



Nasty Katrina

by Walter S. Frank, Chief Investment Officer

The economic outlook changed the day Katrina hit the Gulf Coast. The human toll of the storm was heart-wrenching and tragic. Our deepest sympathies go to the victims of this catastrophe. In particular, our thoughts are with those subscribers who reside in the affected areas.

From an investment standpoint, the effect of the storm on the energy outlook is the prime consideration. As gas prices rise over \$3.00 per gallon, the effect on consumer spending, already weakening because of earlier energy price rises, will become even greater.

At the very time consumer spending weakens, we are going to see an increase in the broad inflation numbers. Up to now, the rise in energy prices has been remarkably contained. Will this continue?

We doubt it. It all depends on how quickly the New Orleans-centered energy complex can be restored to something resembling its prior condition. We are in no position to venture a guess. We do know that the recent reports are not overly optimistic. That will change week-by-week, of course.

The safest assumption we feel is that inflation will pick up over the course of the next six months, and will introduce a disturbing element. Pre-Katrina, we all assumed a low-inflation, robustly growing economy. Post-Katrina, inflation will be rising (faster than expected), inflation expectations (something the Fed watches closely) may also be rising and the economy will be growing less rapidly than expected. Right now, and our conclusions are tentative, these are the conditions that we expect to hold for the rest of this year.

A Fed pause

Within a day or two after Katrina, Wall Street pundits began speculating about Fed policy. It comes with the territory. By chance, also within a day or two of Katrina, the President of the Philadelphia Fed spoke and gave an upbeat view of the hurricane's effect on the economy. His talk sounded as if the hurricane was something the economy

could shake off much as a dog shakes off water. We think he spoke too soon.

As time has gone on, it is clear that the hurricane will take a bite out of the economy, probably lasting for the rest of this year. There is the consumer, of course, whose spending will undoubtedly be affected. But it does not stop there. Business costs are going to rise, and, more important, a veil of uncertainty has been thrown over the immediate outlook.

How will the Fed react? The forming Wall Street consensus is that the Fed will raise rates again at the meeting later this month, and then pause (temporarily). Not that it will make a great deal of difference six months or so from now, but we believe the Fed will pause and wait for some of the uncertainty to be removed before another move.

The U.S. market

What we have immediately ahead of us then are some months of a suddenly misfiring economy and a pause in the Fed's march to a neutral rate. Under these conditions, we would not look for much from the stock market, and we do not. But that is a relatively short-term view.

The market has acted very well since the hurricane hit, and that is because the market is looking ahead. While the hurricane has belted the last half of this year, it has simultaneously lifted the first half of next, and that is what the market is counting on. At the same time, valuations still look attractive, but we will have to see how profit expectations change over the course of the next 2-3 months.

We expect six months from now the outlook will not be much different from what it would have been without Katrina. That is why we have not changed our post-hurricane allocation recommendations or our generally positive view.

Fund changes

The Hotline of Tuesday, September 6, recommended the sale of Dodge & Cox International Stock in the MONEYLETTER Venturesome and Moderate portfolios. In the Venturesome portfolio we will switch the fund into Driehaus International Discovery. In the Moderate portfolio we will split the proceeds. \$8,000 of the proceeds will be invested in T. Rowe Price Emerging Markets, already in the portfolio. The balance will be invested in Forward International Small Companies, also already in the portfolio.

The same Hotline also recommended the sale of Muhlenkamp Fund in the MONEYLETTER Venturesome Portfolio. The proceeds will be switched into Kinetics Paradigm. Details of these and the fund changes recommended in the August 19th issue will appear in the next issue.

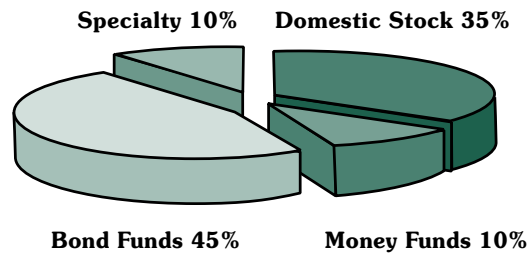
Finally, we would like to call your attention to the latest (July, 2005) Long Term Performance Ratings in the Hulbert Financial Digest. You will find that the MONEYLETTER Venturesome and Moderate model portfolios outperformed the Wilshire 5000 (total return) for 15 Yrs, 10 Yrs, 5 Yrs, and YTD. Thank you for your confidence. \$

Market Trends

	Trailing 12-Mo Trend	Forward 6-Mo Estimate
Economy	Higher	Higher
Interest Rates	Flat	Higher
Dollar	Lower	Flat/Lower
Inflation	Higher	Higher
Dow	Flat	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	1.4%	10,289	\$1.00	\$10,289
Gateway Fund	11/27/02	21.0	609	25.14	15,299
Loomis Sayles Bond Retail	03/17/04	12.4	1,200	13.90	16,684
RS Value	08/04/04	38.6	1,229	24.27	29,839
Artisan Mid Cap Value (closed)	08/04/04	33.1	613	19.37	11,864
AmerCent Inflation Adj	02/12/03	16.7	1,674	11.10	18,583
Third Avenue Value	11/24/04	14.1	467	57.66	26,930
Dodge & Cox Income	02/19/03	11.7	1,032	12.86	13,273
TOTAL VALUE					\$141,889

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
0.9%	5.0%	16.4%	42.7%	6.7%

Fidelity Conservative

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	1.7%	8,880	\$1.00	\$8,880
Fidelity Balanced	11/27/02	47.0	808	18.81	15,201
Fidelity Strategic Income	03/17/04	10.9	1,816	10.66	19,361
Fidelity Value	04/21/04	25.8	352	77.69	27,340
Fidelity Export & Multi	09/08/04	18.9	826	20.95	17,310
Fidelity Inflation-Protected	09/15/04	5.9	1,086	11.48	12,472
Fidelity Investment Grade	02/19/03	11.9	1,795	7.51	13,483
TOTAL VALUE					\$114,047

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
2.4%	5.3%	14.1%	33.3%	4.7%

Vanguard Conservative

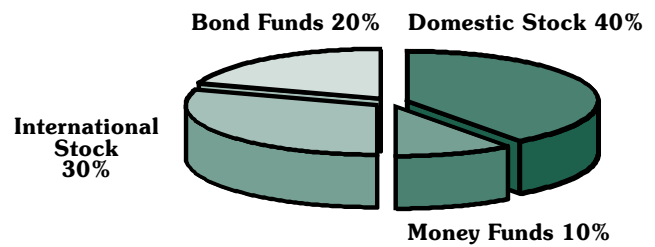
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime Port MM	Yield YTD	1.7%	8,657	\$1.00	\$8,657
Vanguard Balanced Index	11/27/02	31.4	588	19.79	11,641
Vanguard Total Bond Index	02/19/03	11.0	763	10.26	7,823
Vanguard Inflation Protect	02/19/03	17.2	1,133	12.60	14,270
Vanguard Mid-Cap Index	07/20/05	0.1	1,071	17.06	18,278
Vanguard Strategic Equity	12/21/04	8.5	635	23.04	14,636
Vanguard Small Cap Value	03/24/04	27.3	1,381	14.70	20,299
Vanguard GNMA	03/17/04	5.3	1,753	10.40	18,231
TOTAL VALUE					\$113,835

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
-0.1%	4.4%	11.9%	38.0%	4.3%

