

MONEYLETTER *Plus*

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MONEYLETTER HOTLINE 3/05/02

It Sure Feels Good

The U.S. stock market has been acting well. Monday's strong rally came on good volume, which is desirable. Today's selling in the blue chips was not vigorous, and advancers narrowly outpaced decliners. It was not the heavy selling we have seen in the past which erased a good gain. While Wall Street has accepted the fact of a recovery, we continue to believe that most Wall Street strategists are underestimating the profit recovery to come. Not everyone, however. Merrill Lynch's chief economist just issued a report which sees S&P 500 profits growing at a 20% rate through next year. The current estimate of profit growth by Wall Street analysts, as collected by First Call, calls for very strong profit growth in the last half of this year. We think this profit growth will be enough to keep the stock market moving ahead at a good clip for the rest of this year.

Today's top economic report was more of the same. The supply managers in the service industries reported an unexpectedly sharp increase in their February survey. Business has turned around in services as well as manufacturing. We look for higher stock prices over the rest of this year.

There is no change in our recommended allocations.

Fund Recommendations – For domestic stock funds, there is one new buy: Oakmark Small Cap. There is one new hold: Meridian Fund. For international stock funds, there is one new buy: Oakmark Global. There is one new hold: Longleaf Partners International.

The Economy – The services survey, as with manufacturing, showed a strong increase in new orders. As a result, we should see increasing activity in the economy over the next few months, at the very least. This week's store sales survey shows February ahead of January. We should get a good February retail sales number. Friday we get the all-important employment report. We look for continued increasing activity.

The Bond Market – Yields have risen, as to be expected, in the face of the market's rally and the economic news. But the rise has been contained so far. We see yields holding around 5.0% for the next 2-3 months. But the low is behind us.

The Stock Market – All the averages are close to or above their 200-day moving averages. The traders are pointing out that the averages are moving into areas of resistance again. We would not be surprised to see a flat market for a few weeks before the advance resumes.

MONEYLETTER HOTLINE 3/01/02

Finally!

Today was the day we have been waiting for. Finally, the market believed the obvious, that a recovery was at hand. It took an extremely strong Purchasing Managers report to convince Wall Street's professional cynics that maybe their ingrained skepticism was causing them to overlook the obvious. We believe that today marked the end of the frustrating correction in place since the beginning of the year. We also believe that the economy is poised to grow strongly over the next 4-6 months.

There are some on the Street who will now be saying that today was just another rally in a bear market. Don't listen to them. We see today's rally as the beginning of another leg of the recovery from the September 11 lows. We doubt that there will be any more talk of testing the lows. At the same time expectations have to be realistic. This is not a cheap market. Stocks will advance with earnings, which will start growing more rapidly. But price-earnings ratios should not move up. Also certain pockets of weakness will remain, such as with the telecom sector. But there are good gains ahead.

There is no change in our recommended allocations.

Fund Recommendations – For domestic stock funds, there is one new sell: Safeco Growth Opportunities. There are no changes for international stock funds.

Safeco Growth Opportunities is in the Signal Portfolio. We will switch the fund into Fidelity Fifty.

The Economy – The strength shown by manufacturing last month cannot be overstated. New orders rose to a level not since October 1994, when the economy was emerging from the '94 slowdown. Actual production was almost as strong. And these new orders promise further increases in production. Further, February auto sales showed an increase over January. The consumer has not pulled back as expected, and will not as the economy picks up. We expect continued improving news about the economy at least over the next 4-6 months.

The Bond Market – Bonds acted as expected but yields are still below 5.0%. With Greenspan saying the Fed is on hold, we don't see yields backing up much.

The Stock Market – The technicians are getting what they wanted. We think they will soon change their cautious tune. Today did represent the breakout they were looking for.

