

MONEYLETTER HOTLINE 3/19/02

Fed Changes Bias

The Fed signaled today that the period of rate-cutting has ended. But since this came as no surprise, the market reaction was almost ho-hum. However, the Fed statement accompanying their shift to a neutral stance indicated that it is not yet convinced that the economy is on a sustainable growth path.

This is important, because until the Fed is so convinced we will not see any rate increases. The bond market had built in a high probability of a rate increase on May 7th, the next Fed meeting. But the market lowered the odds of a May 7th increase today and we think that is correct. In fact, we doubt there will be an increase on the 7th.

Meanwhile, the stock market continues its inch-by-inch advance. Some major companies confirmed their first quarter outlook lately including GM and Proctor & Gamble. Also analysts' estimate revisions turned positive last month for the first time in eighteen months. The warnings period for this quarter's earnings begins soon and we expect this season to be positive.

There is no change in our recommended allocations.

Fund Recommendations – For domestic stock funds, there is one new buy, Wasatch Core Growth (the fund is closed to new investors). There are two new holds: American Century Equity-Income and Oakmark Select. There is one new sell: Oakmark Fund. For international stock funds, there is one new sell: USAA World Growth. .

The Economy – The weekly store sales surveys show sales picked up last week after a slow start this month so far. Sales are still trailing last month's figures. As a result of last week's economic reports some Wall Street economists now look for activity this quarter to be much stronger than expected. We look for continued good economic numbers.

The Stock Market – The stock market needs confirmation from profit reports that valuations are not out of hand. We believe the earnings reports due out next month will be the catalyst the market needs to move higher. We look for higher prices over the rest of this year.

The Bond Market – The bond market ended up today despite the Fed shift to neutrality. The bond market had it right. The Fed statement was softer than could have been expected. We see long rates holding at about 5 ¼% after their recent rise.

MONEYLETTER HOTLINE 3/15/02

Wait-and-See

The domestic stock markets are continuing their wait-and-see attitude, preferring bottom-line evidence at the company level to today's positive news on the overall economy. Industrial production numbers climbed a very important hurdle this week and provided additional proof that the economy has turned up. The news on the economy was not all positive, as retail sales were below expectations.

Wall Street is concerned about the intensity of the recovery and wants to see upbeat earnings reports before it pushes stock prices higher. It will take a while for that to occur. But it won't be long before upside surprises spark the next big rally in stocks.

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 – Industrial production increased for the second straight month, and has clearly broken out of its 18-month slump. This suggests strong growth for the First Quarter.

Fed Chairman Greenspan sees recovery ahead, but at a less than robust pace. The retail sales numbers, which in our opinion are not a very reliable indicator of overall activity, prompted Greenspan to remind us that the consumer may pause one of these days. We believe that growth this year will surprise Wall Street on the upside.

The Stock Market – Stocks have held up this week, but have not responded to the industrial production news. Positive earnings reports will be the key to further gains. We look for higher prices over the rest of this year.

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.

The Bond Market – Due to the positive economic news, bonds have declined in price and the 10-year yield has climbed about 25 basis points over the last couple of weeks. The Fed may increase rates as early as May in response to the rebounding economy.