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	1.4%	11,726	\$1.00	\$11,726
Dodge & Cox International	09/22/04	27.3	442	33.12	14,654
T. Rowe Emerging Mkts	08/10/05	3.6	594	23.18	13,763
Baron Partners	06/09/04	30.4	881	17.75	15,640
Loomis Sayles Bond Retail	03/17/04	12.4	1,680	13.90	23,347
Artisan Mid Cap Value (closed)	08/11/04	36.1	681	19.41	13,225
RS Value	08/04/04	38.6	755	24.27	18,316
Fidelity Leveraged Company	01/28/04	35.2	896	25.95	23,255
Forward Intl Small Companies	06/01/05	11.3	992	14.67	14,554
TOTAL VALUE					\$148,480

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
0.8%	4.9%	26.7%	78.7%	8.5%

Fidelity Moderate

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	1.7%	11,264	\$1.00	\$11,264
Fidelity Emerging Markets	05/11/05	14.6	1,476	15.18	22,411
Fidelity Europe	11/10/04	23.2	479	38.19	18,277
Fidelity Leveraged Company	12/10/03	54.8	796	25.95	20,662
Fidelity Strategic Income	03/17/04	10.9	2,649	10.66	28,240
Fidelity Mid-Cap Stock	08/03/05	-0.4	534	25.57	13,654
Fidelity Value	04/21/04	25.8	272	77.69	21,152
TOTAL VALUE					\$135,660

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
0.7%	5.0%	22.5%	53.4%	8.3%

Vanguard Moderate

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime Port MM	Yield YTD	1.7%	10,016	\$1.00	\$10,016
Vanguard Intl Value	09/22/04	22.3	360	33.24	11,971
Vanguard European Stk Index	11/10/04	12.9	455	27.31	12,423
Vanguard Emg Mkts Stk Index	08/10/05	-2.6	701	16.66	11,684
Vanguard FI Hi-Yld Corp	01/17/01	31.5	3,680	6.27	23,072
Vanguard Strategic Equity	12/21/04	8.5	868	23.04	20,004
Vanguard Mid-Cap Index	03/02/05	7.6	1,026	17.06	17,501
Vanguard Small Cap Value	03/24/04	27.3	1,282	14.70	18,839
TOTAL VALUE					\$125,510

TOTAL RETURNS (as of 08/31/05)

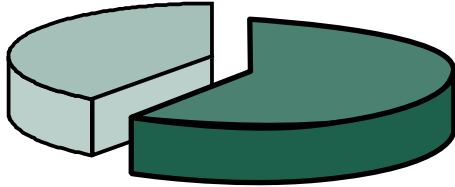
1-mo	6-mo	1-yr	3-yr	YTD
-0.5%	4.5%	16.3%	57.6%	5.3%

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

VENTURESOME

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

International Stock 40% Domestic Stock 60%



MONEYLETTER Venturesome

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
T. Rowe Emg Europe & Med	02/16/05	22.0%	957	\$22.02	\$21,079
Dodge & Cox International	09/22/04	27.3	554	33.12	18,336
T. Rowe New Asia	08/10/05	-3.1	1,103	11.43	12,603
Artisan Mid Cap Value (closed)	07/26/04	35.4	1,186	19.41	23,030
Muhlenkamp Fund	02/28/05	3.9	122	83.78	10,215
Bridgeway Aggressive Inv 2	02/16/05	9.6	720	16.21	11,670
Fidelity Leveraged Company	01/28/04	35.2	962	25.95	24,967
RS Value	08/04/04	38.6	757	24.27	18,379
TOTAL VALUE					\$140,279

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
1.2%	7.7%	29.1%	82.8%	11.8%

Fidelity Venturesome

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Emerging Markets	05/11/05	14.6	1,386	15.18	\$21,033
Fidelity Europe	11/10/04	23.2	387	38.19	14,779
Fidelity Southeast Asia	08/10/05	-5.1	628	18.44	11,589
Fidelity Leveraged Company	12/10/03	54.8	906	25.95	23,514
Fidelity Focused Stock	10/06/04	22.0	2,330	11.42	26,612
Fidelity Value	04/21/04	25.8	276	77.69	21,417
Fidelity Mid-Cap Stock	08/03/05	-0.4	930	25.57	23,779
TOTAL VALUE					\$142,723

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
0.3%	6.1%	24.6%	53.7%	9.7%

Vanguard Venturesome

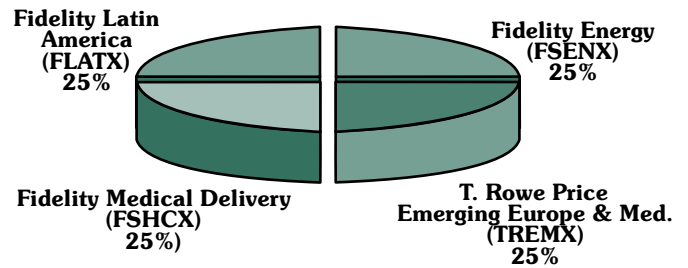
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Emg Mkts Stk Index	02/16/05	9.2%	1,425	\$16.66	\$23,735
Vanguard European Stk Index	11/10/04	12.9	455	27.31	12,423
Vanguard Intl Value	08/10/05	-0.5	359	33.24	11,935
Vanguard Mid-Cap Index	02/16/05	8.3	1,278	17.06	21,810
Vanguard Extended Market Index	06/15/05	4.9	495	33.40	16,519
Vanguard Strategic Equity	12/21/04	8.5	1,048	23.04	24,139
Vanguard Small Cap Value	03/24/04	27.3	1,027	14.70	15,095
TOTAL VALUE					\$125,656

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	3-yr	YTD
-0.7%	5.8%	19.0%	60.8%	7.1%

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
Fidelity Medical Delivery	05/04/05	11.3%	724	\$51.90	\$37,586
T. Rowe Emg. Europe & Med	01/26/05	29.8	1,931	22.02	42,511
Fidelity Energy	08/17/05	8.3	896	47.07	42,166
Fidelity Latin America	12/29/04	25.8	1,546	26.59	41,118
TOTAL VALUE					\$163,381

TOTAL RETURNS (as of 08/31/05)

1-mo	6-mo	1-yr	Incep.(9/30/02)	YTD
3.3%	11.7%	38.4%	63.4%	19.0%

MONEYLETTER Select Commentary

The Hotline of Tuesday, August 16 recommended the sale of Alpine U.S. Real Estate Equity (EUEYX) to be exchanged for shares of Fidelity Energy (FSENX). The recommended trades were executed at the market close August 17, 2005. Details: Sold 874 shares of Alpine U.S. Real Estate Equity (EUEYX) @ \$44.53 per share. Purchased 896 shares of Fidelity Energy (FSENX) @ \$43.46 per share.

Market focus has been directed to gasoline supplies and prices in the wake of hurricane Katrina. With a large concentration of production and refining "assets" located in the Gulf the catastrophic destruction along the Louisiana, Mississippi, and Alabama coasts have disrupted refining and distribution. While it is anticipated that price reductions will take place as refining gets back "on-line" and supplies are released from the Strategic Reserve, the timetable and rippling economic impact will take some time to measure.