Domestic Stock Funds — data as of 03/01/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Buffalo Small Cap (closed)	B	0.2%	11.5%	29.1%	51 Vanguard Equity-Income	H	4.8	2.3	2.0
2 Ariel Appreciation	B	7.8	9.2	22.6	52 Royce Opportunity+	H	0.7	2.4	7.5
3 Berwyn Fund	B	3.9	8.4	29.3	53 Harbor Value	H	3.9	0.6	6.7
4 T. Rowe Price Small-Cap Value	B	3.3	9.8	24.4	54 Longleaf Partners Smallcap	H	4.2	-0.2	4.0
5 Yacktman Fund	B	3.1	10.1	21.9	55 Westport Small Cap R	H	-0.9	2.8	3.0
6 T.Rowe Price Mid Cap Value	B	4.1	10.5	18.8	56 Babson Value	H	4.8	-0.6	2.7
7 Fidelity Low Priced Stock(3%)	B	1.3	10.2	22.6	57 MSI Value Portfolio	H	3.5	-0.8	4.3
8 TCW Galileo Value Opportunity	B	0.2	10.1	22.9	58 Strong Discovery+	H	0.6	1.7	2.1
9 Wasatch Core Growth+(closed)	H	7.1	4.2	27.0	59 T. Rowe Price Dividend Growth	H	2.4	1.1	0.6
10 Wasatch Small Cap Value(closed)	B	3.9	4.7	28.4	60 Baron Asset	S	4.8	2.3	-6.5
11 Oakmark Small Cap	B	4.6	7.3	19.7	61 Fidelity Equity-Income	S	4.1	0.8	-1.9
12 Fidelity Small Cap Ind.(1.5%	B	0.1	11.1	14.1	62 Vanguard SmallCap Index+	H	-0.2	1.5	2.2
13 Neuberger Berman Genesis	B	3.5	7.9	14.9	63 Neuberger Berman Partners	S	2.7	1.2	-2.0
14 Aegis Value Fund	B	-0.8	8.6	19.6	64 RS Partners	H	-1.6	0.1	7.0
15 Clipper Fund	B	3.5	8.0	13.6	65 Salomon Brothers Opportunity	S	2.3	-0.2	0.1
16 Loomis Sayles Small Cap Value	B	3.1	7.2	16.2	66 Dreyfus Fund	S	2.7	1.8	-5.3
17 Boston Ptnrs Smlcap Val	B	0.9	3.1	28.1	67 Strong Advisor Common Stock	S	0.6	2.3	-3.8
18 Royce Low Priced Stock	B	0.2	8.6	14.3	68 Fidelity Dividend Growth	S	2.0	0.3	-1.1
19 Vontobel U.S. Value	B	4.3	6.3	13.6	69 Gabelli Asset	S	3.7	-1.2	0.0
20 Royce Total Return	B	3.5	6.3	14.9	70 Dreyfus Appreciation	S	3.0	1.0	-4.6
21 Berger Mid Cap Value	B	1.8	6.5	16.0	71 UMB Scout Stock	S	3.0	0.8	-4.3
22 Thompson Plumb Growth	B	2.1	6.0	16.5	72 Fidelity New Millennium(3%)	S	-2.5	5.3	-8.0
23 T. Rowe Price Cap Appreciation	B	4.6	5.6	13.6	73 INVESCO Value Equity	S	3.1	-0.5	-1.8
24 Pennsylvania Mutual+(1%)	B	2.3	6.3	15.3	74 Fidelity Equity-Income II	S	2.5	0.1	-2.6
