

MONEYLETTER *Plus*

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MONEYLETTER HOTLINE 1/28/03

Iraq Stage (Part II)

Iraq continues to hang over the market the early days of this week, today's relief rally notwithstanding. There was a flood of economic news today, as well as earnings, and by and large the economic picture did not change much. Some of the news, such as durable goods new orders and new home sales, looked back to last month. Some, such as consumer confidence, were more recent, referring to this month.

Basically today's market advance was technical in nature, a bounce from a deeply oversold condition. But if the market paid any attention to the economic news it appeared to be the consumer confidence number. It turned out that it dropped only a hair, and less than expected. At the same time, while the other numbers were not bad, they had no oomph in them. What is clear is that defense spending is now an important prop for the economy, and will be so at least for the first six months of this year. But, when will business investment show some life? We believe the answer is the second half of the year, as the economy gradually improves. But our view is far from certain. 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: Strong Midcap Disciplined. There is one new hold: Oakmark Select. There is one new sell: Dreyfus New Leaders. For international stock funds, there is one new hold: Fidelity Emerging Markets.

Also model portfolio funds - Fidelity OTC Portfolio and Vanguard Growth Index - have fallen into the sell category and there are better funds to be switched into. Fidelity OTC Portfolio is in the Fidelity family Venturesome and Moderate portfolios. We will switch the fund into Fidelity Convertible Securities in both portfolios. Vanguard Growth Index is in all three Vanguard family portfolios. In the Vanguard Venturesome Portfolio we will switch the fund into Vanguard Small Cap Growth Index. In the Moderate and Conservative Vanguard Portfolios, we will switch the fund into Vanguard Capital Value.

The Economy – Housing remains very strong, but we cannot expect much more push from that sector. Reports say that car sales are running below last month, but that is no surprise. Last month was very strong, and the weather is keeping buyers home. The weekly retail store sales surveys are up moderately.

The Stock Market – Technicians tell us that the market is short-term oversold, but they are cautious over the intermediate-term. What we need is better economic news and a resolution to Iraq. Meanwhile, the market will remain in a trading range. Looking out 6-9 months, we remain positive on the U.S. market.

The Select Portfolio – No trades recommended for this portfolio.

MONEYLETTER HOTLINE 1/24/03

Iraq Stage

Iraq totally took over the market as we face the weekend. This has ceased to be a rational market. Earnings and the outlook are totally secondary. The market is being driven by the uncertainty over Iraq. We don't even believe that right now the technicals matter.

For the past week we have not been in a normal market environment. Experience has shown that when emotion takes over, as it did today, the best response is to hunker down and step aside. Above all, do not join the tide. What we found interesting today is that in the midst of the selling, companies which surprised with good earnings, such as Starbucks, managed to register a gain. So far, the reported earnings continue positive on the whole, though the guidance could certainly have been better.

Another sign that the uncertainty over war is moving the markets is the decline of the dollar against the euro and the rise in the price of gold. These both represent a flight from U.S. assets. We should see another emotion driven market early next week as the Iraq inspectors report and the President delivers his State of the Union speech. We firmly 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: Lingleaf Partners Smallcap. For international stock funds, there are two new buys: USAA International and USAA World Growth.

The Economy – The deep freeze over much of the country will certainly affect January activity negatively. Ignore the headlines which will talk of a slowdown. We saw the opposite last year with the abnormally warm winter. Meanwhile, we suspect that business will remain cautious until the Iraq uncertainty is resolved. We still see growth picking up speed by late spring.

The Stock Market – We are beginning to get the classic signs that the market is oversold. The continued selling is cracking confidence again. The market is setting itself up for a rebound, but the timing depends on Iraq. Strong stimulus will be hitting the economy in the months ahead. We remain positive on the U.S. market.