After a brief hiatus, it is not a surprise that an energy position has once again appeared in the model. \$

Total Returns—August 31, 2005

	1-mo	6-mo	1-yr	3-yr	YTD
S&P 500	-1.8%	1.8%	12.5%	40.5%	1.9%
Asset Allocation	-0.3	2.7	12.3	35.5	3.3
Funds (Avg) 152 Funds					

Domestic Stock Funds

RANK	09/02 2005	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	
1	1	4	CGMFX	CGM Focus	SCVal	*	B	B	3.9%	11.9%	42.3%	\$37.44	37.9	1.03	sw	
2	—	—	WWNPX	Kinetics Paradigm (2%r<30d)	MC	B	(B)	(B)	0.3	13.4	35.1	20.20	11.7	0.63	FSW	
3	7	158	SSMGX	SIF Small Cap Growth (2%r<30d)	MCGro	B	B	B	0.4	12.5	31.8	30.23	21.6	1.10	FSW	
4	2	10	BRAIX	Bridgeway Aggressive Investors 2	MCGro	*	B	B	-1.6	7.9	41.9	16.06	—	—	fsw	
5	4	—	BRVSV	Bridgeway Small Cap Value	SCVal	B	B	B	-0.9	7.2	39.6	13.85	—	—	fsw	
6	11	2	FLVCX	Fidelity Leveraged Co (\$10k,1.5%r<90d)	MC	*	B	B	0.7	6.8	37.7	25.89	36.3	1.39	Fw	
7	5	11	RSPFX	RS Partners (closed)	SC	B	B	B	0.0	8.9	31.6	38.52	20.9	0.69	FSW	
8	14	18	NPRTX	Neuberger Berman Partners	LCVal	B	B	B	-0.2	8.8	32.1	28.65	20.7	1.10	fSw	
9	10	5	RSVAX	RS Value	MC	B	B	B	-0.3	8.1	33.7	24.24	18.6	0.60	FSW	
10	19	36	TWHIX	American Century Heritage	MCGro	B	B	B	-0.4	9.7	29.7	13.41	15.4	0.76	FSW	
11	32	15	JSVAX	Janus Contrarian	MC	(B)	(B)	(B)	0.3	7.6	31.3	14.24	22.3	1.10	SW	
12	21	—	SSMVX	Wells Fargo Adv SC Value Z (closed)	SC	H	H	H	1.9	7.3	29.6	31.99	18.3	0.88	FSW	
13	31	125	NBNGX	SIF Mid Cap Growth (2%r<30d)	MCGro	*	H	H	-1.1	10.2	26.8	11.91	23.5	1.23	FSW	
14	16	149	JAVLX	Janus Twenty (closed)	LCGro	(B)	(B)	(B)	-0.2	11.1	22.4	47.14	17.3	0.93	FSW	
15	6	8	ARTQX	Artisan Mid Cap Value (closed)	MCVal	B	B	B	-0.5	8.1	29.9	19.34	19.8	0.87	FSW	
16	13	20	NBGNX	Neuberger Berman Genesis (closed)	SC	B	B	B	-1.0	9.7	26.2	33.81	15.5	0.63	fSw	
17	15	—	JORNX	Janus Orion	MC	H	H	H	-0.8	9.1	27.3	7.79	—	—	fSw	
18	3	—	BRSGX	Bridgeway Small Cap Growth	ScGro	H	H	H	-4.4	9.7	31.3	12.60	—	—	fsw	
19	—	—	BRWIX	Brandywine	MC	H	H	H	-0.8	7.9	30.0	30.35	13.7	0.69	fsw	
20	12	26	MPEGX	MSI Mid Cap Growth	MCGro	*	B	B	-1.9	9.2	28.5	22.88	22.2	1.17	fsw	
21	30	—	FAIRX	Fairholme Fund	MC	(B)	(B)	(B)	1.3	8.2	25.0	25.15	10.5	0.48	fsw	
22	20	166	FMCSX	Fidelity Mid-Cap Stock (.75%r<30d)	MCGro	(B)	(B)	(B)	-1.2	9.4	24.3	25.39	20.9	1.05	Fsw	
23	18	14	MOPIX	MainStay Small Cap Opportunity (closed)	SCVal	B	B	B	-3.4	6.9	31.1	20.20	17.5	0.63	FSW	
24	24	17	FTQGX	Fidelity Focused Stock (.75%r<30d)	LC	*	H	H	-1.0	6.2	29.5	11.39	17.2	1.00	Fw	
25	27	80	RPMGX	T. Rowe Price Mid Cap Growth	MCGro	(B)	(B)	(B)	-1.0	8.5	23.4	53.46	22.1	1.11	fsw	
26	40	6	TAVFX	Third Avenue Value (1%r<60d)	SC	(B)	(B)	(B)	-0.1	6.8	25.9	57.70	17.2	0.79	FSW	
27	22	22	VIMSX	Vanguard Mid-Cap Index	MC	B	B	B	-1.6	7.1	27.4	16.98	20.1	0.97	FSW	
28	56	131	BOGLX	Bogle Small Cap Growth (closed)	SCGro	H	H	H	-1.1	7.9	24.8	28.70	22.3	0.88	w	
29	8	168	NEEGX	Needham Growth Fund (.75%r<30d)	SCGro	(B)	(B)	(B)	-2.0	8.0	25.3	33.59	25.7	1.19	FSW	
30	67	45	FDESCX	Fidelity Small Cap Ind. (1.5%r<90d)	SC	H	H	H	-0.8	7.3	25.4	21.42	16.7	0.58	Fsw	
31	28	95	CLSPX	Columbia Mid Cap Growth CIZ	MCGro	H	H	H	-1.1	6.4	27.7	22.30	17.7	0.86	FSW	
32	9	3	BPTRX	Baron Partners	MCGro	*	B	B	-2.8	4.4	35.0	17.76	28.6	1.26	FSW	
33	79	42	ACBGX	USGlobal Holmes Growth (.25%r<30d)	MCGro	H	H	H	-0.8	6.8	25.5	17.01	15.3	0.57	FSW	
34	55	120	STDIX	Wells Fargo Advantage Discovery	MCGro	H	H	H	-2.4	7.5	25.7	21.26	19.1	0.86	FSW	
35	37	189	JAOLX	Janus Olympus	LCGro	*	H	H	-2.1	9.4	20.2	30.37	19.1	1.04	FSW	
36	69	67	RYPX	Royce Premier (1%r<180d)	SC	H	H	H	-0.2	7.6	21.6	16.31	19.4	0.84	Fsw	
37	23	62	PRNHX	T. Rowe Price New Horizons	SCGro	B	B	B	-2.9	7.1	26.7	31.52	28.3	1.30	fsw	
38	58	27	BERWX	Berwyn Fund (1%r<180d)	SCVal	H	H	H	-0.9	7.2	23.2	31.76	22.3	0.77	fsw	
39	102	94	JAGIX	Janus Growth & Income	LCGro	H	H	H	0.8	6.6	22.1	34.48	15.1	0.87	FSW	
40	53	112	BUFMX	Buffalo Mid Cap	MCGro	H	H	H	-2.3	7.7	23.9	13.78	—	—	FSW	
41	66	72	FCNTX	Fidelity Contrafund	LC	H	H	H	0.1	7.0	22.2	61.90	11.4	0.54	Fsw	
42	25	250	TGSCX	TCW Galileo Small Cap Growth	MCGro	*	H	H	-2.0	8.3	22.2	16.80	37.3	1.83	FSW	
43	38	51	FFSCX	Forward Hoover Small Cap	SCGro	(H)	(H)	(H)	-2.8	7.1	25.7	19.56	20.1	0.85	FSW	
44	94	230	MNSCX	WellsFargo Montgomery Small Cap (closed)	SCGro	H	H	H	-2.1	7.8	22.8	12.34	23.3	1.05	fS	
45	39	76	SCDVX	Scudder Development (closed)	MCGro	*	H	H	-1.9	7.1	24.2	21.49	29.2	1.50	FSW	
