

MONEYLETTER HOTLINE 3/12/02

Profit Taking Kicks In

The market is acting tired after the strong gains of last week, and who can fault investors for that? We have had our rally in response to the evidence that the economy has turned up. The evidence was capped by Chairman Greenspan's statement that the economy has moved into the phase of expansion. But as stock prices have been pushed up, Wall Street wants new reasons to move prices higher, and those reasons must come from company projections and higher profit reports. They will come.

But the opposite came today, for example, from two telecom related companies, Lucent and Nokia. That is not the kind of news to feed a new rally. There is not much economic news either. Technically, the stock market is overbought and is due for some profit-taking. We believe the next rally will be sparked by positive news on the earnings front. It will take some time before that occurs. The good news is that the Wall Street consensus view is running behind the economy and we expect continued upside surprises as the year goes on. This always makes for higher prices.

There is no change in our recommended allocations.

Fund Recommendations – For domestic stock funds, there are four new holds: Eclipse Small Cap Value, Vontobel U.S. Value, Ariel Fund and T. Rowe Price Capital Appreciation. For international stock funds, there are two new holds: Harbor International and Tweedy, Browne Global Value. There is one new sell: Preferred International.

The Economy – There has been little new economic news so far this week. Store sales the first week of this month were down compared to last month, according to the weekly surveys. We believe that growth this year will surprise Wall Street on the upside.

The Stock Market – The six month rally since September 11 is beginning to affect the rankings in our fund system. We expect to see some growth funds rise as some value funds lose position. There is some sign the move is underway. We look for higher prices over the rest of this year.

The Bond Market – The bond market has calmed down slightly after swooning at the employment report. We continue to see yields holding in the 5% area for a time. As growth accelerates yields will move somewhat higher over the next 3-4 months.

MONEYLETTER HOTLINE 3/08/02

Recession Over Says Chairman

Mr. Greenspan declared the recession over on Thursday and today's employment report gave further confirmation to that fact. We have entered a new phase of the market. We can look forward to rising profits and to rising interest rates. The question for Wall Street now is how much of a rise in both cases. In the short-run the answers won't make much difference as investors become less defensive as the economic news improves, and improve it will. But how far the market will go over the rest of this year will depend on the answers.

With the end of the bear market we expect that there will be a change of leadership in the market. Value dominated last year and it served us well. It is probable that growth will make a comeback this year and next. As for the stock market right now, the technicians are saying that stocks are overbought, and are due for some profit-taking. That may explain the Dow's relative weakness this afternoon. Despite the market's daily ups and downs we are in a very favorable period for stocks. We look for higher prices from here as the year goes on.

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 employment report, while positive, was not a blockbuster. What it basically showed is that the downward pressure has evaporated, but there is little sign yet of upward pressure replacing it. Actually today's numbers suggest that activity this quarter, while positive, will still be subdued. The economy is taxiing, but it hasn't yet taken off.

The Stock Market – We expect we will see changes in portfolio allocation by institutions toward a more aggressive position. It will be necessary to keep an eye on the bond market now that the bond market has turned pessimistic. The stock market's valuation is now a critical issue.

The Bond Market – The bond market went into a tizzy today over the employment number. The 10-year yield rose over 5 1/4%. As periodically happens, we think the bond market over-reacted. At worst we look for yield to hold in this area.