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

Domestic Stock Funds — data as of 01/24/03

Fund	Advice	1 month	6 month	1 year		Advice	1 month	6 month	1 year	
1 Yacktman Fund	B	-0.2%	19.0%	11.9%	51	Royce Penn Mutual(1%r<180d)	H	-2.3	1.0	-10.3
2 RS Partners	B	2.0	12.4	1.8	52	Strong Discovery	H	-3.1	2.8	-13.8
3 T. Rowe Price Cap Appreciation	B	-0.5	7.8	0.0	53	Vanguard Windsor II	H	-2.3	3.5	-16.8
4 Vanguard Convertible Securities	B	0.5	9.5	-6.0	54	Fidelity Equity-Income II	H	-4.3	4.6	-16.9
5 Royce Special Equity (1%r<180d)	B	-2.7	5.6	8.4	55	Mutual Qualified(1%)CIZ	H	-0.6	0.8	-12.9
6 Legg Mason Value	B	-1.1	13.3	-16.7	56	Ariel Fund	H	-4.4	1.2	-8.2
7 Fidelity Fifty (.75%r<30d)	B	-2.4	6.3	1.7	57	Preferred Value	H	-2.7	3.5	-16.4
8 Legg Mason Special Investment	B	-2.2	10.8	-10.2	58	Fidelity Capital Appreciation	H	-0.2	3.1	-19.4
9 Fidelity Convertible Securities	B	1.2	8.7	-10.3	59	Homestead Value	H	-3.8	2.1	-12.6
10 Thompson Plumb Growth	B	-1.5	14.1	-20.1	60	Liberty Asset Allocation CIZ	H	-1.6	1.8	-14.9
11 Hussman Strategic Growth (1.5%	B	1.5	-0.6	12.0	61	Berger Mid Cap Value	S	-2.4	1.9	-14.3
12 Legg Mason Opportunity Trust	B	-0.2	11.3	-15.3	62	Loomis Sayles Value	H	-2.8	3.7	-18.0
13 Strong Mid Cap Disciplined	B	0.7	9.1	-11.6	63	Fidelity Contrafund (3%)	H	-2.9	0.9	-10.8
14 Neuberger Berman Genesis	B	-3.4	5.6	-4.9	64	Vanguard Windsor	S	-1.8	4.4	-21.7
15 Weitz Value Fund	B	-2.0	10.0	-18.9	65	Berwyn Fund (1%r<180d)	S	-2.6	-0.5	-8.4
16 Fidelity Export & Multinat'l(.75%	H	-2.7	10.6	-19.1	66	Muhlenkamp Fund	S	-3.0	3.9	-18.8
17 TCW Galileo Aggressive Growth	H	-0.1	13.9	-31.6	67	Fidelity Trend	S	-3.2	4.9	-21.0
18 American Century Equity Income	B	-3.2	5.6	-7.0	68	Vanguard Extended Market	S	-2.4	3.1	-18.0
19 Aegis Value Fund	B	-0.7	1.6	-1.3	69	Fidelity Growth & Income II	H	-3.3	3.6	-17.9
20 Royce Total Return (1%r<180d)	B	-3.0	3.8	-4.0	70	Neuberger Berman Fasciano Inv	S	-3.1	0.3	-10.3
21 T.Rowe Price Mid Cap Value	B	-1.1	4.7	-9.0	71	Vanguard Capital Value	S	-1.5	5.6	-26.2
22 Clipper Fund	B	-1.5	4.0	-7.3	72	WmBlair S-C Growth N (1%	S	-2.9	2.9	-17.2
23 Dodge & Cox Stock	B	-2.2	5.6	-10.9	73	Vanguard Value Index	S	-2.9	4.4	-21.0
24 Boston Partners Mid Cap Value	H	-2.9	8.3	-16.7	74	Oakmark Fund	H	-1.8	1.3	-15.1
25 Heartland Value (1%r<90d)	H	0.6	4.3	-12.6	75	T. Rowe Price Growth Stock	S	-2.7	4.7	-22.3
26 Royce Premier (1%r<180d)	H	-2.9	4.1	-7.0	76	Fidelity Stock Selector	S	-3.3	4.7	-21.5
27 Salomon Brothers Capital(closed)	H	2.3	6.4	-21.0	77	American Century Value	H	-3.7	2.0	-14.3
28 Longleaf Partners	B	0.3	1.7	-7.1	78	Salomon Brothers Investors	S	-2.0	3.8	-21.9
29 T. Rowe Price S-C Value	H	-3.5	2.9	-5.1	79	Vanguard Equity-Income	H	-3.8	3.0	-17.2
30 Vontobel U.S. Value (2%r<360d)	B	-1.7	2.4	-7.1	80	Dreyfus New Leaders	H	-3.7	1.0	-12.5
31 Westport Small Cap R	H	-1.5	5.5	-15.6	81	T. Rowe Price Small Cap Stock	S	-3.5	2.1	-15.6
32 Sound Shore	B	-2.0	5.7	-15.4	82	Scudder Large Co Value	H	-2.9	2.8	-18.3
33 Fidelity Contrafund II (3%)	H	-3.1	6.8	-16.8	83	Selected American Shares	H	-2.8	2.3	-17.3
34 Strong Advisor Common Stock	H	-1.4	6.5	-18.6	84	Vanguard U.S. Value	H	-3.2	2.8	-17.9
35 Fidelity Dividend Growth	H	-3.3	8.6	-21.5	85	American Century Income &	S	-3.4	3.8	-20.2
36 Mutual Shares(1%)CIZ	H	-0.7	2.5	-10.6	86	Eclipse Small Cap Value	S	-2.5	-2.6	-5.8
37 T. Rowe Price New Era	H	-4.4	2.8	-6.3	87	Loomis Sayles Small Cap Value	S	-2.3	0.7	-14.6
38 Mutual Beacon(1%)CIZ	H	-0.5	2.2	-11.1	88	Royce Low Priced Stock (1%	S	-1.5	0.9	-16.6
39 Gabelli Asset	H	-2.9	4.9	-14.3	89	American Century Equity Growth	S	-3.1	3.4	-20.4
40 Oakmark Select(closed) (2%	H	-1.6	3.5	-13.0	90	Fidelity Independence(ret.only)	H	-2.4	1.7	-17.3
41 Vanguard Strategic Equity	H	-2.0	3.1	-12.9	91	CRM Mid Cap Value Ins	S	-1.4	0.6	-16.1
42 T. Rowe Price Equity-Income	H	-3.3	4.5	-14.5	92	Baron Small Cap	S	-1.1	-1.5	-11.3
43 MSI Small Cap Value(closed)	H	-2.8	4.4	-16.3	93	CRM Mid Cap Value Inv	S	-1.4	0.4	-16.4
44 Fidelity Value	H	-2.9	2.1	-10.8	94	Vanguard Mid-Cap Index	S	-3.3	1.5	-16.4
45 Vanguard Small Cap Growth In-	H	-3.0	4.0	-15.6	95	Baron Growth	S	-2.6	-0.6	-12.4
46 RS MidCap Opportunities	H	-1.4	6.5	-24.5	96	Vanguard/Morgan Growth	S	-2.9	4.0	-23.3
47 Fidelity L P Stock (3%&1.5%	H	-0.6	-0.7	-7.7	97	Bonnel Growth Fund (.25%	S	0.1	-0.5	-16.6
48 Janus Special Situation	H	0.7	5.7	-25.8	98	T.Rowe Price Mid Cap Growth	S	-2.6	2.3	-19.7
49 WPG Tudor	H	-2.0	5.7	-21.7	99	Nicholas II	S	-3.2	2.6	-20.0
50 Fidelity Small Cap Stock (2%	H	-0.3	2.3	-16.6	100	Fidelity Growth & Income(3%)	S	-3.3	2.3	-19.0