46	51	129	FIGX	INVESCO Small Company Growth	SCGro	*	H	H	-2.4	7.0	25.2	13.05	24.2	1.15	FSW	
47	71	74	NMANX	Neuberger Berman Manhattan	MCGro	*	H	H	-1.5	6.8	24.1	7.42	23.4	1.15	f	
48	81	61	CUEGX	CS Mid Cap Growth (closed)	MCGro	*	H	H	-0.1	5.5	25.0	33.13	24.3	1.18	FSW	
49	46	88	VEXMX	Vanguard Extended Market Index	MC	H	H	H	-2.4	7.2	23.8	33.30	21.5	1.02	fsw	
50	142	243	OBEGX	Oberweis Emerging Growth (1%r<180d)	SCGro	*	H	H	-2.8	7.2	24.4	27.84	33.2	1.36	FSW	
51	82	29	MPMVX	MSI Mid Cap Value	MCVal	H	H	H	-0.1	6.2	22.7	25.38	23.1	1.18	fsw	
52	26	32	VSEGX	Vanguard Strategic Equity	MCGro	(H)	(H)	(H)	-2.8	6.4	26.3	22.96	17.8	0.83	fsw	
53	33	71	UBRRX	Undiscovered Behavioral Growth (\$10,000)	MCGro	*	H	H	-2.4	5.3	27.9	22.40	28.2	1.15	fW	
54	106	141	VHCOX	Vanguard Cap Opp (closed,\$25k,1%r<1yr)	MCGro	*	H	H	-0.8	6.9	20.8	31.79	25.3	1.28	fsw	
55	17	202	LMOPX	Legg Mason Opportunity Trust (1%r<1yr)	MC	*	B	B	-3.6	8.3	21.4	16.04	35.1	1.48	—	
56	41	28	FDVLX	Fidelity Value	MCVal	H	H	H	-1.8	6.2	24.0	77.53	19.0	0.89	Fsw	
57	52	79	FIDYX	AIM Dynamics Inv (closed)	MCGro	H	H	H	-1.6	6.0	24.0	17.62	28.2	1.48	FSW	
58	74	35	MQIFX	Mutual Qualified (1%) CIZ	MCVal	H	H	H	-0.1	6.3	20.6	20.65	13.3	0.61	sw	
59	75	40	PENNX	Royce Penn Mutual (1%r<180d)	SCVal	H	H	H	-1.6	6.3	23.1	10.86	20.4	0.80	Fsw	
60	59	50	JAENX	Janus Enterprise	MCGro	H	H	H	-1.5	6.1	23.3	39.76	21.4	1.09	FSW	
61	54	33	TASCX	Third Avenue Small-Cap Value (1%r<1yr)	SCVal	H	H	H	-1.1	6.9	20.6	24.47	19.9	0.85	fSw	
62	36	12	BARAX	Baron Asset	MCGro	H	H	H	-2.3	4.3	28.9	55.81	21.2	0.94	FSW	
63	43	109	ARTSX	Artisan Small Cap (closed)	SCGro	H	H	H	-3.2	6.9	23.4	17.55	26.7	1.19	FSW	
64	62	87	RSGRX	RS Growth (formerly RS Value + Growth)	MCGro	H	H	H	-0.2	5.6	21.8	17.78	18.2	0.97	FSW	
65	44	34	BPMCX	Robeco Boston Partners Mid Cap Value	MCVal	H	H	H	-2.5	6.4	23.1	13.74	20.1	0.93	FSW	
66	107	73	NGUAX	Neuberger Berman Guardian	LCVal	S	S	S	0.1	5.7	20.2	17.58	18.0	0.99	f	
67	100	98	HOVLX	Homestead Value	LCVal	S	S	S	-0.3	6.7	18.1	32.66	16.5	0.81	W	
68	143	257	FDEGX	Fidelity Aggressive Growth (1.5%r<90d)	MCGro	*	S	S	-1.6	8.6	15.1	17.11	31.1	1.74	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	09/02	1 Mo Ago	6 Mo Ago	Ticker Symbol	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	29	237	HACAX	Harbor Capital Appreciation	LCGro	H	H	H	-2.6	8.1	17.7	30.17	19.0	1.10	Fsw	
70	42	165	LMASX	Legg Mason Special Investment Trust	MC	*	H	H	-3.2	7.0	21.2	47.21	30.9	1.33	—	
71	77	215	FDGRX	Fidelity Growth Company	LCGro	*	S	S	-2.1	7.1	19.1	57.96	25.6	1.36	Fsw	
72	153	19	PBSVX	PBHG Small Cap Value	SC	S	S	S	-1.5	4.7	24.4	23.34	23.8	1.11	FSW	
73	48	104	VISGX	Vanguard Small Cap Growth Index	SCGro	S	S	S	-3.1	5.9	23.6	15.89	21.6	0.91	fsw	
74	49	68	DNLDX	Dreyfus New Leaders	MCGro	S	S	S	-1.6	5.9	21.3	45.80	18.6	0.90	FSW	
75	92	78	WPSRX	Westport Small Cap R	SCVal	H	H	H	-1.8	6.2	20.7	25.72	18.6	0.85	FSW	
76	35	240	PFGRX	Preferred Growth	LCGro	H	H	H	-2.5	8.1	17.1	12.71	19.0	1.10	w	
77	86	23	FLPSX	Fidelity L P Stock (closed, 1.5%r<90d)	SCVal	S	S	S	-0.8	4.4	23.5	42.68	18.0	0.75	Fsw	
78	132	114	MFOCX	Marsico Focus (2%r<30d)	LCGro	S	S	S	-0.7	5.9	19.0	17.13	15.3	0.74	FSW	
79	97	31	PRSVX	T. Rowe Price S-C Value (closed, 1%r<1yr)	SCVal	S	S	S	-2.3	5.5	22.2	37.67	18.0	0.69	fsw	
80	133	1	LLSCX	Longleaf Partners Smallcap (closed)	SCVal	S	S	S	-1.9	3.1	27.5	31.18	19.2	0.80	fw	
81	63	56	PESPX	Dreyfus Mid Cap Index	MCGro	(S)	(S)	(S)	-2.3	5.7	21.5	28.07	20.2	0.97	FSW	
82	68	92	NAESX	Vanguard SmallCap Index	SC	S	S	S	-3.2	6.0	22.1	28.16	23.2	1.01	fsw	
83	95	63	VALSX	Value Line Special Situations	MCGro	S	S	S	-1.6	5.2	21.5	25.77	15.4	0.71	FSW	
84	96	173	RSSGX	RS Smaller Company Growth	SCGro	*	S	S	-3.4	5.4	23.7	23.13	28.5	1.23	FSW	
85	83	38	JAVTX	Janus Venture (closed)	SCGro	*	S	S	-2.8	3.7	27.1	59.36	29.0	1.25	FSW	
91	64	53	MPSCX	MSI Small Cap Value (closed)	SCVal	S	S	S	-2.8	5.6	21.4	24.26	20.7	0.98	fsw	
96	85	65	VISVX	Vanguard Small-Cap Value Index	SCVal	H	H	H	-3.3	6.0	20.7	14.68	22.4	0.90	fsw	
100	60	37	MUHLX	Muhlenkamp Fund	MCVal	(S)	(S)	(S)	-3.5	3.7	26.3	83.73	27.9	1.24	FSW	
121	78	127	FEXPX	Fidelity Export & Multinat'l (.75%r<30d)	LC	H	S	S	-2.1	4.7	18.4	20.92	20.3	1.07	Fsw	
194	121	21	FBRVX	FBR Small Cap (closed, 1%r<90d)	SCGro	(S)	(S)	(S)	-4.7	1.4	19.6	42.46	23.4	0.82	FSW	

