growth	09/17/03	14.0	3,012	11.15	33,581
Henlopen Fund	01/07/04	5.8	1,206	27.75	33,471
Guinness China & HK	01/07/04	3.8	1,735	18.20	31,583
<b>TOTAL VALUE</b>					<b>\$132,088</b>

TOTAL RETURNS (as of 02/29/04)				
1-mo	6-mo	1-yr	Incep. (9/30/02)	YTD
2.0%	19.0%	45.4%	35.1%	8.0%

**MONEYLETTER Select Commentary**

There are no changes in the current fund positions for the Select Model. The model remains fully invested in equity funds. With a recent addition to our international position, this now leaves the model equally weighted between domestic and international funds.

While the markets were off to a strong start during the first part of the month, we spent the last couple of weeks in a market correction as profit-taking was bolstered by a series of "softer" economic numbers. The outlook, however, remains quite favorable, as business capital spending gains are evident.

**Total Returns—February 29, 2004**

	1-mo	6-mo	1-yr	3-yr	YTD
S&P 500	1.5%	14.6%	38.6%	-3.1%	3.3%
Asset Allocation	1.4	12.9	31.4	6.3	3.0
Funds (Avg) 36 Funds					

## Domestic Stock Funds

RANK 2/27 2004	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/ w/f
									1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
1	1	-	FLVCX	<b>Fidelity Leveraged Company (\$10,000)</b>	MC	*	B	B	3.3%	32.5%	111.9%	\$20.81	35.9	1.37	Fw
2	5	7	HRTVX	Heartland Value (closed, 1%r<90d)	SCVal	S	S	S	1.8	28.2	92.6	54.72	21.0	0.76	Fsw
3	4	6	RYPNX	<b>Royce Opportunity (1%r&lt;180d)</b>	SCVal	B	B	B	0.9	26.3	93.8	12.89	26.3	1.07	fsw
4	38	15	CGMFX	CGM Focus	SCVal	*	(B)	(B)	8.1	24.2	85.7	30.72	50.6	0.13	fsw
5	10	104	MOPIX	MainStay Small Cap Opportunity	SCVal	B	B	B	1.2	31.7	68.2	17.93	17.5	0.63	FSW
6	6	10	HENLX	<b>Henlopen Fund (1%r&lt;30d)</b>	SCGro	*	B	B	1.0	23.9	86.0	27.75	33.7	1.43	FSW
7	16	22	WMCVX	Wasatch Small Cap Value (closed, 2%r<60d)	SCVal	B	B	B	2.9	24.8	80.9	5.75	25.4	0.86	FSW
8	20	13	BUSFX	Buffalo Small Cap (closed)	SCGro	B	B	B	5.0	22.1	83.8	24.77	28.9	1.20	SW
9	19	109	BERWX	Berwyn Fund (1%r<180d)	SCVal	B	B	B	2.3	30.7	64.7	26.07	20.6	0.63	fsw
10	24	27	RSPFX	<b>RS Partners</b>	SC	B	B	B	5.6	25.2	73.3	29.60	23.0	0.65	FSW
11	12	11	WBSNX	WmBlair S-C Growth N (closed, 1%r<60d)	SCGro	B	B	B	2.1	22.3	85.6	23.37	34.6	1.32	FSW
12	2	2	USRLX	<b>Undiscovered Small Cap Growth (\$10,000)</b>	SCGro	B	B	B	-2.1	20.4	95.1	11.15	-	-	fw
13	18	35	IZZYX	ICM/Isabelle Small Cap Value	SCVal	B	B	B	2.2	24.5	75.7	14.69	24.6	0.85	FSW
14	3	3	NBSSX	Neuberger Berman Focus	LCVal	*	B	B	-0.5	20.4	87.6	38.82	36.2	1.87	fsw
15	8	8	RSSGX	<b>RS Smaller Company Growth</b>	SCGro	*	B	B	0.6	20.1	86.4	21.83	28.0	1.33	FSW
16	9	25	BOGLX	Bogle Small Cap Growth (closed)	SCGro	B	B	B	0.0	23.7	75.1	28.01	21.3	0.90	w
17	23	29	BPSCX	Boston Ptrns Smicap Val (closed, 1%r<1yr)	SCVal	B	B	B	2.2	21.7	76.5	24.24	26.4	0.74	FSW
18	14	39	VHCOX	Vanguard Cap Opp (\$25,000, 1%r<5yr)	MCGro	*	B	B	2.5	23.4	68.3	27.72	22.8	1.29	fsw
19	13	-	NESEGX	<b>Needham Small Cap Growth</b>	SCGro	B	B	B	-0.7	20.4	78.4	17.61	-	-	FSW
20	33	76	MUHLX	Muhlenkamp Fund	MCVal	(B)	(B)	(B)	3.1	23.5	64.2	66.92	28.6	1.26	FSW
21	52	33	CRMSX	CRM Small Cap Value Inv	SCVal	H	H	H	2.7	19.0	71.8	25.98	22.9	0.87	Fsw
22	35	55	FLCXX	<b>Fidelity Small Cap Stock (2%r&lt;90d)</b>	SCGro	B	B	B	1.9	22.3	62.8	17.95	20.3	0.92	F
23	17	16	LMOPX	Legg Mason Opportunity Trust (1%r<1yr)	MC	*	H	H	-0.6	18.2	76.1	14.14	32.2	1.45	-
24	31	-	TGONX	TCW Galileo Opportunity N	SC	H	H	H	2.3	20.0	66.7	13.60	22.1	0.84	FSW
25	42	54	TUDRX	WPG Tudor	SC	H	H	H	1.7	21.5	63.8	17.39	27.3	1.36	Fsw
26	30	19	JAVTX	Janus Venture (closed)	SCGro	*	B	B	0.9	17.5	74.9	51.59	30.1	1.52	FSW
27	15	4	RSDGX	RS Diversified Growth	SCGro	*	B	B	-1.1	15.0	83.4	22.68	29.0	1.53	FSW