DOMESTIC STOCK FUNDS
Continued on Next Page

Domestic Stock Funds continued — data as of 01/24/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
101 Janus Mercury	S	-2.1	5.2	-27.9	151 Fidelity OTC Portfolio	S	-4.3	2.6	-25.4
102 Domini Social Equity Fund	S	-3.3	3.4	-21.6	152 Vanguard SmallCap Index	S	-3.3	-0.2	-20.3
103 Dreyfus Mid Cap Index	S	-3.4	1.3	-16.8	153 Boston Ptnrs Smlcap Val	S	-2.6	-2.4	-16.2
104 C&B Mid Cap Value	S	-1.4	-1.9	-11.6	154 Vanguard Growth Index	S	-3.8	1.6	-24.7
105 CS Warburg Pincus Emerging	S	-0.4	3.4	-26.6	155 Vanguard PRIMECAP	S	-2.7	0.9	-24.4
106 Vanguard Total Stk Mkt	S	-3.2	2.9	-21.5	156 SIT Large Cap Growth	S	-2.9	2.9	-29.3
107 Wasatch Small Cap Grth	S	-3.5	3.2	-22.1	157 CS Warburg Pincus Capital	S	-2.4	3.1	-30.7
108 Schwab 1000 Fund (.75%r<180d)	S	-3.2	2.9	-21.8	158 Vanguard Explorer	S	-3.2	0.9	-24.1
109 Third Avenue Small-Cap Value	H	-2.2	-2.1	-10.8	159 Federated Kaufmann Fund	S	-2.6	-1.2	-20.0
110 Royce Opportunity (1%r<180d)	S	-0.4	-0.7	-17.1	160 TCW Galileo Value Opportunity	S	-3.2	1.8	-26.6
111 Oberweis Emerging Growth	S	-3.8	4.1	-24.2	161 Scudder Development	S	-1.8	2.7	-31.1
112 Fidelity Equity-Income	S	-3.8	1.8	-18.5	162 CS Warburg Pincus Value	S	-2.3	-1.3	-20.5
113 Janus Twenty(closed)	S	-2.1	1.8	-21.2	163 Strong Opportunity	S	-2.1	1.1	-26.9
114 T. Rowe Price Growth & Income	S	-3.2	3.5	-23.8	164 INVESCO Core Equity	S	-3.5	-0.3	-21.3
115 Harbor Value	S	-0.9	0.7	-20.2	165 Dreyfus Growth Opportunity (2%	S	-3.3	0.2	-23.1
116 Vanguard 500 Index	S	-3.4	3.0	-22.7	166 Safeco Equity	S	-3.4	1.8	-27.0
117 Fidelity Spartan 500 Index	S	-3.4	3.0	-22.7	167 Dreyfus Fund	S	-3.5	0.1	-22.9
118 T. Rowe Price New Horizons	S	-2.6	3.3	-24.6	168 Fidelity Blue Chip Growth	S	-3.5	1.2	-25.8
119 Value Line Special Situations	S	-2.7	-0.1	-16.1	169 Neuberger Berman Partners	S	-1.5	-0.7	-24.1
120 Gintel Fund (2%r<45d)	S	1.1	-1.4	-18.6	170 Nicholas Fund	S	-2.6	-1.1	-21.7
121 Janus Growth & Income	S	-2.6	1.5	-20.6	171 Scudder Growth & Income	S	-3.6	0.1	-23.5
122 Selected Special Shares	S	-4.0	2.0	-19.8	172 Fidelity Mid-Cap Stock (.75%	S	-2.6	1.0	-27.2
123 American Century Heritage	S	-4.2	1.0	-17.2	173 Liberty Equity Growth CIZ	S	-3.0	0.6	-25.9
124 Montgomery Small Cap	S	-2.7	3.5	-25.7	174 Oakmark Small Cap (2%r<90d)	S	-2.7	-3.9	-15.3
125 RS Value+Growth	S	-1.9	2.9	-25.7	175 Vanguard Small-Cap Value	S	-4.0	-2.4	-17.1
126 Columbia Common Stock	S	-2.8	2.9	-24.6	176 American Century Ultra	S	-3.7	0.0	-23.3
127 T. Rowe Price Dividend Growth	S	-3.7	1.7	-20.2	177 Vanguard Growth Equity	S	-2.4	1.6	-29.8
128 Tweedy, Browne American Value	S	-2.4	-0.7	-16.3	178 Babson Growth	S	-4.4	2.2	-28.2
129 Ariel Appreciation	H	-4.9	0.0	-14.4	179 SIT Small Cap Growth	S	-3.2	0.4	-25.7
130 USAA Growth & Income	S	-3.3	1.9	-21.5	180 Montgomery Growth	S	-3.5	0.8	-26.5
131 T. Rowe Price New America	S	-2.3	3.4	-26.8	181 Dreyfus Premier Aggressive	S	-2.7	-0.9	-23.6
132 Northeast Investors Growth	S	-3.8	2.8	-23.3	182 Janus Fund	S	-1.9	-0.5	-26.1
133 Needham Growth Fund (.75%	S	0.5	1.8	-27.4	183 Columbia Special	S	-1.7	-2.2	-22.3
134 INVESCO Value Equity	S	-3.8	1.7	-20.7	184 Fidelity Small Cap Ind.(1.5%	S	-1.6	-3.4	-19.6
135 Janus Enterprise	S	-2.4	2.0	-23.6	185 Salomon Brothers Opportunity	S	-1.7	-4.2	-17.5
136 Artisan Midcap(closed)	S	-4.3	2.8	-22.9	186 Fidelity Large Cap Stock	S	-3.4	-0.9	-23.5
137 Fidelity Magellan (3%)	S	-3.7	2.7	-23.6	187 Scudder Large Company Growth	S	-2.8	0.9	-29.1
138 Vanguard Cap Opp (\$25,000&1%	H	-2.6	3.9	-28.4	188 Fidelity New Millennium (3%)	S	-5.1	-0.7	-21.9
139 Fidelity Disciplined Equity	S	-3.3	0.7	-19.3	189 Fidelity Aggressive Growth	S	-2.1	4.2	-38.5
140 UMB Scout Stock	S	-2.7	0.6	-20.3	190 American Century Growth	S	-3.3	0.1	-26.8
141 MSI Value Portfolio	S	-2.7	1.4	-22.9	191 Gabelli Growth	S	-3.8	3.2	-33.8
142 Vanguard Growth & Income	S	-3.4	1.7	-22.6	192 Strong Multi-Cap Value	S	-3.1	-2.0	-22.2
143 MSI Mid Cap Value	S	-1.4	2.2	-27.3	193 Dreyfus Growth & Income	S	-4.2	-0.1	-25.4
144 Fidelity Fund	S	-4.2	2.1	-23.3	194 State Street Mid-Cap Value	S	-3.7	-1.8	-21.9
145 Bogle Small Cap Growth(closed)	S	-1.1	-1.9	-18.1	195 Longleaf Partners Smallcap	S	-4.6	-6.8	-8.7
146 Dreyfus Appreciation	S	-4.2	0.6	-19.7	196 Strong Growth	S	-3.6	-1.0	-24.6
147 Third Avenue Value	S	-1.7	-3.0	-14.9	197 Fidelity Growth Company	S	-3.3	1.5	-31.5
148 CRM Small Cap Value Inv	S	-0.5	-2.7	-17.4	198 Meridian Fund	S	-2.8	-3.9	-19.1
149 American Century Select	S	-3.6	1.5	-23.5	199 MSI Midcap Growth	S	-2.6	-0.7	-27.7
150 Janus Venture (closed)	S	-2.3	1.9	-26.4	200 INVESCO Small Company	S	-3.3	0.7	-30.2

