

## MONEYLETTER HOTLINE 7/6/04

### Fireworks a Little Late

The warnings season is winding down, but today it hit with a bang. It is not that the warnings came from big name companies, but the market did not care. Down went the companies and they took the whole tech sector with them, giving the Nasdaq one black eye to the tune of 43 points. The warnings had help in bringing the Nasdaq down. There was also some downgrading of part of the tech sector by one or two Wall Street firms. The market took it from there.

We believe there is more to today's rout than the warnings. After the employment report, uncertainty now rules psychology. Just what is going on? Is the economy showing signs of stalling? And what about those glowing earnings estimates? Do they have any validity? We can only reply that based on all the evidence up to now we believe the economy has hit an air pocket, nothing more. We are seeing the effects of those oil prices and the slowing of mortgage refinancing. There is every reason to believe the recovery will pick up some speed over the coming months.

There is no change in our recommended allocations.

**New Fund Ratings** – For domestic stock funds, six funds are now rated Buy: Third Avenue Small Cap Value, Artisan Mid Cap Value, ABN Amro Mid Cap, T. Rowe Price Small Cap Value (closed), Ariel Fund, and WPG Tudor. Two funds are now rated Hold: Wells Fargo Montgomery Small Cap and Baron Small Cap. One fund is now rated Sell: Janus Special Equity. No changes for international stock funds.

**The Economy** – The June non-manufacturing monthly survey was issued today and, in line with most recent economic reports, the headline number was weaker than expected. In this case the headline number was deceptive. Actually the report was not weak, and it showed the service sector moving ahead briskly, as expected. We continue to look for good economic growth over the year ahead.

**Stock Market** – The stock market has a rocky road to cross between now and election day. It is going to take time to overcome the effects of the June employment report. We think good second quarter earnings, on their way over the next few weeks, will help, but they will not be enough. We need consistently better economic news. It will come, but slowly. Now is the time for patience. We see higher prices over the next six months..

**The Select Portfolio** – All shares of ICM Isabelle are to be sold and the proceeds invested in Fidelity Select Wireless.

## MONEYLETTER HOTLINE 7/2/04

### Employment Data Disappointing

The last three days have been jam-packed with data. First there was the Fed rate increase. Nothing surprising there. Most important, the Fed went out of its way to say that it did not think the inflation pickup we've seen this year is a threat. In our opinion they are right to keep their cool. Then came the manufacturing survey for June, and also car sales. The survey, though bullish, was less so than the last three or four months. It's only one month but it said the recovery spurt is slowing down. We'll hit car sales later. Today, we got the big one, the employment report. It was a disappointment.

Does it mean that growth is fading? We don't think so. We think it means that the economy could not continue at the hot pace of earlier this year. As we have said earlier, we think the economy has hit cruising speed and is no longer accelerating, but is maintaining a velocity of about 3-4%. That economic growth rate is fine. We see no reason why it will not continue for some time. There was an error in the last issue's fund profile of the ABN AMRO Mid Cap Fund. The phone number given was incorrect. The correct phone number is (800) 992-8151. Equities remain our asset of choice.

There is no change in our recommended allocations.

**New Fund Ratings** – For domestic stock funds, three funds are now rated Hold: Boston Partners Small Cap Value, Janus Venture and RS Contrarian. As for international stock funds, there are no ratings changes.

**The Economy** – The surprisingly large drop in car sales last month has to be contrasted with the equally surprising jump in sales in May. Some of the drop was payback. Additionally gas prices hit their peak last month. As for the employment report, June is a difficult month for adjustment. That is why we suspect we'll see a strong report next month. We look for good economic growth over the year ahead.

**Stock Market** – The warnings season has finally come to life, with a number of profit warnings this week. Combined with the employment report, Wall Street should remain cautious. Still stocks are not overvalued and solid profit growth will continue. The market should do well, but forget last year's rocket shoot. We see higher prices ahead.