28	72	98	TRMCX	T.Rowe Price Mid Cap Value	MCVal	H	H	H	3.6	22.2	56.5	21.57	17.7	0.72	fsw
29	81	18	SAFGX	Safeco Growth Opportunities	SC	H	H	H	2.4	16.7	70.4	25.81	27.8	1.22	fsw
30	54	125	CRMMX	CRM Mid Cap Value Inv	MCVal	H	H	H	2.5	22.5	55.2	22.73	-	-	FSW
31	48	38	RYPX	Royce Low Priced Stock (1%r<180d)	SCVal	H	H	H	2.0	18.8	64.6	14.76	26.1	1.02	FSW
32	63	92	VISVX	Vanguard Small-Cap Value Index	SCVal	H	H	H	2.5	21.8	56.4	12.10	23.2	0.87	fsw
33	27	37	TGVNX	TCW Galileo Value Opportunities	MC	B	B	B	2.2	19.1	63.0	21.45	-	-	FSW
34	75	50	SMCDX	Strong Mid Cap Disciplined	MCVal	H	H	H	3.6	19.2	60.4	21.46	21.3	0.94	FSW
35	21	62	MERDX	Meridian Fund	SCGro	B	B	B	1.1	19.1	64.1	34.98	20.3	0.84	fw
36	82	-	TGDIVX	TCW Galileo Diversified Value N	LCVal	H	H	H	4.2	20.8	54.7	12.05	19.3	0.94	FW
37	92	64	WGROX	Wasatch Core Growth (closed, 2%r<60d)	SCGro	H	H	H	3.5	17.2	64.4	39.52	30.1	1.06	FSW
38	40	47	NAESX	Vanguard SmallCap Index	SC	H	H	H	1.4	19.1	62.7	23.81	22.2	1.03	fsw
39	68	75	FLPSX	Fidelity L.P. Stock (closed, 1.5%r<90d)	SCVal	H	H	H	2.9	19.6	57.9	36.98	16.9	0.67	fsw
40	46	31	PRNHX	T. Rowe Price New Horizons	SCGro	H	H	H	1.9	17.0	65.7	26.36	29.2	1.44	fsw
41	37	42	GSETX	Columbia Small Company Equity Clz	SCGro	H	H	H	1.0	18.2	63.1	18.12	33.0	1.10	fw
42	56	60	SLSSX	Selected Special Shares	MCGro	H	H	H	2.7	18.4	59.0	12.42	19.0	1.04	sW
43	26	70	CSMVX	Century Select Small Cap	SCGro	(H)	(H)	(H)	-0.5	20.8	56.9	22.50	16.3	0.54	FSW
44	25	24	USCGX	USAA Capital Growth	SCGro	*	(H)	(H)	0.0	16.9	65.4	6.70	-	-	fsw
45	59	63	VEXMX	<b>Vanguard Extended Market Index</b>	MC	H	H	H	1.8	18.4	58.8	28.12	23.1	1.17	fsw
46	67	85	VCLVX	Vanguard Capital Value	LCVal	H	H	H	1.5	20.0	54.9	10.70	-	-	fsw
47	99	237	PRNEX	T. Rowe Price New Era	LC	H	H	H	5.5	22.6	42.3	28.47	18.8	0.55	fsw
48	41	66	TASCX	Third Avenue Small-Cap Value	SCVal	H	H	H	1.3	19.8	55.1	19.91	19.1	0.81	FSW
49	45	51	JSVAX	Janus Special Equity	MC	*	H	H	1.7	16.7	62.2	11.21	19.0	1.00	SW
50	116	-	TGIGX	TCW Galileo Dividend Focused N	MCVal	H	H	H	3.8	21.1	47.7	10.49	13.9	0.48	FW
51	66	88	SMTVX	Strong Multi-Cap Value	MCVal	H	H	H	2.4	19.3	53.6	58.31	18.8	0.85	FSW
52	60	53	FDCAX	<b>Fidelity Capital Appreciation</b>	MC	H	H	H	2.5	17.8	57.1	25.45	23.2	1.27	FSW
53	107	149	ARTQX	Artisan Mid Cap Value	MCVal	S	S	S	4.2	20.1	48.3	14.49	-	-	FSW
54	44	77	LLSCX	Longleaf Partners Smallcap (closed)	SCVal	H	H	H	-0.5	18.5	59.2	29.39	19.3	0.67	fw
55	73	-	MAVFX	Matrix Advisors Value	LC	H	H	H	2.0	18.1	56.4	55.93	26.7	1.25	FSW
56	28	32	MNSCX	Montgomery Small Cap	SCGro	*	H	H	-0.1	17.0	62.1	11.43	24.3	1.13	s
57	89	87	TWCVX	American Century Vista	MCGro	H	H	H	2.6	17.8	55.6	13.26	20.6	0.77	fsw
58	111	119	MPVLX	MSI Value Portfolio	MCVal	H	H	H	3.4	18.9	50.9	16.36	20.6	0.87	fsw
59	55	40	VEXPX	<b>Vanguard Explorer</b>	SCGro	H	H	H	1.2	16.6	60.1	68.74	24.7	1.18	fsw
60	126	45	MXXIX	Marsico 21st Century	LC	H	H	H	3.8	15.5	58.8	10.15	20.5	1.01	fsw
61	57	67	VSEQX	<b>Vanguard Strategic Equity</b>	MCGro	H	H	H	1.4	18.3	54.8	19.60	16.2	0.78	fsw
62	11	1	OBEGX	Oberweis Emerging Growth (1%r<180d)	SCGro	*	(H)	(H)	-3.9	8.1	87.8	27.49	34.2	1.63	FSW
63	65	28	BRAIX	Bridgeway Aggressive Investors 2	MCGro	*	H	H	0.9	15.8	60.9	12.65	-	-	fsw
64	61	52	RSMOX	RS MidCap Opportunities	MCGro	H	H	H	1.9	16.7	57.0	11.27	20.3	1.08	FSW
65	121	225	SLASX	Selected American Shares	LCVal	S	S	S	3.2	20.9	44.4	35.00	14.7	0.81	sW
66	74	-	CAMOX	Cambiar Opportunity	LC	H	H	H	1.6	20.3	48.1	15.12	19.7	0.93	FSW
67	36	43	VISGX	<b>Vanguard Small Cap Growth Index</b>	SCGro	H	H	H	0.3	16.6	59.3	13.79	22.3	1.02	w
68	78	94	PRSVX	T. Rowe Price S-C Value (closed, 1%r<1yr)	SCVal	S	S	S	1.9	18.3	52.5	30.85	17.6	0.62	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 (continued)

