

## MONEYLETTER HOTLINE 1/27/04

### Substituting for Closed Funds

This has been a very odd opening to the week's trading. Yesterday as the market soared, we wondered whether we had wandered on to the set of "Back To The Future." We had the sinking feeling that we were reliving the bubble all over again. If that were so, it did not bode well for the market later this year.

Today took care of all of that. With about as much sense as Monday's rally, the market sold off sharply, particularly the Nasdaq, and we were back to the profit-taking with which last week's market ended. It appears that investors did not forget the bubble. This market is not on its way to "irrational exuberance." From our perspective that is all to the good. We are at the height of the earnings season this week, and the earnings reports keep rolling out with generally good news. What has been occurring is that expectations have now ratcheted up because of the market's stellar performance, and some guidance from the companies is failing to meet the optimistic hopes of the Street. We are getting a dose of reality, and that too is all to the good.

Fundamentally, reasonable optimism is going to be satisfied, but not instantly as the Street sometimes expects. This market will do fine, but it needs a little patience, a quality in short supply on the hedge-fund driven Street. There is no change in our recommended allocations

**New Fund Recommendations** – For domestic stock funds, there are three new buys: TCW Galileo Small Cap Growth, Vanguard Capital Opportunity, and Janus Venture (closed). There is one new hold: Janus Special Equity. There are two new sells: Safeco Growth Opportunities and Marsico 21<sup>st</sup> Century. For international stock funds, there are two new holds: Vanguard International Explorer and Japan Fund.

In line with our policy of removing newly closed funds from our model portfolios we are making some substitutions for William Blair Small Cap Growth N, Fidelity Low Priced Stock, and Eclipse Small Cap Value (now Mainstay Small Cap Opportunity). Please note that these swaps are not Sell recommendations. We are in no way changing our advice on these funds simply because they have closed. If you hold them, and they are not sells (none are), continue to hold them until our advice changes. That said, here are the swaps: For William Blair Small Cap Growth in the Moneyletter Venturesome and Moderate portfolios we are substituting Fidelity Leveraged Company. In the Conservative Portfolio we are substituting Needham Small Cap Growth. Mainstay Small Cap Opportunity is also in the Moneyletter Conservative Portfolio. We will substitute Royce Opportunity for it. Fidelity Low Priced Stock is in the Fidelity Venturesome Portfolio. We will substitute Fidelity OTC Portfolio for it.

**The Select Portfolio** – There are no changes.

## MONEYLETTER HOTLINE 1/23/04

### Taking a Breather

As we observed in Tuesday's Hotline it looked as if profit-taking was setting in. Well by today it is clear that profit-taking has set in. So far the downward move has been very mild. The advance-decline numbers have not been ominous, and the selling pressure has been met with a reasonable amount of buying. But there is no doubt that the steady rise of the market over the past two months has left Wall Street very uneasy about the immediate future.

A value investor such as Bill Nygren of Oakmark still likes the market, but says that he is finding it more difficult to find values. By the way, he is still finding them. And he still likes what he has been holding. After the huge run up, though, stocks are no longer bargains. Still we are at the height of earning season and earnings have been fine. The latest expectations for earnings of the Russell 2000 for a gain of 58%, repeat 58%, this year. For the intermediate-run, strong earnings should move stocks higher.

There is no change in our new recommended allocations

**New Fund Recommendations** – For domestic stock funds, there is one new hold: CGM Focus. For international stock funds, there is one new buy: Fidelity Emerging Markets.

**The Economy** – As interest rates moved down last week, there was an immediate surge in mortgage refinance applications. Housing remains hot. In technology, new orders for chip-making equipment continue to rise. Recovery is well along. The weekly retail sales surveys are showing OK so far this month. Our view is unchanged — we expect good economic growth at least over the first half of this year.

**The Stock Market** – It is much too early to think we are in a correction, but do not be surprised if the profit-taking we have seen continues over the next week or so. We have seen selling despite good earnings reports. In other words, temporarily, the earnings are already in the price. We need another move up in the earnings estimates. We have no doubt we will get it over the course of this half. We remain positive on the outlook.