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

## Domestic Stock Funds — data as of 7/2/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
1	Baron Partners	B	-0.1%	15.5%	36.7%	51	Loomis Sayles Small Cap Value	H	2.6	6.2	24.1
2	Buffalo Small Cap(closed)	B	0.1	13.4	37.4	52	MSI Mid Cap Growth	H	0.2	7.1	24.6
3	Third Avenue Value (1%r<60d)	B	5.8	11.4	33.3	53	Meridian Fund	H	0.7	5.1	28.6
4	Royce Premier (1%r<180d)	B	2.8	12.1	33.2	54	Strong Opportunity	H	0.5	7.0	24.1
5	MainStay Small Cap Opportunity	B	3.5	8.0	41.9	55	Wasatch Core Growth	H	0.7	7.0	23.8
6	WmBlair S-C Growth N	B	1.9	9.7	39.7	56	TCW Galileo Opportunity N	H	2.3	3.4	30.3
7	Berwyn Fund (1%r<180d)	B	4.1	7.0	38.8	57	Value Line Special Situations	H	0.9	7.0	23.3
8	Henlopen Fund (1%r<30d)	B	2.2	4.5	47.3	58	Boston Partners Mid Cap Value	H	1.1	6.3	24.5
9	Third Avenue Small-Cap Value	B	4.4	8.6	33.0	59	WellsFargo Montgomery Small	H	-1.0	6.6	26.7
10	Strong Mid Cap Disciplined	B	1.7	10.1	33.2	60	Legg Mason Special Investment	H	2.4	5.1	25.3
11	Artisan Mid Cap Value	B	2.9	10.6	29.6	61	TCW Galileo Value Opportuni-	H	-0.1	5.1	28.9
12	Fidelity Leveraged Co	B	2.4	6.8	39.2	62	Vanguard Strategic Equity	H	1.4	5.2	25.6
13	Artisan Small Cap	B	2.6	10.4	29.3	63	RS Smaller Company Growth	H	0.6	2.4	33.0
14	Royce Opportunity (closed,1%	B	3.3	4.7	42.4	64	Bogle Small Cap Growth(closed)	H	2.3	1.9	31.7
15	ABN Amro Mid Cap	B	1.7	11.0	28.4	65	Janus Twenty(closed)	H	-0.9	9.0	18.4
16	RS Partners	B	1.1	7.9	36.7	66	Baron Growth	H	-0.2	7.6	20.7
17	Vanguard Cap Opp (closed,	B	1.1	9.0	33.2	67	T. Rowe Price Small Cap Stock	H	1.7	5.2	23.6
18	T. Rowe Price S-C Value	B	3.2	9.0	30.3	68	Vanguard Extended Market	S	1.1	4.7	25.7
19	Ariel Fund	B	3.4	10.5	26.0	69	Strong Discovery	S	2.0	4.2	25.5
20	CRM Mid Cap Value Inv	B	1.6	9.0	31.8	70	T.Rowe Price Mid Cap Growth	S	1.0	6.0	22.2
21	Neuberger Berman Genesis	H	2.8	9.2	29.0	71	Janus Venture (closed)	H	-1.0	3.8	30.5
22	Vanguard Small-Cap Value Index	H	3.7	7.1	31.0	72	Royce Low Priced Stock (1%	S	1.0	3.9	27.4
23	WPG Tudor	B	3.7	7.2	30.4	73	Neuberger Berman Manhattan	S	2.9	6.2	18.5
24	TCW Galileo Diversified Value N	B	2.0	8.2	30.0	74	Legg Mason Opportunity Trust	H	1.8	5.0	23.2
25	PIMCO PEA Value D	B	1.8	8.2	30.3	75	Vanguard Small Cap Growth	H	0.2	4.3	27.3
26	Wasatch Small Cap Value	B	1.4	6.8	33.6	76	SIT Mid Cap Growth (2%r<30d)	S	-0.1	6.5	21.8
27	Safeco Growth Opportunities (2%	H	3.1	7.2	29.9	77	Royce Total Return (1%r<180d)	S	2.5	5.4	20.5
28	Janus Mid Cap Value	B	1.8	7.7	29.8	78	American Century Value	S	1.1	5.6	21.9
29	FBR Small Cap Value A (1%	H	2.0	9.7	24.1	79	Longleaf Partners Smallcap	S	1.8	4.1	24.4
30	ICM/Isabelle Small Cap Value	H	1.7	6.1	33.5	80	Dreyfus New Leaders	S	1.2	5.1	22.4
31	Royce Penn Mutual(1%r<180d)	H	2.0	7.0	30.4	81	Vanguard Mid-Cap Index	H	1.0	4.6	23.5
32	Fidelity Small Cap Stock (2%	H	2.8	4.8	34.4	82	Fidelity Aggressive Growth(1.5%	H	0.4	5.8	21.2
33	Fidelity Value	H	3.1	7.6	26.7	83	T. Rowe Price New Horizons	H	-1.5	5.1	25.5
34	CRM Small Cap Value Inv	H	1.2	7.3	30.1	84	Neuberger Berman Fasciano Inv	S	1.8	4.6	22.0
35	T.Rowe Price Mid Cap Value	B	1.7	6.8	29.6	85	Dodge & Cox Stock (closed)	H	0.8	4.6	23.4
36	MSI Small Cap Value(closed)	H	3.4	6.7	26.5	86	Nicholas II	S	-0.5	5.4	22.9
37	American Century Vista	B	0.1	8.1	27.9	87	Vanguard Windsor II	H	1.2	5.8	19.2
38	Royce Special Equity (1%r<180d)	H	2.9	7.7	24.0	88	USAA Capital Growth	S	0.9	2.5	27.9
39	Baron Asset	H	1.1	9.0	23.3	89	Fidelity Contrafund	H	0.6	5.4	21.0
40	Needham Small Cap Growth	H	1.6	4.4	33.7	90	Marsico 21st Century (2%r<30d)	S	2.1	3.3	24.0
41	RS Contrarian Value	H	1.2	3.8	35.4	91	Century Select Small Cap (1%	S	1.8	2.6	26.0
42	Fidelity L P Stock (closed,1.5%	H	1.9	5.9	29.0	92	TCW Galileo Select Equity	S	0.6	5.2	21.4
43	Muhlenkamp Fund	S	3.2	6.1	26.4	93	Baron Small Cap	H	-2.9	7.0	21.9
44	Vanguard SmallCap Index	H	1.9	5.6	29.2	94	Bridgeway Aggressive Investors	S	3.8	4.1	18.7
45	Buffalo Mid Cap	H	-0.7	7.3	28.1	95	Federated Kaufmann Fund	S	1.4	4.0	22.5
46	Boston Ptnrs Smlcap Val	H	1.3	5.4	29.8	96	Dreyfus Mid Cap Index	S	0.5	4.3	23.2
47	Janus Enterprise	H	0.8	8.1	23.6	97	C&B Mid Cap Value	S	1.5	3.8	22.2
48	Vanguard PRIMECAP(closed,	H	1.3	7.3	25.0	98	Artisan Midcap(closed)	S	0.1	4.9	21.4
49	Aegis Value Fund	H	3.0	5.7	26.2	99	Columbia Small Company Equity	S	0.5	3.2	24.9
50	TCW Galileo Dividend Focused N	H	1.4	6.2	27.4	100	CS Warburg Pincus Emerging	S	-0.4	4.3	23.0

