

MONEYLETTER HOTLINE 4/30/02

Dealing With Fund Closures

We are changing our treatment of closed funds that are in our model portfolios. Recently Wasatch imposed a stricter close on some of its funds that were already closed to new investors. The new rules prohibit anyone, including current shareholders, from purchasing any new shares of certain specified Wasatch funds. Two of the funds, which cannot be bought by anyone, are Wasatch Core Growth and Wasatch Small Cap Value. We've decided that with a strict close we will remove the funds from our model portfolios and replace them with funds open to new investors.

Accordingly, we're removing Wasatch Core Growth from the Moneyletter Venturesome, Moderate and Conservative model portfolios. We'll replace the fund with Baron Small Cap. In the case of Wasatch Small Cap Value, we will replace the fund in the Moneyletter Venturesome and Conservative models with Royce Opportunity.

Please recognize that this is definitely not a sell recommendation for these Wasatch funds. Their performance has been outstanding. Were it not for the strict closure we would by no means be replacing the funds. If you own them, continue to follow our advice, which right now is a "buy" as they stand almost at the very top of our list. For the less tightly closed funds in our portfolios we will continue to retain them and provide alternative funds.

Turning to the market, today's relief rally was welcome but whether it can be extended will depend on the data coming out the rest of this week, including the employment report on Friday. It is clear, from the market's reaction to the consumer confidence numbers out today, that the market has low expectations about the economic outlook. It would appear that the ugly market of the past ten days has dashed investors' spirits. If we are right, the rally may continue for some days. We expect the numbers coming out this week to show the recovery continuing.

There is no change in our recommended allocations.

Fund Recommendations – For domestic stock funds, there is one new buy: RS Partners. There is one new sell: Thompson Plumb Growth. For international stock funds, there is one new buy: Fidelity Aggressive International. There is one new sell: Vanguard European Stock Index. Vanguard European is in the Vanguard Conservative Model Portfolio. We will switch the fund into Vanguard International Growth.

The Economy – Underneath, the consumer confidence report was more encouraging than it appeared. Plans to buy major appliances were at a 6-month high. We believe the consumer will continue to be a force for growth for the rest of the year .

MONEYLETTER HOTLINE 4/26/02

Capitulation

This has been a discouraging week as the bears have clearly taken over the market. Today, in fact, the late selling we have seen almost every day this week smacked of capitulation. One observer termed the selling in the semiconductor stocks just that. What is surprising is that we have had good news from the semiconductor sector this week, but in the end it still led to lower prices.

What is bothering the market? We go back to what we have been saying. First, while first quarter earnings are turning out to be better than expected, some big name companies have been extremely cautious in projecting future profits. There is no bouncy optimism about the year coming from business. And this is what buyers need to hear. Second, there has been a lull in the economic data suggesting that the recovery is losing steam. We don't think the lull is too serious. Some of it is due to the warm winter and the peculiarities of seasonal adjustment. Some is real, but also reasonable. But the market has no patience, and the selling is the result. Technically, the market is now vulnerable to further selling. It is also becoming deeply oversold. We believe this episode of selling is heading for a climax shortly. Our portfolios are holding up well. Now is the time for patience.

There is no change in our recommended allocations.

Fund Recommendations – For domestic stock funds, there are three new buys: Eclipse Small Cap Value, Yacktman Fund and Royce Total Return.

The Economy – Last quarter's activity, as today's GDP report shows, was as strong as anyone could have expected. What stands out for us is that the robust growth was not all due to inventories. The consumer made an important contribution. We still have more to come from inventories this quarter.

The Stock Market – The opening days of next week may be extremely choppy, but we believe that will clear the way at least for a relief rally. We do see the economy as being stronger than the recent numbers suggest. We also believe that this quarter's earnings will again surpass expectations.