DOMESTIC STOCK FUNDS
Continued on Next Page

Domestic Stock Funds continued — data as of 01/24/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
201 William Blair Growth (1%r<60d)	S	-3.7	-0.9	-25.7	251 Harbor Growth	S	0.0	-7.6	-48.6
202 INVESCO Dynamics	S	-2.7	1.2	-32.6	252 Pin Oak Aggressive Stock	S	0.3	-12.0	-48.6
203 Columbia Growth	S	-2.9	1.0	-32.3					
204 Scudder Capital Growth AARP	S	-3.1	-0.5	-29.4					
205 WPG Large Cap Growth	S	-3.0	-1.5	-27.0					
206 Marsico Growth & Income	S	-4.1	-4.4	-18.9					
207 RS Aggressive Growth	S	-1.7	0.0	-33.9					
208 Turner Midcap Growth	S	-2.4	-0.4	-32.0					
209 USAA Growth	S	-3.8	0.3	-31.8					
210 Value Line Fund	S	-2.1	-3.3	-25.4					
211 Liberty Small Company Equity CIZ	S	-3.7	1.0	-33.7					
212 Babson Value	S	-2.9	-6.1	-17.5					
213 Marsico Focus	S	-4.2	-4.9	-18.6					
214 INVESCO Endeavor	S	0.0	2.6	-44.2					
215 PBHG Small Cap Value	S	-1.9	-1.9	-30.4					
216 Wasatch Small Cap Value (2%)	S	-2.4	-5.9	-19.6					
217 USAA Aggressive Growth	S	-3.7	-1.5	-28.8					
218 Neuberger Berman Guardian	S	-3.4	-2.4	-27.3					
219 Liberty Equity Value CIZ	S	-1.7	-2.6	-29.3					
220 Neuberger Berman Manhattan	S	-3.9	-1.5	-28.8					
221 Vanguard U.S. Growth	S	-3.7	0.6	-34.6					
222 Strong Large Cap Growth	S	-3.0	-2.3	-28.7					
223 Preferred Growth	S	-3.0	-1.9	-29.6					
224 SIT Mid Cap Growth	S	-2.2	-1.2	-33.1					
225 Harbor Capital Appreciation	S	-3.0	-2.0	-29.9					
226 Dreyfus Premier Third Century	S	-3.6	-2.1	-29.4					
227 CGM Focus	S	-2.9	-4.3	-25.0					
228 American Century Vista	S	-3.0	-5.4	-22.2					
229 Neuberger Berman Focus	S	-1.3	-0.4	-37.7					
230 Value Line Leveraged Growth	S	-3.1	-3.3	-27.6					
231 Buffalo Small Cap	S	-4.9	-1.9	-30.1					
232 Berger Large Cap Growth	S	-3.3	-1.7	-33.9					
233 Strong Advisor Midcap Growth	S	-1.5	-2.5	-35.3					
234 PBHG Growth	S	-3.6	-5.1	-27.9					
235 RS Emerging Growth(closed)	S	-2.1	-2.0	-39.0					
236 Wasatch Core Growth(closed,2%)	S	-3.6	-7.6	-23.4					
237 Dreyfus-Founders Discovery	S	-3.1	-4.3	-34.3					
238 INVESCO Blue Chip Growth	S	-2.6	-3.2	-39.9					
239 TCW Galileo Small Cap Growth	S	-1.7	-2.3	-43.7					
240 ICM/Isabelle Small Cap Value	S	-2.0	-12.3	-18.3					
241 Baron Asset	S	-6.0	-9.0	-20.9					
242 Van Wagoner Mid-Cap	S	3.1	-4.8	-47.1					
243 PBHG Emerging Growth(closed)	S	-1.2	-3.4	-45.4					
244 Strong Growth 20	S	-5.1	-6.9	-30.8					
245 RS Smaller Company Growth	S	-3.4	-6.5	-37.7					
246 Safeco Growth Opportunities	S	-4.4	-6.2	-38.8					
247 Van Wagoner Emerging Growth	S	9.1	-7.2	-60.6					
248 RS Diversified Growth	S	-7.0	-4.6	-43.1					
249 Berger Growth	S	-3.4	-8.8	-39.1					
250 Fidelity Focused Stock (.75%)		-3.7	-9.5	-37.0					