Domestic Stock Funds — data as of 03/15/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Wasatch Core Growth+(closed)	B	13.7%	22.0%	36.3%	51 Strong Advisor Common Stock	H	6.7	13.4	0.2
2 Wasatch Small Cap Value(closed)	B	12.3	20.8	37.5	52 William Blair Growth	H	5.1	14.6	-0.6
3 Buffalo Small Cap (closed)	B	3.6	22.5	34.0	53 Oakmark Select(closed)	H	5.0	9.1	13.3
4 TCW Galileo Value Opportunity	B	7.0	21.2	26.0	54 Vanguard Explorer+	H	4.7	12.5	5.3
5 CRM Mid Cap Value Ins	H	6.8	21.7	19.8	55 Harbor Value	H	7.5	9.7	8.0
6 Fidelity Low Priced Stock(3%)	B	4.9	18.7	29.9	56 Meridian Fund	H	2.4	9.8	15.5
7 Berwyn Fund	B	7.9	16.7	27.8	57 Westport Small Cap R	H	3.0	12.3	8.3
8 T.Rowe Price Mid Cap Value	B	6.8	20.0	20.3	58 Baron Asset	H	6.7	13.8	-1.8
9 Vanguard Small-Cap Value Index	H	7.4	18.6	22.2	59 Dodge & Cox Stock	H	6.0	10.2	8.5
10 Fidelity Small Cap Ind.(1.5%)	B	4.6	20.2	18.4	60 T.Rowe Price Mid Cap Growth	S	4.8	12.0	5.2
11 Oakmark Small Cap	B	8.1	16.2	23.2	61 Marsico Focus	S	4.6	14.8	-2.1
12 Royce Low Priced Stock	B	5.0	19.2	19.9	62 Homestead Value	H	7.3	10.0	5.5
13 T. Rowe Price Small-Cap Value	B	5.5	17.0	24.0	63 Neuberger Berman Partners	S	5.8	12.6	0.8
14 Wasatch Small Cap Growth+	B	1.4	16.1	27.5	64 T. Rowe Price New Horizons	S	4.5	11.6	4.4
15 Legg Mason Special Investment	H	10.3	17.8	9.0	65 Oakmark Fund	S	6.2	8.1	9.5
16 CRM Small Cap Value Inv	H	7.6	13.2	23.0	66 MSI Value Portfolio	S	7.3	9.0	5.2
17 Boston Ptrns Smlcap Val	B	8.1	10.2	29.5	67 Fidelity Equity-Income	S	7.2	8.8	5.3
18 Loomis Sayles Small Cap Value	B	6.3	15.5	18.5	68 T. Rowe Price Cap Appreciation	H	4.6	8.0	11.1
19 Berger Mid Cap Value	B	5.8	16.4	16.6	69 Fidelity New Millennium(3%)	H	-0.4	15.9	-1.9
20 Ariel Appreciation	B	6.0	14.9	19.7	70 T. Rowe Price Equity-Income	S	6.6	8.7	5.8
21 Muhlenkamp Fund	H	10.0	14.4	14.1	71 Longleaf Partners Smallcap	S	6.6	7.2	8.7
22 Baron Small Cap	H	3.4	18.3	13.7	72 Vanguard Equity-Income	S	6.2	7.6	7.5
23 Fidelity Value	H	7.9	13.4	17.2	73 Fidelity Dividend Growth	S	4.6	8.7	7.2
24 Heartland Value	B	3.8	13.4	23.0	74 T. Rowe Price Dividend Growth	S	5.4	10.1	2.4