RANK	2/27	1 Mo	6Mo	Ticker	Fund Name (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/wff
										1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
69	70	82	PBSVX	PBHG Small Cap Value	SC	H	H	H	1.4	17.2	54.9	20.27	24.3	1.08	FSW	
70	83	131	DODGX	Dodge & Cox Stock (closed)	LCVal	S	S	S	2.0	19.5	48.0	120.60	16.8	0.67	sw	
71	62	74	PENNX	Royce Penn Mutual (1%r<180d)	SCVal	S	S	S	1.0	17.3	54.7	9.27	19.2	0.71	Fsw	
72	95	126	FDVLX	Fidelity Value	MCVal	S	S	S	3.1	18.2	49.0	65.57	18.5	0.68	Fsw	
<b>73</b>	<b>34</b>	<b>21</b>	<b>LMASX</b>	<b>Legg Mason Special Investment Trust</b>	<b>MC</b>	<b>*</b>	<b>H</b>	<b>H</b>	<b>-1.3</b>	<b>14.9</b>	<b>63.9</b>	<b>45.67</b>	<b>27.2</b>	<b>1.30</b>	-	
74	50	48	CUEGX	CS Warburg Pincus Emerging Growth	MCGro	S	S	S	1.2	16.3	56.5	29.33	24.0	1.31	FSW	
75	84	121	VWNDX	Vanguard Windsor	LCVal	S	S	S	1.2	18.8	49.1	16.88	19.6	0.91	fsw	
76	29	17	RSEGX	RS Emerging Growth (closed)	MCGro	*	S	S	-1.2	13.7	65.5	29.45	30.6	1.68	FSW	
77	79	58	MPSCX	MSI Small Cap Value (closed)	SCVal	S	S	S	2.1	15.9	54.9	21.76	18.7	0.91	fsw	
78	7	20	POGSX	Pin Oak Aggressive Stock	MCGro	S	(H)	(H)	-4.2	15.6	64.9	20.13	40.6	2.57	FSW	
79	97	49	MPMVX	MSI Mid Cap Value	MCVal	S	S	S	2.6	14.9	56.3	21.40	16.3	0.80	fsw	
80	69	81	TAVFX	Third Avenue Value	MCVal	S	S	S	2.2	17.3	50.6	43.77	16.1	0.75	FSW	
81	49	36	ARTSX	Artisan Small Cap	SCGro	S	S	S	0.5	15.0	58.7	15.03	27.8	1.23	FSW	
82	96	107	BPMCX	Boston Partners Mid Cap Value	MCVal	S	S	S	2.1	17.6	49.5	13.40	18.6	0.83	FSW	
83	110	148	SAIFX	Salomon Brothers Investors	LCVal	S	S	S	2.2	18.6	46.4	20.19	19.7	1.01	fsw	
84	87	93	VPMCX	Vanguard PRIMECAP (\$25,000&1%r<5yr)	LC	S	S	S	2.5	16.6	50.5	56.30	19.9	1.16	fsw	
85	131	222	VWNFX	Vanguard Windsor II	LCVal	S	S	S	2.7	19.6	42.5	27.87	15.9	0.66	fsw	
86	106	164	VUVLX	Vanguard U.S. Value	LCVal	S	S	S	1.6	19.4	44.6	12.82	17.6	0.80	fsw	
87	94	114	VIMSX	Vanguard Mid-Cap Index	MC	S	S	S	2.2	17.3	48.5	13.77	19.8	0.95	fsw	
88	98	91	RYPRX	Royce Premier (1%r<180d)	SC	S	S	S	2.8	15.3	52.2	13.58	18.2	0.73	FSW	
89	86	84	RSPVX	RS Value+Growth	LC	S	S	S	1.5	15.8	52.7	17.90	17.4	1.04	FSW	
<b>90</b>	<b>85</b>	<b>155</b>	<b>FDESCX</b>	<b>Fidelity Small Cap Ind. (1.5%r&lt;90d)</b>	<b>SC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>0.9</b>	<b>17.8</b>	<b>48.4</b>	<b>18.70</b>	<b>17.7</b>	<b>0.58</b>	<b>fsw</b>	
91	100	78	AVALX	Aegis Value Fund	SCVal	S	S	S	0.9	15.8	52.5	17.44	16.9	0.47	fw	
92	108	101	PESPX	Dreyfus Mid Cap Index	MCGro	S	S	S	2.4	16.3	48.9	24.42	19.6	0.95	FSW	
93	71	71	FDISX	Dreyfus-Founders Discovery	SCGro	S	S	S	1.1	14.9	54.1	27.27	25.7	1.30	FSW	
94	136	146	NPRTX	Neuberger Berman Partners	LCVal	S	S	S	2.9	16.6	47.0	22.40	19.1	1.01	f	
95	22	14	TGSCX	TCW Galileo Small Cap Growth	MCGro	S	(H)	(H)	-2.1	12.5	64.6	15.59	37.9	2.17	FSW	
96	118	141	DNLDX	Dreyfus New Leaders	MCGro	S	S	S	3.2	16.9	45.4	44.08	19.4	0.93	FSW	
113	32	9	UBRRX	Undiscovered Behavioral Growth (\$10,000)	MCGro	*	(S)	(S)	-2.3	9.9	66.1	20.08	26.9	1.34	fW	
<b>129</b>	<b>150</b>	<b>100</b>	<b>FDEGX</b>	<b>Fidelity Aggressive Growth (0.75%r&lt;90d)</b>	<b>LCGro</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>2.6</b>	<b>14.5</b>	<b>42.8</b>	<b>15.66</b>	<b>30.5</b>	<b>1.96</b>	<b>fsw</b>	
<b>132</b>	<b>80</b>	<b>61</b>	<b>FPCPX</b>	<b>Fidelity OTC Portfolio</b>	<b>LCGro</b>	<b>*</b>	<b>H</b>	<b>H</b>	<b>0.2</b>	<b>13.3</b>	<b>48.9</b>	<b>33.72</b>	<b>29.2</b>	<b>1.59</b>	<b>fsw</b>	
162	39	5	PBEGX	PBHG Emerging Growth	SCGro	*	(H)	(H)	-2.8	6.9	64.0	13.15	33.6	2.03	FSW	

