

MONEYLETTER HOTLINE 1/21/03

Iraq Heats Up

There was a flood of earnings reports today and much talk of Iraq from the President on down. The market did not respond positively to either. The actual earnings reports were positive in the main. But the reports, in themselves, are not what interests the market right now. It is the guidance that accompanies the reports. And the guidance is very, very cautious to say the least.

What the companies are telling us is that the near-term outlook is for flat sales and earnings. The market wants to hear that things are picking up from here, but that is not what it is being told so far. We're puzzled by this, because both the Supply Managers and the Philadelphia Fed told us that new manufacturing orders surged in over the past six weeks. Certainly, the market is more interested in the guidance than the economic numbers. It is the guidance that will set the tone for the market over the short-run.

Meanwhile, the tug-of-war over Iraq heated up today. It was enough certainly to increase the mounting caution. We do not see any sustained rally in the short-run, but we believe the economy will continue to improve. Iraq is looming larger, and until it is resolved caution will prevail. We continue to believe that whatever the short-term fluctuations, higher prices are ahead as the year unfolds.

There is no change in our recommended allocations.

New Fund Recommendations – For domestic stock funds, there are four new buys: Thompson Plumb Growth, Oakmark Select (the fund is closed), T. Rowe Price Mid Cap Value, and Sound Shore. There is one new sell: Longleaf Partners Smallcap. For international stock funds, there are two new buys: USAA International and USAA World Growth.

The Economy – Housing starts rose to a their highest level in 16 years in December, and will do even better later this year. Housing will remain a strong prop for the economy for the first half of this year. The next push for the economy will come from inventory spending over the coming months.

The Stock Market – We are a little surprised at the ability of the shorts to drive the market down today. Iraq undoubtedly played its part. For the moment we see the market remaining in a broad trading range. Aside from Iraq, Wall Street needs to be convinced that the economy is indeed improving. We believe it is only a matter of time. We continue positive on the U.S. market.

The Select Portfolio – There are no trades recommended for this portfolio.

MONEYLETTER HOTLINE 1/17/03

Earnings Lack Zip

There has been a distinct change of tone in the markets as we ended this week. All the buoyancy has been lost. The earnings season so far has not gone well. The earnings have come through as we expected. But the guidance from the likes of Microsoft, Intel and IBM was lackluster. Nothing was promised or expected about a pickup ahead. This extraordinary caution has at least two sources. One, of course, is the state of business at this time as these firms see it. The other is simply an unwillingness to go out on a limb at this time.

We're pleased to see that others now share our repeated view that Wall Street, and firms, are low-balling estimates after the long bear market. Optimism has been costly. In considering the earnings numbers, it is worth remembering that the last quarter was very slow. On a cheerier note if firms can meet the estimates for last quarter, and so far so good, then an improved economy should be a tonic for profits later this year.

Also bothering the markets is Iraq. The issue is very much on the boil. Until the issue is settled in some fashion, the markets will remain nervous. We continue to believe that whatever the short-term fluctuations, higher prices are ahead as the year unfolds.

There is no change in our recommended allocations.

New Fund Recommendations – For domestic stock funds, there is one new buy: Weitz Value Fund. There are four new holds: Royce Premier, T.Rowe Price Small Cap Value, Ariel Fund, and T. Rowe Price New Era. For international stock funds, there is one new buy: Fidelity Diversified International. There are three new sells: Scudder Pacific Opportunity, Fidelity Pacific Basin, and T. Rowe Price New Asia.

The Economy – The headline economic news today was negative: industrial production and consumer sentiment down. But the overall picture was much less negative. All the drop in production was caused by the auto industry. Take away autos, and production actually rose. In addition, looking ahead auto production should rise. Ford, for one, recently increased its first quarter production schedule. As for sentiment, the latest surveys show store sales holding up. There was also evidence from the Philadelphia Fed that manufacturing is coming to life. The economy is slowly improving now, and will do even better later this year.

The Stock Market – Much of the loss in the major averages today can be attributed to Microsoft. We do not doubt that we will be seeing portfolio adjustments as views about the outlook for individual firms change. But we believe that the underlying trend of the market has turned from down to up. We continue positive on the U.S. market.

The Select Portfolio – There are no trades recommended for this portfolio.