Domestic Stock Funds — data as of 03/08/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Wasatch Core Growth+(closed)	H	16.5%	15.2%	35.9%	51 T. Rowe Price Cap Appreciation	H	5.4	7.0	12.5
2 Wasatch Small Cap Value(closed)	B	13.6	15.7	37.2	52 Vanguard Windsor	H	10.9	7.5	2.9
3 TCW Galileo Value Opportunity	B	12.0	18.7	29.5	53 Vanguard SmallCap Index+	H	8.2	7.3	7.0
4 Buffalo Small Cap (closed)	B	7.5	16.8	33.9	54 Strong Discovery+	H	8.1	7.9	5.3
5 T.Rowe Price Mid Cap Value	B	9.0	16.1	21.1	55 Westport Small Cap R	H	5.7	8.6	7.1
6 Fidelity Low Priced Stock(3%)	B	6.6	15.8	23.7	56 Homestead Value	H	8.6	6.2	7.7
7 Berwyn Fund	B	7.2	12.7	28.9	57 RS Partners	H	6.6	6.0	10.9
8 Fidelity Small Cap Ind.(1.5%	B	6.3	17.4	17.8	58 ICM/Isabelle Small Cap Value	H	10.6	4.2	9.2
9 T. Rowe Price Small-Cap Value	B	6.7	13.9	25.2	59 Harbor Value	H	10.1	5.1	7.6
10 Oakmark Small Cap	B	7.7	13.0	23.6	60 Neuberger Berman Partners	H	9.8	7.8	1.2
11 Legg Mason Special Investment	H	15.2	13.1	10.8	61 Vanguard Explorer+	H	8.2	7.4	4.5
12 Ariel Appreciation	B	9.8	12.1	21.5	62 Longleaf Partners Smallcap	H	9.1	5.4	8.0
13 Vanguard Small-Cap Value Index	H	10.1	13.7	15.5	63 Oakmark Fund	H	7.8	4.4	11.2
14 Royce Low Priced Stock	B	7.3	13.4	20.2	64 T.Rowe Price Mid Cap Growth	S	8.1	7.2	3.3
15 Berger Mid Cap Value	B	8.2	12.8	18.2	65 T. Rowe Price Equity-Income	H	8.8	5.7	6.0
16 Thompson Plumb Growth	B	10.0	11.1	19.5	66 T. Rowe Price New Era	H	10.4	6.8	0.8
17 Wasatch Small Cap Growth+	B	4.0	11.6	25.9	67 William Blair Growth	S	10.3	7.6	-1.2
18 Loomis Sayles Small Cap Value	B	9.0	11.6	18.3	68 Galaxy Equity Value(3.75%)	S	10.6	5.1	3.5
19 Yacktman Fund	B	4.2	13.0	19.5	69 MSI Value Portfolio	H	9.7	4.3	5.6
20 Muhlenkamp Fund	H	13.4	8.7	16.3	70 T. Rowe Price New Horizons	S	8.9	6.0	2.3
21 Neuberger Berman Genesis	B	7.4	12.4	15.3	71 Baron Asset	S	9.1	8.0	-3.3
22 Boston Ptrns Smlcap Val	B	5.3	7.1	30.9	72 T. Rowe Price Dividend Growth	H	7.7	6.1	2.1
23 Pennsylvania Mutual+(1%)	B	7.4	10.3	19.3	73 Fidelity Equity-Income	S	10.3	6.1	-2.2
24 Royce Total Return	B	8.2	10.4	17.7	74 Strong Opportunity+	S	9.5	6.3	-1.9