**The Select Portfolio** – There are no changes for this portfolio.

## Domestic Stock Funds — data as of 1/23/04

Rank	Fund	Venturesome	1 month	6 month	1 year	Rank	Fund	Venturesome	1 month	6 month	1 year
1	Fidelity Leveraged Company	B	10.3%	40.2%	101.3%	51	Fidelity New Millennium (closed)	H	7.4	26.5	46.6
2	Royce Opportunity (1%r<180d)	B	10.0	42.6	84.6	52	Vanguard Extended Market	H	6.6	25.1	51.1
3	Henlopen Fund (1%r<30d)	B	9.8	45.4	76.7	53	CS Warburg Pincus Emerging	H	8.2	24.4	50.2
4	Undiscovered Small Cap Growth	B	12.9	38.0	85.4	54	Royce Penn Mutual(1%r<180d)	H	7.1	26.0	47.7
5	Heartland Value (closed,1%	S	8.9	37.2	79.7	55	WPG Tudor	H	7.4	24.1	51.4
6	Bogle Small Cap Growth(closed)	B	10.9	36.9	71.3	56	RS MidCap Opportunities	H	6.5	24.3	52.0
7	Pin Oak Aggressive Stock	B	11.4	35.1	72.2	57	Vanguard Strategic Equity	H	6.3	25.1	50.0
8	Neuberger Berman Focus	B	11.2	32.5	74.5	58	Vanguard Small-Cap Value	H	5.1	27.5	45.2
9	Oberweis Emerging Growth (1%	B	10.0	29.0	84.1	59	TCW Galileo Aggressive Growth	H	7.9	22.4	53.2
10	Mainstay Small Cap Opportunity	B	8.3	36.4	65.4	60	Turner Mid Cap Growth	H	6.6	23.1	52.8
11	WmBlair S-C Growth N	B	8.7	31.5	76.8	61	PBHG Small Cap Value	S	5.7	26.3	45.7
12	RS Diversified Growth	B	8.9	29.7	76.1	62	Dreyfus-Founders Discovery	S	7.2	25.5	45.6
13	RS Smaller Company Growth	B	8.4	31.6	72.1	63	Fidelity Capital Appreciation	H	5.4	24.3	51.2
14	Wasatch Small Cap Value	B	8.7	32.1	69.1	64	CRM Mid Cap Value Ins	H	5.0	26.1	46.1
15	Berwyn Fund (1%r<180d)	B	6.3	35.3	59.5	65	Selected Special Shares	S	5.6	24.5	48.9
16	Needham Small Cap Growth	B	7.8	31.4	65.2	66	CRM Mid Cap Value Inv	H	5.0	26.0	45.7
17	ICM/Isabelle Small Cap Value	B	8.4	36.0	52.1	67	Longleaf Partners Smallcap	S	4.7	23.6	51.9
18	Legg Mason Opportunity Trust	B	8.1	27.7	72.9	68	Fidelity L P Stock (closed,1.5%	H	5.6	24.9	45.8
19	RS Partners	B	6.1	30.6	66.9	69	Bridgeway Aggressive Investors	H	7.3	19.7	55.8
20	USAA Capital Growth	B	7.8	29.8	65.0	70	T.Rowe Price Mid Cap Value	S	5.3	25.5	42.9
21	Boston Ptnrs Smlcap Val	B	7.7	28.9	63.6	71	T. Rowe Price S-C Value	S	5.6	24.4	45.0
22	TCW Galileo Small Cap Growth	B	10.7	28.7	58.7	72	American Century Vista	H	6.7	21.8	49.4
23	Vanguard Cap Opp (\$25,000,1%	B	8.8	29.6	58.5	73	MSI Small Cap Value(closed)	S	6.1	23.3	46.6
24	Janus Venture (closed)	B	6.8	28.3	64.3	74	Third Avenue Value	S	5.8	24.0	43.6
25	Van Wagoner Emerging Growth	H	14.0	29.7	45.5	75	Safeco Growth Opportunities	S	4.4	20.9	53.4
26	Meridian Fund	B	7.4	28.5	58.3	76	Vanguard Capital Value	S	5.4	23.0	45.3
27	Vanguard Small Cap Growth	H	9.3	28.6	55.2	77	Royce Premier (1%r<180d)	S	5.4	23.2	44.7
28	Century Select Small Cap	B	7.1	29.5	55.4	78	Fidelity OTC Portfolio	H	7.9	22.4	42.6
29	Buffalo Small Cap(closed)	B	7.8	24.9	65.3	79	RS Value+Growth	H	5.9	21.8	46.8
30	Undiscovered Behavioral Growth	H	9.8	23.4	65.0	80	Matrix Advisors Value	S	5.2	22.0	47.3
31	Fidelity Small Cap Stock (2%	B	6.2	31.0	50.9	81	Strong Mid Cap Disciplined	S	4.4	24.0	42.0
32	PBHG Emerging Growth	H	8.4	25.5	61.2	82	Federated Kaufmann Fund	S	5.1	19.8	51.2
33	CGM Focus	H	-0.3	29.0	64.0	83	Fidelity Small Cap Ind.(1.5%	H	6.4	23.0	41.1
34	Strong Multi-Cap Value	H	9.4	30.1	46.7	84	MSI Mid Cap Value	S	4.8	22.4	44.9
35	Needham Growth Fund (.75%	H	9.5	26.8	54.4	85	T. Rowe Price New Era	S	2.8	26.6	37.2
36	Columbia Small Company Equity	H	8.7	27.0	55.0	86	INVESCO Small Company	S	8.2	20.7	43.1
37	Vanguard SmallCap Index	H	7.2	28.0	54.6	87	Legg Mason Value	S	6.8	20.6	44.9
38	RS Emerging Growth(closed)	H	9.7	24.8	57.7	88	Wasatch Core Growth	S	5.9	19.5	48.9
39	CRM Small Cap Value Inv	H	6.3	27.2	55.9	89	Strong Opportunity	S	6.7	21.4	42.4
40	Montgomery Small Cap	H	8.2	24.8	59.1	90	Cambiar Opportunity	S	4.3	23.7	39.9
41	Legg Mason Special Investment	H	7.5	24.6	59.4	91	INVESCO Dynamics	S	6.0	21.6	42.2
42	Third Avenue Small-Cap Value	H	7.5	29.1	48.1	92	Fidelity Value	S	5.0	22.8	40.1
43	T. Rowe Price New Horizons	H	7.1	25.0	57.8	93	Artisan Midcap(closed)	S	7.1	21.8	39.6
44	Janus Special Equity	H	5.8	26.4	55.9	94	Dodge & Cox Stock (closed)	S	6.4	23.0	37.3
45	Strong Discovery	H	8.6	27.8	48.3	95	Oakmark Small Cap (2%r<90d)	S	7.8	22.3	36.5
46	TCW Galileo Value Opportunities	H	5.9	26.5	55.1	96	Vanguard Mid-Cap Index	S	4.9	22.6	40.0
47	Royce Low Priced Stock (1%	H	7.6	27.6	49.9	97	FBR Small Cap Value A (1%	S	4.8	18.4	50.6
48	Muhlenkamp Fund	H	5.1	27.3	53.9	98	Vanguard Windsor	S	5.4	22.2	40.2
49	Vanguard Explorer	H	7.8	25.8	53.6	99	Marsico 21st Century	S	3.3	20.1	48.4
50	Artisan Small Cap	H	7.8	23.5	55.8	100	Baron Small Cap	S	6.7	18.5	46.9