Dow Jones
NASDAQ
S&P 500

-2.2% -3.4% 1.5%
-3.5 3.6 14.3
-2.1 0.7 8.9

indexes do not include dividends

International Stock Funds

1	1	2	PRLAX	T. Rowe Price Latin America (2%r<90d)	LatinA	*	H	H	5.5%	21.4%	76.2%	\$21.53	29.7	—	fsw
2	2	4	TREM4	T. Rowe Price Emg Europe & Med (2%r<90d)	Europe	*	B	B	5.3	19.9	77.0	22.46	29.2	—	fw
3	6	13	EUROX	US Global Eastern Europe (2%r<180d)	Europe	*	B	B	10.9	16.8	64.0	39.24	26.6	—	FSW
4	4	7	SLAFX	Scudder Latin America (closed, 2%r<30d)	LatinA	*	H	H	5.3	18.0	67.5	41.73	27.3	—	Sw
5	3	3	FLATX	Fidelity Latin Amer. (1.5%r<90d)	LatinA	*	H	H	5.1	16.7	69.5	27.36	29.8	—	Fs
6	8	5	AIOIX	Amer.Cent.Int'l Opp. (closed, 2%r<180d)	Int'l	*	B	B	4.5	18.0	49.7	12.20	20.4	—	—
7	—	—	HLEMX	Harding Loevner Emerg Mkt (2%r<90d)	Int'l	*	(B)	(B)	3.6	14.2	49.6	30.52	15.5	—	FSW
8	13	22	DRIDX	Driehaus Intl Discovery (2%r<60d)	Int'l	*	B	B	3.8	15.4	44.0	38.63	21.1	—	FSW
9	5	—	PRMSX	T. Rowe Price Emerging Mkts Stk	Int'l	*	B	B	1.9	13.0	51.8	23.77	18.8	—	fsw
10	7	15	FEMKX	Fidelity Emerging Mkts (1.5%r<90d)	Int'l	*	B	B	2.8	10.4	50.2	15.65	—	—	Fsw
11	21	1	FISMV	Fidelity Intl Small Cap (closed, 2%r<90d)	Int'l	*	(B)	(B)	6.1	10.3	44.7	27.92	—	—	Fw
12	17	8	ARTJX	Artisan Intl Small Cap (closed, 2%r<90d)	Int'l	*	B	B	4.7	11.3	42.0	20.44	—	—	SW
13	19	6	PISRX	Forward Intl Small Companies (2%r<60d)	Int'l	*	(B)	(B)	4.1	10.3	42.6	15.08	—	—	FSW
14	15	11	FIEXX	Fidelity Europe (1%r<30d)	Europe	*	B	B	4.3	9.3	43.1	39.11	22.5	—	Fsw
15	23	10	NBISX	Neuberger Berman Intl (2%r<60d)	Int'l	*	H	H	4.8	10.6	38.0	21.37	16.3	—	fsw
16	10	18	VEIEI	Vanguard Emerging Mkts Stk Index (.5%r)	Int'l	*	B	B	0.8	8.1	43.8	17.06	22.6	—	fsw
17	33	21	PRIDX	T. Rowe Price Intl Disc. (2%r<90d)	Int'l	*	(B)	(B)	4.4	9.1	34.3	37.43	16.0	—	fsw
18	14	19	DREGX	Driehaus Emerging Mkts Gr (2%r<60d)	Int'l	*	B	B	3.1	6.2	42.6	26.27	24.9	—	FSW
19	25	9	VINEX	Vanguard Intl Expl (closed, \$25k, 2%r<60d)	Int'l	*	H	H	3.0	8.1	36.8	18.52	16.3	—	fsw
20	29	—	ICEUX	ICAP Euro Select Equity (2%r<30d)	Int'l	*	H	H	3.6	8.6	34.4	33.16	18.0	—	fsw
21	9	28	PRASX	T. Rowe Price New Asia (2%r<90d)	Pacific	*	B	B	-1.3	9.8	36.7	11.63	19.7	—	fs
22	36	23	BJBIX	Julius Baer Intl Equity A (2%r<90d)	Int'l	*	H	H	5.2	7.1	33.7	35.18	12.5	—	FS
23	24	51	SCOBX	Scudder Global (closed, 2%r<30d)	Global	*	H	H	3.3	9.3	30.8	30.18	12.7	—	FSW
24	28	31	WBIGX	Wm. Blair Intl Growth N (closed, 1%r<60d)	Global	*	H	H	3.4	8.9	31.4	24.54	14.6	—	FSW
25	26	26	FECAV	Fidelity Europe Capital App. (1%r<30d)	Europe	*	H	H	3.9	7.3	34.3	24.32	18.8	—	Fw
26	20	34	JAOSX	Janus Overseas (closed, 2%r<90d)	Int'l	*	H	H	2.2	8.4	33.8	27.56	16.5	—	FSW
27	16	29	DRFMX	Dreyfus Premier Emerging Market (1%r)	Int'l	*	(H)	(H)	1.2	7.3	37.4	22.04	21.6	—	fsw
28	34	12	OAKEX	Oakmark Intl Small Cap (closed, 2%r<90d)	Int'l	*	H	H	4.1	6.6	33.8	22.90	20.4	—	FSW
29	22	17	SGSCX	Scudder Gbl Discovery (closed, 2%r<30d)	Int'l	*	(H)	(H)	1.3	7.0	35.8	38.77	20.1	—	FSW
30	31	24	SCGEX	Scudder Greater Europe (closed, 2%r<30d)	Europe	*	H	H	3.6	7.0	31.7	30.08	16.8	—	FSW
31	41	36	SCINX	Scudder International (2%r<180d)	Int'l	*	H	H	4.2	7.4	28.3	48.80	13.5	—	FSW
32	39	30	FIGRX	Fidelity Intl Discovery (1%r<30d)	Int'l	*	H	H	3.6	7.1	29.5	31.00	15.2	—	Fsw
33	27	55	TWGGX	American Century Global Growth (2%r<60d)	Global	*	H	H	1.2	8.4	29.3	8.56	14.1	—	FSW
34	38	37	FDIVX	Fidelity Div Intl (closed, 1%r<30d)	Int'l	*	H	H	3.6	7.2	27.7	31.45	13.8	—	Fsw
35	12	40	MAPTX	Matthews Pacific Tiger (2%r<90d)	Pacific	*	(H)	(H)	-1.7	8.3	32.8	17.69	23.6	—	FSW
36	37	46	HAINX	Harbor International (2%r<60d)	Int'l	*	H	H	3.5	7.2	26.5	47.23	17.9	—	Fsw
37	46	38	WAIGX	Wasatch International Growth (2%r<60d)	Int'l	*	S	S	2.5	6.8	28.7	18.23	—	—	FSW
38	72	68	FJPNX	Fidelity Japan (1.5%r<90d)	Japan	*	S	S	9.9	7.3	16.1	13.89	17.3	—	Fsw
39	70	70	PRJFX	T. Rowe Price Japan (2%r<90d)	Japan	*	H	H	7.3	8.8	16.1	9.38	14.4	—	s
40	11	39	FSEAX	Fidelity SE Asia (1.5%r<90d)	Pacific	*	(H)	(H)	-2.0	7.1	32.9	18.93	21.1	—	Fsw
44	42	14	DODFX	Dodge & Cox Intl Stock	Int'l	*	S	S	2.7	4.1	30.7	33.58	23.4	—	fsw
47	43	27	VEURX	Vanguard European Stock Index (2%r<60d)	Europe	*	H	H	2.5	5.0	28.1	27.92	17.4	—	fsw
48	44	35	VTRIX	Vanguard International Value (2%r<60d)	Int'l	*	H	H	2.9	5.4	26.1	33.83	16.8	—	fsw
56	18	67	SCOPIX	Scudder Pacific Opp (closed, 2%r<30d)	Pacific	*	(S)	(S)	-1.8	7.1	25.7	14.70	19.0	—	FSW
57	32	64	MACSX	Matthews Asia G & I (closed, 2%r<90d)	Pacific	*	(S)	(S)	-1.0	7.0	23.6	17.25	11.4	—	FSW