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

## Domestic Stock Funds continued — data as of 7/2/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
101	MSI Mid Cap Value	S	2.0	3.0	22.7	151	Selected Special Shares	S	-0.8	1.7	21.5
102	CGM Focus	S	3.0	-0.4	29.3	152	TCW Galileo Small Cap Growth	S	-2.2	2.2	22.0
103	Homestead Value	S	1.9	4.4	19.1	153	American Century Ultra	S	-0.3	4.2	14.1
104	T. Rowe Price Cap Appreciation	S	2.1	4.3	18.7	154	USAA Growth & Income	S	0.9	2.5	16.3
105	RS MidCap Opportunities	S	1.3	2.8	23.5	155	Tweedy, Browne American	S	1.2	2.1	16.6
106	Sound Shore	S	1.2	4.4	19.6	156	Salomon Brothers Investors	S	1.1	2.4	16.1
107	Fidelity Small Cap Ind.(1.5%	S	1.1	3.5	21.8	157	Legg Mason Value	S	1.5	1.8	16.9
108	MSI Value Portfolio	S	1.5	3.8	20.3	158	Strong Growth 20	S	-0.2	3.7	14.3
109	Dreyfus-Founders Discovery	S	1.1	2.8	23.0	159	Janus Olympus	S	0.8	2.3	16.4
110	Janus Special Equity	S	-0.4	2.0	26.7	160	Domini Social Equity Fund (2%	S	0.2	3.0	15.0
111	Neuberger Berman Partners	S	0.5	4.8	18.2	161	PBHG Small Cap Value	S	0.2	0.5	21.4
112	Selected American Shares	S	0.6	4.0	20.1	162	Vanguard Growth & Income	S	0.2	2.3	16.4
113	Bonnel Growth Fund (.25%r<30d)	S	0.4	3.8	20.8	163	Scudder Large Co Value	S	0.0	1.7	18.0
114	Strong Multi-Cap Value	S	4.0	0.3	23.6	164	Vanguard/Morgan Growth	S	-0.2	2.4	16.4
115	Vanguard Explorer	S	0.2	2.6	23.4	165	Strong Advisor Common Stock	S	0.6	1.0	18.1
116	Cambiar Opportunity	S	0.0	3.5	21.1	166	Pin Oak Aggressive Stock	S	-0.2	-1.4	25.3
117	Oakmark Equity&Income (2%	S	0.0	5.5	16.1	167	Harbor Capital Appreciation	S	0.6	1.9	15.8
118	Fidelity Focused Stock (.75%	S	2.3	4.0	15.8	168	Nicholas Fund	S	-1.6	2.9	16.4
119	Vanguard Capital Value	S	1.7	1.9	21.7	169	Vanguard Convertible Securities	S	0.9	1.4	16.4
120	Mutual Beacon(1%)CIZ	S	1.3	2.9	19.5	170	<b>Vanguard 500 Index</b>	<b>S</b>	<b>0.2</b>	<b>2.3</b>	<b>15.0</b>
121	American Century Equity Growth	S	1.2	3.8	16.9	171	<b>Fidelity Spartan 500 Index</b>	<b>S</b>	<b>0.2</b>	<b>2.3</b>	<b>15.0</b>
122	Strong Growth	S	0.6	4.7	15.5	172	INVESCO Dynamics	S	-0.8	1.6	18.0
123	Weitz Value Fund	S	1.0	4.6	15.2	173	Schwab 1000 Fund (.75%	S	0.1	2.2	15.0
124	Mutual Qualified(1%)CIZ	S	1.3	2.6	19.4	174	Undiscovered Behavioral Growth	S	1.1	-0.2	19.2
125	Columbia Disciplined Value CIZ	S	1.2	3.7	16.9	175	Hussman Strategic Growth	S	-0.1	3.5	11.7
126	Loomis Sayles Value	S	0.4	4.2	16.8	176	Fidelity Fund	S	0.2	1.9	15.3
127	Fidelity Export & Multinat'l(.75%	S	0.9	3.2	18.5	177	Needham Growth Fund (.75%	S	-0.1	-0.2	20.8
128	Gabelli Asset	S	0.7	3.7	17.4	178	Fidelity Trend	S	0.4	2.4	13.7
129	American Century Equity Income	S	1.6	3.6	16.2	179	Preferred Value	S	2.1	0.8	15.1
130	T. Rowe Price New America	S	-0.1	4.0	17.7	180	T. Rowe Price Dividend Growth	S	0.8	2.0	14.0
131	RS Value+Growth	S	1.3	2.1	20.3	181	T. Rowe Price Growth & Income	S	0.8	1.4	15.5
132	American Century Income &	S	1.1	3.5	17.1	182	Vanguard Equity-Income	S	0.7	2.3	13.2
133	Vanguard Windsor	S	1.0	2.3	20.2	183	Turner Mid Cap Growth	S	-0.9	0.2	20.7
134	Fidelity Capital Appreciation	S	0.0	1.8	22.7	184	Fidelity OTC Portfolio	S	0.6	0.4	18.0
135	Mutual Shares(1%)CIZ	S	1.2	3.0	17.6	185	Preferred Growth	S	0.5	1.5	15.2
136	Vanguard Value Index	H	1.2	2.9	17.8	186	Oakmark Fund (2%r<90d)	S	-0.3	3.0	12.8
137	Fidelity Growth Company	S	-0.7	3.3	19.5	187	Fidelity Disciplined Equity	S	0.1	2.3	13.7
138	T. Rowe Price Equity-Income	S	1.1	3.5	16.3	188	TCW Galileo Aggressive Growth	S	-1.3	1.8	17.1
139	Strong Advisor Midcap Growth	S	1.5	4.6	12.7	189	Thompson Plumb Growth	S	-0.3	2.0	15.0
140	Oakmark Small Cap (2%r<90d)	S	-0.8	3.0	19.9	190	Salomon Brothers Opportunity	S	1.2	0.8	15.4
141	SIT Large Cap Growth (2%r<30d)	S	0.0	4.4	15.0	191	Fidelity Independence	S	0.7	2.3	12.1
142	Harbor Value	S	0.6	3.6	16.3	192	Fidelity Stock Selector	S	0.2	2.0	13.4
143	Vanguard U.S. Value	H	1.0	2.6	18.1	193	Wasatch Small Cap Grth	S	0.2	1.3	14.9
144	Longleaf Partners	S	1.3	2.0	18.9	194	American Century Select	S	0.7	2.4	11.4
145	Ariel Appreciation	S	0.0	3.1	17.9	195	Scudder Growth & Income	S	0.2	1.7	13.7
146	Northeast Investors Growth	S	-0.3	3.4	17.5	196	American Century Heritage	S	0.7	1.0	14.6
147	Neuberger Berman Guardian	S	0.0	3.1	17.7	197	Janus Mercury	S	-0.1	1.3	14.8
148	Fidelity Equity-Income	H	0.8	2.3	18.1	198	CS Warburg Pincus Capital	S	-0.6	2.6	12.2
149	Vanguard Total Stk Mkt	S	0.3	2.8	17.1	199	T. Rowe Price Growth Stock	S	0.0	1.4	14.1
150	RS Emerging Growth(closed)	S	-0.3	1.6	21.1	200	Fidelity Mid-Cap Stock (.75%	S	0.2	0.4	16.5