25 Pennsylvania Mutual+(1%)	B	5.2	14.3	18.4	75 Vanguard Extended Market	S	4.8	10.8	1.1
26 Royce Total Return	B	6.1	14.1	17.6	76 Federated Kaufmann Fund+	S	4.4	8.1	8.1
27 Thompson Plumb Growth	B	6.2	14.2	17.0	77 T. Rowe Price New Era	H	9.6	9.0	-2.0
28 Neuberger Berman Genesis	B	4.9	15.7	14.3	78 RS Partners	H	5.9	6.9	8.7
29 Yacktman Fund	B	3.5	14.3	19.5	79 Janus Venture (closed)	S	2.6	11.6	2.0
30 T. Rowe Price Small Cap Stock	H	4.3	15.0	14.8	80 PBHG Small Cap Value	S	5.0	8.9	4.8
31 Royce Opportunity+	H	7.5	14.0	12.5	81 INVESCO Value Equity	S	6.2	9.6	1.1
32 American Century Value	B	6.7	13.5	14.4	82 Galaxy Equity Value(3.75%)	S	5.7	9.4	1.8
33 Royce Premier	H	6.7	14.2	12.3	83 Dreyfus Fund	S	4.3	11.6	-1.8
34 Aegis Value Fund	B	2.0	11.9	23.9	84 Needham Growth Fund	H	3.1	9.7	3.7
35 Vanguard Mid-Cap Index+	H	6.3	14.9	9.5	85 Northeast Investors Growth	S	5.6	10.5	-2.3
36 Clipper Fund	B	4.9	13.7	13.5	86 Marsico Growth & Income	S	3.5	12.7	-4.7
37 Dreyfus Mid Cap Index	H	6.3	14.6	8.9	87 T. Rowe Price Growth Stock	S	4.5	11.0	-2.2
38 Ariel Fund	H	4.5	12.4	15.8	88 Nicholas II	S	2.3	10.9	1.0
39 Baron Growth	H	4.1	11.7	17.8	89 T. Rowe Price Growth & Income	S	5.0	9.5	-0.1
40 Eclipse Small Cap Value	H	4.8	12.4	14.7	90 Salomon Brothers Opportunity	S	3.7	9.8	1.1
41 Neuberger Berman Focus+	H	6.9	16.6	-0.4	91 Neuberger Berman Guardian	S	6.3	8.5	-0.3
42 American Century Equity Income	H	5.1	10.3	14.6	92 Vanguard Growth Index +	S	2.1	10.7	0.4
43 Longleaf Partners	H	8.8	9.7	10.4	93 Babson Value	S	5.9	7.3	2.8
44 Bogle Small Cap Growth(closed)	H	4.9	10.8	13.0	94 Vanguard Windsor II	S	7.6	5.5	4.0
45 Vontobel U.S. Value	H	2.7	12.3	12.6	95 MSI Mid Cap Value	S	6.4	8.2	-1.1
46 ICM/Isabelle Small Cap Value	H	9.9	9.8	7.8	96 Strong Opportunity+	S	5.4	10.6	-5.7
47 Vanguard SmallCap Index+	H	4.9	12.7	7.5	97 Strong Multicap Value	S	8.2	6.9	-0.8
48 Vanguard Windsor	H	6.6	10.7	10.1	98 Tweedy, Browne American	S	5.5	6.7	3.3
49 Legg Mason Opportunity Trust	H	14.3	10.4	-2.1	99 American Century Ultra+	S	4.3	9.9	-3.1
50 Strong Discovery+	H	5.5	12.6	5.3	100 Gabelli Asset	S	6.4	6.7	1.3