25 Aegis Value Fund	B	2.1	11.0	23.7	75 MSI Mid Cap Value	S	11.2	4.3	-0.4
26 Clipper Fund	B	6.7	11.7	14.2	76 Neuberger Berman Guardian	S	9.5	4.8	0.7
27 T. Rowe Price Small Cap Stock	H	7.4	10.5	15.3	77 Fidelity Equity-Income II	S	8.3	5.8	-0.1
28 Royce Opportunity+	H	9.7	9.4	13.9	78 Vanguard Extended Market	S	8.1	6.0	-0.4
29 American Century Value	B	9.2	9.4	14.3	79 PBHG Small Cap Value	S	8.0	4.4	3.9
30 Royce Premier	H	9.5	9.4	13.3	80 Safeco Growth Opportunities+	S	5.2	3.0	11.2
31 Fidelity Value	H	10.2	9.8	10.1	81 Vanguard Equity-Income	H	8.5	5.1	0.9
32 Vanguard Mid-Cap Index+	H	10.0	10.2	8.9	82 Dreyfus Fund	S	7.1	7.1	-2.0
33 Heartland Value	B	3.6	8.7	21.7	83 INVESCO Value Equity	S	9.0	4.8	0.5
34 Dreyfus Mid Cap Index	H	10.1	9.9	8.2	84 T. Rowe Price Growth & Income	S	8.5	5.2	-0.5
35 Neuberger Berman Focus+	H	13.0	10.1	2.9	85 Strong Multicap Value	S	9.9	3.8	0.7
36 American Century Equity Income	B	7.3	8.0	15.0	86 Gabelli Asset	S	9.7	3.5	1.8
37 Meridian Fund	H	5.3	7.7	18.6	87 Artisan Midcap+	S	9.2	5.8	-3.8
38 Legg Mason Opportunity Trust	H	20.1	5.0	1.9	88 Fidelity Dividend Growth	S	7.4	5.6	-1.1
39 Bogle Small Cap Growth(closed)	H	5.8	7.9	15.6	89 Vanguard Growth Index +	S	4.6	7.1	-1.0
40 Baron Growth	H	5.8	7.5	16.5	90 T. Rowe Price Growth Stock	S	7.6	5.8	-3.2
41 Oakmark Select(closed)	B	8.3	5.8	17.1	91 Fidelity OTC Portfolio+	S	6.8	7.5	-6.6
42 Eclipse Small Cap Value	H	6.1	8.0	14.7	92 American Century Income &	S	8.1	4.4	-1.1
43 Vontobel U.S. Value	H	5.6	9.2	11.9	93 Babson Value	S	6.9	2.9	4.3
44 Ariel Fund	H	5.8	7.7	15.0	94 Scudder Growth & Income	S	7.7	4.4	-1.2
45 Strong Advisor Common Stock	H	10.6	9.5	1.4	95 USAA Growth & Income	S	8.8	4.1	-2.1
46 Baron Small Cap	H	4.6	9.5	10.0	96 Marsico Focus	S	4.7	7.4	-4.7
47 Dodge & Cox Stock	H	8.2	7.1	10.2	97 Northeast Investors Growth	S	8.0	5.3	-4.5
48 Needham Growth Fund	H	7.9	8.5	6.2	98 Vanguard PRIMECAP(\$25,000)	S	8.6	4.0	-2.2
49 Longleaf Partners	H	8.1	5.2	14.3	99 Fidelity Capital Appreciation	S	8.5	3.8	-1.8
50 Fidelity New Millennium(3%)	H	4.5	13.2	-1.0	100 Dreyfus New Leaders	S	7.3	3.6	0.6