25 American Century Value	B	4.6	5.3	13.9	75 Mutual Qualified(1%)CIZ	H	2.0	-3.0	5.5
26 Heartland Value	B	-1.3	5.4	20.7	76 Vanguard Explorer+	H	-1.4	1.4	-1.0
27 Ariel Fund	B	2.9	5.6	13.0	77 Vanguard Growth Index +	S	0.9	1.9	-5.8
28 Vanguard Small-Cap Value Index	H	2.3	6.0	12.9	78 T.Rowe Price Mid Cap Growth	S	0.4	0.6	-1.8
29 American Century Equity Income	B	3.4	4.8	14.0	79 Fidelity Growth & Income(3%)	S	2.4	-0.3	-3.2
30 Longleaf Partners	H	4.8	3.1	13.7	80 Tweedy, Browne American	S	2.5	-2.4	1.9
31 Fidelity Value	H	4.4	4.6	10.6	81 Fidelity Contrafund(3%)	H	2.6	-0.3	-3.6
32 Wasatch Small Cap Growth+	B	-3.6	6.5	16.8	82 CS Warburg Pincus Value	S	3.5	-1.8	-1.9
33 Baron Small Cap	H	1.8	5.9	8.1	83 Strong Multicap Value	S	2.8	-1.9	-0.9
34 Oakmark Select(closed)	B	2.2	1.8	16.5	84 William Blair Growth	S	1.7	0.8	-6.1
35 T. Rowe Price Small Cap Stock	H	0.6	5.1	10.5	85 Legg Mason Special Investment	S	-2.5	1.2	-1.1
36 Eclipse Small Cap Value	B	1.6	3.6	12.7	86 T. Rowe Price Growth & Income	S	1.3	-0.6	-2.7
37 Baron Growth	H	2.0	3.0	13.4	87 Sound Shore	S	3.3	-3.6	2.0
38 Dodge & Cox Stock	H	3.7	2.9	11.2	88 Fidelity Independence(ret.only)	S	2.2	3.5	-14.2
39 Royce Premier	H	2.1	4.5	7.9	89 Mutual Shares(1%)CIZ	H	1.9	-3.1	2.5
40 Muhlenkamp Fund	H	3.5	1.9	10.5	90 Vanguard Windsor II	S	3.9	-2.3	-2.5
41 T. Rowe Price New Era	H	8.5	2.2	2.1	91 Mutual Beacon(1%)CIZ	H	1.9	-3.2	2.6
42 Homestead Value	H	4.6	2.5	6.6	92 Loomis Sayles Value	S	2.7	-1.6	-2.8
43 Meridian Fund	H	-2.3	3.6	14.0	93 Needham Growth Fund	S	-2.3	1.1	-2.2
44 Vanguard Mid-Cap Index+	H	2.4	4.0	4.7	94 Neuberger Berman Guardian	S	2.2	-1.7	-2.3
45 T. Rowe Price Equity-Income	H	4.8	1.8	6.2	95 Marsico Focus	S	0.4	1.9	-8.4
46 Oakmark Fund	H	3.0	0.6	11.8	96 Marsico Growth & Income	S	0.7	1.7	-9.0
47 Dreyfus Mid Cap Index	H	2.4	3.6	4.0	97 Federated Kaufmann Fund+	H	-0.2	-2.7	3.3
48 Fidelity Fifty+	H	6.8	2.7	-0.2	98 American Century Income &	S	2.2	-1.2	-4.3
49 Bogle Small Cap Growth	H	1.3	2.2	8.9	99 Vanguard PRIMECAP(\$25,000)	S	2.3	-0.9	-5.3
50 Vanguard Windsor	H	3.2	2.6	4.8	100 INVESCO Equity Income	S	2.5	-0.7	-6.7