Dow Jones  
NASDAQ  
S&P 500

0.9%  
-1.8  
1.2

12.4%  
12.1  
13.6

34.1%  
51.8  
36.1

indexes do not  
include dividends

International Stock Funds

<b>1</b>	<b>1</b>	-	<b>FISMX</b>	<b>Fidelity Intl Small Cap (2%r&lt;90d)</b>	<b>Int'l</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>3.4%</b>	<b>34.4%</b>	<b>96.8%</b>	<b>\$20.17</b>	-	-	<b>Fw</b>
2	7	9	FLATX	Fidelity Latin Amer. (1.5%r<90d)	LatinA	*	H	H	4.7	32.7	88.4	16.11	29.8	-	fs
<b>3</b>	<b>2</b>	-	<b>AIOIX</b>	<b>Amer.Cent.Intl Opportunity (2%r&lt;180d)</b>	<b>Int'l</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>3.5</b>	<b>32.4</b>	<b>90.1</b>	<b>8.57</b>	-	-	<b>S</b>
4	3	8	OAKEX	Oakmark Intl Small Cap (closed,2%r<90d)	Int'l	B	B	B	2.9	33.3	83.8	17.34	20.4	-	FSW
5	17	15	PRLAX	T. Rowe Price Latin America (2%r<1yr)	LatinA	*	H	H	5.0	31.9	83.6	12.47	29.7	-	fsw
<b>6</b>	<b>13</b>	<b>28</b>	<b>ICHKX</b>	<b>Guinness China &amp; Hong Kong</b>	<b>Pacific</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>6.3</b>	<b>31.5</b>	<b>74.2</b>	<b>18.20</b>	<b>19.6</b>	-	<b>FSW</b>
7	4	7	PRIDX	T. Rowe Price Intl Disc. (2%r<1yr)	Int'l	B	B	B	2.2	30.7	80.6	27.97	16.0	-	fsw
8	-	-	ARTKX	Artisan Intl Value	Int'l	H	H	H	3.5	31.5	75.3	17.57	-	-	FSW
9	12	12	VINEX	Vanguard Intl Explorer (\$10,000,2%r<60d)	Int'l	B	B	B	3.4	29.7	78.0	13.83	16.3	-	fsw
10	15	11	FIEUX	Fidelity Europe (1%r<90d)	Europe	H	H	H	2.0	31.7	72.5	28.36	22.5	-	fsw
<b>11</b>	<b>16</b>	<b>10</b>	<b>VEIEX</b>	<b>Vanguard Emerging Mkts S&amp;K Index (.5%r)</b>	<b>Int'l</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>4.2</b>	<b>28.7</b>	<b>75.8</b>	<b>12.73</b>	<b>22.6</b>	-	<b>fsw</b>
12	10	3	ARTJX	Artisan Intl Small Cap (closed,2%r<90d)	Int'l	B	B	B	2.9	28.6	77.9	16.57	-	-	SW
13	27	-	FECAIX	Fidelity Europe Capital App.	Europe	H	H	H	3.9	33.3	63.7	20.37	18.8	-	Fw
14	26	20	SLAFX	Scudder Latin America	LatinA	*	H	H	5.3	27.9	74.8	25.80	27.3	-	FSW
15	-	-	DODFX	Dodge&Cox Intl. Stock	Int'l	H	H	H	3.8	27.6	75.8	25.13	-	-	fsw
16	11	-	DREGX	Driehaus Emerging Mkts Gr	Int'l	B	B	B	2.8	28.3	75.4	21.24	24.9	-	FSW
17	21	18	DRFMX	Dreyfus Emerging Market (1%r)	Int'l	*	H	H	4.3	28.0	69.9	18.01	21.6	-	FSW
<b>18</b>	<b>9</b>	<b>13</b>	<b>FSEAX</b>	<b>Fidelity SE Asia (1.5%r&lt;90d)</b>	<b>Pacific</b>	<b>*</b>	<b>(H)</b>	<b>(H)</b>	<b>2.8</b>	<b>27.4</b>	<b>73.5</b>	<b>15.93</b>	<b>21.1</b>	-	<b>fsw</b>
<b>19</b>	<b>6</b>	<b>4</b>	<b>MAPTX</b>	<b>Matthews Pacific Tiger (2%r&lt;90d)</b>	<b>Pacific</b>	<b>*</b>	<b>(H)</b>	<b>(H)</b>	<b>1.5</b>	<b>25.7</b>	<b>76.2</b>	<b>14.03</b>	<b>23.6</b>	-	<b>FSW</b>
20	24	22	FEMKX	Fidelity Emerging Mkts (1.5%r<90d)	Int'l	H	H	H	4.0	26.9	67.6	11.42	-	-	fsw
21	18	27	SCOPX	Scudder Pacific Opportunity (2%r<1yr)	Pacific	H	H	H	3.8	27.4	66.0	12.72	19.0	-	FSW
22	14	16	PRASX	T. Rowe Price New Asia	Pacific	*	H	H	2.4	25.9	69.8	9.14	19.7	-	fsw
23	19	-	DRIDX	Driehaus Int'l Discovery	Int'l	H	H	H	1.3	24.1	70.6	30.75	21.1	-	FSW
24	23	26	FIGRX	Fidelity International G & I	Int'l	H	H	H	2.1	26.7	60.9	25.14	15.2	-	Fsw
25	40	35	VEURX	Vanguard European Stock Index	Europe	H	H	H	2.9	27.8	56.7	22.90	17.4	-	fsw
26	41	37	PRESX	T. Rowe Price European	Europe	H	H	H	2.8	27.4	54.9	18.12	18.0	-	fsw
27	29	34	JAOSX	Janus Overseas (closed)	Int'l	H	H	H	3.1	25.0	58.4	21.90	16.5	-	FSW
28	36	31	FDIVX	Fidelity Diversified Intl (1%r<30d)	Int'l	S	S	S	3.5	24.9	56.9	25.38	13.8	-	Fsw
<b>29</b>	<b>30</b>	<b>24</b>	<b>VTRIX</b>	<b>Vanguard International Value</b>	<b>Int'l</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>2.1</b>	<b>24.8</b>	<b>59.0</b>	<b>27.48</b>	<b>16.8</b>	-	<b>fsw</b>
30	28	19	FOSFX	Fidelity Overseas (1%r<30d)	Int'l	S	S	S	1.7	24.5	60.3	32.69	15.5	-	Fsw
31	32	21	HAINX	Harbor International	Int'l	S	S	S	3.0	24.5	57.7	38.53	17.9	-	Fsw
32	5	6	MJFOX	Matthews Japan Fund (2%r<90d)	Japan	*	(S)	(S)	-0.6	22.3	68.2	13.32	15.2	-	FSW
33	25	14	SGSCX	Scudder Global Discovery (closed)	Int'l	(S)	(S)	(S)	1.6	22.7	63.3	29.62	20.1	-	FSW
34	47	40	ARTIX	Artisan International	Int'l	S	S	S	3.0	24.6	55.6	20.09	16.4	-	FSW
55	8	2	SJPNX	Japan Fund (Scudder) (2%r<180d)	Japan	*	(S)	(S)	-2.3	16.3	60.2	9.33	14.8	-	FSW