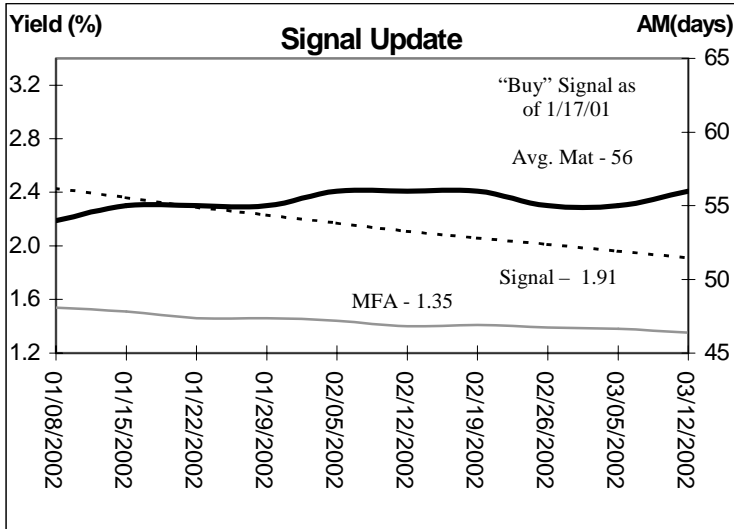
DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 03/15/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 American Century Income &	S	5.1	8.3	-1.1	151 Fidelity Contrafund(3%)	S	3.5	6.0	-2.1
102 Safeco Growth Opportunities+	S	1.6	5.4	11.2	152 Fidelity Trend	S	3.7	6.7	-4.2
103 Dreyfus Appreciation	S	4.6	8.8	-1.8	153 Fidelity Blue Chip Growth	S	2.8	7.9	-6.1
104 Fidelity Equity-Income II	S	4.6	8.4	-1.5	154 Scudder Capital Growth AARP	S	2.7	9.6	-10.2
105 WPG Large Cap Growth	S	2.6	11.6	-6.8	155 Fidelity Fifty+	S	4.7	7.5	-8.1
106 MSI Small Cap Value(closed)	S	4.6	7.2	1.1	156 Scudder Large Co Value	S	6.5	6.1	-8.1
107 Artisan Midcap+(closed)	S	4.3	8.8	-3.0	157 Vanguard/Morgan Growth+	S	2.4	8.3	-7.7
108 Selected Special Shares	S	5.1	10.7	-8.8	158 Mutual Beacon(1%)CIZ	S	4.2	3.1	2.6
109 Loomis Sayles Value	S	6.2	7.3	-2.0	159 Salomon Brothers Capital	S	3.5	4.9	-1.3
110 Schwab 1000 Fund	S	4.4	8.9	-3.6	160 Mutual Shares(1%)CIZ	S	4.2	3.1	1.9
111 Dreyfus New Leaders	S	4.7	8.3	-2.7	161 Fidelity Fund	S	3.7	5.4	-3.5
112 Fidelity Capital Appreciation	S	4.9	7.3	-1.1	162 Columbia Common Stock	S	5.2	6.3	-8.1
113 Scudder Growth & Income	S	4.2	7.9	-1.7	163 Janus Growth & Income	S	5.1	5.9	-7.4
114 Liberty-SteinRoe Capital Opportu-	S	4.6	11.5	-11.7	164 Weitz Value Fund	S	4.8	2.8	0.2
115 Salomon Brothers Investors	S	5.4	8.0	-4.0	165 Fidelity Mid-Cap Stock+	S	3.3	6.7	-7.3
116 Fidelity Growth & Income(3%)	S	3.9	7.4	-0.5	166 RS Diversified Growth	S	0.1	7.3	-4.2
117 Fidelity OTC Portfolio+	S	1.5	11.0	-6.5	167 Vanguard Value Index	S	6.7	5.1	-9.0
118 Vanguard Growth & Income	S	3.5	8.5	-3.1	168 Vanguard Capital Opportunity	S	2.6	5.3	-3.4
119 Janus Special Situation	S	10.2	8.7	-14.1	169 Dreyfus-Founders Discovery	S	1.8	8.1	-9.7
120 UMB Scout Stock	S	3.6	7.8	-2.1	170 Liberty-SteinRoe Growth Stock	S	1.9	4.8	-3.0
121 Selected American Shares	S	5.6	8.3	-6.3	171 Dreyfus Premier Aggressive	S	3.4	6.2	-9.0
122 USAA Growth & Income	S	4.7	7.6	-3.2	172 Scudder Large Company Growth	S	3.2	6.0	-8.5
123 Vanguard 500 Index	S	4.4	8.1	-4.3	173 Galaxy Equity Growth(3.75%)	S	4.8	6.2	-11.8
124 TCW Galileo Aggressive Growth+	S	2.4	13.1	-13.7	174 RS Aggressive Growth+	S	1.2	8.6	-12.5