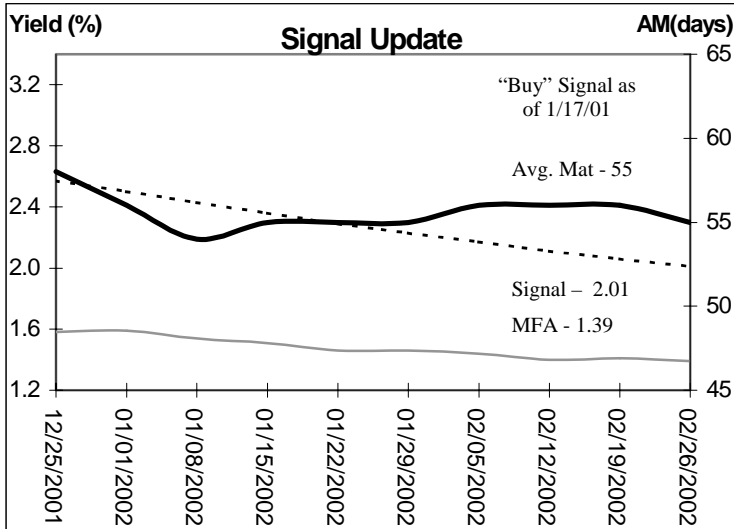
DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 03/01/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 Scudder Growth & Income	S	2.0	-1.4	-4.4	151 Fidelity Mid-Cap Stock+	S	-1.1	-3.0	-9.0
102 USAA Growth & Income	S	2.8	-1.9	-4.6	152 Vanguard/Morgan Growth+	S	0.1	-2.3	-12.4
103 T. Rowe Price Growth Stock	S	1.3	-0.1	-7.1	153 Scudder Capital Growth AARP	S	0.6	-1.9	-14.6
104 Fidelity Convertible Securities	S	-0.8	-0.6	-2.9	154 Columbia Common Stock	S	1.4	-4.1	-11.9
105 PBHG Small Cap Value	S	-0.8	-1.6	-0.6	155 American Century Select+	S	1.0	-3.7	-12.3
106 Dreyfus New Leaders	S	1.8	-2.3	-2.9	156 Vanguard Capital Opportunity	S	-0.7	-4.4	-8.5
107 Vanguard Extended Market Index	S	-0.2	0.2	-6.2	157 Babson Growth+	S	-0.7	-2.0	-15.2
108 Fidelity Disciplined Equity	S	2.0	-0.5	-8.1	158 Janus Venture (closed)	S	-2.2	-3.3	-10.2
109 Strong Opportunity+	S	0.9	-0.7	-5.9	159 Vanguard Value Index	S	2.6	-6.2	-10.9
110 American Century Ultra+	S	2.2	-0.6	-8.5	160 Vanguard Convertible Securities	S	-3.1	-4.5	-6.8
111 ICM/Isabelle Small Cap Value	S	0.5	-3.4	1.0	161 T. Rowe Price New America	S	-1.4	-3.2	-14.0
112 MSI Small Cap Value(closed)	S	0.0	-2.3	-1.0	162 Janus Special Situation	S	3.1	-3.6	-20.0
113 Artisan Midcap+	S	0.5	0.3	-8.6	163 Liberty-SteinRoe Growth Stock	S	-1.2	-6.4	-6.9
114 Vanguard Growth & Income	S	1.5	-1.4	-6.4	164 Neuberger Berman Focus+	S	-4.9	-3.1	-10.5
115 Liberty-SteinRoe Balanced	S	1.2	-1.7	-5.5	165 Columbia Special+	S	-1.2	-3.4	-15.8
116 Northeast Investors Growth	S	2.2	-1.3	-8.4	166 Fidelity OTC Portfolio+	S	-4.1	-1.5	-16.5
117 Schwab 1000 Fund	S	1.6	-1.2	-7.9	167 Montgomery Growth	S	0.0	-5.1	-15.0
118 Nicholas II	S	-1.8	0.3	-6.7	168 Galaxy Equity Growth(3.75%)	S	0.5	-5.1	-16.2
119 WPG Large Cap Growth	S	1.0	0.5	-11.8	169 USAA Growth	S	-1.4	-3.1	-19.1
120 Dreyfus Growth & Income	S	2.0	-2.5	-6.2	170 CS Warburg Pincus Emerging	S	-2.8	-3.2	-16.8
121 Dreyfus Growth Opportunity	S	1.1	-1.3	-8.2	171 Scudder Large Company Growth	S	-0.1	-5.3	-15.9
122 Fidelity Capital Appreciation	S	0.8	-2.3	-5.3	172 Legg Mason Opportunity Trust	S	-2.1	-7.4	-8.4
123 Harbor Capital Appreciation+	S	1.2	-0.1	-11.7	173 RS Aggressive Growth+	S	-2.8	-3.1	-19.7
124 Fidelity Spartan 500 Index	S	1.8	-2.0	-8.0	174 American Century Heritage	S	1.5	-7.5	-15.7