Domestic Stock Funds — data as of 4/26/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 CGM Focus	B	9.5%	50.2%	55.5%	51 Dreyfus Mid Cap Index	H	-0.2	14.3	7.2
2 Wasatch Small Cap Value(closed)	B	1.1	31.9	32.4	52 Dreyfus New Leaders	H	2.3	14.2	2.0
3 Wasatch Core Growth+(closed)	B	1.3	33.2	26.3	53 Strong Multicap Value	H	2.7	13.9	2.4
4 Baron Small Cap	B	5.4	33.2	20.0	54 Baron Asset	H	-1.6	16.2	2.8
5 Berwyn Fund	B	4.5	25.4	29.6	55 Fidelity Fifty+	H	4.6	13.3	-1.3
6 Vanguard Small-Cap Value Index	B	2.7	27.6	23.0	56 Safeco Growth Opportunities+	H	0.2	10.2	11.7
7 Boston Ptnrs Smlcap Val	B	3.1	22.7	32.9	57 Janus Venture (closed)	H	1.8	13.8	-0.1
8 Oakmark Small Cap	B	0.3	26.1	27.0	58 T. Rowe Price Cap Appreciation	H	0.3	9.9	9.8
9 Royce Opportunity+	B	2.4	27.0	19.8	59 Oakmark Select(closed)	H	0.0	8.8	12.8
10 CRM Small Cap Value Inv	B	3.4	23.9	24.8	60 Wasatch Small Cap Growth+	H	-1.5	8.1	15.8
11 ICM/Isabelle Small Cap Value	B	1.4	29.1	14.2	61 Homestead Value	H	0.8	10.0	6.3
12 Eclipse Small Cap Value	B	5.1	24.3	20.2	62 Bonnel Growth Fund	H	3.6	10.6	-0.5
13 T. Rowe Price Small-Cap Value	B	3.5	22.6	24.7	63 Babson Value	S	0.2	11.6	2.1
14 RS Partners	B	5.4	23.3	15.7	64 Oakmark Fund	S	-1.0	9.5	8.6
15 Fidelity Low Priced Stock(3%)	B	3.1	19.8	26.9	65 Federated Kaufmann Fund+	S	1.4	8.8	6.1
16 Buffalo Small Cap (closed)	B	0.4	20.9	27.6	66 Mutual Qualified(1%)CIZ	S	0.9	9.3	5.1
17 Royce Low Priced Stock	B	-0.8	22.4	24.4	67 MSI Small Cap Value(closed)	H	-0.4	11.4	1.4
18 Neuberger Berman Fasciano Inv	B	2.0	22.9	18.4	68 PBHG Small Cap Value	H	-1.6	11.4	3.1
19 Yacktman Fund	B	1.6	20.2	25.2	69 Vanguard Explorer+	H	-1.6	11.6	2.3
20 Heartland Value	B	1.8	20.6	22.8	70 American Century Equity Income	S	-1.8	8.1	10.2
21 CRM Mid Cap Value Ins	B	2.2	21.9	18.4	71 Dodge & Cox Stock	S	-1.8	9.8	5.1
22 Longleaf Partners Smallcap	H	3.3	21.9	15.8	72 Harbor Value	S	-1.4	9.5	4.1
23 Royce Total Return	B	2.1	20.9	19.7	73 Mutual Beacon(1%)CIZ	S	1.1	8.0	3.5
24 Royce Pennsylvania Mutual+(1%)	B	1.3	19.8	22.6	74 Gabelli Asset	S	-0.5	10.1	-0.1
25 Ariel Fund	H	3.1	18.3	23.1	75 American Century Value	S	-2.9	7.6	9.2
26 T.Rowe Price Mid Cap Value	B	0.6	20.0	21.1	76 T. Rowe Price New Era	S	0.5	9.9	-1.7
27 Baron Growth	H	1.5	18.8	19.7	77 Tweedy, Browne American	S	0.1	7.8	3.8
28 Ariel Appreciation	B	-0.4	19.4	19.8	78 Mutual Shares(1%)CIZ	S	0.8	7.8	2.4
29 Neuberger Berman Genesis	H	2.9	18.3	16.6	79 Vanguard Extended Market	S	-1.2	10.0	-0.4
30 Fidelity Small Cap Ind.(1.5%)	H	3.5	14.0	24.3	80 Marsico Focus	S	1.6	9.3	-3.1
31 Muhlenkamp Fund	B	2.1	21.2	8.1	81 Liberty-SteinRoe Capital Oppor-	S	-0.5	12.5	-8.1
32 Strong Mid Cap Disciplined	H	-3.6	19.5	20.2	82 Sound Shore	S	-0.2	7.2	2.2
33 Loomis Sayles Small Cap Value	B	0.3	17.3	19.3	83 MSI Value Portfolio	S	-1.5	8.7	0.2
34 Aegis Value Fund	H	1.0	14.2	25.4	84 T. Rowe Price New Horizons	H	-2.5	9.1	-0.2
35 Legg Mason Special Investment	B	0.5	23.1	3.7	85 Marsico Growth & Income	S	0.7	8.8	-6.0
36 Boston Partners Mid Cap Value	H	1.1	17.6	15.8	86 Fidelity Convertible Securities	S	-0.4	7.3	-1.2
37 Longleaf Partners	H	1.2	18.0	13.7	87 T.Rowe Price Mid Cap Growth	S	-1.8	6.9	1.4
38 Meridian Fund	H	1.2	15.8	16.2	88 Fidelity Contrafund(3%)	S	0.7	5.9	-0.3
39 Fidelity Value	H	0.8	16.9	12.7	89 T. Rowe Price Equity-Income	S	-1.8	6.1	2.7
40 Bogle Small Cap Growth(closed)	H	2.2	15.0	14.1	90 Fidelity Independence(ret.only)	S	0.6	8.6	-8.8
41 Royce Premier	H	0.1	15.2	16.0	91 Thompson Plumb Growth	S	-6.3	5.8	8.6
42 T. Rowe Price Small Cap Stock	H	0.5	15.2	14.7	92 Selected Special Shares	S	-1.3	9.3	-8.1
43 Legg Mason Opportunity Trust	H	0.0	21.7	-4.1	93 Strong Advisor Common Stock	S	-3.0	8.3	-3.2
44 Berger Mid Cap Value	H	-0.4	14.8	13.2	94 Strong Discovery+	S	-1.6	6.2	-1.1
45 TCW Galileo Value Opportunity	H	-2.6	14.2	17.6	95 American Century Heritage	S	0.9	7.3	-7.8
46 Westport Small Cap R	H	0.8	14.3	10.8	96 Salomon Brothers Opportunity	S	-1.3	5.4	-0.2
47 Vanguard SmallCap Index+	H	0.1	15.0	7.2	97 Fidelity New Millennium(3%)	S	-1.2	6.9	-4.5
48 Vanguard Mid-Cap Index+	H	-0.2	14.5	7.8	98 Neuberger Berman Partners	S	-2.3	6.4	-2.8
49 Vontobel U.S. Value	H	2.8	9.7	14.7	99 Weitz Value Fund	S	-2.9	5.2	-3.1
50 Clipper Fund	H	-0.2	11.9	13.2	100 Vanguard Equity-Income	S	-2.6	3.8	-1.0