**DOMESTIC STOCK FUNDS**  
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Advice **B = Buy, H = Hold, S = Sell**

## Domestic Stock Funds continued — data as of 1/23/04

Rank	Fund	Venturesome	1 month	6 month	1 year	Rank	Fund	Venturesome	1 month	6 month	1 year
101	Dreyfus Mid Cap Index	S	4.6	22.0	41.1	151	Janus Fund	S	4.7	18.2	33.3
102	TCW Galileo Select Equity	S	4.6	18.2	49.8	152	Mutual Qualified(1%)CIZ	S	3.7	18.7	32.9
103	Fidelity Growth Company	S	6.1	19.3	44.7	153	Vanguard Windsor II	S	4.4	18.3	32.6
104	Vanguard U.S. Value	S	6.1	22.6	36.2	154	Columbia Special	S	5.3	17.3	33.7
105	Vanguard PRIMECAP	S	6.1	20.0	42.7	155	American Century Value	S	3.5	18.4	33.2
106	C&B Mid Cap Value	S	4.5	20.8	43.0	156	American Century Equity Growth	S	4.7	17.7	33.4
107	Artisan Mid Cap Value	S	4.5	21.2	40.8	157	T. Rowe Price New America	S	4.4	16.1	37.7
108	Loomis Sayles Small Cap Value	S	4.9	21.2	40.3	158	Thompson Plumb Growth	S	4.6	18.2	32.2
109	Aegis Value Fund	S	5.4	20.5	41.0	159	Gabelli Asset	S	3.7	18.2	33.2
110	Boston Partners Mid Cap Value	S	4.6	20.7	41.4	160	Ariel Fund	S	4.0	16.8	36.2
111	Strong Advisor Common Stock	S	5.0	20.4	40.9	161	Royce Total Return (1%r<180d)	S	3.8	17.6	33.8
112	Janus Mercury	S	7.4	20.4	37.1	162	Homestead Value	S	3.7	18.6	30.2
113	Westport Small Cap R	S	5.7	21.3	37.3	163	T. Rowe Price Growth & Income	S	4.0	18.0	30.5
114	Sound Shore	S	5.6	21.2	37.3	164	Neuberger Berman Manhattan	S	4.7	16.1	34.0
115	T. Rowe Price Small Cap Stock	S	4.9	20.8	39.3	165	Mutual Beacon(1%)CIZ	S	3.0	18.1	31.4
116	MSI Mid Cap Growth	S	4.4	19.0	44.3	166	Harbor Capital Appreciation	S	4.6	16.3	32.8
117	Neuberger Berman Fasciano Inv	S	4.8	21.1	37.0	167	Nicholas Fund	S	4.6	16.2	33.0
118	Nicholas II	S	5.1	20.1	39.2	168	Harbor Value	S	5.0	17.1	29.8
119	MSI Value Portfolio	S	5.4	19.8	38.9	169	Gabelli Growth	S	3.7	16.6	32.9
120	Janus Enterprise	S	5.2	19.3	40.6	170	Columbia Disciplined Value CIZ	S	4.8	16.9	30.6
121	Neuberger Berman Guardian	S	5.3	19.0	40.6	171	Preferred Value	S	4.2	18.8	26.6
122	Vanguard Growth Equity	S	5.8	18.6	40.7	172	Vanguard Growth & Income	S	3.6	17.1	31.6
123	T.Rowe Price Mid Cap Growth	S	4.6	18.6	42.3	173	Northeast Investors Growth	S	4.7	16.5	31.3
124	Longleaf Partners	S	4.8	21.2	35.5	174	Preferred Growth	S	4.5	16.0	32.3
125	Vanguard Convertible Securities	S	5.9	20.2	35.6	175	USAA Growth & Income	S	4.0	16.5	31.7
126	SIT Mid Cap Growth	S	5.5	18.2	41.1	176	T. Rowe Price Growth Stock	S	4.2	15.8	32.9
127	Fidelity Mid-Cap Stock (.75%	S	5.0	19.8	37.1	177	Schwab 1000 Fund (.75%	S	4.2	16.4	31.2
128	Salomon Brothers Investors	S	5.8	20.0	34.9	178	Fidelity Contrafund	S	3.7	16.5	31.7
129	Wasatch Small Cap Grth	S	5.1	16.3	44.7	<b>179 Fidelity Spartan 500 Index</b>	<b>S</b>	<b>4.3</b>	<b>16.4</b>	<b>30.8</b>	
130	Value Line Special Situations	S	5.6	19.2	36.3	<b>180 Vanguard 500 Index</b>	<b>S</b>	<b>4.3</b>	<b>16.4</b>	<b>30.8</b>	
131	Baron Growth	S	5.9	17.8	38.9	181	Vanguard U.S. Growth	S	5.9	15.8	29.3
132	Neuberger Berman Genesis	S	3.5	19.8	37.1	182	Strong Growth	S	5.5	14.2	33.9
133	Janus Olympus	S	5.6	18.5	36.8	183	T. Rowe Price Equity-Income	S	4.3	17.0	28.7
134	Dreyfus New Leaders	S	4.0	20.0	35.3	184	Scudder Large Co Value	S	2.9	16.9	31.0
135	Ariel Appreciation	S	4.5	18.1	38.9	185	Tweedy, Browne American	S	4.9	16.8	27.6
136	Neuberger Berman Partners	S	5.4	17.4	38.8	186	Marsico Growth & Income	S	3.6	15.0	34.0
137	Baron Asset	S	5.3	18.2	36.8	187	Fidelity Large Cap Stock	S	5.2	15.9	28.8
138	SIT Small Cap Growth	S	6.5	15.5	41.4	188	PBHG Growth	S	5.6	14.8	30.8
139	Scudder Development (closed)	S	5.8	17.3	37.8	189	Strong Advisor Midcap Growth	S	5.3	13.5	34.0
140	Selected American Shares	S	3.8	19.6	33.9	190	Scudder Growth & Income	S	4.4	15.7	29.7
141	Fidelity Aggressive Growth(0.75%	H	5.2	18.0	35.3	191	WPG Large Cap Growth	S	3.5	15.4	31.3
142	Vanguard/Morgan Growth	S	5.1	17.4	36.8	192	Fidelity Fund	S	3.7	15.7	30.2
143	American Century Income &	S	5.1	18.8	33.3	193	Fidelity Disciplined Equity	S	4.5	15.3	29.9
144	Fidelity Equity-Income II	S	4.7	17.4	37.2	194	Mutual Shares(1%)CIZ	S	3.1	16.5	28.8
145	Weitz Value Fund	S	6.7	16.9	35.1	195	Fidelity Trend	S	4.4	15.4	29.8
146	Vanguard Total Stk Mkt	S	4.8	18.2	34.7	196	Dreyfus Growth & Income	S	3.8	16.1	28.8
147	Fidelity Equity-Income	S	4.1	18.8	33.5	197	American Century Heritage	S	3.8	16.9	26.7
148	Vanguard Value Index	S	3.9	18.7	33.9	198	Domini Social Equity Fund	S	4.7	15.3	29.4
149	Fidelity Export & Multinat!(.75%	S	4.6	18.0	34.0	199	Loomis Sayles Value	S	3.5	16.1	28.9
150	Bonnel Growth Fund (.25%r<30d)	S	6.5	21.2	23.1	200	SIT Large Cap Growth	S	5.5	14.7	29.2