125 Vanguard 500 Index	S	1.8	-2.0	-8.0	175 Janus Twenty(closed)	S	0.7	-5.2	-21.0
126 American Century Growth+	S	-0.3	-0.4	-8.8	176 Strong Large Cap Growth	S	-0.9	-5.3	-18.6
127 Weitz Value Fund	S	0.6	-4.2	-0.8	177 Janus Fund	S	2.0	-6.1	-21.4
128 Fidelity Stock Selector	S	1.0	-1.6	-7.9	178 Columbia Growth+	S	-1.6	-5.1	-19.0
129 Fidelity Trend	S	1.4	-2.2	-7.5	179 Gabelli Growth	S	-1.5	-5.4	-19.1
130 Preferred Growth	S	1.4	-0.5	-11.8	180 American Century Vista	S	-0.2	-7.4	-16.5
131 Safeco Equity	S	1.7	-2.4	-7.9	181 Galaxy Small Co. Equity(3.75%)	S	-4.8	-8.3	-8.7
132 Salomon Brothers Capital(closed)	S	-0.5	-3.0	-3.3	182 Dreyfus Premier Aggressive	S	-2.8	-6.0	-17.8
133 Bonnel Growth Fund	S	0.6	1.6	-16.7	183 Oberweis Emerging Growth+	S	-7.4	-6.6	-9.6
134 T. Rowe Price New Horizons	S	-2.1	-1.2	-6.0	184 Vanguard Growth Equity	S	-2.1	-6.1	-20.3
135 MSI Mid Cap Value	S	0.2	-3.1	-4.9	185 RS Value+Growth+	S	-2.5	-6.1	-22.7
136 Safeco Growth Opportunities+	S	-8.2	-1.7	4.2	186 Fidelity Growth Company+	S	-3.1	-7.7	-17.9
137 American Century Equity Growth	S	1.5	-2.7	-7.9	187 Dreyfus-Founders Discovery	S	-7.1	-5.7	-17.1
138 Galaxy Equity Value(3.75%)	S	-0.9	-3.3	-2.8	188 Neuberger Berman Manhattan	S	-1.0	-6.8	-23.5
139 Preferred Value	S	2.6	-4.7	-4.5	189 Berger Large Cap Growth	S	-1.5	-6.6	-23.4
140 Fidelity Fund	S	1.1	-2.8	-7.7	190 RS Diversified Growth	S	-11.5	-5.7	-11.2
141 Selected Special Shares	S	1.9	-1.6	-12.3	191 CS Warburg Pincus Capital	S	-1.4	-7.9	-21.7
142 Fidelity Magellan(3%)	S	1.6	-3.1	-8.5	192 WPG Tudor	S	-6.2	-7.6	-15.5
143 Liberty-SteinRoe Capital Opportu-	S	0.9	0.2	-16.0	193 TCW Galileo Aggressive	S	-4.9	-3.5	-27.7
144 Selected American Shares	S	1.5	-3.1	-9.1	194 Dreyfus Premier Third Century	S	-1.6	-8.4	-20.5
145 Janus Growth & Income	S	2.2	-3.0	-10.6	195 MSI Midcap Growth	S	-1.4	-6.3	-26.5
146 Nicholas Fund	S	0.0	-2.4	-9.8	196 SIT Large Cap Growth	S	-1.9	-7.0	-24.4
147 Domini Social Equity Fund +	S	0.4	-3.1	-8.8	197 Berger Growth	S	-2.4	-6.1	-28.9
148 Fidelity Blue Chip Growth	S	0.4	-2.4	-11.2	198 Turner Midcap Growth+	S	-5.5	-6.8	-22.6
149 Scudder Large Co Value	S	2.3	-4.6	-8.8	199 SIT Small Cap Growth+	S	-2.3	-8.3	-24.4
150 Salomon Brothers Investors	S	0.3	-4.2	-7.6	200 INVESCO Dynamics+	S	-4.9	-5.3	-28.4