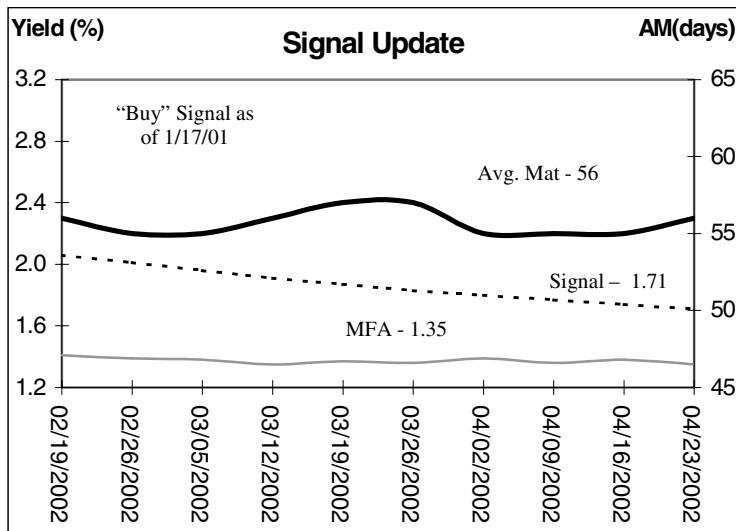
DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 4/26/02