**DOMESTIC STOCK FUNDS**  
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## Domestic Stock Funds continued — data as of 7/2/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
201	Scudder Capital Growth AARP	S	-0.7	2.3	13.0	251	Fidelity Growth & Income II	S	-1.1	-0.7	6.7
202	Columbia Asset Allocation CIZ	S	1.2	2.0	10.6	252	William Blair Growth (1%r<60d)	S	-1.7	-1.8	9.3
203	Janus Fund	S	0.2	0.5	15.6	253	Scudder Development (closed)	S	-1.5	-4.1	8.3
204	Vanguard U.S. Growth	S	-0.7	1.7	13.5	254	Neuberger Berman Focus	S	-5.1	-5.5	17.1
205	Dreyfus Premier Third Century	S	-0.4	1.4	13.6	255	PBHG Emerging Growth	S	-1.5	-8.3	12.2
206	INVESCO Small Company	S	-0.4	0.4	16.2	256	Van Wagoner Emerging Growth	S	-1.4	-13.0	3.3
207	Yacktman Fund	S	1.3	0.8	12.4						
208	Janus Growth & Income	S	0.3	1.0	13.4						
209	Fidelity Convertible Securities	S	-0.1	1.5	12.7						
210	Vanguard Growth Index	S	-0.8	1.7	12.8						
211	American Century Growth	S	0.8	1.2	11.7						
212	Marsico Growth & Income (2%	S	-0.4	0.9	13.9						
213	Westport Small Cap R	S	-1.1	-0.1	17.6						
214	Matrix Advisors Value (.75%	S	-0.1	-0.8	17.5						
215	Strong Large Cap Growth	S	0.4	1.8	10.3						
216	Columbia Common Stock	S	-0.2	0.9	13.5						
217	Fidelity Large Cap Stock	S	0.1	0.7	12.6						
218	Fidelity Equity-Income II	S	1.0	-0.2	13.6						
219	RS Diversified Growth (closed)	S	0.3	-3.2	22.1						
220	Dreyfus Appreciation	S	-0.2	1.5	10.7						
221	Fidelity Blue Chip Growth	S	-0.4	1.3	11.3						
222	Columbia Growth	S	-0.4	1.4	10.9						
223	Fidelity Growth & Income	S	0.0	1.7	9.5						
224	Fidelity Magellan (closed)	S	-0.6	1.0	11.3						
225	Dreyfus Fund	S	0.1	0.3	11.5						
226	USAA Aggressive Growth	S	-0.4	0.5	11.7						
227	Clipper Fund	S	2.9	-0.8	9.7						
228	Columbia Large Cap Growth CIZ	S	-0.4	1.2	9.3						
229	Oberweis Emerging Growth (1%	S	1.0	-4.3	20.9						
230	Scudder Large Company Growth	S	-0.8	0.6	11.4						
231	Dreyfus Growth & Income	S	0.1	-0.4	11.6						
232	Vanguard Growth Equity	S	-1.7	-0.5	14.4						
233	Undiscovered Small Cap Growth	S	-1.8	-4.2	23.5						
234	USAA Growth	S	-0.6	0.6	9.8						
235	Oakmark Select(closed) (2%	S	-1.2	0.8	9.9						
236	WPG Large Cap Growth	S	-1.2	-0.5	13.1						
237	Dreyfus Growth Opportunity (2%	S	-0.1	-0.3	10.9						
238	Gabelli Growth	S	-0.2	-1.4	13.8						
239	Safeco Equity	S	-1.1	0.5	10.2						
240	PBHG Growth	S	-1.1	0.3	10.2						
241	UMB Scout Stock	S	-0.7	0.2	9.7						
242	Value Line Fund	S	0.9	0.2	5.8						
243	SIT Small Cap Growth (2%r<30d)	S	-0.5	-1.2	11.3						
244	Fidelity Fifty (.75%r<30d)	S	0.5	0.1	6.3						
245	Fidelity New Millennium (closed)	S	1.3	-3.5	13.3						
246	INVESCO Core Equity	S	-0.3	-1.3	8.0						
247	Marsico Focus (2%r<30d)	S	-0.7	-1.8	9.7						
248	Columbia Special	S	0.3	-2.3	9.4						
249	Fidelity Dividend Growth	S	-1.6	-0.6	7.6						
250	Value Line Leveraged Growth	S	-0.3	-0.4	5.0						