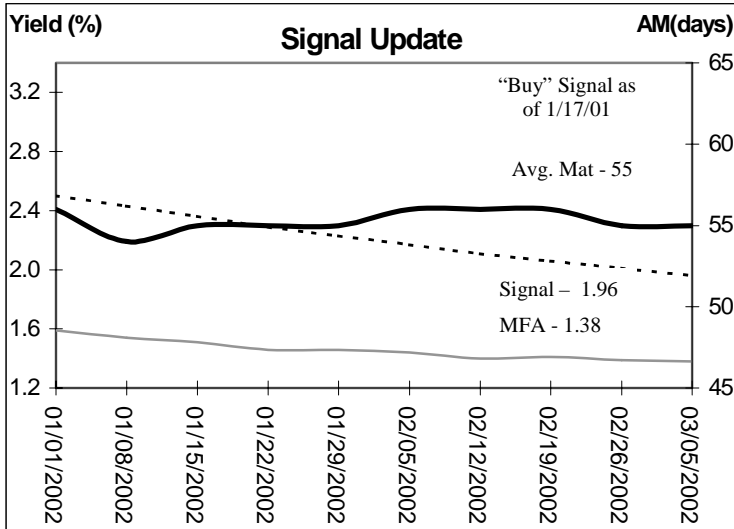
DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 03/08/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 Loomis Sayles Value	S	9.1	3.3	-1.7	151 Gabelli Growth	S	8.5	4.8	-13.4
102 Liberty-SteinRoe Capital Opportu-	S	8.9	6.4	-9.4	152 Fidelity Mid-Cap Stock+	S	7.3	2.6	-6.2
103 Nicholas II	S	5.5	5.2	-1.6	153 Fidelity Blue Chip Growth	S	5.9	3.5	-6.7
104 Dreyfus Appreciation	S	5.9	5.4	-2.7	154 Babson Growth+	S	5.9	4.4	-9.2
105 MSI Small Cap Value(closed)	S	7.6	2.7	1.3	155 Fidelity Contrafund(3%)	S	4.6	2.5	-2.7
106 WPG Large Cap Growth	S	6.2	7.1	-7.7	156 Scudder Capital Growth AARP	S	6.0	4.7	-10.4
107 Janus Special Situation	S	14.9	4.1	-13.7	157 Janus Growth & Income	S	8.3	2.0	-7.7
108 Schwab 1000 Fund	S	7.6	4.6	-4.1	158 Vanguard/Morgan Growth+	S	6.4	3.2	-8.0
109 Vanguard Windsor II	S	9.8	2.8	-2.9	159 Columbia Common Stock	S	8.7	1.9	-8.1
110 Selected Special Shares	S	8.4	5.5	-7.8	160 Mutual Beacon(1%)CIZ	S	5.4	-0.6	2.9
111 Federated Kaufmann Fund+	S	4.7	2.6	5.1	161 Mutual Shares(1%)CIZ	S	5.4	-0.4	2.2
112 TCW Galileo Aggressive Growth+	S	12.2	6.5	-16.5	162 Nicholas Fund	S	6.3	2.7	-7.0
113 Vanguard Growth & Income	S	7.2	4.1	-3.0	163 Scudder Large Co Value	S	8.7	0.7	-6.3
114 Salomon Brothers Opportunity	S	6.3	3.5	-0.2	164 Vanguard Value Index	S	10.8	0.1	-8.2
115 Tweedy, Browne American Value	S	6.9	2.1	2.3	165 Fidelity Fund	S	5.6	1.5	-4.2
116 Fidelity Fifty+	H	4.5	5.8	-3.5	166 Salomon Brothers Capital	S	3.8	0.8	-0.7
117 Salomon Brothers Investors	S	9.0	3.1	-3.6	167 Scudder Large Company Growth	S	6.8	1.8	-9.8
118 Dreyfus Growth & Income	S	8.1	3.4	-3.0	168 Liberty-SteinRoe Growth Stock	S	5.4	-0.7	-2.7
119 UMB Scout Stock	S	5.7	4.6	-2.7	169 Liberty-SteinRoe Balanced	S	3.8	-0.2	-2.3
120 American Century Ultra+	S	6.7	4.6	-4.2	170 Galaxy Equity Growth(3.75%)	S	7.8	1.4	-12.3
121 Fidelity Convertible Securities	S	5.5	3.5	0.0	171 Bonnel Growth Fund	S	3.3	3.9	-12.3
122 Vanguard 500 Index	S	7.6	3.8	-4.5	172 Dreyfus-Founders Discovery	S	5.4	1.2	-8.6
123 Fidelity Spartan 500 Index	S	7.6	3.8	-4.5	173 American Century Select+	S	5.5	1.5	-9.6
124 Marsico Growth & Income	S	4.5	6.3	-6.3	174 Janus Fund	S	9.3	1.6	-15.5