**DOMESTIC STOCK FUNDS**  
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## Domestic Stock Funds continued — data as of 1/23/04

Rank	Fund	Venturesome	1 month	6 month	1 year	Rank	Fund	Venturesome	1 month	6 month	1 year
201	Oakmark Select(closed) (2%	S	5.0	14.0	31.6	251	Value Line Fund	S	4.3	8.8	18.9
202	Salomon Brothers Opportunity	S	3.5	17.1	26.2	252	Value Line Leveraged Growth	S	4.3	8.8	18.6
203	Fidelity Stock Selector	S	4.4	15.1	29.5						
204	Columbia Common Stock	S	3.6	16.1	27.9						
205	Janus Growth & Income	S	4.2	15.9	27.3						
206	Fidelity Convertible Securities	S	4.1	15.2	29.3						
207	Royce Special Equity (1%r<180d)	S	2.2	15.7	30.7						
208	Dreyfus Premier Third Century	S	4.5	15.2	28.3						
209	Vanguard Growth Index	S	4.7	14.7	29.1						
210	Fidelity Independence(ret.only)	S	5.7	15.3	25.9						
211	Dreyfus Growth Opportunity (2%	S	3.7	14.9	29.0						
212	T. Rowe Price Cap Appreciation	S	2.8	16.5	26.1						
213	Dreyfus Fund	S	3.9	15.0	26.9						
214	T. Rowe Price Dividend Growth	S	3.1	14.9	28.0						
215	Fidelity Focused Stock (.75%	S	3.8	15.2	26.0						
216	American Century Growth	S	4.7	14.4	26.7						
217	Marsico Focus	S	3.2	13.0	32.4						
218	CS Warburg Pincus Capital Ap-	S	5.1	13.4	28.3						
219	USAA Aggressive Growth	S	3.4	12.9	32.1						
220	American Century Ultra	S	4.8	12.9	29.5						
221	Strong Growth 20	S	4.4	12.8	30.0						
222	Fidelity Blue Chip Growth	S	4.5	13.7	27.3						
223	Yacktman Fund	S	-0.6	16.1	28.8						
224	Fidelity Magellan (closed)	S	4.0	13.8	27.0						
225	Janus Twenty(closed)	S	4.7	13.0	27.5						
226	Scudder Capital Growth AARP	S	4.1	13.2	27.9						
227	Columbia Growth	S	4.6	12.9	27.8						
228	Scudder Large Company Growth	S	4.2	13.7	26.3						
229	Oakmark Fund	S	3.2	13.9	27.3						
230	Vanguard Equity-Income	S	3.4	14.5	25.4						
231	Fidelity Dividend Growth	S	4.5	13.5	25.2						
232	American Century Select	S	4.4	12.5	27.5						
233	American Century Equity Income	S	2.0	14.1	26.8						
234	USAA Growth	S	4.1	12.4	27.3						
235	Strong Large Cap Growth	S	4.2	12.2	27.4						
236	Oakmark Equity&Income	S	3.1	13.1	26.4						
237	Clipper Fund	S	3.8	15.0	20.3						
238	Columbia Large Cap Growth CIZ	S	4.6	12.5	25.0						
239	Babson Value	S	2.2	13.4	26.1						
240	William Blair Growth (1%r<60d)	S	3.4	12.2	27.1						
241	INVESCO Core Equity	S	3.6	12.0	26.1						
242	Babson Growth	S	2.8	13.7	22.8						
243	Fidelity Fifty (.75%r<30d)	S	5.4	12.3	22.4						
244	Safeco Equity	S	3.1	12.0	25.9						
245	UMB Scout Stock	S	3.2	11.8	25.9						
246	Dreyfus Appreciation	S	3.1	13.2	22.6						
247	Columbia Asset Allocation CIZ	S	3.9	12.1	22.3						
248	Fidelity Growth & Income(3%)	S	3.3	11.5	21.1						
249	Fidelity Growth & Income II	S	2.9	10.2	24.7						
250	Hussman Strategic Growth (1.5%	S	3.3	9.4	24.0						

### PRI Financial Advisors Inc.

#### Investment Management

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For more information, contact us:

**Toll-Free:** (800) 707-2060

**Fax:** (508) 429-0940

**E-mail:** info@priadvisors.com

**Website:** www.priadvisors.com

**Write:** PRI Financial Advisors  
360 Woodland St  
Holliston, MA 01746

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**INTERNATIONAL STOCK FUNDS**  
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# International Stock Funds — data as of 1/23/04