International Stock Funds — data as of 03/01/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Oakmark Global (2%r)	B	2.5%	10.6%	18.5%	36 Columbia International Stock	S	2.7	-7.9	-15.3
2 Fidelity Emerging Mkts(3%&1.5%	B	4.3	14.7	-0.3	37 Vanguard European Stock Index	S	2.2	-7.4	-16.4
3 Vanguard Emerging Mkts Stock	B	5.3	12.8	1.8	38 CS Warburg Pincus Japan	S	2.2	-3.2	-28.1
4 Fidelity SE Asia(3%&1.5%r<90d)	B	1.8	16.7	-3.4	39 Galaxy International Equity	S	4.5	-7.9	-21.6
5 T. Rowe Price New Asia	B	3.9	16.6	-7.7	40 Schwab International Index	S	3.1	-8.8	-18.4
6 T. Rowe Price Latin America	H	8.3	9.4	1.7	41 Loomis Sayles International	S	2.5	-9.4	-17.6
7 Scudder Latin America	H	9.1	8.2	1.0	42 Scudder Global Discovery	S	-1.9	-6.5	-22.4
8 Montgomery Emerging Mkts	B	3.6	12.6	-2.3	43 Strong International Stock	S	0.8	-10.3	-19.9
9 Fidelity Latin Amer.(3%&1.5%	H	8.8	9.3	-2.0	44 Scudder Greater Europe	S	1.9	-11.3	-20.4
10 Matthews Pacific Tiger	B	1.5	12.7	-0.6	45 American Century Intl Growth	S	2.0	-10.4	-23.1
11 Oakmark Intl Small Cap	B	4.2	7.4	8.1	46 Scudder International	S	3.4	-12.4	-21.4
12 Scudder Pacific Opportunity	B	1.2	11.2	-7.6	47 Investec China & Hong Kong	S	-2.2	-6.5	-28.3
13 Oakmark International	B	4.9	1.3	-0.7	48 Babson-Stewart Ivory Intl	S	1.5	-10.3	-26.5
14 Tweedy, Browne Global Value	B	3.1	-1.0	-1.9	49 Vanguard Pacific Stock Index	S	6.5	-14.7	-23.8
15 Fidelity Worldwide	H	2.0	-0.6	-3.5	50 Vontobel International Equity	S	1.3	-13.0	-24.4
16 Harbor International	B	5.4	-1.2	-7.2	51 Aetna Intl Growth(Advisor1%)	S	-1.9	-10.3	-26.4
17 Lingleaf Partners International	H	2.9	-4.0	1.7	52 T. Rowe Price Intl Discovery	S	1.3	-13.2	-25.5
18 Fidelity Europe(3%&1%r<90d)	H	1.9	1.3	-12.1	53 SIT International Growth	S	-1.3	-13.5	-30.0
19 Julius Baer Intl. Equity A	H	3.2	-1.6	-10.1	54 Japan Fund (Scudder)	S	8.4	-20.1	-28.3
20 Fidelity Diversified International	H	3.3	-2.7	-8.6	55 Fidelity Japan(3%&1.5%r<90d)	S	6.8	-19.5	-30.9
21 USAA International	H	3.7	-3.9	-10.3	56 INVESCO European	S	0.8	-15.0	-33.1
22 Fidelity International G & I	H	3.0	-3.6	-12.0	57 Payden European Aggressive	S	-5.6	-10.5	-36.1
23 Fidelity Pacific Basin(3%&1.5%	H	5.2	-3.9	-15.7	58 T. Rowe Price Japan	S	4.9	-20.4	-31.0
24 USAA World Growth	H	2.5	-3.4	-13.4	60 Matthews Japan Fund	S	2.3	-21.4	-30.7
25 Fidelity Overseas	S	5.0	-4.9	-15.3	Domestic Stock Funds (cont.)				
26 Scudder Global	H	3.0	-6.2	-12.1	201 Strong Growth	S	-2.2	-8.7	-24.7
27 Janus Overseas(closed)	S	2.3	-3.3	-19.7	202 INVESCO Small Company	S	-5.7	-8.5	-20.5
28 Vanguard International Growth	S	2.5	-5.5	-16.0	203 SIT Mid Cap Growth+	S	-2.8	-7.3	-29.6
29 T. Rowe Price European	S	2.6	-6.6	-14.0	204 Vanguard U.S. Growth	S	-4.0	-7.6	-27.5
30 Preferred International	H	2.9	-8.8	-9.1	205 Gintel Fund	S	1.4	-12.8	-24.3
31 Artisan International	S	1.9	-7.3	-12.1	206 Scudder Development+	S	-5.8	-5.9	-31.4
32 Janus Worldwide(closed)	S	2.3	-5.1	-18.5	207 USAA Aggressive Growth	S	-2.4	-10.2	-26.0
33 CS Warburg, Pincus Intl Equity	S	1.1	-5.6	-16.3	208 Janus Mercury+	S	-3.9	-9.6	-25.8
34 T. Rowe Price Intl Stock	S	3.3	-6.7	-17.5	209 Legg Mason Value	S	-3.9	-15.1	-14.9
35 American Century Global Growth	S	1.7	-5.4	-18.9	210 RS Emerging Growth(closed)	S	-8.1	-9.6	-23.1



The Signal - For the week ended February 26 iMoneyNet Inc.'s Money Fund Report Averages/All Taxable 7-day yield (MFA) decreased by two basis point to 1.39% and the MONEYLETTER Signal dipped by five basis points to 2.01%. The average maturity decreased one day by 55 days.

The MFA is below the Signal number and the current status is "in" the market. Signal investors should be 100% in aggressive domestic stock funds.

Safeco Growth Opportunities was sold on Tuesday 2/26 Hotline. We will switch the proceeds to Fidelity Fifty.

Next Issue will be Wednesday, March 13, 2002 by Midnight (ET).