125 CS Warburg Pincus Value	S	8.5	2.0	-1.7	175 Turner Midcap Growth+	S	7.8	1.1	-12.4
126 Janus Venture (closed)	S	6.3	3.7	-2.8	176 INVESCO Dynamics+	S	8.1	3.2	-19.2
127 Safeco Equity	S	7.2	3.4	-3.9	177 Columbia Growth+	S	6.6	1.6	-13.3
128 RS Aggressive Growth+	S	10.1	5.1	-12.4	178 Columbia Special+	S	5.7	1.2	-11.0
129 Sound Shore	S	7.6	0.5	2.5	179 CS Warburg Pincus Emerging	S	6.2	0.1	-11.0
130 American Century Equity Growth	S	7.8	3.1	-4.2	180 Dreyfus Premier Aggressive	S	6.3	0.0	-11.3
131 INVESCO Equity Income	S	7.3	3.7	-5.0	181 Neuberger Berman Manhattan	S	9.2	0.0	-15.9
132 Fidelity Growth & Income(3%)	S	5.6	3.3	-1.7	182 Galaxy Small Co. Equity(3.75%)	S	4.4	-1.9	-4.3
133 Selected American Shares	S	9.2	2.8	-6.3	183 Vanguard Growth Equity	S	4.6	0.4	-12.0
134 Fidelity Stock Selector	S	6.5	3.7	-4.6	184 Montgomery Growth	S	4.8	0.1	-11.7
135 Dreyfus Growth Opportunity	S	6.5	3.8	-5.1	185 Janus Twenty(closed)	S	6.5	0.9	-16.2
136 Fidelity Disciplined Equity	S	5.9	4.2	-5.2	186 Scudder Development+	S	5.9	2.5	-21.4
137 Mutual Qualified(1%)CIZ	S	5.9	-0.2	5.6	187 Berger Large Cap Growth	S	7.0	0.7	-18.8
138 American Century Growth+	S	4.4	4.9	-4.7	188 RS Emerging Growth(closed)	S	8.0	-1.4	-15.2
139 Preferred Growth	S	6.0	5.6	-8.9	189 Vanguard Convertible Securities	S	1.7	-2.1	-5.2
140 USAA Growth	S	7.8	5.3	-11.1	190 Vanguard U.S. Growth	S	6.3	0.6	-18.7
141 Harbor Capital Appreciation+	S	5.9	5.5	-8.9	191 WPG Tudor	S	4.2	-2.0	-9.8
142 Vanguard Capital Opportunity	S	7.6	4.6	-9.3	192 American Century Heritage	S	7.0	-2.7	-12.9
143 Preferred Value	S	9.9	0.5	-2.9	193 Strong Large Cap Growth	S	4.0	0.0	-15.5
144 Fidelity Magellan(3%)	S	7.7	2.5	-5.1	194 Fidelity Growth Company+	S	5.6	-2.2	-12.6
145 Fidelity Independence(ret.only)	S	6.0	5.8	-11.0	195 RS Value+Growth+	S	6.2	-0.1	-19.5
146 Domini Social Equity Fund +	S	6.9	3.0	-5.2	196 Oberweis Emerging Growth+	S	0.5	-3.0	-3.6
147 Weitz Value Fund	S	7.8	0.2	0.3	197 SIT Mid Cap Growth+	S	7.9	-0.1	-22.1
148 T. Rowe Price New America	S	7.5	3.9	-8.9	198 SIT Large Cap Growth	S	6.0	-0.4	-19.2
149 Fidelity Trend	S	6.4	2.6	-4.5	199 Harbor Growth	S	3.7	2.3	-22.6
150 RS Diversified Growth	S	3.8	3.3	-2.5	200 Legg Mason Value	S	9.8	-6.4	-10.2