### PRI Financial Advisors Inc.

#### *The "MONEYLETTER Managed Account Program"*<sup>1</sup>

*Portfolio Management Services*

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**INTERNATIONAL STOCK FUNDS**  
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## International Stock Funds — data as of 7/2/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
1	Matthews Japan Fund (2%r<90d)	H	5.8%	18.0%	62.8%	51	American Century Intl Growth	S	1.5	1.1	19.9
2	T. Rowe Price Japan	H	7.2	16.8	54.6	52	Scudder International (2%	S	1.5	1.0	20.2
3	Amer.Cent.Intl Opportunity (2%	H	7.0	14.0	59.3	53	Fidelity Overseas (1%r<30d)	S	-0.2	-1.2	25.8
4	Fidelity Intl Small Cap (2%r<90d)	H	4.3	10.2	57.4	54	Fidelity Worldwide (1%r<30d)	S	0.4	0.5	20.3
5	Artisan Intl Value (2%r<90d)	H	4.1	14.0	43.7	55	Scudder Greater Europe (2%	S	1.1	-0.9	21.3
6	T.Rowe Price Intl Disc. (2%r<1yr)	H	5.3	9.0	49.5	56	Scudder Latin America	S	4.0	-3.6	23.8
7	Oakmark Intl Small Cap	H	3.6	9.6	46.2	57	Driehaus Emerging Mkts Gr (2%	S	1.8	-4.1	28.3
8	Dodge&Cox Intl. Stock	H	3.5	8.8	48.1	58	Guinness China & Hong Kong	S	-0.1	-6.1	35.2
9	Vanguard Intl Explorer	H	3.1	9.6	42.6	59	Vanguard Emerging Mkts Stk	S	0.5	-4.7	30.3
10	Wasatch International Growth	H	3.1	9.1	41.4	60	SIT International Growth (2%	S	1.0	-0.8	19.0
11	Tweedy, Browne Global Value	H	2.3	11.2	33.3	61	Janus Overseas(closed,2%	S	-0.5	-2.6	25.3
12	Japan Fund (Scudder) (2%	H	2.5	5.5	43.7	62	Scudder Global	S	-0.4	-1.8	17.0
13	Fidelity Japan(1.5%r<90d)	H	3.0	6.4	34.4	63	Scudder Pacific Opportunity (2%	S	-1.4	-5.0	25.2
14	Vanguard Pacific Stock Index (2%	H	4.1	5.9	33.0	64	T. Rowe Price New Asia	S	-1.1	-7.0	28.3
15	Artisan Intl Small Cap(closed,2%	H	2.2	4.6	38.2	65	Fidelity Emerging Mkts (1.5%	S	-1.1	-6.7	23.9
16	Fidelity Europe (1%r<30d)	H	3.3	4.0	33.5	66	Fidelity Aggressive Intl. (1%	S	-1.8	-5.0	16.1
17	Oakmark International (2%r<90d)	H	2.6	5.0	30.8	67	Fidelity SE Asia (1.5%r<90d)	S	-3.4	-8.6	24.2
18	CS Warburg Pincus Japan Grth	H	2.8	4.0	30.5	68	Janus Worldwide (2%r<90d)	S	-1.1	-4.5	10.3
19	Preferred International	H	1.6	3.6	32.8						
20	Fidelity Latin Amer.(1.5%r<90d)	H	5.5	-0.1	35.9						
21	Longleaf Partners International	H	1.7	5.4	26.9						
22	Fidelity International G & I (1%	H	1.8	2.9	32.1						
23	Vanguard International Value (2%	H	1.8	2.5	32.6						
24	USAA International	H	1.8	4.3	26.8						
25	Artisan International (2%r<90d)	H	2.4	3.7	27.2						
26	USAA World Growth	H	1.6	5.7	23.3						
27	Julius Baer Intl Equity A (2%	H	2.2	2.6	29.6						
28	Oakmark Global (2%r<90d)	H	0.7	4.0	28.2						
29	Harbor International (2%r<60d)	S	2.0	1.9	31.3						
30	Fidelity Diversified Intl (1%r<30d)	H	1.1	3.2	29.3						
31	Matthews Asia G & I (closed,2%	S	1.4	2.9	29.7						
32	Scudder Global Discovery(closed)	H	0.5	3.3	29.4						
33	Vanguard European Stock Index	S	1.3	2.4	28.6						
34	Wm. Blair Intl Growth N	S	2.4	1.8	28.2						
35	Schwab International Index (1.5%	S	1.6	2.4	25.8						
36	T.Rowe Price Latin America (2%	S	4.5	-1.0	29.7						
37	Vanguard International Growth	S	1.3	2.3	25.6						
38	Fidelity Europe Capital App. (1%	S	2.4	1.5	26.0						
39	Driehaus Int'l Discovery (2%	S	3.6	-0.8	29.8						
40	Gabelli Intl Growth (2%r<60d)	S	0.2	1.5	28.5						
41	Dreyfus Emerging Market(1%r)	S	1.9	-0.9	30.9						
42	Fidelity Pacific Basin (1.5%r<90d)	H	1.3	1.0	26.7						
43	Columbia International Stock (2%	S	1.8	1.1	23.9						
44	Fidelity Global Balanced (1%	S	1.7	2.3	20.7						
45	Columbia Intl Equity CIZ	S	1.8	1.0	23.9						
46	Matthews Pacific Tiger (2%r<90d)	S	0.3	-2.6	34.7						
47	T. Rowe Price European	S	1.3	0.6	25.2						
48	American Century Global Growth	S	0.1	1.8	21.3						
49	T. Rowe Price Intl Stock	S	1.4	0.4	22.0						
50	Loomis Sayles International Eq-	S	1.8	-0.6	23.9						