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 MSI Mid Cap Value	S	-3.6	5.2	-4.2	151 T. Rowe Price Growth Stock	S	-4.7	-1.2	-9.2
102 Nicholas II	S	-1.8	3.1	-2.7	152 Fidelity Growth & Income(3%)	S	-4.6	-2.0	-7.4
103 Vanguard Windsor II	S	-2.1	3.5	-4.1	153 Dreyfus Appreciation	S	-5.1	-1.8	-7.8
104 William Blair Growth	S	-4.0	5.3	-6.2	154 American Century Equity Growth	S	-4.1	-1.0	-11.7
105 Dreyfus Premier Aggressive	S	-0.7	5.5	-11.9	155 Fidelity OTC Portfolio+	S	-5.4	0.5	-13.8
106 Salomon Brothers Capital(closed)	S	-2.4	3.2	-3.4	156 Dreyfus Growth Opportunity	S	-4.7	-1.3	-10.5
107 Artisan Midcap+(closed)	S	-3.4	3.8	-3.9	157 Vanguard Growth & Income	S	-4.5	-1.4	-10.8
108 Vanguard Windsor	S	-4.5	4.3	-3.7	158 INVESCO Small Company	S	-2.3	-0.8	-15.6
109 Fidelity Equity-Income	S	-3.6	4.0	-4.8	159 Janus Growth & Income	S	-3.5	-1.2	-12.9
110 Janus Special Situation	S	-4.4	7.7	-13.2	160 Fidelity Dividend Growth	S	-6.0	-2.0	-7.8
111 Gintel Fund	S	4.6	6.6	-24.2	161 Vanguard Value Index	S	-3.9	-0.7	-14.4
112 Needham Growth Fund	S	-3.4	1.9	-1.4	162 Dreyfus Growth & Income	S	-5.4	-1.2	-11.7
113 Loomis Sayles Value	S	-2.1	2.7	-5.6	163 Legg Mason Value	S	-1.0	-2.1	-16.3
114 CS Warburg Pincus Value	S	-2.4	2.6	-5.0	164 Vanguard/Morgan Growth+	S	-4.6	-1.1	-14.0
115 T. Rowe Price Dividend Growth	S	-3.5	2.5	-3.2	165 Turner Midcap Growth+	S	-4.2	0.7	-19.2
116 Neuberger Berman Focus+	S	-4.0	5.5	-10.1	166 WPG Large Cap Growth	S	-5.5	-1.8	-11.7
117 Galaxy Equity Value(3.75%)	S	-3.9	3.6	-5.5	167 SIT Small Cap Growth+	S	-0.6	-1.2	-20.7
118 RS Diversified Growth	S	-5.1	4.0	-5.6	168 Vanguard Capital Opportunity	S	-6.4	0.0	-15.2
119 Selected American Shares	S	-1.2	2.2	-7.2	169 Vanguard 500 Index	S	-5.4	-2.0	-11.8
120 Salomon Brothers Investors	S	-2.2	3.0	-8.0	170 Fidelity Spartan 500 Index	S	-5.4	-2.0	-11.8
121 WPG Tudor	S	0.1	2.1	-9.8	171 Northeast Investors Growth	S	-6.3	-1.2	-12.5
122 Fidelity Equity-Income II	S	-3.5	2.7	-6.4	172 Fidelity Trend	S	-5.0	-2.1	-12.2
123 Galaxy Small Co. Equity(3.75%)	S	-3.7	2.8	-6.7	173 Scudder Growth & Income	S	-5.2	-2.5	-12.2
124 Strong Opportunity+	S	-4.3	3.9	-8.9	174 Fidelity Fund	S	-5.0	-2.8	-13.7
125 Neuberger Berman Guardian	S	-2.8	1.7	-6.1	175 USAA Aggressive Growth	S	-3.7	-2.1	-17.6