Rank	Fund	Venturesome	1 month	6 month	1 year	Rank	Fund	Venturesome	1 month	6 month	1 year
1	Amer.Cent.Intl Opportunity (2%	B	12.7%	45.8%	82.9%	51	American Century Global	S	7.7	24.9	40.9
2	Fidelity Intl Small Cap (2%r<90d)	B	8.4	43.5	81.9	52	Fidelity Pacific Basin (1.5%	S	6.6	26.3	38.8
3	Fidelity Latin Amer.(1.5%<90d)	H	10.4	41.2	83.8	53	SIT International Growth	S	8.0	25.7	38.3
4	Guinness China & Hong Kong	B	8.7	43.3	67.8	54	Fidelity Worldwide (1%r<30d)	S	6.3	24.1	43.2
5	Driehaus Emerging Mkts Gr	H	8.5	41.3	70.7	55	USAA International	S	6.1	25.2	39.9
6	T.Rowe Price Latin America (2%	H	9.7	36.7	76.1	56	T. Rowe Price Intl Stock	S	6.4	24.5	40.1
7	Matthews Pacific Tiger (2%r<90d)	B	9.6	39.5	66.9	57	American Century Intl Growth	S	8.6	24.5	34.5
8	T.Rowe Price Intl Disc. (2%r<1yr)	B	8.1	38.5	69.9	58	Scudder International (2%	S	6.3	24.0	35.7
9	Artisan Intl Small Cap(closed,2%	B	8.6	36.7	71.0	59	Tweedy, Browne Global Value	S	6.7	23.7	34.2
10	Fidelity SE Asia (1.5%r<90d)	B	12.3	39.8	57.4	60	Babson-Stewart Ivory Intl	S	5.6	24.0	34.1
11	Matthews Japan Fund (2%r<90d)	B	6.8	41.3	59.4	61	Scudder Global	S	5.5	23.3	34.7
12	Oakmark Intl Small Cap	B	8.8	38.8	62.1	62	Fidelity Japan(1.5%<90d)	S	3.2	23.7	33.4
13	Vanguard Emerging Mkts Stk	B	8.9	38.1	62.1	63	Janus Worldwide	S	7.1	20.2	31.6
14	Driehaus Int'l Discovery	H	9.7	35.1	68.0	64	USAA World Growth	S	5.2	20.3	33.5
15	Scudder Latin America	H	9.8	33.9	70.7	65	Fidelity Global Balanced	S	4.6	20.9	32.6
16	T. Rowe Price New Asia	B	9.5	38.9	55.7	66	Longleaf Partners International	S	3.9	18.6	39.4
17	Fidelity Emerging Mkts (1.5%	B	9.7	37.1	54.9						
18	Fidelity Europe (1%r<90d)	H	9.4	35.5	58.6						
19	Vanguard Intl Explorer	H	8.0	33.5	63.7						
20	Scudder Pacific Opportunity (2%	H	11.9	35.8	49.9						
21	Japan Fund (Scudder) (2%	H	6.9	36.4	55.3						
22	Dreyfus Emerging Market(1%r)	H	8.2	34.0	58.9						
23	Janus Overseas(closed)	H	10.2	34.0	48.8						
24	Scudder Global Discovery(closed)	H	8.7	29.6	57.4						
25	Fidelity International G & I	H	7.6	32.5	51.2						
26	Fidelity Overseas (1%r<30d)	H	8.3	31.2	51.4						
27	Vanguard International Value	H	8.3	30.8	50.6						
28	Fidelity Europe Capital App.	H	8.8	31.8	46.6						
29	T. Rowe Price Japan	H	7.1	32.7	46.3						
30	Julius Baer International Equity A	S	8.4	32.1	44.9						
31	Harbor International	S	7.4	30.1	51.1						
32	Oakmark Global (2%r<90d)	S	7.0	27.0	56.7						
33	Preferred International	S	7.7	30.4	46.9						
34	Vanguard European Stock Index	S	7.0	29.7	49.7						
35	Gabelli Intl. Growth	S	7.2	30.6	44.4						
36	Fidelity Diversified Intl (1%r<30d)	S	6.9	28.7	48.3						
37	Wm. Blair Intl Growth Stock N	S	6.3	28.6	47.5						
38	Loomis Sayles International Eq-	S	6.9	28.6	45.8						
39	T. Rowe Price European	S	6.2	27.4	48.0						
40	Artisan International	S	9.4	27.1	43.6						
41	Oakmark International (2%r<90d)	S	7.3	27.4	44.4						
42	Vanguard Pacific Stock Index	S	7.1	29.6	39.2						
43	Scudder Greater Europe (2%	S	7.6	26.7	43.5						
44	Columbia Intl Equity ClZ	S	7.8	27.0	42.2						
45	Columbia International Stock	S	8.2	27.0	41.2						
46	Vanguard International Growth	S	7.4	26.9	41.9						
47	Matthews Asia G & I (closed,2%	S	6.2	27.7	41.4						
48	Schwab International Index (1.5%	S	6.7	26.8	42.8						
49	CS Warburg Pincus Japan Grth	S	6.9	27.0	38.0						
50	Fidelity Aggressive Intl. (1%r<30d)	S	6.9	22.0	49.9						

**Next Issue of**  
***MONEYLETTER Plus***  
**Will Be Available:**  
  
**Wednesday**  
**February 4, 2004**  
**by Midnight**

Total Return % - 12/31/03					
1 mo	Model Portfolio	6 mo	1 yr	3 yr	YTD
2.9	ML Conservative	12.1	19.6	31.0	19.6
2.1	Fidelity Conservative	9.7	17.6	1.9	17.6
1.5	Vanguard Conservative	10.4	20.4	1.1	20.4
3.8	ML Moderate	23.4	41.7	37.4	41.7
3.6	Fidelity Moderate	17.1	29.5	20.7	29.5
2.1	Vanguard Moderate	18.2	34.1	7.1	34.1
3.5	ML Venturesome	26.7	45.6	40.5	45.6
3.1	Fidelity Venturesome	19.6	30.7	27.0	30.7
1.9	Vanguard Venturesome	21.6	37.1	8.1	37.1
1.7	ML Select	18.8	31.9	n/a	31.9
<b>Benchmarks</b>					
5.2	S&P 500	15.1	28.6	-11.8	28.6
3.7	Asset Allocation Funds Avg (36)	12.4	24.0	-0.9	24.0