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

RANK	09/02 2005	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/wif
										1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
1	2	2	FSENX	Fidelity Energy (.75%r<30d)	NatRes	*	*	*	5.6%	24.9%	68.2%	\$47.19	18.50	0.64	Fsw	
2	3	3	VGEXX	Vanguard Energy (1%r<1yr)	NatRes	*	*	*	5.9	24.1	64.7	57.17	16.50	0.61	fsw	
3	5	6	FSNGX	Fidelity Natural Gas (.75%r<30d)	Utility	*	*	*	5.3	23.3	63.1	39.10	19.10	0.53	Fsw	
4	1	10	FSESX	Fidelity Energy Services (.75%r<30d)	NatRes	*	*	*	2.2	24.2	60.3	60.65	23.70	0.78	Fsw	
5	4	14	RYVIX	Rydex Energy Services (\$25k)	NatRes	*	*	*	1.1	21.7	54.6	36.88	24.10	0.90	Fsw	
6	7	7	FNARX	Fidelity Natrl Resources (.75%r<30d)	NatRes	*	*	*	4.9	19.8	53.1	23.52	17.80	0.70	Fw	
7	6	5	RYEIX	Rydex Energy (\$25k)	NatRes	*	*	*	3.2	18.4	55.5	20.52	19.50	0.76	Fsw	
8	8	4	ICENX	ICON Energy	NatRes	*	*	*	3.3	18.0	55.2	31.42	20.80	0.70	FSW	
9	9	8	VGPMM	Vanguard Precious Metals (\$10k,1%r<1yr)	NatRes	*	*	*	6.8	16.2	48.7	20.55	27.50	0.81	fsw	
10	10	1	FSHCX	Fidelity Med Del (.75%r<30d)	Health	*	*	*	0.9	14.4	61.1	51.99	20.50	0.02	Fsw	
11	13	24	FWRLX	Fidelity Wireless (.75%r<30d)	Tech	*	*	*	0.3	15.4	35.6	6.66	27.70	1.58	Fw	
12	11	11	PRNEX	T. Rowe Price New Era	NatRes	*	*	*	2.0	11.8	41.3	41.55	17.10	0.75	fsw	
13	16	26	PRMTX	T. Rowe Price Media & Telecommunications	Utility	*	*	*	0.5	12.5	36.0	31.44	22.00	1.37	fsw	
14	14	36	CSRSX	Cohen & Steers Realty (\$10k,1%r<180d)	RealEs	*	*	*	-4.4	17.3	30.2	76.08	16.00	0.40	FSW	
15	15	43	FSLBX	Fidelity Brokerage (.75%r<30d)	FinServ	*	*	*	-0.4	13.7	32.5	62.96	21.90	1.33	Fsw	
16	17	16	CGMRX	CGM Realty	RealEs	*	*	*	-2.7	8.5	47.5	34.69	24.30	0.75	sw	
17	31	98	FBIOX	Fidelity Biotechnology (.75%r<30d)	Health	*	*	*	-1.0	20.8	10.9	59.96	20.80	0.90	Fsw	
18	18	37	TRREX	T. Rowe Price Real Estate (1%r<180d)	RealEs	*	*	*	-4.7	15.7	28.5	19.28	15.00	0.36	fsw	
19	19	38	FRESX	Fidelity Real Estate (.75%r<90d)	RealEs	*	*	*	-4.5	15.2	28.1	32.36	15.00	0.36	Fsw	
20	29	97	RYOIX	Rydex Biotechnology (\$25k)	Health	*	*	*	1.1	16.9	14.9	21.61	23.80	1.10	FSW	
21	21	47	VGSIX	Vanguard REIT Index (1%r<1yr)	RealEs	*	*	*	-4.3	15.9	25.5	20.15	15.50	0.36	fsw	
22	34	34	RYUIX	Rydex Utilities (\$25k)	Utility	*	*	*	0.2	12.6	25.4	26.65	17.50	0.83	FSW	
23	25	69	FSPHX	Fidelity Health Care (.75%r<30d)	Health	*	*	*	0.2	13.3	19.7	144.90	11.20	0.55	Fsw	
24	23	67	FSLEX	Fidelity Environmental Ser (.75%r<30d)	Cycs	*	*	*	-0.5	13.5	20.0	15.69	15.30	0.85	Fsw	
25	26	17	USERX	U.S.Global Gold Shares (.25%r<30d)	NatRes	*	*	*	8.6	4.5	26.3	8.59	44.60	0.72	fsw	
26	39	90	PRHSX	T. Rowe Price Health Sciences	Health	*	*	*	0.0	13.3	17.2	24.45	14.90	0.71	fsw	
27	36	39	ICTUX	ICON Telecommunications & Utilities	Utility	*	*	*	-0.6	10.0	25.7	8.05	14.70	0.74	FSW	
28	27	32	FSUTX	Fidelity Utilities Growth (.75%r<30d)	Utility	*	*	*	-0.2	9.7	25.1	44.14	17.30	1.00	Fsw	
29	22	20	FSDAX	Fidelity Defense & Aero (.75%r<30d)	Cycs	*	*	*	-0.3	9.3	24.8	74.09	15.60	0.60	Fsw	
30	30	54	VGHCX	Vanguard Health (closed,\$25k&1%r<1yr)	Health	*	*	*	0.9	10.6	18.8	140.00	11.20	0.63	fsw	
31	37	85	RIAFX	RS Internet Age	Tech	*	*	*	-2.4	8.0	29.9	7.04	41.60	2.34	FSW	
32	53	25	ICHCX	ICON Healthcare	Health	*	*	*	0.2	5.8	29.7	17.58	15.00	0.52	FSW	
33	12	13	EUEYX	Alpine U.S. Real Estate Equity CIY	RealEs	*	*	*	-8.2	5.3	43.1	44.43	22.60	0.76	FSW	
34	35	53	CSEIX	Cohen & Steers Realty Income (1%r<180d)	RealEs	*	*	*	-4.3	11.9	19.5	17.96	14.40	0.32	fsw	
35	43	93	FPHAX	Fidelity Pharmaceuticals (.75%r<30d)	Health	*	*	*	1.9	10.1	12.7	9.55	15.70	0.83	Fw	
36	20	58	FSELX	Fidelity Electronics (.75%r<30d)	Tech	*	*	*	-4.1	6.2	31.1	41.82	37.50	2.12	Fsw	
37	51	28	FSAGX	Fidelity Gold (.75%r<30d)	NatRes	*	*	*	8.4	3.6	16.4	26.59	33.80	0.49	Fsw	
38	57	76	FSDCX	Fidelity Developing Comm (.75%r<30d)	Tech	*	*	*	-1.0	6.0	20.3	18.93	31.40	1.73	Fsw	
39	24	29	FSHOX	Fidelity Const & Housing (.75%r<30d)	Cycs	*	*	*	-6.3	4.7	30.3	47.50	20.00	0.99	Fsw	
40	33	31	FSAXX	Fidelity Air Transport (.75%r<30d)	Cycs	*	*	*	-1.9	6.4	18.9	35.86	20.20	1.07	Fsw	
41	54	64	STMDX	Stratton Mthly Div REIT (1.5%r<120d)	RealEs	*	*	*	-5.2	9.8	15.3	36.41	14.60	0.32	fsw	
42	60	45	FSMEX	Fidelity Medical Equip (.75%r<30d)	Health	*	*	*	-0.4	5.5	18.1	25.15	10.80	0.46	Fsw	
43	50	75	RYHIX	Rydex Health Care (\$25k)	Health	*	*	*	-0.6	7.1	13.9	13.86	12.50	0.69	FSW	
44	55	80	FSCSX	Fidelity Software (.75%r<30d)	Tech	*	*	*	-1.7	5.9	18.7	50.49	25.30	1.45	Fsw	
45	49	87	RSIFX	RS Information Age	Tech	*	*	*	-4.2	4.6	25.1	15.39	40.80	2.32	FSW	
46	32	72	FSPTX	Fidelity Technology (.75%r<30d)	Tech	*	*	*	-3.2	5.0	21.5	61.02	29.50	1.74	Fsw	
47	62	48	FBALX	Fidelity Balanced	Hybrid	B	*	*	-0.3	4.7	16.8	18.78	11.30	0.71	Fsw	
48	56	88	RYMIX	Rydex Telecommunications (\$25k)	Utility	*	*	*	-1.4	6.3	12.5	15.87	31.80	1.90	Fsw	
49	45	15	FSRFX	Fidelity Transportation (.75%r<30d)	Cycs	*	*	*	-0.4	1.3	23.2	42.48	17.80	0.98	Fsw	
50	47	70	FSTCX	Fidelity Telecomm (.75%r<30d)	Utility	*	*	*	-2.8	6.0	14.9	37.25	31.30	1.79	Fsw	
51	41	21	FCYIX	Fidelity Cyclical Ind (.75%r<30d)	Cycs	*	*	*	-2.2	2.7	20.4	19.41	16.50	0.97	Fw	
52	28	94	RYSIX	Rydex Electronics (\$25k)	Tech	*	*	*	-4.6	4.2	20.4	11.53	43.20	2.35	FSW	
53	59	22	ICTRX	ICON Industrials	Cycs	*	*	*	-1.4	1.6	21.6	12.38	17.20	0.84	FSW	
54	66	66	FSAVX	Fidelity Automotive (.75%r<30d)	Cycs	*	*	*	-1.0	4.0	14.0	35.42	18.30	0.89	Fsw	
55	46	71	PRSCX	T. Rowe Price Science & Tech	Tech	*	*	*	-3.7	4.3	16.9	19.16	27.50	1.69	fsw	
56	67	95	RYIIX	Rydex Internet (\$25k)	Tech	*	*	*	-2.7	6.7	8.7	34.79	35.40	2.06	Fw	
57	61	41	BGEIX	Amer. Cent. Global Gold (1%r<60d)	NatRes	*	*	*	7.3	0.5	9.0	11.92	36.50	0.55	FSW	
58	52	59	FDCPX	Fidelity Computers (.75%r<30d)	Tech	*	*	*	-3.1	1.6	21.8	35.46	29.90	1.75	Fsw	
59	72	57	FBMPX	Fidelity Multimedia (.75%r<30d)	Consmr	*	*	*	-1.2	2.7	15.9	45.24	22.90	1.21	Fsw	
60	58	83	RYTIX	Rydex Technology (\$25k)	Tech	*	*	*	-3.0	4.0	15.1	11.13	32.00	1.90	FSW	
61	64	56	FBSOX	Fidelity Bus Services (.75%r<30d)	Tech	*	*	*	-1.0	3.6	12.8	15.70	20.20	1.25	Fsw	
62	73	89	RYTVX	Royce Technology Value (2%r<180d)	Tech	*	*	*	-1.3	2.9	14.2	6.32	27.10	1.34	FSW	
63	63	65	FSPCX	Fidelity Insurance (.75%r<30d)	FinServ	*	*	*	-2.9	3.6	13.8	64.26	14.30	0.79	Fsw	
64	76	86	FNINX	Fidelity Networking (.75%r<30d)	Tech	*	*	*	-2.2	1.8	16.9	2.21	36.60	2.04	Fw	
65	69	33	FSCGX	Fidelity Industrial Equip (.75%r<30d)	Cycs	*	*	*	-0.5	1.3	15.6	26.77	19.40	1.14	Fsw	
66	68	35	FDFAV	Fidelity Food & Agr (.75%r<30d)	Consmr	*	*	*	-1.1	1.3	15.9	52.08	11.60	0.54	Fsw	
67	77	61	VBINX	Vanguard Balanced Index	Hybrid	B	*	*	-0.6	2.9	10.0	19.77	8.50	0.55	fsw	
68	38	12	ICBMX	ICON Materials	Cycs	*	*	*	-2.5	-1.7	22.2	10.62	20.30	1.02	FSW	
69	84	73	MERFX	Merger Fund (closed,2%r<30d)	Altern	*	*	*	0.3	2.6	5.6	15.78	5.70	0.25	FSW	
70	85	60	GATEX	Gateway Fund	Altern	B	*	*	-0.1	2.0	7.6	25.15	8.40	0.52	Fsw	