126 Scudder Large Co Value	S	-3.4	3.3	-9.6	176 RS Aggressive Growth+	S	-5.6	0.4	-21.1
127 CS Warburg Pincus Emerging	S	-0.8	2.2	-11.0	177 Vanguard Growth Index +	S	-7.0	-3.6	-9.4
128 Nicholas Fund	S	-2.5	2.1	-8.1	178 Fidelity Stock Selector	S	-5.8	-3.3	-12.6
129 Montgomery Small Cap	S	0.7	1.4	-11.1	179 American Century Growth+	S	-5.8	-3.2	-13.1
130 Oberweis Emerging Growth+	S	-0.5	0.8	-8.4	180 MSI Midcap Growth	S	-1.7	-2.8	-20.5
131 American Century Vista	S	1.4	1.8	-14.8	181 RS Value+Growth+	S	-2.0	-3.5	-19.5
132 Columbia Special+	S	-1.4	2.4	-12.0	182 Fidelity Magellan(3%)	S	-5.6	-3.8	-13.6
133 Fidelity Capital Appreciation	S	-3.1	2.9	-11.8	183 American Century Select+	S	-4.7	-4.1	-14.6
134 Preferred Value	S	-2.3	0.4	-7.1	184 Galaxy Equity Growth(3.75%)	S	-5.4	-3.2	-15.8
135 Fidelity Disciplined Equity	S	-3.0	1.6	-9.8	185 Neuberger Berman Manhattan	S	-4.3	-3.1	-19.0
136 Vanguard Convertible Securities	S	-0.1	-2.0	-6.2	186 Preferred Growth	S	-5.9	-3.2	-16.9
137 Vanguard PRIMECAP(\$25,000)	S	-5.2	3.5	-12.5	187 T. Rowe Price New America	S	-5.6	-3.8	-16.2
138 UMB Scout Stock	S	-4.3	0.3	-6.3	188 Strong Growth	S	-3.0	-3.7	-20.6
139 American Century Income &	S	-4.0	1.1	-8.8	189 Columbia Common Stock	S	-6.0	-3.6	-16.4
140 American Century Ultra+	S	-3.2	0.6	-9.0	190 Harbor Capital Appreciation+	S	-6.0	-3.6	-16.7
141 Dreyfus-Founders Discovery	S	-3.7	1.4	-10.5	191 Janus Fund	S	-5.4	-1.4	-23.8
142 Liberty-SteinRoe Balanced	S	-2.1	-0.8	-7.6	192 PBHG Growth+	S	0.7	-4.8	-24.7
143 INVESCO Equity Income	S	-4.6	1.4	-9.7	193 Fidelity Blue Chip Growth	S	-6.3	-4.6	-14.9
144 Fidelity Mid-Cap Stock+	S	-4.3	1.2	-11.1	194 INVESCO Dynamics+	S	-6.5	-1.1	-24.6
145 Dreyfus Fund	S	-5.0	0.7	-8.9	195 Babson Growth+	S	-7.0	-3.7	-17.8
146 T. Rowe Price Growth & Income	S	-4.3	-0.4	-7.5	196 Dreyfus Premier Third Century	S	-4.9	-4.2	-20.2
147 INVESCO Value Equity	S	-5.9	0.2	-7.5	197 Safeco Equity	S	-6.8	-6.4	-12.9
148 Domini Social Equity Fund +	S	-4.3	-0.5	-9.8	198 Montgomery Growth	S	-5.7	-5.9	-18.0
149 USAA Growth & Income	S	-4.0	-0.5	-10.6	199 Strong Growth 20+	S	-2.0	-3.8	-29.3
150 Schwab 1000 Fund	S	-4.9	-0.5	-10.4	200 Harbor Growth	S	-7.3	-2.7	-24.7