Domestic Stock Funds — data as of 01/17/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Yacktman Fund	B	3.0%	15.5%	16.3%	51 Fidelity Value	H	-0.5	-1.1	-6.4
2 RS Partners	B	5.0	8.3	3.9	52 Selected American Shares	H	0.7	1.0	-13.9
3 Hussman Strategic Growth (1.5%)	B	0.4	2.0	13.4	53 Loomis Sayles Value	H	0.7	0.9	-13.8
4 Clipper Fund	B	3.6	5.5	-0.7	54 Fidelity Contrafund (3%)	H	-0.2	-1.0	-8.1
5 T. Rowe Price Cap Appreciation	B	1.6	5.2	3.0	55 Vanguard Small Cap Growth	H	-1.3	1.8	-13.3
6 Vanguard Convertible Securities	B	2.1	7.7	-4.5	56 Scudder Large Co Value	H	1.4	0.1	-13.4
7 Royce Special Equity (1%r<180d)	B	-2.0	3.3	11.5	57 Boston Partners Mid Cap Value	S	0.5	0.3	-12.7
8 Fidelity Fifty (.75%r<30d)	B	-0.1	3.5	7.2	58 Berger Mid Cap Value	S	0.0	-0.4	-10.6
9 Legg Mason Value	B	1.8	9.7	-11.7	59 CRM Mid Cap Value Ins	S	1.9	-1.0	-12.3
10 Strong Mid Cap Disciplined	H	3.6	5.8	-6.9	60 Liberty Asset Allocation CIZ	H	0.5	0.3	-13.3
11 Legg Mason Special Investment	B	0.5	7.1	-6.4	61 Neuberger Berman Fasciano Inv	H	0.7	-2.5	-6.9
12 Fidelity Convertible Securities	B	2.9	5.4	-8.4	62 Fidelity Contrafund II (3%)	H	0.5	0.6	-14.5
13 Aegis Value Fund	B	1.5	1.9	1.0	63 C&B Mid Cap Value	S	2.1	-3.2	-7.5
14 Neuberger Berman Genesis	B	-1.2	4.2	-1.5	64 TCW Galileo Aggressive Growth	H	1.4	6.1	-29.9
15 American Century Equity Income	B	-0.2	4.0	-3.1	65 Berwyn Fund (1%r<180d)	S	0.7	-3.5	-5.0
16 Thompson Plumb Growth	B	1.3	8.3	-16.1	66 CRM Mid Cap Value Inv	S	1.8	-1.1	-12.6
17 Legg Mason Opportunity Trust	B	1.3	5.2	-9.5	67 Fidelity Trend	H	-0.1	2.1	-18.0
18 Fidelity Export & Multinat'l(.75%)	H	1.1	6.8	-14.7	68 RS MidCap Opportunities	H	0.3	3.2	-21.5
19 Dodge & Cox Stock	B	1.1	2.7	-5.5	69 Fidelity Growth & Income(3%)	S	0.4	0.7	-15.8
20 Longleaf Partners	B	3.6	0.2	-3.8	70 Fidelity Stock Selector	H	-0.1	1.9	-18.2
21 Royce Total Return (1%r<180d)	B	0.0	1.3	-1.1	71 Fidelity Equity-Income	S	0.3	-0.2	-13.6
22 Oakmark Select(closed) (2%)	B	0.7	3.7	-8.5	72 American Century Income &	H	0.2	1.0	-16.6
23 T.Rowe Price Mid Cap Value	B	1.5	1.3	-5.0	73 MSI Small Cap Value(closed)	S	-1.5	0.6	-13.1
24 Vontobel U.S. Value (2%r<360d)	B	0.7	1.3	-4.1	74 Harbor Value	S	1.8	-0.3	-15.8
25 Sound Shore	B	2.1	3.0	-11.0	75 Vanguard Windsor	S	0.8	0.9	-17.4
26 Gabelli Asset	H	1.4	2.5	-10.2	76 Heartland Value (1%r<90d)	S	1.7	-2.2	-11.1
27 Weitz Value Fund	B	1.9	4.1	-15.3	77 Muhlenkamp Fund	S	-0.8	0.9	-15.2
28 T. Rowe Price Equity-Income	H	0.8	2.3	-9.3	78 T. Rowe Price Growth Stock	H	0.5	1.8	-19.4
29 Strong Advisor Common Stock	H	0.6	4.4	-14.3	79 Mutual Qualified(1%)CIZ	S	1.5	-2.4	-10.6
30 Fidelity Growth & Income II	H	0.7	4.1	-14.3	80 Baron Growth	S	0.0	-2.1	-9.1
31 Vanguard Strategic Equity	H	1.0	2.1	-10.0	81 WmBlair S-C Growth N (1%)	S	1.0	-0.8	-14.2
32 T. Rowe Price S-C Value	H	0.2	-1.0	-1.7	82 Ariel Appreciation	H	-1.6	-1.2	-9.4
33 Preferred Value	H	1.5	2.0	-11.2	83 Oberweis Emerging Growth	H	-1.4	3.4	-21.5
34 Homestead Value	H	-0.1	1.2	-7.0	84 Vanguard Value Index	S	0.9	0.1	-16.7
35 Fidelity Dividend Growth	H	0.4	4.6	-16.8	85 Dreyfus New Leaders	H	-1.3	-1.6	-9.3
36 Royce Premier (1%r<180d)	H	-2.0	1.0	-5.6	86 Vanguard Capital Value	S	0.8	2.5	-22.6
37 Fidelity Independence(ret.only)	H	1.4	1.6	-13.3	87 Dreyfus Appreciation	S	0.2	0.2	-16.0
38 T. Rowe Price New Era	H	-1.3	-1.9	-0.8	88 American Century Equity Growth	H	-0.1	0.9	-17.6
39 Vanguard U.S. Value	H	1.3	1.1	-12.7	89 T. Rowe Price Small Cap Stock	S	-1.0	-0.5	-12.9
40 Mutual Shares(1%)CIZ	H	1.2	-0.5	-8.6	90 Baron Small Cap	S	1.1	-4.1	-7.2
41 Vanguard Windsor II	H	1.7	0.8	-12.6	91 Eclipse Small Cap Value	S	0.9	-5.9	-2.5
42 Vanguard Equity-Income	H	0.7	1.0	-12.2	92 Northeast Investors Growth	S	-0.7	2.0	-20.1
43 Oakmark Fund	H	0.7	0.7	-11.3	93 Wasatch Small Cap Grth	H	-1.1	1.8	-19.3
44 Fidelity L P Stock (3%&1.5%)	H	1.3	-2.6	-4.2	94 Value Line Special Situations	S	-0.1	-1.3	-13.6
45 Westport Small Cap R	H	1.0	0.8	-12.3	95 Domini Social Equity Fund	H	0.1	0.5	-18.8
46 Mutual Beacon(1%)CIZ	H	1.7	-1.1	-8.9	96 Nicholas II	H	-0.5	0.0	-16.7
47 American Century Value	H	-0.5	0.6	-9.9	97 T. Rowe Price Dividend Growth	S	-0.2	-0.3	-16.4
48 Ariel Fund	H	-1.4	-0.5	-5.9	98 Royce Penn Mutual(1%r<180d)	S	-0.3	-3.4	-8.8
49 Fidelity Equity-Income II	H	-1.0	1.9	-12.7	99 Vanguard Extended Market	S	-0.2	-0.8	-15.4
50 Strong Discovery	H	-0.9	0.9	-10.4	100 Fidelity Small Cap Stock (2%)	H	1.2	-2.2	-14.4

DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 01/17/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 Salomon Brothers Capital(closed)	H	3.2	-1.7	-18.8	151 Janus Venture (closed)	S	1.1	-2.0	-22.9
102 T. Rowe Price Growth & Income	S	0.4	0.5	-20.0	152 SIT Large Cap Growth	S	-0.1	0.5	-27.5
103 Schwab 1000 Fund (.75%r<180d)	S	0.0	0.2	-18.8	153 Safeco Equity	S	-0.4	-0.6	-24.4
104 American Century Heritage	S	-1.1	-1.1	-14.0	154 Bogle Small Cap Growth(closed)	S	0.9	-5.1	-14.9
105 Vanguard 500 Index	S	0.0	0.5	-19.5	155 Salomon Brothers Opportunity	S	0.1	-5.1	-14.0
106 Vanguard Total Stk Mkt	S	0.0	0.1	-18.6	156 Royce Opportunity (1%r<180d)	S	1.7	-5.7	-14.9
107 Fidelity Spartan 500 Index	S	0.0	0.4	-19.6	157 Fidelity Blue Chip Growth	S	-0.6	-1.0	-23.3
108 Tweedy, Browne American Value	S	3.2	-4.1	-13.1	158 Vanguard Cap Opp	H	-1.4	0.1	-25.1
109 Fidelity Disciplined Equity	S	-0.1	-0.9	-16.6	159 Boston Ptnrs Smlcap Val	S	0.2	-5.7	-13.1
110 Vanguard Mid-Cap Index	S	-0.7	-2.0	-13.1	160 Third Avenue Value	S	0.5	-5.8	-13.8
111 T. Rowe Price New Horizons	S	1.0	0.6	-22.0	161 Vanguard PRIMECAP	S	-0.8	-2.0	-21.6
112 INVESCO Value Equity	S	0.6	-1.3	-16.7	162 Fidelity OTC Portfolio	H	-2.3	-0.3	-24.2
113 CS Warburg Pincus Emerging	S	2.7	0.3	-23.8	163 American Century Ultra	S	-1.2	-2.6	-20.4
114 T.Rowe Price Mid Cap Growth	S	0.4	-1.1	-16.9	164 Babson Growth	S	-0.8	-0.8	-25.7
115 Salomon Brothers Investors	S	0.5	-0.9	-17.7	165 MSI Mid Cap Value	S	0.9	-2.6	-24.0
116 USAA Growth & Income	S	-0.2	-0.3	-18.6	166 Montgomery Growth	S	-0.9	-1.5	-24.1
117 Janus Mercury	S	0.1	2.2	-25.2	167 Meridian Fund	S	-1.1	-4.5	-16.4
118 Dreyfus Mid Cap Index	S	-0.7	-2.2	-13.4	168 Scudder Growth & Income	S	-1.1	-2.6	-21.1
119 MSI Value Portfolio	S	0.6	-1.1	-18.2	169 CS Warburg Pincus Capital	S	0.3	-0.4	-29.1
120 Vanguard/Morgan Growth	H	-0.3	0.4	-20.9	170 Federated Kaufmann Fund	S	-1.1	-3.6	-18.9
121 Selected Special Shares	S	-0.3	-1.5	-16.4	171 Vanguard Explorer	S	-1.4	-2.4	-21.8
122 Third Avenue Small-Cap Value	S	0.7	-5.1	-9.0	172 Janus Fund	S	0.8	-3.0	-23.6
123 Fidelity Fund	H	-0.5	-0.2	-20.0	173 Strong Opportunity	S	-0.3	-2.5	-23.5
124 UMB Scout Stock	S	0.3	-1.8	-17.5	174 Longleaf Partners Smallcap	S	-2.8	-8.2	-5.7
125 Fidelity Magellan (3%)	S	-0.6	-0.1	-20.4	175 American Century Growth	S	-0.5	-1.9	-24.8
126 Fidelity Capital Appreciation	H	0.9	-2.3	-17.3	176 CRM Small Cap Value Inv	S	-0.1	-5.9	-15.3
127 Montgomery Small Cap	S	-1.3	1.5	-23.5	177 Vanguard SmallCap Index	S	-0.7	-4.6	-18.0
128 Vanguard Growth Index	H	-0.8	0.7	-22.6	178 Fidelity Large Cap Stock	H	-0.5	-3.6	-20.9
129 Loomis Sayles Small Cap Value	S	-0.4	-4.1	-11.6	179 Dreyfus Growth & Income	S	-1.5	-2.4	-22.6
130 Columbia Common Stock	S	0.2	-0.6	-21.4	180 Needham Growth Fund (.75%)	S	1.7	-3.5	-24.5
131 American Century Select	S	-0.2	-0.7	-20.8	181 Columbia Special	S	0.6	-4.8	-19.9
132 CS Warburg Pincus Value	S	0.7	-2.9	-16.5	182 Vanguard Growth Equity	S	-0.6	-1.0	-28.0
133 Janus Special Situation	S	2.1	-1.5	-22.8	183 Fidelity New Millennium (3%)	S	-2.9	-2.8	-20.3
134 Nicholas Fund	S	0.2	-2.1	-18.8	184 Marsico Growth & Income	S	-1.2	-5.9	-15.4
135 Janus Growth & Income	S	-0.5	-2.0	-18.1	185 Liberty Equity Growth CIZ	S	-0.7	-3.0	-23.6
136 Dreyfus Growth Opportunity (2%)	S	-0.5	-1.3	-20.1	186 Value Line Fund	S	0.8	-4.2	-22.8
137 Janus Twenty(closed)	S	-0.3	-1.3	-20.3	187 CGM Focus	S	-0.3	-5.1	-19.1
138 Vanguard Growth & Income	S	-0.9	-1.2	-19.7	188 TCW Galileo Value Opportunity	S	-1.1	-3.0	-23.2
139 Artisan Midcap(closed)	S	-1.5	-1.0	-19.7	189 SIT Small Cap Growth	S	-2.1	-2.4	-23.2
140 Neuberger Berman Partners	S	1.0	-2.2	-20.4	190 State Street Mid-Cap Value	S	-0.5	-5.8	-17.2
141 INVESCO Core Equity	S	-0.3	-2.6	-17.6	191 Fidelity Mid-Cap Stock (.75%)	S	-0.4	-3.0	-24.5
142 RS Value+Growth	S	-0.2	-0.7	-22.7	192 Oakmark Small Cap (2%r<90d)	S	-1.0	-7.2	-13.1
143 Janus Enterprise	S	0.8	-1.8	-21.6	193 MSI Midcap Growth	S	-0.4	-2.7	-25.4
144 Dreyfus Fund	S	-0.4	-1.8	-19.8	194 Scudder Development	S	-0.2	-1.2	-29.5
145 Dreyfus Premier Aggressive	S	1.1	-2.4	-20.5	195 Strong Growth	S	-1.8	-3.2	-22.9
146 T. Rowe Price New America	S	0.1	-0.1	-24.8	196 William Blair Growth (1%r<60d)	S	-0.4	-3.9	-23.3
147 WPG Tudor	S	-2.3	-0.5	-20.4	197 Value Line Leveraged Growth	S	0.1	-4.0	-24.2
148 Royce Low Priced Stock (1%)	S	0.3	-4.0	-16.3	198 Fidelity Small Cap Ind.(1.5%)	S	0.1	-6.8	-17.4
149 Babson Value	S	1.7	-6.6	-12.0	199 Scudder Large Company Growth	S	-1.0	-2.2	-27.7
150 Bonnel Growth Fund (.25%r<30d)	H	-0.7	-4.1	-14.9	200 Vanguard Small-Cap Value	S	-2.3	-7.1	-14.2

DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 01/17/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
201 Gintel Fund (2%r<45d)	S	0.6	-6.2	-20.9	251 Harbor Growth	S	0.0	-13.2	-48.8
202 Gabelli Growth	S	-1.4	-1.0	-31.6	252 Pin Oak Aggressive Stock	S	-0.4	-17.6	-48.7
203 USAA Aggressive Growth	S	-0.8	-3.5	-26.1					
204 Strong Multi-Cap Value	S	0.3	-7.7	-17.5					
205 American Century Vista	S	-2.4	-5.3	-19.4					
206 USAA Growth	S	-1.2	-1.9	-30.5					
207 INVESCO Dynamics	S	-0.3	-2.3	-30.7					
208 WPG Large Cap Growth	S	-1.5	-4.2	-24.3					
209 Turner Midcap Growth	S	-0.7	-2.4	-30.1					
210 Scudder Capital Growth AARP	S	-1.3	-3.0	-27.7					
211 Liberty Equity Value CIZ	S	0.9	-5.3	-25.6					
212 Marsico Focus	S	-2.0	-7.8	-15.2					
213 INVESCO Small Company	S	-1.3	-3.1	-28.1					
214 Fidelity Growth Company	S	-2.2	-1.7	-30.4					
215 Strong Large Cap Growth	S	-1.2	-3.6	-27.1					
216 Wasatch Small Cap Value (2%	S	0.0	-9.2	-15.8					
217 Preferred Growth	S	-0.8	-4.0	-27.5					
218 Neuberger Berman Manhattan	S	-1.1	-4.1	-26.9					
219 Columbia Growth	S	-0.8	-3.0	-30.7					
220 Harbor Capital Appreciation	S	-1.0	-4.5	-27.9					
221 Baron Asset	S	-0.3	-9.6	-16.3					
222 SIT Mid Cap Growth	S	0.1	-3.9	-31.4					
223 Dreyfus Premier Third Century	S	-0.8	-5.3	-27.6					
224 Wasatch Core Growth(closed,2%	S	0.8	-9.6	-19.3					
225 Liberty Small Company Equity CIZ	S	-2.0	-3.1	-32.0					
226 Vanguard U.S. Growth	S	-1.1	-3.3	-32.8					
227 Berger Large Cap Growth	S	-0.5	-4.4	-31.3					
228 Fidelity Aggressive Growth(0.75%	S	-0.2	-2.6	-37.3					
229 Neuberger Berman Focus	S	-0.8	-3.1	-35.3					
230 Buffalo Small Cap	S	-4.5	-5.1	-27.7					
231 Dreyfus-Founders Discovery	S	-1.2	-5.6	-31.2					
232 Neuberger Berman Guardian	S	-0.7	-8.7	-24.3					
233 PBHG Growth	S	-1.6	-7.2	-27.2					
234 RS Aggressive Growth	S	-2.1	-5.0	-32.0					
235 Strong Advisor Midcap Growth	S	-0.2	-5.9	-33.7					
236 PBHG Small Cap Value	S	-1.3	-7.2	-28.7					
237 INVESCO Endeavor	S	1.3	-3.8	-43.7					
238 RS Emerging Growth(closed)	S	-2.1	-5.1	-37.6					
239 TCW Galileo Small Cap Growth	S	-0.3	-5.2	-42.2					
240 RS Diversified Growth	S	-2.9	-5.4	-39.4					
241 Strong Growth 20	S	-3.3	-9.1	-29.8					
242 RS Smaller Company Growth	S	0.5	-9.9	-35.5					
243 INVESCO Blue Chip Growth	S	-0.6	-7.7	-39.9					
244 PBHG Emerging Growth(closed)	S	-1.6	-6.5	-45.1					
245 Van Wagoner Mid-Cap	S	0.3	-7.6	-46.6					
246 Berger Growth	S	-1.4	-10.9	-36.9					
247 Fidelity Focused Stock (.75%	S	-0.7	-12.7	-34.1					
248 ICM/Isabelle Small Cap Value	S	-1.6	-19.6	-17.3					
249 Safeco Growth Opportunities	S	-3.1	-11.9	-38.1					
250 Van Wagoner Emerging Growth	S	6.6	-11.5	-60.3					