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

**Wednesday  
July 14, 2004  
by Midnight**

### Total Return % - 6/30/04

1 mo	Model Portfolio	6 mo	1 yr	3 yr	YTD
1.6	ML Conservative	2.2	14.5	28.8	2.2
2.4	Fidelity Conservative	3.1	13.1	9.4	3.1
1.9	Vanguard Conservative	2.6	13.3	4.8	2.6
2.6	ML Moderate	3.5	27.7	47.5	3.5
3.3	Fidelity Moderate	4.2	22.0	31.2	4.2
2.5	Vanguard Moderate	2.4	21.0	13.8	2.4
2.8	ML Venturesome	4.4	32.2	47.1	4.4
3.6	Fidelity Venturesome	4.3	24.7	27.2	4.3
2.9	Vanguard Venturesome	2.3	24.4	13.7	2.3
4.7	ML Select	2.7	22.1	n/a	2.7
<b>Benchmarks</b>					
1.9	S&P 500	3.6	19.2	-2.1	3.6
1.6	Asset Allocation Funds Avg (36)	2.2	14.6	7.8	2.2

**SPECIALTY FUNDS  
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## Specialty Funds — data as of 7/2/04

Rank	Fund	Cons.	1 month	6 month	1 year	Rank	Fund	Cons.	1 month	6 month	1 year
1	Fidelity Wireless (.75%r<30d)	*	3.3%	22.5%	56.2%	51	RS Information Age	*	-2.4	-0.8	30.2
2	INVESCO Energy Inv	*	7.9	18.8	33.4	52	Fidelity Bus Services (.75%	*	0.0	2.6	17.8
3	Fidelity Natural Gas (.75%r<30d)	*	8.1	18.1	34.0	53	INVESCO Utilities Inv	*	2.5	3.6	10.6
4	Vanguard Energy (1%r<1yr)	*	4.7	14.7	37.0	54	Fidelity Balanced	B	1.6	2.1	14.7
5	Rydex Energy	*	5.7	15.0	31.4	55	Fidelity Telecomm (.75%r<30d)	*	1.7	3.3	10.6
6	Rydex Energy Services	*	9.3	16.2	19.7	56	Fidelity Finl Serv (.75%r<30d)	*	0.5	1.4	16.2
7	Fidelity Med Del (.75%r<30d)	*	3.7	10.9	40.7	57	T.Rowe Price Financial Services	*	0.6	0.4	16.4
8	Fidelity Energy Services (.75%	*	9.9	15.9	18.2	58	Rydex Health Care	*	-2.0	2.6	14.5
9	Fidelity Energy (.75%r<30d)	*	5.7	13.5	28.7	59	INVESCO Financial Serv Inv	*	-0.2	1.2	14.9
10	Alpine U.S. Real Estate Equity	*	4.1	9.4	39.0	60	INVESCO Leisure Inv	*	-0.5	1.1	15.5
11	Cohen & Steers Realty Shares	*	4.7	9.8	34.2	61	Vanguard Balanced Index	B	0.9	2.3	10.5
12	Fidelity Defense & Aero (.75%	*	5.5	7.8	34.5	62	Vanguard Health Care	*	-1.9	2.5	14.0
13	T. Rowe Price New Era	*	5.2	8.0	33.6	63	Rydex Utilities	*	1.2	2.5	8.6
14	T.Rowe Price Real Estate (1%	*	4.7	10.3	28.3	64	Fidelity Banking (.75%r<30d)	*	-0.4	0.5	15.3
15	T.Rowe Price Media & Telecom-	*	1.2	9.0	35.1	65	Gateway Fund	B	0.7	2.7	7.6
16	Fidelity Medical Equip (.75%	*	0.9	12.8	24.6	66	Fidelity Automotive (.75%r<30d)	*	1.4	-3.3	21.2
17	Fidelity Natrl Resources (.75%	*	4.9	8.3	28.7	67	Fidelity Health Care (.75%r<30d)	*	-2.6	4.0	7.1
18	Fidelity Real Estate (.75%r<90d)	*	5.4	8.5	27.2	68	INVESCO Health Sciences Inv	*	-1.5	1.3	9.8
19	CGM Realty	*	2.1	6.8	35.3	69	T.Rowe Price Science & Tech	*	-0.7	-3.0	16.6
20	Fidelity Cyclical Ind (.75%r<30d)	*	3.3	6.2	34.0	70	Rydex Biotechnology	*	-3.2	-0.2	11.2