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

RANK	2/27	1 Mo	6 Mo	Ticker	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/wf
										1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
1	1	4	FSDCX	Fidelity Developing Comm (.75%r<30d)	Tech	*	*	*	3.1%	38.6%	101.9%	\$20.25	37.00	1.72	Fsw	
2	11	15	CGMRX	CGM Realty	RealEs	*	*	*	9.3	36.2	95.6	25.97	17.50	0.21	sw	
3	2	11	FWRLX	Fidelity Wireless	Tech	*	*	*	5.2	35.9	100.4	4.85	-	-	fsw	
4	12	-	EUEYX	Alpine U.S. Real Estate Equity CIY	RealEs	*	*	*	7.3	34.8	98.6	31.76	32.70	0.87	fsw	
5	5	2	SCGDY	Scudder Gold (closed)	NatfRes	*	*	*	1.1	29.5	83.2	19.23	31.90	0.28	FSW	
6	3	-	RIAFX	RS Internet Age	Tech	*	*	*	-1.8	19.6	108.7	6.97	59.30	2.65	FSW	
7	4	-	RSIFX	RS Information Age	Tech	*	*	*	-1.7	18.8	102.3	15.82	48.30	2.33	FSW	
8	19	20	RSCOX	RS Contrarian	Altern	*	*	*	6.0	24.0	70.4	18.11	17.60	0.57	FSW	
9	14	14	PRMTX	T. Rowe Price Media & Telecommunications	Utility	*	*	*	1.9	25.3	72.1	23.95	30.00	1.53	fsw	
10	17	19	USERX	U.S.Global Gold Shares (.25%r<30d)	NatfRes	*	*	*	3.7	27.5	60.1	8.06	42.40	0.41	fsw	
11	9	5	RYIIX	Rydex Internet	Tech	*	*	*	-1.7	22.4	76.0	35.82	41.00	2.70	fsw	
12	38	38	FSDPX	Fidelity Indust Matrfs (.75%r<30d)	Cycls	*	*	*	6.8	27.0	51.7	35.99	23.00	0.87	Fsw	
13	18	25	RYMIX	Rydex Telecommunications	Utility	*	*	*	2.1	25.6	56.8	16.03	21.60	1.52	fsw	
14	30	35	FSHOX	Fidelity Const & Housing (.75%r<30d)	Cycls	*	*	*	5.6	21.9	59.8	36.04	24.40	0.80	Fsw	
15	7	3	FNINX	Fidelity Networking	Tech	*	*	*	-0.4	18.2	75.0	2.66	-	-	fsw	
16	22	50	CSRSX	Cohen & Steers Realty Shares (1%r<180d)	RealEs	*	*	*	2.2	24.5	54.4	58.86	14.60	0.23	FSW	
17	25	43	FSTCX	Fidelity Telecomm (.75%r<30d)	Utility	*	*	*	3.5	24.5	51.8	35.79	25.00	1.38	Fsw	
18	35	40	RYLIX	Rydex Leisure	Consmr	*	*	*	4.9	21.0	58.4	27.22	22.00	1.10	fsw	
19	20	27	VGPMMX	Vanguard Precious Metals (closed,1%r<1yr)	NatfRes	*	*	*	2.3	23.6	55.5	15.64	32.70	0.56	fsw	
20	28	18	FSLBX	Fidelity Brokerage (.75%r<30d)	FinServ	*	*	*	3.0	19.2	63.6	54.13	30.80	1.47	Fsw	
21	27	65	FVLX	Fidelity Home Finance (.75%r<30d)	FinServ	*	*	*	2.9	24.7	49.4	68.76	25.80	0.37	Fsw	
22	8	-	RYTVX	Royce Technology Value	Tech	*	*	*	-2.9	11.6	89.3	8.35	-	-	FSW	
23	6	7	FSELX	Fidelity Electronics (.75%r<30d)	Tech	*	*	*	-1.8	16.1	75.4	43.67	51.20	2.32	Fsw	
24	23	83	FSHCX	Fidelity Med Del (.75%r<30d)	Health	*	*	*	0.5	27.4	43.4	32.76	23.10	0.07	Fsw	
25	37	75	VGENX	Vanguard Energy (1%r<1yr)	Energy	*	*	*	5.9	23.2	40.9	31.74	24.50	0.64	fsw	
26	46	59	FSPCX	Fidelity Insurance (.75%r<30d)	FinServ	*	*	*	2.6	21.8	49.0	59.67	27.70	0.56	Fsw	
27	29	62	CSEIX	Cohen & Steers Equity Income	RealEs	*	*	*	2.4	22.2	47.6	15.48	13.10	0.13	FSW	
28	44	34	FGLDX	INVESCO Gold Inv	NatfRes	*	*	*	4.2	20.0	47.2	3.69	30.30	0.22	FS	
29	43	42	PRISX	T. Rowe Price Financial Services	FinServ	*	*	*	1.5	19.6	51.9	23.02	20.00	0.80	fsw	
30	61	47	RYBIX	Rydex Basic Materials	Cycls	*	*	*	4.7	19.0	47.5	25.61	23.40	0.90	fsw	
31	51	57	RYFIX	Rydex Financial Services	FinServ	*	*	*	3.2	20.4	45.4	11.24	24.10	0.93	fsw	
32	13	8	FDCPX	Fidelity Computers (.75%r<30d)	Tech	*	*	*	-1.2	14.2	67.7	37.50	41.20	2.09	Fsw	
33	57	61	FDFSX	INVESCO Financial Serv Inv	FinServ	*	*	*	2.7	19.4	44.8	31.40	22.80	0.86	FS	
34	32	60	VGSIX	Vanguard REIT Index (1%r<1yr)	RealEs	*	*	*	1.6	19.8	45.3	16.09	13.70	0.14	fsw	
35	52	56	FIDSX	Fidelity Finl Serv (.75%r<30d)	FinServ	*	*	*	2.5	19.2	45.2	121.10	21.80	0.79	Fsw	
36	50	82	RYEIX	Rydex Energy	NatfRes	*	*	*	5.2	21.2	34.8	11.96	21.30	0.66	fsw	