125 Fidelity Spartan 500 Index	S	4.4	8.1	-4.3	175 American Century Select+	S	2.9	5.7	-9.0
126 Babson Growth+	S	3.6	10.3	-8.5	176 Janus Fund	S	3.9	7.6	-15.9
127 Gabelli Growth	S	3.1	11.9	-12.0	177 Oberweis Emerging Growth+	S	1.3	3.3	-1.5
128 Dreyfus Growth & Income	S	4.3	7.9	-3.7	178 Columbia Growth+	S	2.8	6.3	-13.5
129 Nicholas Fund	S	3.8	8.8	-5.4	179 Liberty-SteinRoe Balanced	S	2.9	1.8	-2.4
130 Preferred Growth	S	2.3	11.0	-8.7	180 CS Warburg Pincus Emerging	S	1.6	5.7	-11.7
131 American Century Growth+	S	1.5	9.8	-4.3	181 Columbia Special+	S	2.4	4.7	-10.6
132 Mutual Qualified(1%)CIZ	S	4.8	3.7	5.7	182 Scudder Development+	S	3.8	7.7	-20.1
133 Fidelity Independence(ret.only)	S	3.5	11.0	-10.6	183 Vanguard Growth Equity	S	0.9	5.7	-11.3
134 Harbor Capital Appreciation+	S	2.1	10.9	-8.7	184 INVESCO Dynamics+	S	1.9	7.9	-18.3
135 INVESCO Equity Income	S	4.9	7.5	-4.6	185 Neuberger Berman Manhattan	S	4.3	4.8	-14.4
136 Fidelity Disciplined Equity	S	3.2	8.5	-4.9	186 Galaxy Small Co. Equity(3.75%)	S	0.7	2.8	-4.3
137 Fidelity Convertible Securities	S	3.3	6.3	0.6	187 American Century Heritage	S	5.1	2.9	-11.3
138 Vanguard PRIMECAP(\$25,000)	S	3.3	8.1	-4.5	188 Turner Midcap Growth+	S	1.2	5.3	-12.0
139 CS Warburg Pincus Value	S	6.0	5.6	-2.6	189 Montgomery Growth	S	2.0	4.4	-11.5
140 USAA Growth	S	2.7	10.7	-10.9	190 WPG Tudor	S	1.6	2.7	-7.8
141 Sound Shore	S	5.3	4.2	1.5	191 Janus Twenty(closed)	S	1.9	5.4	-15.0
142 Fidelity Magellan(3%)	S	4.5	7.3	-4.9	192 Berger Large Cap Growth	S	3.3	5.1	-18.5
143 Bonnel Growth Fund	S	2.6	10.9	-11.4	193 RS Emerging Growth(closed)	S	0.1	4.9	-13.3
144 American Century Equity Growth	S	4.4	6.8	-4.1	194 Fidelity Growth Company+	S	1.3	3.1	-10.7
145 Dreyfus Growth Opportunity	S	3.6	7.3	-4.7	195 SIT Mid Cap Growth+	S	3.1	5.5	-20.7
146 Domini Social Equity Fund +	S	3.0	7.6	-4.7	196 Vanguard U.S. Growth	S	1.7	5.1	-17.4
147 Safeco Equity	S	3.8	6.7	-3.9	197 SIT Large Cap Growth	S	2.3	4.5	-18.8
148 Preferred Value	S	6.7	4.6	-3.1	198 Dreyfus Premier Third Century	S	2.0	3.1	-15.2
149 Fidelity Stock Selector	S	3.3	7.2	-4.6	199 RS Value+Growth+	S	2.7	3.9	-19.5
150 T. Rowe Price New America	S	2.4	9.3	-8.6	200 USAA Aggressive Growth	S	2.9	2.1	-15.5