Janus Funds Travel to Phoenix

Q I bought Janus International Equity, which now appears to be changed to Phoenix Foreign Opportunities Fund. I last saw it in the July 8th issue with a "Hold" on it. It is no longer in your newsletter. What happened? Did you recommend a sell then drop it?

—D.R., Eden Prairie, MN

A Indeed, two Janus Funds recently transferred to a new investment adviser, Phoenix Investment Counsel, Inc. Janus International Equity (old ticker: JVEIX) is now known as Phoenix Foreign Opportunities (JVIAX) and Janus Focused Value (formerly Janus U.S. Value, old ticker: JVIIX) is now Phoenix Focused Value (JVVAX).

Vontobel Asset Management will continue to serve as the funds' sub-adviser, a role that it performed under Janus' oversight since 2003. Phoenix has assumed responsibility for day-to-day account servicing and shareholder support. According to Janus CEO Steve Scheid, the Denver-based fund family "was prompted to reevaluate the relationship with Vontobel due to our strategic plans to build Janus' core asset management business."

Although the objectives and strategies have not changed for these two funds, their move to Phoenix means they now reside at a "load fund" family (shares of JVIAX and JVVAX carry a 5.75% front-end load). Due to *MONEYLETTER's* policy of avoiding loaded funds, we dropped the new Phoenix Funds from our list. In your specific case, the shares that transferred over from Janus were "grandfathered" and are not subject to the load.

For more information, call Janus at 800-525-3713 or Phoenix at 800-243-1574.

Q I recently subscribed to your Moneyletter and have the following questions: 1) Where can I invest in the funds recommended in *MONEYLETTER*? 2) What does Beta and Standard Deviation mean in the risk column?

—B.S., Cicero, NY

A If you follow the *MONEYLETTER* all-family portfolios, the easiest way to execute our advice is to trade funds with no transaction fees (NTF) with a Mutual Fund Marketplace account at Charles Schwab, or at Fidelity or TD Waterhouse. All three programs have a wide selection of available funds. One drawback: some fund families are not available NTF and you must pay a ticket charge to trade. The old-fashioned alternative is to establish accounts with all the families, but the allure of a single statement may be too much to resist.