37	36	66	STMDX	Stratton Mithly Div REIT (1.5%r<120d)	RealEs	*	*	*	1.2	20.0	43.6	34.51	13.20	0.17	fsw	
38	33	67	FRESX	Fidelity Real Estate (.75%r<90d)	RealEs	*	*	*	1.7	19.9	43.1	25.17	13.90	0.20	Fsw	
39	21	39	FSCGX	Fidelity Industrial Equip (.75%r<30d)	Cycls	*	*	*	-0.5	16.9	53.8	24.61	22.90	1.11	Fsw	
40	58	70	RYKIX	Rydex Banking	FinServ	*	*	*	2.9	19.7	40.4	10.43	27.50	0.70	fsw	
41	42	45	FCYIX	Fidelity Cyclical Ind (.75%r<30d)	Cycls	*	*	*	1.6	16.7	49.9	16.22	22.00	0.98	Fsw	
42	41	29	FDSLX	Fidelity Leisure (.75%r<30d)	Consmr	*	*	*	2.0	14.9	53.0	74.39	21.20	1.10	Fsw	
43	34	44	FSDAX	Fidelity Defense & Aero (.75%r<30d)	Cycls	*	*	*	0.2	16.6	51.7	55.07	19.50	0.76	Fsw	
44	16	10	FSPTX	Fidelity Technology (.75%r<30d)	Tech	*	*	*	-1.7	13.4	61.1	61.94	46.60	2.14	Fsw	
45	40	58	TRREX	T. Rowe Price Real Estate	RealEs	*	*	*	1.9	18.3	43.5	14.43	13.70	0.16	fsw	
46	48	31	PRHSX	T. Rowe Price Health Sciences	Health	*	*	*	1.6	16.1	49.4	21.51	22.60	0.84	fsw	
47	53	80	FNARX	Fidelity Natrl Resources (.75%r<30d)	NatfRes	*	*	*	5.4	19.5	35.0	14.90	21.90	0.78	Fsw	
48	73	74	FSCHX	Fidelity Chemicals (.75%r<30d)	Cycls	*	*	*	2.4	18.5	41.7	51.74	21.60	0.82	Fsw	
49	45	85	FSNGX	Fidelity Natural Gas (.75%r<30d)	Utility	*	*	*	5.7	20.0	32.0	23.00	27.70	0.61	Fsw	
50	74	28	RYPMX	Rydex Precious Metals	NatfRes	*	*	*	5.4	15.3	43.7	41.47	31.70	0.24	fsw	
51	70	68	FSRFX	Fidelity Banking (.75%r<30d)	FinServ	*	*	*	3.2	17.9	40.1	40.80	24.50	0.70	Fsw	
52	47	9	RYOIX	Rydex Biotechnology	Health	*	*	*	0.5	11.2	60.7	20.86	59.70	0.96	fsw	
53	62	63	VGHGX	Vanguard Health Care (\$25k&1%r<5yr)	Health	*	*	*	1.2	19.0	38.4	125.80	15.00	0.37	fsw	
54	55	87	FSTEX	INVESCO Energy Inv	NatfRes	*	*	*	6.0	19.7	29.3	21.87	33.90	0.84	FS	
55	72	32	FSRPX	Fidelity Retailing (.75%r<30d)	Consmr	*	*	*	5.3	9.7	54.3	47.39	19.80	0.89	Fsw	
56	56	84	FSENX	Fidelity Energy (.75%r<30d)	NatfRes	*	*	*	5.0	18.7	29.3	26.52	22.10	0.70	Fsw	
57	84	73	FSPFX	Fidelity Paper & Forest (.75%r<30d)	Cycls	*	*	*	6.7	16.8	31.5	31.64	24.70	0.80	Fsw	
58	76	72	RYCIX	Rydex Consumer Products	Consmr	*	*	*	3.8	16.2	37.1	28.49	15.90	0.52	fsw	
59	15	6	RYTIX	Rydex Technology	Tech	*	*	*	-2.5	10.1	61.5	11.61	34.10	2.04	fsw	
60	75	52	FSUTX	Fidelity Utilities Growth (.75%r<30d)	Utility	*	*	*	2.2	15.5	40.7	33.94	17.50	0.95	Fsw	
61	68	71	FHLX	INVESCO Health Sciences Inv	Health	*	*	*	1.1	17.4	37.1	50.54	31.50	0.29	FS	
62	67	16	BGEIX	Amer. Cent. Global Gold (1%r<60d)	NatfRes	*	*	*	3.4	12.6	44.6	12.07	36.90	0.15	FSW	
63	65	53	FLISX	INVESCO Leisure Inv	Consmr	*	*	*	2.0	14.4	42.0	42.67	22.60	1.04	FS	
64	87	79	FDFAX	Fidelity Food & Agr (.75%r<30d)	Consmr	*	*	*	5.3	16.6	30.9	46.50	15.50	0.21	Fsw	
65	31	23	FSVAX	Fidelity Automotive (.75%r<30d)	Cycls	*	*	*	-0.6	10.8	52.1	32.36	25.10	0.93	Fsw	
66	78	33	RYRFX	Rydex Retailing	Consmr	*	*	*	5.8	7.2	51.2	11.72	20.50	0.95	fsw	
67	54	88	RYVIX	Rydex Energy Services	NatfRes	*	*	*	6.2	18.1	22.8	22.40	37.90	1.15	fsw	
<b>72</b>	<b>63</b>	<b>64</b>	<b>FBALX</b>	<b>Fidelity Balanced</b>	<b>Hybrid</b>	<b>B</b>	<b>*</b>	<b>*</b>	<b>2.1</b>	<b>14.0</b>	<b>36.0</b>	<b>17.42</b>	<b>10.50</b>	<b>0.54</b>	<b>Fsw</b>	
<b>87</b>	<b>82</b>	<b>78</b>	<b>VBINX</b>	<b>Vanguard Balanced Index</b>	<b>Hybrid</b>	<b>B</b>	<b>*</b>	<b>*</b>	<b>1.3</b>	<b>11.0</b>	<b>25.8</b>	<b>18.82</b>	<b>10.70</b>	<b>0.57</b>	<b>fsw</b>	
<b>90</b>	<b>91</b>	<b>81</b>	<b>GATEX</b>	<b>Gateway Fund</b>	<b>Altern</b>	<b>B</b>	<b>*</b>	<b>*</b>	<b>0.7</b>	<b>4.1</b>	<b>15.7</b>	<b>23.25</b>	<b>7.84</b>	<b>0.40</b>	<b>FSW</b>	