**SPECIALTY FUNDS**  
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# Specialty Funds — data as of 1/23/04

Rank	Fund	Conservative	1 month	6 month	1 year	Rank	Fund	Conservative	1 month	6 month	1 year
1	Scudder Gold (closed)	*	2.1%	65.9%	77.3%	51	Fidelity Real Estate (.75%r<90d)	*	2.2	19.2	40.7
2	Fidelity Developing Comm (.75%	*	21.5	48.9	85.8	52	Vanguard REIT Index (1%r<1yr)	*	1.8	18.5	42.3
3	RS Internet Age	*	13.3	37.0	103.1	53	Fidelity Transportation (.75%	*	2.4	16.3	45.5
4	Fidelity Wireless	*	14.9	42.5	85.2	54	T.Rowe Price Health Sciences	*	8.3	13.8	41.9
5	RS Information Age	*	13.4	35.7	97.6	55	Fidelity Medical Equip (.75%	*	6.9	16.0	37.5
6	Royce Technology Value	*	10.0	34.2	100.2	56	Rydex Financial Services	*	5.5	18.1	34.0
7	Rydex Internet	*	12.8	37.8	66.0	57	T.Rowe Price Real Estate	*	1.4	17.6	41.0
8	Fidelity Electronics (.75%r<30d)	*	9.0	33.6	80.3	58	INVESCO Leisure Inv	*	4.2	18.4	33.7
9	CGM Realty	*	-2.1	36.1	82.3	59	Fidelity Air Transport (.75%	*	4.2	13.6	45.7
10	U.S.Global Gold Shares (.25%	*	-0.1	48.9	46.8	60	Fidelity Finl Serv (.75%r<30d)	*	4.9	17.5	32.7
11	Alpine U.S. Real Estate Equity	*	1.5	33.6	80.6	61	Rydex Energy Services	*	9.2	19.0	22.2
12	Rydex Electronics	*	6.5	31.1	76.9	62	Fidelity Gold (.75%r<30d)	*	-0.3	25.2	20.4
13	Fidelity Networking	*	14.4	30.9	62.4	63	Fidelity Chemicals (.75%r<30d)	*	-0.5	21.5	29.7
14	Vanguard Precious Metals	*	1.7	44.1	46.8	64	INVESCO Financial Serv Inv	*	6.0	16.2	32.9
15	Fidelity Computers (.75%r<30d)	*	10.2	29.5	69.3	65	Stratton Mthly Div REIT (1.5%	*	1.5	16.6	38.3
16	T.Rowe Price Media & Telecom-	*	8.5	32.1	61.6	66	Rydex Banking	*	3.6	17.1	33.6
17	RS Contrarian	*	3.4	32.3	60.0	67	Rydex Basic Materials	*	-2.5	22.3	29.6
18	Rydex Technology	*	8.4	28.0	61.4	68	Fidelity Energy Services (.75%	*	10.0	18.0	21.0
19	Rydex Telecommunications	*	14.5	31.4	43.0	69	Fidelity Balanced	B	4.5	16.6	31.4
20	Fidelity Technology (.75%r<30d)	*	9.0	27.4	60.7	70	Fidelity Bus Services (.75%	*	3.1	16.7	33.0
21	Fidelity Industrial Equip (.75%	*	3.8	31.9	52.2	71	Fidelity Retailing (.75%r<30d)	*	2.9	14.1	38.8
22	Fidelity Indust Matrls (.75%r<30d)	*	-0.6	35.6	41.5	72	Fidelity Utilities Growth (.75%	*	4.9	15.6	31.8
23	Fidelity Automotive (.75%r<30d)	*	4.9	27.7	51.7	73	Fidelity Environmental Ser (3%	*	2.1	16.5	30.8
24	Fidelity Defense & Aero (.75%	*	5.4	27.9	46.2	74	Rydex Health Care	*	5.3	13.0	34.6
25	T.Rowe Price Science & Tech	*	5.5	25.4	50.2	75	Vanguard Health Care	*	4.5	15.0	29.7
26	INVESCO Technology Inv	*	8.2	23.9	45.5	76	Rydex Retailing	*	2.5	13.0	36.6
27	Vanguard Energy (1%r<1yr)	*	6.0	26.2	41.4	77	Fidelity Banking (.75%r<30d)	*	3.0	14.6	31.7
28	Cohen & Steers Realty Shares	*	2.1	24.6	51.0	78	INVESCO Health Sciences Inv	*	5.1	12.4	31.1
29	Fidelity Med Del (.75%r<30d)	*	7.0	28.5	33.6	79	Rydex Utilities	*	3.5	14.8	26.7
30	INVESCO Gold Inv	*	-1.4	33.4	33.4	80	Fidelity Paper & Forest (.75%	*	0.1	19.9	16.6
31	Fidelity Natural Gas (.75%r<30d)	*	7.3	26.5	36.5	81	Fidelity Biotechnology (.75%	*	7.1	6.9	35.7
32	Fidelity Telecomm (.75%r<30d)	*	13.1	24.7	31.5	82	INVESCO Utilities Inv	*	3.1	14.7	21.3
33	Fidelity Cyclical Ind (.75%r<30d)	*	2.6	25.7	42.6	83	Fidelity Consumer Ind (.75%	*	2.2	13.0	25.0
34	Rydex Leisure	*	5.4	23.1	44.9	84	Rydex Consumer Products	*	2.4	12.9	23.9
35	Fidelity Const & Housing (.75%	*	0.5	24.0	49.4	85	Vanguard Balanced Index	B	3.4	11.9	22.2
36	Fidelity Brokerage (.75%r<30d)	*	9.3	18.5	47.4	86	Rydex Transportation	*	0.4	12.9	23.9
37	Rydex Energy	*	6.7	24.8	34.8	87	Fidelity Pharmaceuticals (.75%	*	5.1	7.6	24.4
38	Fidelity Home Finance (.75%	*	5.4	22.7	40.0	88	Fidelity Food & Agr (.75%r<30d)	*	0.9	11.5	15.2
39	Fidelity Leisure (.75%r<30d)	*	4.9	20.7	43.0	89	Fidelity Health Care (.75%r<30d)	*	4.4	6.7	17.9
40	Amer. Cent. Global Gold (1%	*	-1.7	29.9	28.9	90	Merger Fund	*	1.2	5.2	10.5
41	Fidelity Natrl Resources (.75%	*	4.1	23.7	34.2	91	Gateway Fund	B	0.6	4.9	10.7
42	INVESCO Energy Inv	*	6.7	22.7	30.8	92	AXARosenberg Value L/S (2%	*	-1.3	-0.7	-6.4
43	Fidelity Energy (.75%r<30d)	*	6.3	22.5	31.7	93	Prudent Bear	*	-1.9	0.1	-13.9
44	Fidelity Software (.75%r<30d)	*	7.1	20.1	36.3	94	Rydex Juno	*	-2.2	-4.8	-5.4
45	Fidelity Multimedia (.75%r<30d)	*	4.9	20.5	38.4	95	Rydex Ursa	*	-3.9	-14.4	-24.9
46	T.Rowe Price Financial Services	*	6.0	18.7	39.5	96	ProFunds Bear Inv	*	-4.1	-14.7	-25.5
47	Rydex Precious Metals	*	-2.2	28.3	26.1						
48	Fidelity Insurance (.75%r<30d)	*	6.7	19.9	32.4						
49	Rydex Biotechnology	*	7.7	12.5	49.2						
50	Cohen & Steers Equity Income	*	1.4	18.8	43.2						