Managed Accounts

For information regarding the "MONEYLETTER Managed Account Program"¹ call Principal Resource Inc. (PRI) toll-free (800) 707-2060.

Ask about PRI's free, no-obligation portfolio review.

Minimum investment is \$100,000.

¹ As an independent Registered Investment Advisor Principal Resource Inc. will exercise discretion with regard to asset allocation and fund selection and may make investment decisions for client accounts that differ from recommendations found in *MONEYLETTER* and *MONEYLETTER Plus*.

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INTERNATIONAL STOCK FUNDS
On Next Page

International Stock Funds — data as of 01/24/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Matthews Asia Growth&Income	B	-0.7%	1.0%	9.3%	51 INVESCO European (2%r<90d)	S	-2.5	-2.1	-30.5
2 Oakmark Global (2%r<90d)	B	-2.4	4.5	-6.9	52 Janus Overseas(closed)	S	-3.5	-4.4	-23.5
3 Julius Baer International Equity A	B	-0.9	2.0	-4.9	53 Scudder Greater Europe (2%	S	-3.5	-4.9	-22.6
4 Harbor International	B	-2.6	3.5	-8.2	54 Fidelity SE Asia (3%&1.5%	H	-0.5	-12.3	-12.2
5 USAA International	B	-1.5	3.1	-9.8	55 CS Warburg Pincus Japan Grth	S	5.6	-13.0	-21.2
6 Fidelity Diversified Intl (1%r<30d)	B	0.1	-0.1	-8.0	56 Scudder Latin America	H	-6.9	-5.3	-22.3
7 USAA World Growth	B	-2.2	3.8	-16.5	57 SIT International Growth	S	-3.0	-5.1	-29.8
8 TR Price Intl Discovery	H	3.5	-1.9	-12.0	58 Fidelity Latin Amer.(3%&1.5%	H	-7.1	-5.3	-25.4
9 Investec China & Hong Kong	H	0.7	-2.6	-6.9	59 Artisan International	S	-4.4	-9.3	-21.0
10 Japan Fund (Scudder) (2%	H	6.4	-10.4	3.3	60 T. Rowe Price Japan	S	3.1	-18.8	-9.5
11 Oakmark Intl Small Cap	H	1.7	-4.7	-5.1	61 T Rowe Price Latin America (2%	S	-7.7	-7.5	-23.6
12 Vanguard Emerging Mkts Stk	B	-0.3	-2.5	-8.9	62 Payden European Aggr Grth	S	0.0	-11.7	-40.3
13 Vontobel International Equity (2%	B	-2.8	-1.6	-7.5					
14 Oakmark International (2%r<90d)	H	0.0	-3.1	-9.7					
15 Montgomery Emerging Mkts	B	-0.9	-2.1	-11.2					
16 Fidelity Japan(3%&1.5%<90d)	H	4.5	-11.4	2.8					
17 Dreyfus Emerging Market(1%r)	B	-2.2	-3.9	-6.2					
18 Longleaf Partners International	H	2.0	-4.0	-13.0					
19 Scudder Global Discovery(closed)	H	0.7	-1.1	-18.3					
20 Fidelity International G & I	H	-0.3	-4.0	-9.5					
21 Scudder Global	H	-0.6	-1.7	-15.1					
22 Schwab International Index (1.5%	H	-2.2	-1.3	-15.1					
23 Preferred International	H	-0.6	-5.0	-8.4					
24 Gabelli Intl. Growth	H	-1.3	-3.0	-13.1					
25 Fidelity Pacific Basin (3%&1.5%	H	2.5	-9.0	-4.0					
26 Vanguard Pacific Stock Index	H	4.5	-11.2	-1.6					
27 Fidelity Worldwide (1%r<30d)	H	-2.1	-0.7	-18.8					
28 Tweedy, Browne Global Value	H	-2.2	-2.5	-14.5					
29 Fidelity Emerging Mkts (3%&1.5%	H	-1.4	-4.8	-10.2					
30 Matthews Pacific Tiger (2%r<90d)	H	-1.3	-6.4	-6.5					
31 Vanguard International Growth	H	-0.7	-3.2	-16.5					
32 Matthews Japan Fund (2%r<90d)	S	7.9	-15.1	-0.6					
33 Loomis Sayles International Eq-	S	-0.9	-3.3	-17.6					
34 T. Rowe Price European	S	-4.4	-1.2	-20.5					
35 Fidelity Aggressive Intl. (1%r<30d)	S	-2.1	-5.9	-12.4					
36 Columbia International Stock	S	-0.7	-6.2	-14.9					
37 Strong International Stock	S	-1.3	-4.3	-18.7					
38 American Century Intl Growth	S	-1.6	-4.8	-17.2					
39 T. Rowe Price New Asia	S	1.1	-10.2	-8.0					
40 Liberty Intl Equity CIZ	S	-1.0	-4.9	-18.3					
41 Vanguard European Stock Index	S	-3.6	-3.4	-19.1					
42 Fidelity Overseas (1%r<30d)	S	-0.9	-6.3	-17.2					
43 Babson-Stewart Ivory Intl	S	-2.1	-4.4	-21.1					
44 T. Rowe Price Intl Stock	S	-3.5	-4.7	-18.9					
45 Fidelity Europe (3%&1%r<90d)	S	-1.3	-2.9	-26.8					
46 Vanguard International Value	S	-1.3	-8.3	-13.6					
47 Scudder Pacific Opportunity (2%	S	0.0	-11.2	-8.8					
48 Scudder International (2%r<180d)	S	-2.5	-6.9	-16.3					
49 American Century Global Growth	S	-2.6	-6.4	-19.3					
50 Janus Worldwide(closed)	S	-3.8	-3.1	-25.9					