## Two Views on Fidelity Leveraged

**Q** Today I received my *MONEYLETTER* and you rated Fidelity Leveraged [Company] #1. In the same mail today, an envelope from Morningstar contained a sheet called "RED FLAGS - Fund to Avoid" and Fidelity Leveraged was first on the list. Notes included "particularly risky," "new manager has big shoes to fill," and "many names in the fund are trading at lofty prices ... tread lightly." Any comment? — PR., Knoxville, TN

**A** Of course, fund analysts with differing methods can come to opposing conclusions on a fund. As you probably know, *MONEYLETTER*'s momentum-based fund ranking system does the selecting for us. We do not "predict" what a particular fund may (or may not) do in the future. Rather, we let the fund's performance over the short and intermediate term dictate its ranking on our list.

Fidelity Leveraged Company (FLVCX) is an aggressive fund, but is not out of line with many others on our list. While its risk level should be noted, right now it seems to be in tune with current market conditions and has performed quite well of late. For more information, check out page seven of *MONEYLETTER*'s February 6, 2004 issue, "MONEYLETTER's Top 10 Funds for 2003."

### Send Us Your Question

If you have an investment question that would be appropriate for this feature, please contact us:

Snail Mail: *MONEYLETTER*  
P.O. Box 6020 • Holliston, MA 01746  
Fax: (508) 429-0940  
Email: [service@moneyletter.com](mailto:service@moneyletter.com)

*MONEYLETTER* may or may not use your question, and reserves the right to edit any inquiry as necessary.

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PRI Financial Advisors Inc. is the exclusive provider of the "MONEYLETTER Managed Account Program."<sup>1</sup>

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<sup>1</sup>As an independent Registered Investment Advisor, PRI Financial Advisors Inc. 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*.

## HOTLINE

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### 100% U.S. TREASURY FUNDS

	7-Day	30-Day	1-Year
Vanguard Treasury MMF	0.68%	0.67%	0.78%
Gabelli US Treasury MMF	0.65	0.66	0.78
Fidelity Spartan US Treas MMF	0.58	0.60	0.71
Amer Century Capital Presv Fund/Inv	0.54	0.54	0.64
T Rowe Price US Treasury MF	0.50	0.50	0.58
HSBC Investor US Treas MMF/CI D	0.37	0.37	0.42
Schwab US Treasury Money Fund	0.35	0.35	0.45
CMA Treasury Fund RIC	0.33	0.33	0.46
RMK Select Treas MMF/CI A	0.31	0.30	0.40
US Treasury MF of America/CI A	0.31	0.26	0.43

### GENERAL PURPOSE TAXABLE FUNDS

	7-Day	30-Day	1-Year
PayPal Money Market Fund	1.03%	1.03%	1.12%
Bunker Hill MMF	0.87	0.87	0.94
McMorgan Principal Preservation	0.86	0.87	0.95
Harbor Money Market Fund	0.85	0.82	0.79
Flex-fund Money Market Fund	0.84	0.84	0.89
Phoenix-Goodwin Money Market Series/A	0.84	0.85	0.92
TIAA-CREF Money Market Fund	0.81	0.82	0.90
AIM MMF/Investor Class	0.80	0.80	0.00
AIG Money Market Fund/CI B	0.78	0.79	0.76
Scudder Premium Money Mkt Shrs/CI S	0.77	0.78	0.87
Scudder Premium Money Mkt Shrs/AARP	0.77	0.78	0.87