Advice **B = Buy, H = Hold, S = Sell**

\* = **Not Recommended**

**BOND FUNDS  
On Next Page**

## Bond Funds — data as of 1/23/04

Rank	Fund	Conservative	1 month	6 month	1 year	Rank	Fund	Conservative	1 month	6 month	1 year
1	Amer. Cent. Target 2015	*	2.8%	4.6%	7.7%	51	PIMCO Low Duration	B	0.5	0.1	1.0
2	American Century Ginnie Mae	*	0.1	0.5	0.0	52	PIMCO Real Return	H	1.4	4.7	6.5
3	American Century Inflation Adj	B	1.4	5.1	8.1	53	PIMCO Total Return	H	1.3	1.8	3.8
4	American Century Intl Bond	*	2.4	11.3	18.2	54	PIMCO Total Return Mortgage	H	0.8	1.7	2.4
5	American Century Target 2010	*	1.9	2.7	5.5	55	Safeco U.S. Government	H	0.5	0.5	0.1
6	American Century Target 2020	*	2.8	5.4	8.6	56	Schwab S-T Bond Mkt Index	B	0.5	0.8	2.3
7	American Century Target 2025	*	2.8	5.6	8.1	57	Scudder Global Bond S-T	*	1.6	5.8	9.6
8	American Government Bond	H	0.6	0.4	1.2	58	Scudder Income (closed)	H	1.6	3.5	6.4
9	Babson Bond Trust	*	0.7	0.7	1.4	59	Scudder Short-Term Bond	B	0.6	1.4	3.2
10	BBH Inflation Indexed Sec	B	1.4	4.5	7.6	60	Strong Corporate Bond	*	1.5	4.3	10.2
11	Buffalo High-Yield(2%r<180d)	B	1.9	7.4	20.9	61	Strong Govt Securities	H	1.1	1.5	2.5
12	Columbia Fixed Income Sec	H	1.0	1.6	2.7	62	Strong High Yield Bond(1%r)	*	2.3	8.8	20.0
13	Columbia High Yield	B	1.5	4.2	9.4	63	Strong S-T Bond	B	0.6	1.0	2.3
14	Columbia Income CIZ	H	1.4	4.3	11.3	64	Strong S-T High Yield	*	0.6	2.8	6.3
15	Columbia Intermediate Bond CIZ	H	1.2	3.3	9.1	65	T. Rowe Price Corporate Inc	*	1.8	4.8	10.8
16	Columbia S-T Bond	B	0.4	0.5	1.4	66	T. Rowe Price GNMA	*	0.5	1.1	0.9
17	Dodge & Cox Income	H	1.2	3.5	6.7	67	T. Rowe Price High Yield	B	2.3	8.2	18.1
18	Dreyfus 100 Treasury L-T	*	-0.7	-0.5	2.3	68	T. Rowe Price Int'l Bond	*	2.0	10.5	15.7
19	Dreyfus A Bonds Plus	*	1.0	2.3	5.5	69	T. Rowe Price New Income	*	1.0	2.1	4.2
20	Dreyfus GNMA	*	0.9	2.9	2.9	70	T. Rowe Price Spectrum Income	*	1.9	6.9	12.9
21	Dreyfus Short-Term Income	B	0.0	-0.9	0.1	71	T. Rowe Price S-T Bond	B	0.2	0.5	2.0
22	Dreyfus Strategic Income	*	0.4	1.6	4.9	72	T. Rowe Price U.S. Treas. L-T	*	1.5	1.8	2.4
23	Federated Total Return Govt	H	0.9	1.4	1.5	73	TCW Galileo High Yield Bond	B	3.3	10.5	23.3
24	Federated U.S. Govt Sec. 1-3	B	0.3	0.1	0.4	74	TCW Galileo Total Return Bond	H	1.0	2.0	3.4
25	Fidelity Capital & Income	*	3.4	12.2	36.9	75	USAA Income	H	1.2	3.2	5.9
26	Fidelity Floating Rate High Inc(1%	B	0.5	2.5	5.4	76	Value Line Aggressive Inc	*	1.8	6.7	19.8
27	Fidelity GNMA	*	0.3	1.0	1.0	77	Value Line U.S. Govt Sec	H	1.0	1.7	2.9
28	Fidelity Government Income	*	1.1	1.8	2.0	78	Vanguard Bond Market	H	1.4	3.0	4.7
29	Fidelity High Income (1%r<90d)	B	2.5	10.7	26.3	79	Vanguard GNMA	*	0.5	0.4	-0.2
30	Fidelity Inflation-Protected Bond	B	1.5	5.1	8.0	80	Vanguard High Yield Corporate	B	2.4	8.6	17.4
31	Fidelity Intermediate Bond	H	0.9	1.8	3.6	81	Vanguard Inflation Protected	B	1.4	5.4	8.7
32	Fidelity Intermediate Govt	H	1.1	1.8	2.8	82	Vanguard Intermediate Treas.	H	0.6	-0.1	0.6
33	Fidelity Investment Grade	H	1.2	3.0	5.4	83	Vanguard Long-Term Corporate	*	1.7	2.4	5.0
34	Fidelity New Markets Income	*	2.3	11.3	28.7	84	Vanguard L-T Treasury	*	1.4	1.1	1.9
35	Fidelity Short-Term Bond	B	0.6	1.1	2.4	85	Vanguard Short-Term Corporate	B	0.5	0.1	1.9
36	FifthThird Bond	*	1.1	2.4	4.0	86	Vanguard S-T Federal	*	0.5	0.2	0.6
37	Fremont Bond	H	1.4	2.6	4.6	87	Vanguard S-T Treasury	B	0.4	0.2	1.1
38	Janus Flexible Income	*	1.1	2.2	4.9	88	Westcore Plus Bond	*	1.9	6.7	12.8
39	Janus High Yield	B	1.9	6.3	12.4	89	WPG Core Bond	H	1.1	1.9	4.1
40	Janus S-T Bond	B	0.6	1.8	3.8						
41	Managers Bond	*	1.7	5.8	11.6						
42	Managers Int. Duration Govt	*	0.9	2.5	3.7						
43	Managers Short Duration Govt	B	-0.1	0.8	2.3						
44	MetroWest Low Duration	B	1.2	1.4	3.5						
45	MetroWest Total Return	*	1.8	4.5	9.5						
46	Montgomery Sht Duration Govt	B	0.5	0.6	0.8						
47	Montgomery Total Return	H	1.1	1.9	3.3						
48	Northeast Investors Trust	*	3.1	10.5	16.8						
49	Payden Global Fixed Income	*	1.0	1.3	3.8						
50	PIMCO High Yield	B	2.6	9.6	22.4						