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

**Wednesday
February 5, 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 01/24/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 U.S.Global Gold Shares (.25%)	*	12.8%	33.6%	79.9%	51 Rydex Consumer Products	*	-2.4	0.6	-4.9
2 Amer. Cent. Global Gold (1%)	*	7.9	39.4	70.5	52 Vanguard Utilities Income	*	0.0	4.6	-20.0
3 Scudder Gold	*	8.3	34.7	68.4	53 Fidelity Utilities Growth (3%)	*	-4.2	11.2	-30.3
4 Fidelity Gold (3%&.75%r<30d)	*	6.9	36.7	60.5	54 Rydex Energy	*	-6.5	5.6	-14.2
5 INVESCO Gold Inv	*	7.5	28.6	58.2	55 Fidelity Chemicals (3%&.75%)	*	-1.5	-1.6	-4.5
6 Rydex Precious Metals	*	6.8	29.3	46.8	56 Fidelity Natrl Resources (3%)	*	-5.5	2.8	-12.3
7 Vanguard Precious Metals	*	6.4	24.9	35.4	57 INVESCO Financial Serv Inv	*	-2.7	2.9	-16.8
8 Fidelity Multimedia (3%&.75%)	Select	2.7	34.4	-5.6	58 Fidelity Food & Agr (3%&.75%)	*	-2.1	-1.0	-8.0
9 Fidelity Telecomm (3%&.75%)	*	-2.7	45.2	-25.8	59 Fidelity Developing Comm (3%)	*	2.2	9.6	-41.6
10 Prudent Bear	Select	3.9	2.7	66.9	60 Fidelity Brokerage (3%&.75%)	*	-5.9	5.5	-19.7
11 RS Contrarian	*	4.8	12.8	9.6	61 Rydex Utilities	*	-0.2	5.7	-29.9
12 Fidelity Medical Equip (3%&.75%)	*	-0.5	18.6	-2.7	62 Fidelity Energy (3%&.75%r<30d)	*	-7.0	2.2	-12.4
13 Fidelity Software (3%&.75%)	*	-1.3	21.3	-23.0	63 Rydex Financial Services	*	-2.7	1.2	-18.1
14 Fidelity Indust Matrls (3%&.75%)	*	2.0	9.1	2.4	64 Rydex Biotechnology	*	-4.1	9.8	-38.7
15 AXARosenberg Value L/S (2%)	*	0.6	-0.3	22.9	65 Fidelity Automotive (3%&.75%)	*	-3.2	-3.5	-8.5
16 CGM Realty	*	0.6	6.1	4.7	66 Fidelity Consumer Ind (3%)	*	-2.1	-1.4	-17.8
17 Merger Fund	*	0.9	7.8	-5.4	67 Fidelity Cyclical Ind (3%&.75%)	*	-3.7	-1.7	-19.8
18 Gateway Fund	MLCon	-1.5	8.6	-5.6	68 INVESCO Health Sciences Inv	*	-2.6	-1.5	-23.2
19 Rydex Ursa	*	3.2	-5.9	22.9	69 Fidelity Technology (3%)	*	-0.4	1.8	-34.9
20 Fidelity Leisure (3%&.75%r<30d)	*	0.7	11.7	-17.8	70 Fidelity Defense & Aero (3%)	*	-2.5	-7.2	-10.9
21 INVESCO Energy Inv	*	-5.1	8.0	-1.7	71 Rydex Transportation	*	-6.1	-1.1	-21.1
22 Stratton Mthly Div REIT (1.5%)	*	-3.7	4.7	4.2	72 Fidelity Const & Housing (3%)	*	-5.1	-4.8	-13.5
23 ProFunds Bear Inv	*	3.0	-6.6	21.6	73 Rydex Basic Materials	*	-3.4	-5.9	-14.3
24 Rydex Internet	*	1.2	18.9	-39.8	74 INVESCO Telecommunications	*	-1.8	5.9	-47.0
25 Fidelity Real Estate (.75%r<90d)	*	-3.7	4.7	1.7	75 Rydex Technology	*	-1.4	1.1	-39.6
26 Fidelity Health Care (3%&.75%)	*	-2.3	11.2	-16.7	76 Fidelity Bus Services (3%&.75%)	*	-5.9	-0.2	-30.0
27 Vanguard Energy (1%r<1yr)	*	-4.7	5.9	-0.2	77 Fidelity Transportation (3%)	*	-5.3	-4.3	-22.6
28 INVESCO Real Estate Inv	*	-3.7	4.0	2.4	78 Fidelity Industrial Equip (3%)	*	-5.6	-3.5	-24.9
29 Rydex Health Care	*	-1.5	11.3	-19.1	79 Rydex Retailing	*	-2.3	-7.2	-26.0
30 Cohen & Steers Equity Income	*	-3.5	4.1	0.7	80 Fidelity Med Del (3%&.75%)	*	1.2	-15.7	-11.6
31 Fidelity Environmental Ser (3%)	*	-2.8	9.4	-14.2	81 Rydex Leisure	*	-4.0	-11.3	-19.4
32 Rydex Telecommunications	*	-2.7	19.1	-38.9	82 Fidelity Retailing (3%&.75%)	*	-4.7	-10.7	-22.8
33 Cohen & Steers Realty Shares	*	-3.8	4.3	-0.3	83 Fidelity Networking	*	2.0	-4.9	-48.8
34 Vanguard REIT Index (1%r<1yr)	*	-3.7	4.3	-0.4	84 Fidelity Computers (3%&.75%)	*	-2.2	-5.9	-41.5
35 Rydex Banking	*	-0.8	3.9	-5.3	85 Fidelity Air Transport (3%&.75%)	*	-4.8	-8.0	-32.8
36 Vanguard Health Care (\$25k&1%)	*	-2.2	7.0	-11.9	86 Fidelity Wireless	*	-2.0	-5.8	-46.9
37 Fidelity Insurance (3%&.75%)	*	-3.5	5.8	-6.8	87 INVESCO Technology Inv	*	-2.0	-8.3	-46.0
38 Fidelity Energy Services (3%)	*	-9.8	6.6	0.0	88 Fidelity Electronics (3%&.75%)	*	-4.7	-22.3	-51.2
39 Fidelity Banking (3%&.75%r<30d)	*	-0.4	4.8	-9.7	89 Rydex Electronics	*	-5.1	-24.8	-49.5
40 Fidelity Natural Gas (3%&.75%)	*	-5.3	6.7	-7.2					
41 Fidelity Balanced	FidCon	-1.3	4.7	-8.9					
42 INVESCO Utilities Inv	*	-3.1	10.1	-20.2					
43 INVESCO Leisure Inv	*	-1.1	6.3	-15.6					
44 Fidelity Fin'l Serv (3%&.75%)	*	-2.7	6.3	-13.4					
45 Fidelity Home Finance (3%&.75%)	*	-1.6	2.3	-6.4					
46 Vanguard Balanced Index	VanCon	-1.6	3.7	-10.1					
47 Fidelity Biotechnology (3%&.75%)	*	-2.9	13.2	-33.0					
48 Rydex Energy Services	*	-9.1	6.7	-8.2					
49 Fidelity Paper & Forest (3%&.75%)	*	-1.5	-0.5	-2.9					
50 Fidelity Pharmaceuticals (3%)	*	-3.1	8.6	-23.4					