Managed Accounts

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INTERNATIONAL STOCK FUNDS
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International Stock Funds — data as of 01/17/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Matthews Asia Growth&Income	B	-0.1%	-0.6%	10.7%	51 Janus Worldwide(closed)	S	-1.0	-7.3	-22.8
2 Oakmark Global (2%r<90d)	B	1.6	-1.2	-2.2	52 Fidelity Overseas (1%r<30d)	S	0.2	-11.5	-15.2
3 Julius Baer International Equity A	B	1.9	-3.8	-1.2	53 Babson-Stewart Ivory Intl	S	0.5	-10.4	-18.5
4 USAA International	B	1.9	-2.2	-5.8	54 Janus Overseas(closed)	S	-1.7	-8.8	-20.7
5 USAA World Growth	B	1.2	0.4	-13.2	55 Fidelity SE Asia (3%&1.5%	H	-1.1	-15.0	-8.2
6 Harbor International	B	0.9	-3.5	-3.7	56 Fidelity Europe (3%&1%r<90d)	S	0.4	-9.8	-23.4
7 Montgomery Emerging Mkts	B	2.8	-6.1	-6.4	57 T. Rowe Price Japan	S	4.5	-17.9	-11.2
8 Fidelity Diversified Intl (1%r<30d)	B	1.7	-5.8	-6.0	58 Artisan International	S	-0.7	-13.3	-17.3
9 Vanguard Emerging Mkts Stk	B	1.3	-6.3	-4.6	59 INVESCO European (2%r<90d)	S	0.0	-11.1	-27.8
10 Dreyfus Emerging Market(1%r)	B	0.2	-7.2	-1.0	60 SIT International Growth	S	-0.5	-11.4	-27.1
11 Scudder Latin America	H	3.8	-3.8	-15.3	61 CS Warburg Pincus Japan Grth	S	2.7	-17.3	-23.2
12 Vontobel International Equity (2%	B	0.2	-6.3	-4.8	62 Payden European Aggr Grth	S	0.0	-22.5	-40.7
13 Fidelity Japan(3%&1.5%<90d)	H	4.7	-11.1	0.1					
14 Fidelity Emerging Mkts (3%&1.5%	B	1.8	-7.8	-5.8					
15 Fidelity Latin Amer.(3%&1.5%	H	3.9	-4.3	-18.3					
16 Fidelity Pacific Basin (3%&1.5%	H	3.6	-10.4	-2.9					
17 Scudder Global	H	1.2	-4.9	-13.9					
18 Vanguard Pacific Stock Index	H	4.8	-11.0	-3.9					
19 Investec China & Hong Kong	H	0.2	-6.7	-8.0					
20 Japan Fund (Scudder) (2%	H	5.8	-13.2	-0.3					
21 Scudder Global Discovery(closed)	H	2.4	-4.7	-16.9					
22 Matthews Pacific Tiger (2%r<90d)	H	1.1	-9.6	-2.7					
23 Fidelity International G & I	H	1.5	-8.3	-7.0					
24 Oakmark Intl Small Cap	H	2.8	-10.7	-2.9					
25 Fidelity Worldwide (1%r<30d)	H	0.1	-4.2	-15.6					
26 Tweedy, Browne Global Value	H	2.0	-7.4	-11.9					
27 Preferred International	H	1.4	-9.6	-5.9					
28 TR Price Intl Discovery	S	2.8	-7.7	-12.8					
29 Schwab International Index (1.5%	H	1.0	-7.2	-11.7					
30 Oakmark International (2%r<90d)	H	1.8	-9.8	-6.6					
31 Gabelli Intl. Growth	H	0.9	-7.9	-11.5					
32 T ROWE Price Latin America (2%	H	1.2	-5.8	-17.4					
33 Vanguard European Stock Index	H	0.1	-6.8	-14.6					
34 Vanguard International Growth	H	0.7	-7.6	-14.0					
35 Scudder Pacific Opportunity (2%	S	0.0	-10.7	-5.6					
36 Longleaf Partners International	H	0.9	-8.8	-12.6					
37 T. Rowe Price European	H	-0.1	-7.0	-16.1					
38 Vanguard International Value	S	1.6	-10.6	-10.3					
39 Scudder International (2%r<180d)	S	0.5	-9.0	-12.7					
40 T. Rowe Price New Asia	S	0.9	-12.6	-5.1					
41 Loomis Sayles International Eq-	S	1.0	-9.1	-15.2					
42 T. Rowe Price Intl Stock	S	0.4	-8.7	-15.4					
43 Fidelity Aggressive Intl. (1%r<30d)	S	-1.2	-10.1	-9.8					
44 Columbia International Stock	S	1.4	-10.8	-12.3					
45 American Century Intl Growth	S	0.3	-9.5	-15.2					
46 Strong International Stock	S	0.6	-9.3	-16.5					
47 American Century Global Growth	S	0.6	-9.3	-16.8					
48 Matthews Japan Fund (2%r<90d)	S	5.6	-17.4	-5.7					
49 Liberty Intl Equity CIZ	S	1.4	-10.8	-15.9					
50 Scudder Greater Europe (2%	S	0.0	-9.3	-18.2					