Advice **B = Buy, H = Hold, S = Sell**

**PORTFOLIO HOLDINGS**  
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\* = **Not Recommended**

## Weekly Performance of ML Model Holdings — data as of 1/23/04

Fund	Last Week	Fund	Last Week
ACITX Amer. Cent. Inflation Adj.	-0.09%	USRLX Undiscovered Small Cap Gr	0.52
AIOIX Amer. Cent Intl Opportunities	2.43	VBINX Vanguard Balanced	0.16
BUFHX Buffalo High Yield	0.36	VEIEX Vanguard Emerg. Mkts. Stock	1.79
DODIX Dodge & Cox Income	0.00	VEXPX Vanguard Explorer Index	0.23
MOPIX Mainstay Small Cap Opp.	2.09	VEXMX Vanguard Extended Market	1.04
FDEGX Fidelity Aggr. Growth	-0.58	VWEHX Vanguard High Yield Corp.	0.31
FBALX Fidelity Balanced	0.35	VIPSX Van. Inflation Protected Bond	-0.16
FDCAX Fidelity Capital Appreciation	0.24	VISGX Vanguard Small Cap Growth	0.50
SPHIX Fidelity High Income	0.55	VSEQX Vanguard Strategic Equity	1.23
FSTGX Fidelity Intermediate Gov't	-0.10	VBMFX Vanguard Total Bond	-0.19
FISMX Fidelity Intl Small Cap	1.88	VTRIX Vanguard Int'l Value	2.56
FBNDX Fidelity Inv Grade Bond	-0.26	WBSNX WmBlair Small Cap N	0.99
FLVCX Fidelity Leveraged Company	2.50		
FLPSX Fidelity Low-Priced Stock	1.00		
FSEAX Fidelity SE Asia	2.21		
FSLCX Fidelity Small Cap Stock	0.95		
FDSCX FidelitySmall Cap Ind.	1.45		
GATEX Gateway Fund	0.09		
HENLX Henlopen Fund	1.44		
ICHKX Guinness China & Hong Kong	5.19		
LMASX Legg Mason Special	0.49		
MAPTX Matthews Pacific Tiger	2.54		
PHYDX Pimco High Yield D	0.20		
RYPNX Royce Opportunity	1.15		
RSPFX RS Partners	2.02		
RSSGX RS Smaller Co. Growth	0.50		
		<b>Indices</b>	
		DOW JONES INDUSTRIALS	-0.30%
		NASDAQ	-0.78
		S&P 500	0.15

### Editorial Questions?

Phone: 800-890-9670  
 Fax: 508-429-0940  
 E-mail: [service@moneyletter.com](mailto:service@moneyletter.com)

### Contact Us!

Address: MONEYLETTER  
 360 Woodland Street  
 P.O. Box 6020  
 Holliston, MA 01746

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