BOND FUNDS
On Next Page

Bond Funds — data as of 01/24/03

Fund	Advice	1 month	6 month	1 year	Fund	Advice	1 month	6 month	1 year
1 Amer. Cent. Int'l Bond	*	5.8%	12.5%	29.7%	51 Safeco U.S. Government	*	0.4	3.5	8.7
2 T. Rowe Price Int'l Bond	*	5.1	9.7	25.5	52 T. Rowe Price New Income	*	1.2	4.4	5.2
3 Amer. Cent. Target 2025	*	0.9	14.1	18.2	53 MetroWest Total Return	*	1.6	6.5	-0.6
4 Amer. Cent. Target 2020	*	1.1	12.5	19.8	54 PIMCO Total Return Mortgage	*	0.3	3.2	8.9
5 Amer. Cent. Target 2015	*	1.3	10.1	19.4	55 Fidelity Intermediate Bond	*	0.4	4.2	5.5
6 Fidelity High Income (1%r<270d)	B	3.1	13.2	3.9	56 Vanguard Bond Market	*	0.6	3.9	5.9
7 INVESCO High Yield	*	3.0	12.8	3.9	57 Managers Int. Duration Govt	*	0.6	3.0	8.1
8 Vanguard Inflation Protected Sec	*	2.1	7.7	17.0	58 Dreyfus GNMA	*	0.5	3.0	8.1
9 Amer. Cent. Target 2010	*	1.0	7.6	17.2	59 Strong High Yield Bond(1%r)	*	2.8	7.8	-7.5
10 Scudder Global Bond S-T	*	2.6	7.3	15.3	60 Fidelity Government Income	*	0.1	3.1	6.9
11 Amer. Cent. Inflation Adj	*	1.9	6.5	15.3	61 Schwab S-T Bond Mkt Index	*	0.3	3.4	5.9
12 Vanguard L-T Treasury	*	0.4	7.5	13.7	62 Liberty Intermediate Bond	*	1.1	4.3	2.4
13 Vanguard Long-Term Corporate	*	1.3	7.9	10.5	63 Fidelity Short-Term Bond	*	0.2	3.5	5.5
14 Managers Bond	*	1.4	7.4	11.5	64 Columbia Fixed Income Sec	*	0.2	3.1	6.5
15 INVESCO Select Income	*	1.2	9.4	5.8	65 Vanguard Short-Term Corporate	*	0.7	3.3	4.8
16 Fidelity New Markets Income	*	0.6	10.0	3.7	66 Vanguard S-T Treasury	*	0.2	2.7	7.2
17 T. Rowe Price U.S. Treas. L-T	*	0.6	6.4	11.1	67 Vanguard S-T Federal	*	0.1	2.5	7.0
18 DodgeCox Income	*	0.9	6.1	10.6	68 Janus High Yield	B	1.2	3.8	1.9
19 Vanguard High Yield Corporate	B	2.1	7.6	2.5	69 PIMCO Low Duration	*	0.2	2.7	5.5
20 Dreyfus A Bonds Plus	*	1.1	6.1	7.6	70 T. Rowe Price GNMA	*	0.4	2.3	6.0
21 Vanguard Intermediate Treas.	*	0.1	4.9	11.8	71 Value Line Aggressive Inc	B	1.9	4.5	-1.5
22 Strong Corporate Bond	*	1.0	8.0	1.6	72 Strong S-T High Yield	*	1.4	4.3	-0.9
23 Buffalo High-Yield(2%r<180d)	B	1.1	6.7	4.3	73 Dreyfus 100 Treasury L-T	*	0.8	2.3	4.9
24 Fremont Bond	*	0.5	5.4	8.5	74 Scudder Short-Term Bond	*	0.3	2.6	4.8
25 Eclipse Indexed Bond	*	0.5	4.9	9.6	75 Mercury Low Duration	*	0.4	2.7	4.1
26 T. Rowe Price Corporate Inc	*	2.0	6.1	4.3	76 Amer. Cent. Ginnie Mae	*	0.4	2.2	5.1
27 Liberty Income	*	1.4	5.3	7.1	77 T. Rowe Price S-T Bond	*	0.5	2.9	3.0
28 USAA Income	*	0.8	5.1	8.2	78 Montgomery Sht Duration Govt	*	0.0	2.0	5.7
29 Eclipse Bond	*	0.6	6.0	6.3	79 Columbia S-T Bond	*	0.1	1.9	4.9
30 FifthThird Bond	*	0.7	4.8	9.0	80 Babson Bond Trust	*	0.7	2.6	2.2