**Next Issue of
MONEYLETTER Plus
Will Be Up:**

**Wednesday
January 29, 2003
by Midnight (ET)**

Total Return %		12/31/02			
1mo	Model Portfolio	6 mo	1 yr	3yr	YTD
-1.4	ML Conservative	-4.1%	-2.8%	0.7%	-2.8%
-2.7	Fidelity Conservative	-7.5	-8.3	-15.8	-8.3
-2.3	Vanguard Conservative	-6.9	-12.5	-17.9	-12.5
-1.9	ML Moderate	-4.4	-2.5	-16.9	-2.5
-4.0	Fidelity Moderate	-8.2	-6.4	-14.0	-6.4
-2.2	Vanguard Moderate	-8.1	-15.4	-20.8	-15.4
-2.2	ML Venturesome	-8.3	-6.4	-24.1	-6.4
-5.0	Fidelity Venturesome	-10.2	-9.1	-10.6	-9.1
-2.8	Vanguard Venturesome	-11.1	-17.0	-23.4	-17.0
1.2	ML Select	n/a	n/a	n/a	-7.2
Benchmarks					
-6.0	S&P 500	-11.1	-23.4	-40.1	-23.4
-3.3	Asset Allocation Funds Avg (45)	-6.5	-12.6	-18.3	-12.6

**SPECIALTY FUNDS
On Next Page**

Specialty Funds — data as of 01/17/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Scudder Gold	*	6.8%	15.6%	56.8%	51 Fidelity Natural Gas (3%&.75%	*	-3.4	-0.1	-4.4
2 Amer. Cent. Global Gold (1%	*	4.3	15.5	55.2	52 Rydex Energy Services	*	-7.5	0.3	0.3
3 U.S.Global Gold Shares (.25%	*	6.5	9.2	62.8	53 Fidelity Chemicals (3%&.75%	*	-0.3	-3.9	-0.1
4 Fidelity Gold (3%&.75%r<30d)	*	4.6	15.0	48.4	54 Rydex Telecommunications	*	1.1	9.7	-36.3
5 INVESCO Gold Inv	*	4.2	9.3	45.7	55 Fidelity Defense & Aero (3%	*	6.0	-6.9	-2.9
6 Prudent Bear	Select	0.8	0.9	58.9	56 Rydex Energy	*	-2.6	0.3	-8.8
7 Fidelity Multimedia (3%&.75%	Select	3.6	24.0	-3.3	57 Vanguard REIT Index (1%r<1yr)	*	-2.2	-3.5	-0.1
8 Rydex Precious Metals	*	2.5	9.4	33.8	58 Rydex Internet	*	1.7	9.0	-39.6
9 Fidelity Telecomm (3%&.75%	*	2.5	31.1	-21.9	59 Rydex Biotechnology	*	-0.8	8.8	-36.9
10 Vanguard Precious Metals	*	3.8	9.1	26.3	60 Fidelity Cyclical Ind (3%&.75%	*	0.9	-1.2	-14.4
11 RS Contrarian	*	6.6	8.4	11.6	61 Fidelity Utilities Growth (3%	*	-0.1	4.4	-27.3
12 Fidelity Medical Equip (3%&.75%	*	4.0	12.8	-1.3	62 Fidelity Natrl Resources (3%	*	-2.8	-2.3	-7.0
13 AXARosenberg Value L/S (2%	*	0.0	1.2	23.2	63 Fidelity Const & Housing (3%	*	-1.8	-3.4	-7.5
14 Gateway Fund	MLCon	0.7	8.9	-3.4	64 Fidelity Energy (3%&.75%r<30d)	*	-3.9	-2.4	-6.8
15 Fidelity Indust Matrls (3%&.75%	*	5.0	1.4	7.9	65 Fidelity Consumer Ind (3%	*	0.4	-2.1	-14.1
16 CGM Realty	*	2.4	0.5	7.5	66 Rydex Financial Services	*	0.9	-2.9	-14.0
17 Fidelity Health Care (3%&.75%	*	1.9	8.8	-13.6	67 Rydex Transportation	*	-1.9	-3.0	-13.1
18 Fidelity Software (3%&.75%	*	-0.3	13.8	-23.3	68 Rydex Utilities	*	3.6	-0.8	-27.5
19 Fidelity Insurance (3%&.75%	*	0.2	4.5	-2.0	69 Rydex Basic Materials	*	0.0	-7.3	-6.5
20 Fidelity Home Finance (3%&.75%	*	2.6	2.0	0.2	70 Fidelity Transportation (3%	*	-0.5	-5.1	-15.7
21 Fidelity Paper & Forest (3%&.75%	*	4.2	-0.8	4.6	71 Rydex Retailing	*	-1.9	-3.0	-19.8
22 Merger Fund	*	1.4	4.5	-5.0	72 INVESCO Health Sciences Inv	*	0.2	-4.4	-20.4
23 Rydex Ursa	*	-0.2	-4.3	18.0	73 Vanguard Utilities Income	*	0.0	-5.1	-20.6
24 Rydex Consumer Products	*	2.0	2.2	-1.8	74 Fidelity Industrial Equip (3%	*	-2.5	-4.3	-20.3
25 Vanguard Energy (1%r<1yr)	*	-1.7	0.7	6.1	75 Fidelity Developing Comm (3%	*	2.4	-0.4	-40.4
26 Rydex Health Care	*	1.2	7.9	-16.9	76 Fidelity Retailing (3%&.75%	*	-3.3	-7.3	-16.5
27 ProFunds Bear Inv	*	-0.4	-4.9	16.9	77 Fidelity Bus Services (3%&.75%	*	-1.5	-5.2	-27.3
28 Fidelity Environmental Ser (3%	*	-0.8	6.6	-11.6	78 INVESCO Telecommunications	*	0.7	-0.3	-45.4
29 Fidelity Leisure (3%&.75%r<30d)	*	3.5	5.6	-15.7	79 Rydex Leisure	*	-1.7	-11.0	-15.8
30 Fidelity Fin'l Serv (3%&.75%	*	1.4	3.7	-8.5	80 Fidelity Med Del (3%&.75%	*	2.0	-16.7	-9.3
31 Vanguard Health Care (\$25k&1%	*	1.0	3.9	-8.5	81 Fidelity Air Transport (3%&.75%	*	0.7	-9.5	-25.8
32 INVESCO Energy Inv	*	-3.1	1.7	2.2	82 Fidelity Technology (3%	*	-1.8	-5.1	-35.9
33 Fidelity Balanced	FidCon	0.8	2.6	-6.4	83 Rydex Technology	*	-2.0	-5.3	-39.7
34 Rydex Banking	*	1.7	-0.6	0.2	84 Fidelity Networking	*	1.9	-12.1	-47.9
35 Fidelity Banking (3%&.75%r<30d)	*	2.1	0.1	-4.6	85 Fidelity Computers (3%&.75%	*	-3.7	-12.1	-41.7
36 Vanguard Balanced Index	VanCon	0.4	2.2	-8.3	86 Fidelity Wireless	*	-2.7	-11.5	-45.6
37 Fidelity Energy Services (3%	*	-7.8	0.3	8.9	87 INVESCO Technology Inv	*	-3.0	-14.2	-46.1
38 Fidelity Pharmaceuticals (3%	*	2.1	5.7	-19.6	88 Fidelity Electronics (3%&.75%	*	-8.2	-27.9	-51.0
39 Fidelity Automotive (3%&.75%	*	1.4	-0.5	-3.2	89 Rydex Electronics	*	-8.6	-28.7	-49.4
40 Fidelity Biotechnology (3%&.75%	*	1.5	10.8	-31.9					
41 Stratton Mthly Div REIT (1.5%	*	-1.7	-2.1	4.7					
42 INVESCO Leisure Inv	*	1.6	2.6	-13.2					
43 Fidelity Brokerage (3%&.75%	*	-0.3	4.0	-14.8					
44 Fidelity Food & Agr (3%&.75%	*	3.1	-2.0	-5.1					
45 INVESCO Utilities Inv	*	1.4	4.0	-17.6					
46 INVESCO Real Estate Inv	*	-2.1	-2.3	3.1					
47 Cohen & Steers Equity Income	*	-1.5	-2.7	1.2					
48 Fidelity Real Estate (.75%r<90d)	*	-2.1	-2.7	2.0					
49 INVESCO Financial Serv Inv	*	1.5	0.5	-12.1					
50 Cohen & Steers Realty Shares	*	-1.5	-2.8	0.4					