Beta is defined as the volatility of a security or portfolio as measured against the market or portfolio benchmark. **Standard deviation**, when applied to investments, is defined as the spread of returns around the mean or average return. For a more detailed explanation of these terms, please refer page seven of the June 10, 2005 issue of *MONEYLETTER*. \$

100% U.S. TREASURY FUNDS

	7-Day	30-Day	1-Year
Vanguard Treasury MMF	3.09%	2.97%	1.96%
Gabelli US Treasury MMF	3.04	2.84	1.86
Amer Century Capital Presv Fund/Inv	2.86	2.79	1.74
T. Rowe Price US Treasury MF	2.86	2.78	1.62
US Treasury MF of America/CI A	2.72	2.64	1.58
JPMorgan 100% US Treas MMF/Morgan	2.68	2.60	1.59
RMK Select Treas MMF/CI A	2.68	2.59	1.60
Schwab US Treasury Money Fund	2.64	2.55	1.53
DBAB Cash Reserve Treas/Inv	2.58	2.51	1.48
CMA Treasury Fund RIC	2.56	2.49	1.54

GENERAL PURPOSE TAXABLE FUNDS

	7-Day	30-Day	1-Year
PayPal Money Market Fund	3.59%	3.52%	2.39%
Scudder MM Series Premium/AARP	3.48	3.40	2.27
MFS Money Market Fund	3.40	3.32	1.97
TIAA-CREF Money Market Fund	3.37	3.22	2.11
Scudder MM Series Prime Reserve/AARP3	3.36	3.28	2.18
GE Money Market Fund	3.27	3.19	2.03
Vanguard Prime MMF/Retail	3.27	3.21	2.13
Harbor Money Market Fund	3.26	3.22	2.04
AIG Money Market Fund/CI B	3.24	3.10	2.03
Wells Fargo Adv Heritage MF/Admin	3.24	3.17	2.00

TAX-FREE GENERAL PURPOSE FUNDS

	7-Day	30-Day	1-Year
Alpine Municipal MMF/Investor	2.53%	2.42%	1.93%
Vanguard Tax-Exempt MMF	2.46	2.39	1.84
Fidelity AMT Tax-Free Money Fund	2.24	2.17	1.68
Scudder Tax-Exempt Money Fund	2.18	2.12	1.54
Fidelity Municipal MMF	2.16	2.10	1.55
Amer Century T-F MMF/Inv Class	2.15	2.08	1.54
Fidelity Tax Free Money Market	2.14	2.07	1.54
USAA Tax Exempt MMF	2.14	2.06	1.55
T. Rowe Price Summit Muni MMF	2.13	2.09	1.50
Scudder T-E Cash Managed Shares	2.12	2.04	1.56

TAX-FREE STATE-SPECIFIC FUNDS

	7-Day	30-Day	1-Year
Vanguard OH Tax-Exempt MMF	2.41%	2.34%	1.82%
Vanguard PA Tax-Exempt MMF	2.39	2.32	1.81
Vanguard NJ Tax-Exempt MMF	2.38	2.33	1.79
Vanguard NY Tax-Exempt MMF	2.38	2.32	1.78
Vanguard CA Tax-Exempt MMF	2.34	2.29	1.80
Fidelity FL Municipal MMF	2.15	2.07	1.52
Fidelity PA Municipal MMF	2.13	2.05	1.50
Fidelity AZ Municipal MMF	2.09	2.03	1.49
Fidelity OH Municipal MMF	2.09	2.02	1.47
Fidelity CA Municipal MMF	2.07	1.99	1.46
Fidelity CT Municipal MMF	2.07	2.00	1.50
Fidelity MA Municipal MMF	2.07	2.00	1.44
Fidelity MI Municipal MMF	2.07	1.98	1.45
Fidelity NY Municipal MMF	2.07	2.01	1.47

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 8/30/05. 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: *iMoneynet's Money Fund Report* (800) 343-5413

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“Exhaustive” Research at Brandywine

In this and the next issue of *MONEYLETTER*, we will take a look at the investment philosophy and strategy of the Brandywine fund group, and at its three funds: Brandywine Fund, Brandywine Blue, and Brandywine Advisors. The funds are managed by Friess Associates, founded by Foster Friess in 1974. The guiding motto of Friess Associates: “Never invest in the stock market, invest in individual businesses.” Foster Friess remains involved in the research process and is the chief investment officer, but the lead portfolio manager for all three funds is Bill D’Alonzo, who is also CEO of the fund family.

The Brandywine trio of funds is definitely growth oriented. The typical Friess holding is expected to have earnings growth in excess of 40% in 2005, compared to 10% expected for the S&P 500 index (as of August 25). However, the group is also very conscious of valuation. The average S&P stock sells at a P/E of 17 times 2005 earnings estimates, but the typical Brandywine holding sells at a lower price/earnings multiple.

So how does the Brandywine team find its investments? Friess utilizes seven separate teams of researchers, typically consisting of a research team leader, three researchers and four research managers. Collectively, the Friess teams perform as many as 1,000 interviews weekly with company managements, customers, competitors, and suppliers. Hence, the “exhaustive” research.

In the belief that earnings drive stock prices, the teams’ goal is to find companies likely to exceed consensus earnings estimates, and therefore, they look for positive opportunities or pending trouble ahead of the broader investment community. Interestingly, the teams are not organized by industry or sector: all of the researchers are generalists, allowing them to shift their attention to companies showing the strongest earnings growth.

The aforementioned focus on valuation keeps the funds away from the most speculative fare. However, portfolio turnover in the three portfolios tends to be high, as D’Alonzo doesn’t aim to buy and hold. Instead, when a stock’s valuation escalates, or better opportunities present themselves, a stock can be sold. Additionally, as true bottom-up investors, stock picking drives portfolio characteristics such as sector weightings. Thus, at times, the funds can become skewed toward a couple of sectors.

Still, the managers do take steps to mitigate risk. By stressing reasonable valuations (generally less than 25 times forward estimates), they say they maximize upside potential while minimizing downside price risk. Additionally, Friess

limits individual holdings to no more than 4% to 5% of fund assets. They also limit industry representation to 15% of assets: (Note, industries are smaller subsets of broad sectors, such as those listed below).

In this issue, we’ll take a look at the oldest fund in the family, Brandywine Fund, with assets of \$3.6 billion. Next time, we’ll profile Brandywine Blue (large-cap growth) and Brandywine Advisors (mid-cap growth).

Brandywine Fund (BRWIX)

The flagship fund in the Brandywine family, Brandywine Fund began at the end of 1985. It’s an all-cap fund—able to invest without regard to market capitalization. Its focus on high earnings growth (beating Wall Street estimates) does tend to drive it to smaller stocks. Currently, 60% of the portfolio is invested in the mid-cap sector, 25% in large stocks and 13% in small-caps.

The portfolio is comprised of about 100 stocks, with the characteristic of having an average forecasted 2005 earnings growth of 36% vs. 16% for the Russell 3000 Growth Index, and an average P/E ratio of 16 vs. 20 for the Russell 3000 Growth (as of June 30). Portfolio turnover was rapid, as suggested above, at 247% annually.

The fund’s energy component has certainly helped results this year. Standout stock performers for 2005 include Southwestern Energy (2.1% of assets), an integrated energy company that has experienced strong quarterly earnings growth, up 126% through September 2. Other robust energy stocks include Chesapeake Energy, Weatherford

Top Five Holdings & Sectors (% of Assets)

Kohl’s	4.2	Energy	21.1
Nike	4.0	Industrial Materials	18.6
Allstate	3.8	Consumer Services	16.6
Weatherford Intl	3.6	Business Services	11.3
Chesapeake Energy	3.6	Hardware	7.8

Holdings as of June 30, 2005

International, National Oilwell Varco, Patterson-UTI Energy, and Nabors Industries.

In recent years, the fund has generally compared favorably with its mid-cap growth peers, with the exception being 2003 when it sank to the bottom 25% of the Morningstar category, as a relative lack of technology stocks kept it out of the spring/summer 2003 tech rally. Most recently, performance vs. its peers has been impressive: a 9.75% gain through the end of August puts it in the top 2% of its category. \$

Brandywine Fund (BRWIX)

Brandywine Funds

P.O. Box 4166, Greenville, DE 19807

(800) 656-3017 • Minimum Investment: \$10,000, \$10,000 IRA

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