International Stock Funds — data as of 4/26/02

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	3.9%	39.9%	16.1%	36 Galaxy International Equity	S	1.4	4.9	-17.2
2 Fidelity Emerging Mkts(3%&1.5%	B	3.5	35.1	15.5	37 Scudder Global Discovery	S	-0.6	4.9	-14.7
3 Oakmark Intl Small Cap	B	4.9	30.8	21.5	38 T. Rowe Price European	S	-0.5	3.5	-11.6
4 Oakmark Global (2%r)	B	2.8	29.3	26.6	39 Vontobel International Equity	S	3.9	2.0	-14.9
5 Matthews Pacific Tiger	B	2.2	34.9	13.2	40 USAA World Growth	S	-2.0	2.9	-9.7
6 T. Rowe Price New Asia	B	3.9	34.6	8.4	41 Vanguard European Stock Index	S	-0.4	2.8	-12.0
7 Montgomery Emerging Mkts	B	3.3	32.7	11.3	42 Scudder Global	S	-0.8	2.3	-10.4
8 Scudder Pacific Opportunity	B	3.6	32.9	10.0	43 Schwab International Index	S	1.2	2.4	-14.9
9 Vanguard Emerging Mkts Stock	B	2.4	30.3	12.0	44 Vanguard Pacific Stock Index	S	5.6	0.7	-18.5
10 Oakmark International	B	2.8	25.5	10.5	45 Babson-Stewart Ivory Intl	S	1.8	2.6	-18.4
11 T. Rowe Price Latin America	H	-0.1	25.4	7.5	46 American Century Intl Growth	S	1.0	1.4	-15.7
12 Fidelity Aggressive Intl.	B	3.1	21.8	7.0	47 Janus Overseas(closed)	S	-2.4	3.9	-17.0
13 Fidelity Latin Amer.(3%&1.5%	H	-1.1	23.6	6.0	48 Scudder International	S	1.8	1.1	-17.1
14 Scudder Latin America	H	-1.3	22.2	7.5	49 Strong International Stock	S	0.5	0.6	-15.3
15 Investec China & Hong Kong	H	7.3	20.2	-10.8	50 Scudder Greater Europe	S	-0.1	1.0	-16.3
16 Preferred International	B	2.1	14.7	-0.6	51 Loomis Sayles International	S	-0.2	-0.9	-13.1
17 Fidelity Pacific Basin(3%&1.5%	H	5.5	13.9	-5.6	52 Fidelity Japan(3%&1.5%<90d)	S	8.5	-2.2	-25.3
18 Tweedy, Browne Global Value	H	1.2	11.9	2.9	53 Japan Fund (Scudder)	S	6.4	-2.4	-23.2
19 Harbor International	H	0.3	12.0	-0.5	54 T. Rowe Price Intl Discovery	S	0.5	-3.5	-17.6
20 Fidelity International G & I	H	3.1	11.2	-4.6	55 Janus Worldwide(closed)	S	-4.3	-0.9	-19.0
21 Fidelity Diversified International	H	3.3	8.9	-1.6	56 Matthews Japan Fund	S	7.6	-5.5	-26.3
22 Julius Baer Intl. Equity A	H	2.8	9.3	-3.2	57 Aetna Intl Growth(Advisor1%)	S	-1.2	-3.6	-22.4
23 USAA International	H	1.0	8.2	-5.0	58 Payden European Aggressive	S	-2.5	-0.1	-30.8
24 Artisan International	H	1.9	7.6	-5.2	59 T. Rowe Price Japan	S	4.6	-7.9	-26.8
25 CS Warburg, Pincus Intl Equity	H	0.6	7.9	-7.3	60 SIT International Growth	S	-2.9	-7.3	-29.0
26 Vanguard International Growth	S	1.8	7.7	-10.2	61 INVESCO European	S	-5.1	-6.6	-29.6
27 Fidelity Europe(3%&1%r<90d)	H	-2.5	7.4	-8.2	—————Domestic Stock Funds (Cont.) —————				
28 Fidelity Worldwide	H	-1.6	4.7	-2.9	201 Scudder Capital Growth AARP	S	-7.3	-5.3	-19.5
29 Columbia International Stock	S	2.2	4.7	-10.5	202 Gabelli Growth	S	-7.8	-4.7	-20.9
30 Gabelli Intl. Growth	S	2.6	4.3	-10.8	203 Strong Large Cap Growth	S	-5.9	-6.1	-20.9
31 Longleaf Partners International	S	-1.0	1.6	1.3	204 Vanguard Growth Equity	S	-7.1	-5.8	-20.8
32 American Century Global Growth	S	1.8	5.1	-12.7	205 RS Emerging Growth(closed)	S	-5.6	-6.2	-22.3
33 CS Warburg Pincus Japan Growth	S	3.5	8.4	-26.6	206 TCW Galileo Aggressive	S	-8.3	-3.5	-26.7
34 T. Rowe Price Intl Stock	S	0.5	4.3	-13.3	207 SIT Mid Cap Growth+	S	-5.9	-6.2	-24.8
35 Fidelity Overseas	S	1.0	3.9	-14.1	208 USAA Growth	S	-8.5	-6.6	-20.9



The Signal - For the week ended April 23 iMoneyNet 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 three basis points to 1.71%. The average maturity increased one day by 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, May 8, 2002 by Midnight (ET).