BOND FUNDS
On Next Page

Bond Funds — data as of 01/17/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Amer. Cent. Int'l Bond	Select	4.4%	10.1%	25.9%	51 Westcore Plus Bond	*	1.4	3.4	6.8
2 Amer. Cent. Target 2025	*	2.7	13.0	14.8	52 Managers Int. Duration Govt	*	0.7	3.3	7.8
3 Amer. Cent. Target 2020	*	2.5	12.5	16.3	53 Vanguard Bond Market	*	1.1	3.7	5.3
4 T. Rowe Price Int'l Bond	*	4.2	7.6	22.2	54 Fidelity Intermediate Bond	*	0.8	4.1	4.9
5 Amer. Cent. Target 2015	*	2.0	10.9	16.3	55 T. Rowe Price High Yield	B	2.2	4.1	2.6
6 Amer. Cent. Target 2010	*	1.4	8.7	15.3	56 T. Rowe Price New Income	*	1.4	3.7	4.2
7 Vanguard Inflation Protected Sec	*	2.3	7.6	15.9	57 Fidelity Government Income	*	0.4	3.7	5.9
8 Fidelity High Income (1%r<270d)	B	3.6	10.3	4.4	58 Schwab S-T Bond Mkt Index	*	0.5	3.4	5.5
9 Amer. Cent. Inflation Adj	*	2.3	6.6	14.2	59 Vanguard S-T Treasury	*	0.3	2.9	6.6
10 Vanguard L-T Treasury	*	1.2	7.6	11.8	60 Liberty Intermediate Bond	*	1.8	3.8	1.8
11 Scudder Global Bond S-T	*	2.1	6.3	13.7	61 Columbia Fixed Income Sec	*	0.6	2.9	5.8
12 INVESCO High Yield	*	3.3	9.6	3.4	62 Columbia High Yield	B	1.5	4.1	1.2
13 Fidelity New Markets Income	*	2.8	8.7	5.5	63 T. Rowe Price GNMA	*	0.6	2.9	5.6
14 Managers Bond	*	2.1	6.7	10.6	64 Vanguard S-T Federal	*	0.3	2.6	6.5
15 Vanguard Long-Term Corporate	*	2.3	6.8	9.3	65 Fidelity Short-Term Bond	*	0.3	3.0	5.1
16 T. Rowe Price U.S. Treas. L-T	*	1.5	7.2	9.5	66 Vanguard Short-Term Corporate	*	0.9	3.0	4.3
17 INVESCO Select Income	*	1.6	7.9	4.8	67 Amer. Cent. Ginnie Mae	*	0.9	2.7	4.8
18 DodgeCox Income	*	1.3	5.8	9.8	68 PIMCO Low Duration	*	0.3	2.7	5.4
19 Vanguard Intermediate Treas.	*	0.5	5.5	10.6	69 Dreyfus 100 Treasury L-T	*	1.5	2.8	3.2
20 American Government Bond	*	0.9	5.2	9.4	70 Scudder Short-Term Bond	*	0.5	2.8	4.5
21 Eclipse Indexed Bond	*	1.0	5.2	8.8	71 Montgomery Sht Duration Govt	*	0.1	2.4	5.3
22 Fremont Bond	*	0.9	5.5	8.1	72 Mercury Low Duration	*	0.3	2.8	3.6
23 Buffalo High-Yield(2%r<180d)	B	1.5	6.1	5.3	73 Fidelity GNMA	*	0.5	2.2	4.4
24 FifthThird Bond	*	1.2	4.9	8.1	74 MetroWest Total Return	*	1.9	3.4	-1.1
25 WPG Core Bond	*	1.0	4.9	8.2	75 Columbia S-T Bond	*	0.5	1.9	4.7
26 Value Line U.S. Govt Sec	*	0.8	4.7	9.0	76 T. Rowe Price S-T Bond	*	0.8	2.5	2.6
27 Dreyfus A Bonds Plus	*	1.7	5.0	6.7	77 Strong S-T High Yield	*	1.4	3.5	-1.0
28 Liberty Income	*	1.9	5.0	6.4	78 Janus High Yield	B	1.3	2.2	2.0
29 Safeco I-T U.S. Treasury	*	0.9	4.8	8.5	79 Managers Short Duration Govt	*	0.5	1.6	3.8
30 Eclipse Bond	*	1.0	5.8	5.6	80 Babson Bond Trust	*	0.7	2.0	1.6
31 Montgomery Total Return	*	0.6	4.9	8.4	81 Strong High Yield Bond(1%r)	*	2.8	4.1	-7.5