International Stock Funds — data as of 03/15/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Fidelity SE Asia(3%&1.5%r<90d)	B	9.9%	31.8%	6.5%	36 T. Rowe Price Intl Stock	S	6.4	4.3	-15.0
2 Matthews Pacific Tiger	B	7.4	27.6	8.0	37 Scudder Global Discovery	S	4.7	5.1	-16.5
3 Oakmark Global (2%r)	B	6.9	19.6	20.4	38 Columbia International Stock	S	6.4	2.0	-12.4
4 Fidelity Emerging Mkts(3%&1.5%	B	5.9	22.2	4.6	39 American Century Global	S	5.3	3.9	-15.4
5 Oakmark Intl Small Cap	B	9.0	16.7	13.5	40 Schwab International Index	S	6.8	2.7	-14.9
6 T. Rowe Price Latin America	H	9.2	19.2	2.0	41 Galaxy International Equity	S	7.0	3.9	-18.6
7 Scudder Pacific Opportunity	B	4.6	22.4	0.2	42 Scudder Global	S	4.8	1.8	-10.3
8 Scudder Latin America	H	10.5	17.0	0.9	43 Vanguard Pacific Stock Index	S	11.7	-2.2	-16.2
9 Fidelity Latin Amer.(3%&1.5%	H	9.0	18.5	-1.2	44 Japan Fund (Scudder)	S	16.4	-4.7	-18.4
10 T. Rowe Price New Asia	B	4.2	21.9	-2.9	45 Fidelity Japan(3%&1.5%<90d)	S	16.6	-4.6	-20.6
11 Vanguard Emerging Mkts Stock	B	4.4	18.8	2.0	46 Loomis Sayles International	S	5.2	-0.3	-15.1
12 Montgomery Emerging Mkts	B	4.6	17.9	-1.5	47 Babson-Stewart Ivory Intl	S	5.4	2.3	-22.7
13 Oakmark International	B	9.6	9.8	2.7	48 Strong International Stock	S	4.5	-0.6	-16.6
14 Fidelity Europe(3%&1%r<90d)	H	7.6	14.9	-8.7	49 Matthews Japan Fund	S	15.2	-6.0	-19.2
15 CS Warburg Pincus Japan Growth	H	14.4	12.8	-16.2	50 American Century Intl Growth	S	5.8	-1.1	-19.6
16 Fidelity Worldwide	H	6.5	10.2	1.1	51 Scudder Greater Europe	S	4.8	-1.4	-19.0
17 Fidelity Pacific Basin(3%&1.5%	H	11.1	8.2	-6.4	52 Scudder International	S	6.4	-2.5	-19.1
18 Fidelity International G & I	H	8.1	9.1	-6.3	53 Aetna Intl Growth(Advisor1%)	S	3.8	0.3	-24.0
19 Harbor International	H	6.5	9.0	-5.6	54 Vontobel International Equity	S	5.7	-2.2	-20.8
20 Julius Baer Intl. Equity A	H	7.1	9.4	-8.0	55 SIT International Growth	S	3.8	-1.3	-26.3
21 Fidelity Diversified International	H	6.3	6.5	-0.4	56 T. Rowe Price Japan	S	12.2	-8.2	-22.9
22 Tweedy, Browne Global Value	H	5.6	5.8	0.6	57 Payden European Aggressive	S	-2.0	4.8	-35.9
23 Fidelity Overseas	H	8.4	7.4	-11.3	58 INVESCO European	S	4.3	-0.9	-31.2
24 Investec China & Hong Kong	H	3.9	11.6	-18.2	60 T. Rowe Price Intl Discovery	S	2.3	-5.9	-23.9
25 Vanguard European Stock Index	S	5.4	6.6	-8.3	————— Domestic Stock Funds (Cont.) —————				
26 Janus Overseas(closed)	H	6.5	8.6	-15.6	201 INVESCO Small Company	S	-0.3	3.1	-13.5
27 USAA International	H	6.8	5.0	-7.7	202 Vanguard Convertible Securities	S	0.1	-0.2	-6.0
28 Janus Worldwide(closed)	S	5.8	7.4	-14.0	203 Strong Large Cap Growth	S	0.9	3.3	-15.9
29 USAA World Growth	S	5.7	5.8	-10.1	204 Berger Growth	S	1.4	5.2	-22.6
30 Longleaf Partners International	H	5.1	0.9	2.8	205 Legg Mason Value	S	6.5	-2.7	-12.3
31 Preferred International	S	7.5	1.8	-4.8	206 Montgomery Small Cap	S	3.0	-0.8	-11.6
32 T. Rowe Price European	S	5.6	5.8	-13.6	207 Harbor Growth	S	-2.8	6.4	-21.2
33 Artisan International	S	4.6	4.2	-9.5	208 Janus Mercury+	S	2.1	2.0	-19.7
34 Vanguard International Growth	S	4.8	5.5	-14.3	209 American Century Vista	S	0.9	0.2	-14.2
35 CS Warburg, Pincus Intl Equity	S	5.2	4.6	-12.9	210 CS Warburg Pincus Capital	S	1.4	2.0	-19.5



The Signal - For the week ended March 12 iMoney-Net Inc.'s Money Fund Report Averages/All Taxable 7-day yield (MFA) decreased by three basis points to 1.35% and the MONEYLETTER Signal dipped by five basis points to 1.91%. The average maturity increased by one day to 56 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 27, 2002 by Midnight (ET).