### TAX-FREE GENERAL PURPOSE FUNDS

	7-Day	30-Day	1-Year
Strong Tax-Free Money Fund	0.84%	0.83%	0.94%
Vanguard Tax-Exempt MMF	0.84	0.83	0.92
Strong Municipal MMF	0.69	0.68	0.83
Scudder Tax-Exempt Money Fund	0.63	0.61	0.68
Amer Century T-F MMF/Inv Class	0.62	0.61	0.71
Dreyfus BASIC Muni MMF	0.61	0.59	0.69
USAA Tax Exempt MMF	0.61	0.61	0.76
T Rowe Price Summit Muni MMF	0.59	0.57	0.72
Fidelity Municipal MMF	0.57	0.59	0.71
Fidelity Tax Free Money Market	0.56	0.55	0.69

### TAX-FREE STATE-SPECIFIC FUNDS

	7-Day	30-Day	1-Year
Vanguard OH Tax-Exempt MMF	0.84%	0.82%	0.92%
Vanguard CA Tax-Exempt MMF	0.81	0.80	0.88
Vanguard NY Tax-Exempt MMF	0.80	0.79	0.86
Vanguard PA Tax-Exempt MMF	0.80	0.79	0.88
Vanguard NJ Tax-Exempt MMF	0.79	0.78	0.85
Amer Century CA T-F MMF/Inv Class	0.61	0.53	0.58
Fidelity PA Municipal MMF	0.55	0.56	0.65
USAA Tax Exempt CA MMF	0.54	0.53	0.70
Fidelity FL Municipal MMF	0.50	0.51	0.64
Northern CA Municipal MMF	0.49	0.48	0.59

**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 2/24/04. 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

## ATTENTION SUBSCRIBERS

Next Issue: Volume 25, No. 6

Mails: March 19, 2004

Internet: March 17, 2004, 12:00pm (ET)

## Two Artisan Value Funds

The Artisan family of mutual funds may not be the biggest around—there are only seven funds in its stable: three international, two mid-cap, and two small-cap. But a number of its funds have racked up impressive long-term records. Today, we look at two relatively young value funds: Artisan International Value (a new fund to *MONEYLETTER*, inception September 23, 2002) and Artisan Mid Cap Value (inception March 28, 2001).

### Artisan International Value (ARTIX)

With a 77.6% trailing one-year total return through February 27, Artisan International Value outpaces all but 2% of its Lipper International fund peers. And its value-oriented approach to investing was a major contributor to its outperformance. To be sure, international markets accelerated during much of 2003, driven by growing evidence of economic recovery in the U.S. and elsewhere. The strength of many foreign currencies against the dollar contributed as well. But, the fact that manager David Samra was able to purchase quality stocks at great bargains drove the fund's positive relative performance. Samra cites the purchase of issues selling at very low price/earnings ratios or at cash value. Vivendi, he notes, was purchased at a near-bankruptcy valuation. Prices, in general, had been driven down by forced selling and extremely negative investor psychology.

#### Top Five Companies and Countries (% of Assets)

Diageo PLC	4.2%	United Kingdom	21.9%
MFI Furniture Group PLC	4.2	Switzerland	12.7
Euronext NV	4.0	Netherlands	10.5
Cementir S.P.A	3.9	Japan	8.7
Radiometer	3.8	Germany	6.4

What led him to these purchases? The manager and the Artisan investment team aim to buy stocks at a significant discount to their estimate of economic value. Portfolio turnover is low, as the team holds on until the price of an issue converges with their valuation estimate. They use a bottom-up process, with much focus on profitability and valuation. Potential buy candidates are ranked in order based upon the amount of discount of the current stock price to the team's valuation estimate. Then, the fund sets its largest positions in those companies where the discount is greatest. The fund can become somewhat concentrated, as the managers focus solely on stock selection, not on the targeting of country, region, or industry sector weightings. Still, parameters do apply. No more than 20% of assets (at time of purchase) can be in emerging markets, and no more than 35% of assets can be in any one nation. Companies of any size

market capitalization are fair game for the managers, and initial purchases range between 1% and 5% of assets.

Samra characterizes the 2003 year fund return (56.6%) as better than could normally be expected, and cautions investors not to be swayed by unreasonably high expectations. And while he is still finding individual stock purchase opportunities, good bargains are now becoming less plentiful.

### Artisan Mid Cap Value Fund (ARTQX)

The managers of Artisan Mid Cap Value are familiar to readers of *MONEYLETTER*. Jim Kieffer and Scott Satterwhite have headed up the successful Artisan Small Cap Value since 1997. In the mid-cap arena with this fund, the managers employ the same deep-discount strategy, finding good values in unusual places. Often, investment opportunities fall into one of the following categories: turnarounds; companies in transition; companies with declining earnings; or companies with earnings shortfalls. Of course, just falling into one of these categories is not sufficient to warrant investment. A stock must sell at a significant discount to the management team's estimate of the value of the business. The underlying firm should be financially strong, with little debt, and positive cash flow. As with the international fund above, the managers often wait for their ideas to come to fruition, resulting in a low portfolio turnover.

In 2003, the fund's 36.8% total return slightly lagged its Lipper Mid-Cap Value peers, primarily because more speculative stocks led the deep discount issues favored by the management team. In addition, the fund had a lower exposure to rapidly advancing cyclical sectors than its peers. Thus far this year, however, the fund's results are outpacing 90% of its peers. A number of its financial and retailing holdings—including Countrywide Financial, Furniture Brands International, and Polo Ralph Lauren—are pacing recent results.

#### Top Five Companies and Sectors (% of Assets)

Apache Corp.	5.1%	Financial Services	39.1%
The Student Loan Corp.	5.0	Consumer Discretionary	16.2
Countrywide Financial Corp.	4.9	Other Energy	15.1
White Mtn. Insurance Group	3.6	Consumer Staples	9.7
Furniture Brands Intl.	3.5	Materials & Processing	5.2

The managers have focused on insurance, mortgage-finance, and energy sectors, which remain heavily weighted in the portfolio. However, they comment that the optimism currently built into market prices is making it increasingly difficult to find new investment opportunities. They are concerned about market valuation this year, and find the current risk/reward tradeoff unattractive.

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Minimum Investment \$1,000/\$0 IRA

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