32 USAA Income	*	1.4	4.7	7.6	82 Janus S-T Bond	*	0.3	1.4	2.6
33 Federated Total Return Govt	*	0.6	4.4	9.3	83 Federated U.S. Govt Sec. 1-3	*	0.1	1.3	3.3
34 Vanguard GNMA	*	0.6	3.2	12.1	84 Dreyfus Strategic Income	*	1.3	1.6	0.1
35 Vanguard High Yield Corporate	B	2.8	5.6	2.7	85 Strong S-T Bond	*	0.6	1.4	0.9
36 Payden Global Fixed Income	*	1.1	4.9	6.9	86 MetroWest Low Duration	*	0.8	1.9	-0.9
37 Strong Govt Securities	*	0.6	4.5	8.5	87 Northeast Investors Trust	B	1.7	-1.7	4.1
38 Scudder Income	*	1.1	4.8	6.8	88 Value Line Aggressive Inc	B	1.9	0.5	-2.0
39 INVESCO U.S. Govt Sec	*	0.6	4.5	8.3	89 Dreyfus Short-Term Income	*	0.2	-0.6	0.6
40 Safeco U.S. Government	*	0.9	4.1	8.4	90 Managers Intermediate Bond	*	0.4	-0.6	-2.7
41 T. Rowe Price Spectrum Income	*	2.0	4.8	4.9					
42 Mercury Total Return	*	0.8	4.3	7.4					
43 Fidelity Intermediate Govt	*	0.4	4.1	8.3					
44 Fidelity Investment Grade	*	0.7	4.7	6.3					
45 Janus Flexible Income	*	1.1	4.8	4.8					
46 T. Rowe Price Corporate Inc	*	2.6	4.5	3.6					
47 PIMCO Total Return Mortgage	*	0.5	3.7	8.7					
48 PIMCO Total Return	*	0.8	3.8	7.3					
49 Strong Corporate Bond	*	1.7	5.9	0.7					
50 Dreyfus GNMA	*	0.7	3.5	7.6					

PORTFOLIO HOLDINGS
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Weekly Performance of ML Model Holdings — data as of 01/17/03

Fund	Last Week	Fund	Last Week
ARGFX Ariel Fund	-2.71%	VCVSX Vanguard Convertible Sec.	-0.09
BEGBX Amer.Cent. Int'l Bond	1.31	VEIEX Vanguard Emerg. Mkts. Stock	-0.75
BUFHX Buffalo High Yield	-0.10	VEIPX Vanguard Equity-Income	-1.95
CMHYX Columbia High Yield	-0.36	VEXMX Vanguard Extended Market	-1.91
FBALX Fidelity Balanced	-1.10	VIGRX Vanguard Growth Index	-3.24
FDCAX Fidelity Capital Appreciation	-3.16	VWEHX Vanguard High Yield Corp.	0.34
FEQTX Fidelity Equity-Income II	-2.89	VWIGX Vanguard Int'l Growth	-0.80
FFTYX Fidelity Fifty	-2.56	VSEQX Vanguard Strategic Equity	-1.97
SPHIX Fidelity High Income	-0.26	YACKX Yacktman Fund	-0.39
FIGRX Fidelity Int'l Growth & Income	-0.47		
FLPSX Fidelity L P Stock (3%)	-1.53		
FOCPX Fidelity OTC	-4.15		
FSEAX Fidelity SE Asia (3%)	0.60		
FBMPX Fidelity Multimedia (3%)	-1.92		
GATEX Gateway Fund	-1.26		
MAPTX Matthews Pacific Tiger	1.66		
NBGNX Neuberger Berman Genesis	-1.56		
OAKGX Oakmark Global	-2.31		
BEARX Prudent Bear	0.70		
RYPRX Royce Premier	-1.67		
TASCX Third Ave SC Value	-2.27		
VBINX Vanguard Balanced	-1.37		
VHCOX Vanguard Cap Opportunity	-3.53		
		Indices	
		DOW JONES INDUSTRIALS	-2.26%
		S&P 500	-2.78
		NASDAQ	-4.94

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