31 Payden Global Fixed Income	*	1.1	4.9	8.0	81 Dreyfus Strategic Income	*	0.8	3.1	0.7
32 American Government Bond	*	0.6	4.3	10.4	82 Fidelity GNMA	*	0.0	1.8	4.5
33 T. Rowe Price Spectrum Income	*	1.4	5.7	4.9	83 Janus S-T Bond	*	0.6	1.8	2.9
34 Safeco I-T U.S. Treasury	*	0.6	4.3	9.6	84 Managers Short Duration Govt	*	0.4	1.5	3.8
35 Montgomery Total Return	*	0.2	4.7	9.2	85 Strong S-T Bond	*	0.5	1.8	1.4
36 WPG Core Bond	*	0.6	4.6	8.9	86 MetroWest Low Duration	*	0.5	2.6	-0.7
37 Fidelity Investment Grade	*	0.4	5.2	7.0	87 Federated U.S. Govt Sec. 1-3	*	-0.1	1.0	3.5
38 Vanguard GNMA	*	0.4	2.9	12.5	88 Managers Intermediate Bond	*	0.2	1.5	-2.3
39 Scudder Income	*	0.7	4.8	7.4	89 Northeast Investors Trust	B	1.0	-1.3	3.0
40 Federated Total Return Govt	*	0.3	3.8	10.4	90 Dreyfus Short-Term Income	*	-0.3	-0.7	0.6
41 Value Line U.S. Govt Sec	*	0.4	3.9	9.8					
42 Strong Govt Securities	*	0.3	3.9	9.5					
43 PIMCO Total Return	*	0.5	4.2	7.8					
44 Mercury Total Return	*	0.6	3.9	8.4					
45 T. Rowe Price High Yield	B	2.0	5.3	2.6					
46 Janus Flexible Income	*	0.7	4.7	5.7					
47 Westcore Plus Bond	*	1.0	3.8	7.6					
48 Columbia High Yield	B	1.3	6.0	1.4					
49 Fidelity Intermediate Govt	*	0.2	3.6	9.2					
50 INVESCO U.S. Govt Sec	*	0.2	3.6	9.0					

PORTFOLIO HOLDINGS
On Next Page

Weekly Performance of ML Model Holdings — data as of 01/24/03

Fund	Last Week	Fund	Last Week
ARGFX Ariel Fund	-3.28%	VCVSX Vanguard Convertible Sec.	-1.68
BEGBX Amer.Cent. Int'l Bond	1.93	VEIEX Vanguard Emerg. Mkts. Stock	-2.40
BUFHX Buffalo High Yield	-0.51	VEIPX Vanguard Equity-Income	-5.29
CMHYX Columbia High Yield	0.00	VEXMX Vanguard Extended Market	-3.05
FBALX Fidelity Balance	-2.58	VIGRX Vanguard Growth Index	-3.94
FDCAX Fidelity Capital Appreciation	-2.49	VWEHX Vanguard High Yield Corp.	-0.33
FEQTX Fidelity Equity-Income II	-5.11	VWIGX Vanguard Int'l Growth	-2.43
FFTYX Fidelity Fifty	-4.42	VSEQX Vanguard Strategic Equity	-3.43
SPHIX Fidelity High Income	-0.38	YACKX Yacktman Fund	-3.62
FIGRX Fidelity Int'l Growth & Income	-2.46		
FLPSX Fidelity L P Stock (3%)	-3.26		
FOCPX Fidelity OTC	-3.42		
FSEAX Fidelity SE Asia (3%)	-1.58		
FBMPX Fidelity Multimedia (3%)	-3.56		
GATEX Gateway Fund	-2.69		
MAPTX Matthews Pacific Tiger	-2.34		
NBGNX Neuberger Berman Genesis	-2.70		
OAKGX Oakmark Global	-3.27		
BEARX Prudent Bear	4.14		
RYPRX Royce Premier	-2.34		
TASCX Third Ave SC Value	-3.05		
VBINX Vanguard Balanced	-2.33		
VHCOX Vanguard Cap Opportunity	-4.00		
		Indices	
		DOW JONES INDUSTRIALS	-5.31%
		S&P 500	-4.48
		NASDAQ	-2.47

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