International Stock Funds — data as of 03/08/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Oakmark Global (2%r)	B	10.2%	16.6%	23.2%	36 Preferred International	S	8.9	-3.8	-5.3
2 Fidelity SE Asia(3%&1.5%r<90d)	B	8.2	23.5	6.7	37 Galaxy International Equity	S	11.7	-1.1	-16.8
3 Matthews Pacific Tiger	B	8.3	20.3	9.7	38 Matthews Japan Fund	S	23.4	-8.5	-16.1
4 Oakmark Intl Small Cap	B	10.0	13.8	13.5	39 Scudder Global	S	7.4	-1.5	-10.0
5 CS Warburg Pincus Japan Growth	H	24.0	14.0	-10.7	40 T. Rowe Price European	S	8.4	-1.2	-12.6
6 Fidelity Emerging Mkts(3%&1.5%	B	6.2	17.5	4.4	41 Columbia International Stock	S	9.1	-2.0	-11.8
7 T. Rowe Price New Asia	B	6.5	18.8	-3.0	42 Investec China & Hong Kong	S	6.7	1.3	-16.7
8 Scudder Pacific Opportunity	B	5.3	17.2	1.2	43 Schwab International Index	S	10.3	-2.3	-14.1
9 Vanguard Emerging Mkts Stock	B	5.8	14.1	2.8	44 Artisan International	S	6.8	-3.2	-9.6
10 Montgomery Emerging Mkts	B	4.9	14.7	0.2	45 Scudder Global Discovery	S	6.1	-0.3	-16.9
11 Oakmark International	B	11.0	8.1	2.8	46 American Century Global	S	6.1	-0.9	-16.5
12 T. Rowe Price Latin America	H	8.3	10.5	0.2	47 Loomis Sayles International	S	8.6	-4.1	-14.2
13 Scudder Latin America	H	9.1	9.3	-0.4	48 Strong International Stock	S	7.5	-5.8	-16.0
14 Fidelity Pacific Basin(3%&1.5%	H	17.1	5.8	-4.1	49 Babson-Stewart Ivory Intl	S	8.1	-3.7	-22.6
15 Fidelity Latin Amer.(3%&1.5%	H	8.6	9.4	-3.0	50 T. Rowe Price Japan	S	18.7	-10.7	-22.9
16 Fidelity Worldwide	H	9.6	6.0	1.5	51 Aetna Intl Growth(Advisor1%)	S	6.4	-3.9	-21.7
17 Fidelity Europe(3%&1%r<90d)	H	9.9	7.8	-7.3	52 Scudder International	S	9.0	-7.3	-17.6
18 Fidelity Overseas	H	15.4	3.6	-8.5	53 American Century Intl Growth	S	7.1	-5.8	-20.2
19 Fidelity International G & I	H	11.9	4.2	-5.4	54 Scudder Greater Europe	S	6.4	-6.7	-18.4
20 Julius Baer Intl. Equity A	H	10.0	5.2	-7.6	55 SIT International Growth	S	7.8	-6.5	-25.3
21 Fidelity Diversified International	H	8.9	4.9	-6.3	56 Vontobel International Equity	S	7.5	-8.8	-20.2
22 Harbor International	H	9.5	3.8	-5.3	57 INVESCO European	S	8.2	-9.0	-27.6
23 Tweedy, Browne Global Value	H	6.5	2.7	0.2	58 T. Rowe Price Intl Discovery	S	4.8	-9.6	-23.5
24 Longleaf Partners International	H	7.8	-0.6	4.9	60 Payden European Aggressive	S	0.6	-5.0	-32.8
25 Janus Overseas(closed)	H	10.2	3.9	-13.9	Domestic Stock Funds (cont.)				
26 USAA International	H	9.3	1.0	-6.4	201 Dreyfus Premier Third Century	S	4.9	-1.7	-15.7
27 USAA World Growth	H	8.7	1.6	-8.7	202 Montgomery Small Cap	S	8.3	-5.1	-12.8
28 Vanguard Pacific Stock Index	S	19.6	-3.7	-13.1	203 INVESCO Small Company	S	4.2	-2.5	-13.3
29 Vanguard European Stock Index	S	7.8	3.6	-14.8	204 Pin Oak Aggressive Stock+	S	11.0	-1.0	-28.2
30 Fidelity Japan(3%&1.5%r<90d)	S	25.6	-6.5	-16.3	205 INVESCO Endeavor+	S	7.6	1.5	-29.5
31 Japan Fund (Scudder)	S	26.6	-6.3	-19.0	206 Janus Mercury+	S	6.5	-2.3	-19.3
32 Janus Worldwide(closed)	S	9.3	1.4	-13.7	207 CS Warburg Pincus Capital	S	6.0	-2.7	-19.0
33 CS Warburg, Pincus Intl Equity	S	7.8	0.0	-10.9	208 SIT Small Cap Growth+	S	7.0	-3.5	-18.5
34 T. Rowe Price Intl Stock	S	10.5	-1.3	-13.0	209 MSI Midcap Growth	S	6.0	-1.6	-21.9
35 Vanguard International Growth	S	8.2	0.2	-13.1	210 TCW Galileo Small Cap Growth+	S	8.7	-4.1	-20.0



The Signal - For the week ended March 5 iMoneyNet Inc.'s Money Fund Report Averages/All Taxable 7-day yield (MFA) decreased by one basis point to 1.38% and the MONEYLETTER Signal dipped by five basis points to 1.96%. The average maturity remained at 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.

Signal Portfolio Funds: Royce Penn Mutual, Fidelity Fifty, Wasatch Small Cap Growth, Potomac Small Cap Plus.

Next Issue will be Wednesday, March 20, 2002 by Midnight (ET).