21	Fidelity Developing Comm (.75%	*	2.4	5.2	36.5	71	Merger Fund (closed,2%r<30d)	*	-1.1	0.4	5.8
22	Fidelity Const & Housing (.75%	*	3.2	6.9	30.9	72	Rydex Technology	*	-1.4	-4.0	15.7
23	Fidelity Biotechnology (.75%	*	-1.6	13.0	21.4	73	Fidelity Software (.75%r<30d)	*	-0.2	-2.7	10.7
24	Vanguard REIT Index (1%r<1yr)	*	4.6	7.5	25.6	74	Fidelity Consumer Ind (.75%	*	-2.0	-1.1	9.3
25	Fidelity Chemicals (.75%r<30d)	*	2.5	4.5	34.4	75	AXARosenberg Value L/S (2%	*	0.9	1.1	-1.0
26	Cohen & Steers Equity Income	*	4.0	6.9	25.2	76	Fidelity Pharmaceuticals (.75%	*	-1.0	0.1	4.0
27	Rydex Basic Materials	*	4.5	3.4	31.2	77	Scudder Gold (closed)	*	1.4	-19.1	47.6
28	Rydex Consumer Products	*	0.7	9.5	20.7	78	Fidelity Networking (.75%r<30d)	*	0.4	-4.2	11.9
29	Fidelity Industrial Equip (.75%	*	2.2	2.1	35.9	79	Fidelity Technology (.75%r<30d)	*	-1.5	-4.9	15.1
30	Rydex Internet	*	-0.5	5.7	29.8	80	INVESCO Technology Inv	*	-1.3	-4.3	12.0
31	T.Rowe Price Health Sciences	*	-1.4	9.3	20.4	81	Royce Technology Value (2%	*	-2.6	-9.1	24.0
32	Fidelity Air Transport (.75%r<30d)	*	4.4	6.8	17.8	82	Fidelity Brokerage (.75%r<30d)	*	-1.2	-4.6	8.9
33	Stratton Mthly Div REIT (1.5%	*	4.2	5.0	20.6	83	Fidelity Multimedia (.75%r<30d)	*	-2.1	-5.3	10.3
34	Fidelity Paper & Forest (.75%	*	2.0	3.7	26.3	84	Rydex Juno	*	-3.8	-2.8	2.4
35	Fidelity Insurance (.75%r<30d)	*	1.4	6.3	20.7	85	Vanguard Precious Metals	*	0.7	-15.5	27.2
36	Fidelity Transportation (.75%	*	3.7	4.2	20.2	86	Fidelity Computers (.75%r<30d)	*	-2.9	-7.8	13.2
37	Fidelity Home Finance (.75%	*	1.4	4.2	23.7	87	INVESCO Gold Inv	*	1.2	-15.5	22.5
38	Fidelity Retailing (.75%r<30d)	*	0.6	6.6	18.6	88	Fidelity Electronics (.75%r<30d)	*	-6.1	-9.4	17.9
39	Rydex Leisure	*	0.0	5.3	22.3	89	U.S.Global Gold Shares (.25%	*	-0.4	-19.2	32.7
40	Rydex Transportation	*	3.8	2.7	18.6	90	Rydex Ursa	*	-0.1	-2.6	-13.7
41	Fidelity Food & Agr (.75%r<30d)	*	-0.4	6.2	15.3	91	ProFunds Bear Inv	*	-0.2	-2.7	-14.2
42	Fidelity Environmental Ser (.75%	*	2.2	2.6	19.6	92	Prudent Bear	*	-0.5	-9.3	-5.9
43	Rydex Financial Services	*	0.2	3.9	18.6	93	Amer. Cent. Global Gold (1%	*	1.1	-19.4	14.1
44	Fidelity Leisure (.75%r<30d)	*	-0.3	3.9	19.0	94	Rydex Electronics	*	-5.7	-15.7	10.7
45	Fidelity Utilities Growth (.75%	*	3.1	5.0	10.1	95	Rydex Precious Metals	*	0.0	-20.7	13.3
46	RS Internet Age	*	-2.5	-0.8	32.5	96	Fidelity Gold (.75%r<30d)	*	-0.3	-22.3	4.4
47	Fidelity Indust Matrls (.75%r<30d)	*	3.6	-5.2	34.3						
48	Rydex Telecommunications	*	1.8	2.9	16.5						
49	Rydex Banking	*	-0.1	2.9	19.1						
50	Rydex Retailing	*	-1.2	4.0	17.2						

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

\* = **Not Recommended**

**BOND FUNDS  
On Next Page**

## Bond Funds — data as of 7/2/04

Fund	Cons.	1 month	6 month	1 year	Fund	Cons.	1 month	6 month	1 year
American Century Ginnie Mae	*	1.8%	-0.3%	-1.1%	PIMCO Real Return	H	1.4	2.3	3.3
American Century Inflation Adj	B	1.3	3.1	4.7	PIMCO Total Return	H	1.6	0.7	-0.6
American Century Intl Bond	*	1.7	0.0	8.1	PIMCO Total Return Mortgage	H	1.9	0.7	0.8
American Century Target 2010	*	2.3	1.6	-2.0	Safeco U.S. Government (2%	H	1.2	-0.7	-3.0
American Century Target 2015	*	4.0	3.3	-3.1	Schwab S-T Bond Mkt Index	B	0.7	-0.3	-1.0
American Century Target 2020	*	5.0	4.5	-4.1	Scudder Global Bond S-T	*	1.2	-1.3	1.9
American Century Target 2025	*	5.8	5.4	-5.1	Scudder Income (closed)	H	1.7	1.4	1.6
American Government Bond	H	1.1	-0.5	-2.1	Scudder Short-Term Bond	B	0.6	0.5	1.0
BBH Inflation Indexed Sec	B	1.5	3.5	4.7	Strong Corporate Bond	*	1.7	-1.1	-1.0
Buffalo High-Yield(2%r<180d)	S	0.8	2.4	9.3	Strong Govt Securities	H	1.6	0.0	-1.7
Columbia Fixed Income Sec	H	1.1	-0.7	-2.2	Strong High Yield Bond (1%	*	1.5	-0.5	6.4
Columbia High Yield	S	0.8	-2.0	-0.1	Strong S-T Bond	B	0.7	0.0	-0.2
Columbia Income CIZ	H	1.6	-1.1	-0.2	Strong S-T High Yield	*	0.8	0.1	2.2
Columbia Intermediate Bond CIZ	H	1.6	-0.9	-0.3	T. Rowe Price Corporate Inc	*	1.7	-0.4	0.1
Columbia S-T Bond	B	0.4	-0.5	-1.2	T. Rowe Price GNMA	*	1.7	-0.1	-0.8
Dodge & Cox Income	H	1.1	0.5	1.9	T. Rowe Price High Yld	S	1.4	-1.1	4.9
Dreyfus 100 Treasury L-T	*	2.6	-3.5	-6.7	T. Rowe Price Int'l Bond	*	1.4	-1.5	6.2
Dreyfus A Bonds Plus	*	1.5	-1.8	-2.3	T. Rowe Price New Income	*	1.6	-0.1	-1.1
Dreyfus GNMA	*	1.7	1.1	1.9	T. Rowe Price Spectrum Income	*	1.4	0.1	3.9
Dreyfus Short-Term Income	B	0.6	-1.7	-3.3	T. Rowe Price S-T Bond	B	0.4	-0.6	-1.1
Dreyfus Strategic Income	*	1.4	-2.3	-3.1	T. Rowe Price U.S. Treas. L-T	*	2.6	0.2	-4.8
Federated Total Return Govt	H	1.6	0.0	-2.5	TCW Galileo High Yield Bond	S	1.5	0.9	8.7
Federated U.S. Govt Sec. 1-3	B	0.4	-0.5	-0.9	TCW Galileo Total Return Bond	H	1.1	1.2	1.8
Fidelity Capital & Income (1%	*	2.0	-1.7	7.1	USAA Income	H	1.5	1.0	0.9
Fidelity Floating Rate High Inc(1%	B	0.3	0.7	2.8	Value Line Aggressive Inc (1%	*	1.4	1.0	6.1
Fidelity GNMA	*	1.7	0.4	0.2	Value Line U.S. Govt Sec	H	1.1	0.4	-1.0
Fidelity Government Income	*	1.5	0.4	-1.7	Vanguard Bond Market	H	1.3	0.9	0.6
Fidelity High Income (1%r<90d)	S	0.9	-0.4	8.0	Vanguard GNMA	B	1.6	0.1	-1.7
Fidelity Inflation-Protected Bond	B	1.2	2.6	4.0	Vanguard High Yield Corporate	S	1.1	0.5	6.8
Fidelity Intermediate Bond	H	1.0	-0.5	-1.5	Vanguard Inflation Protected	B	1.3	3.5	5.3
Fidelity Intermediate Govt	H	0.9	0.5	-0.5	Vanguard Intermediate Treas.	H	1.4	-0.7	-4.6
Fidelity Investment Grade	H	1.5	1.1	1.0	Vanguard Long-Term Corporate	*	2.3	-0.4	-5.7
Fidelity New Markets Income (1%	*	2.3	-4.3	2.7	Vanguard L-T Treasury	*	2.6	0.0	-6.8
Fidelity Short-Term Bond	B	0.5	-0.3	-0.4	Vanguard Short-Term Corporate	B	0.3	-0.7	-1.6
Fidelity Strategic Income	B	1.4	-0.4	5.1	Vanguard S-T Federal	*	0.3	-0.8	-1.8
FifthThird Bond	*	1.6	0.7	0.1	Vanguard S-T Treasury	B	0.3	-0.7	-1.5
Fremont Bond	H	1.6	0.9	0.3	WellsFargo Montgomery S Dur	B	0.6	0.4	-0.1
Janus Flexible Income	*	1.2	-0.8	-1.7	WellsFargo Montgomery Total	H	1.5	1.0	-0.3
Janus High Yield (2%r<90d)	S	1.7	-1.1	2.9	Westcore Plus Bond (2%r<90d)	*	1.8	1.9	6.3
Janus S-T Bond	B	0.2	-0.2	0.9	WPG Core Bond	H	1.6	0.8	-0.4
Loomis Sayles Bond Retail	B	2.9	-0.1	8.1					
Managers Bond	*	1.7	0.6	1.7					
Managers Int. Duration Govt	*	1.8	1.4	2.5					
Managers Short Duration Govt	B	0.3	0.4	1.3					
MetroWest Low Duration	B	0.3	-0.4	-0.3					
MetroWest Total Return	*	1.4	-0.6	1.2					
Northeast Investors Trust	*	2.0	5.7	14.1					
Payden Global Fixed Income	*	0.9	0.2	-0.9					
PIMCO High Yield	S	1.9	-1.6	5.5					
PIMCO Low Duration	B	0.7	0.1	-1.1					

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

\* = **Not Recommended**

**PORTFOLIO HOLDINGS**  
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## Weekly Performance of ML Model Holdings — data as of 7/2/04

Fund	Last Week	Fund	Last Week
ACITX Amer. Cent. Inflation Adj.	-2.08%	VBINX Vanguard Balanced	0.05
AIOIX Amer. Cent Intl Opportunities	3.21	VBMFX Vanguard Total Bond	0.89
BPTRX Baron Partners	-1.82	VIPSX Van. Inflation Protected Bond	1.65
DODIX Dodge & Cox Income	-0.47	VISVX Vanguard Small Cap Value	0.32
FBALX Fidelity Balanced	-0.18	VIVAX Vanguard Value Index	-0.31
FBNDX Fidelity Inv Grade Bond	0.95	VWEHX Vanguard High Yield Corp.	0.32
FCNTX Fidelity Contrafund	-0.46	VUVLX Vanguard US Value	-0.79
FEQIX Fidelity Equity-Income	-0.56	VWNFX Vanguard Windsor II	-0.64
FLVCX Fidelity Leveraged Company	-1.01		
FSTGX Fidelity Intermediate Gov't	0.69		
FSLCX Fidelity Small Cap Stock	-0.29		
FSICX Fidelity Strategic Income	0.79		
FDVLX Fidelity Value	-0.63		
GATEX Gateway Fund	0.04		
HENLX Henlopen Fund	-0.47		
IZZYX ICM/Isabelle SC Value	0.07		
LSBRX Loomis Sayles Bond	1.41		
MJFOX Matthews Japan	-0.26		
RSPFX RS Partners	-0.27		
RSSGX RS Smaller Co. Growth	-0.70		
SMCDX Strong Mid Cap Disciplined	-0.05		
		<b>Indices</b>	
		DOW JONES INDUSTRIALS	-0.86
		NASDAQ	-0.93
		S&P 500	-0.80

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