

MONEYLETTER HOTLINE 9/28/04

Oil is a Drag

Don't get your hopes up. Today's strong market was a case of window-dressing trumping high oil prices. The market wasn't ignoring oil prices, it is just that the institutional managers had something more important to do—namely, make their performance look as good as possible. One clue to what went on today is that the Dow was the strongest index. The big names in the Dow are the stocks which can be most easily gotten rid of, once the window-dressing period ends. Window-dressing is a silly practice, but it goes on particularly at quarter's end.

Back in the real world, the market was moved today by news that the Chinese do not expect their economy to slow much this year, if at all. This is disappointing. China's too rapid growth puts pressure on many commodity prices including oil. Meanwhile, \$50 oil is an obstacle to market progress. At the very least, it is a drag on the consumer, and a livelier consumer is what the economy needs. One big consideration is that stocks are cheap. We remain cautious optimists.

There is no change in our recommended allocations.

New Fund Ratings – For domestic stock funds, four funds are now rated Buy: Fidelity Leveraged Company, Fidelity Value, Muhlenkamp Fund, and TCW Galileo Dividend Focused N. Two funds are now rated Holds: American Century Equity Income and PIMCO PEA Value D. For international stock funds, two funds are now rated Hold: Vanguard Intl. Explorer and Matthews Pacific Tiger.

FBR Small Cap, in the *MONEYLETTER* Venturesome Portfolio, will close on October 1. As is our practice, we will remove the fund from the portfolio at that date and replace it with Weitz Hickory.

The Economy – The big economic news this week starts Friday when the October reports begin to roll out. The weekly store sales surveys show spending increasing moderately.

The Stock Market – Oil is a big hurdle and could spoil everything. But some fundamentals stand out. Stocks have become cheap compared to bonds. Earnings overall still look good. There are problems, but we remain cautiously positive.

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

MONEYLETTER HOTLINE 9/24/04

We are recommending a renewed allocation to international funds for Venturesome and Moderate investors. Specifically, we recommend a 10% allocation to international stock funds for both investors. Concurrently, we are lowering the money fund allocation by the same 10%.

The new allocations are: Venturesome — Domestic Stock, 70%, International Stock, 10%, Money Funds, 20%; Moderate — Domestic Stock, 60%, International Stock, 10%, Bond Funds, 20%, Money Funds, 10%. We will make the following transactions in the model portfolios. MONEYLETTER Venturesome: Sell one-third of the Schwab Money Fund position, purchase Dodge&Cox International Fund with the proceeds. MONEYLETTER Moderate: Sell one-half of the Schwab Money Fund, switch into Dodge&Cox International. Fidelity Venturesome: Sell one third of Fidelity Cash Reserves, purchase Fidelity International Small Cap with the proceeds. Fidelity Moderate: Sell one-half of Fidelity Cash Reserves, switch into Fidelity International Small Cap. Vanguard Venturesome: Sell one-third of Prime Portfolio Money Fund, purchase Vanguard International Value with the proceeds. Vanguard Moderate: Sell one-half of Prime Portfolio, switch into Vanguard International Value. The rationale for this new recommendation will be found in the new issue of *MONEYLETTER* now in the mail.

In some ways this was a non-week for stocks. Stocks were facing the headwinds of rising oil prices and less than robust earnings reports. Oil prices are directly hurricane related and should ease back. As for earnings, some of the disappointment is due to the soft patch from which the economy is slowly emerging. We remain cautious optimists.

New Fund Ratings – For domestic stock funds, one fund is now rated Hold: American Century Value. One fund is now rated sell: Aegis Value Fund. For international stock funds, there is a long list of newly rated Buy. We will give the top five here. The rest can be found in the new issue. The new buys are: Dodge&Cox International, Neuberger Berman International, Matthews Asia Growth&Income (closed), Oakmark International Small Cap (closed), and Matthews Pacific Tiger. T. Rowe Price Japan is now rated sell.

The Economy – The durable goods report was weak, despite some upbeat commentary. We suspect it reflects a lagged response to the soft patch. Orders for investment goods have to do better if the economy is to attain good growth. Consumers also have to spend, and the auto industry is doing its best see that happens. We are not as positive as the Fed.

The Stock Market – With the 10-year Treasury at 4.0%, U.S. stocks are a better value than ever, provided earnings come through. Right now Wall Street is justifiably agnostic about the earnings picture. We are positive, but cautious.

The Select Portfolio – Matthews Japan Fund is to be sold with the proceeds reinvested in Berwyn Fund.

Domestic Stock Funds — data as of 9/24/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
1	RS Partners (closed)	B	7.4%	9.9%	31.9%	51	Fidelity Contrafund	H	4.0	4.7	14.3
2	Baron Partners	B	7.8	6.7	34.1	52	Neuberger Berman Partners	H	4.6	3.0	17.4
3	Berwyn Fund (1%r<180d)	B	3.7	9.0	33.1	53	Baron Asset	H	4.8	3.1	16.7
4	Artisan Mid Cap Value	B	4.8	8.6	27.3	54	Fidelity Export & Multinat'l(.75%	H	2.9	5.0	14.8
5	MainStay Small Cap Opportunity	B	5.7	6.2	29.5	55	Sound Shore	H	3.6	4.1	15.9
6	Fidelity Leveraged Co	H	6.2	6.4	27.3	56	Neuberger Berman Guardian	H	3.4	4.7	14.8
7	CGM Focus	B	9.3	5.4	22.2	57	MSI Small Cap Value(closed)	H	4.0	3.5	16.3
8	Weitz Hickory	H	2.9	6.7	28.1	58	Vanguard U.S. Value	H	2.2	4.0	17.8
9	WmBlair S-C Growth N	H	9.2	5.6	20.4	59	Boston Partners Mid Cap Value	H	3.9	3.3	16.8
10	RS Contrarian Value	B	4.5	6.3	25.3	60	Dodge & Cox Stock (closed)	H	3.2	3.1	18.0
11	Third Avenue Small-Cap Value	B	3.9	8.0	21.5	61	Henlopen Fund (1%r<30d)	S	8.7	0.9	15.2
12	Royce Premier (1%r<180d)	B	4.2	7.4	21.9	62	Buffalo Small Cap(closed)	H	5.5	0.6	20.6
13	T. Rowe Price S-C Value	B	3.9	7.6	21.7	63	Vanguard Mid-Cap Index	H	3.8	3.3	16.2
14	T.Rowe Price Mid Cap Value	B	3.7	6.4	23.5	64	Vanguard Equity-Income	H	1.3	5.2	14.8
15	Fidelity Value	B	4.0	7.0	21.2	65	Royce Total Return (1%r<180d)	H	2.8	4.6	14.1
16	Muhlenkamp Fund	B	5.0	5.5	23.0	66	WPG Tudor	H	3.6	1.7	19.9
17	Ariel Fund	B	2.9	7.6	20.2	67	Janus Special Equity	S	4.3	2.5	16.8
18	MSI Value Portfolio	H	3.7	6.9	20.5	68	Vanguard Strategic Equity	S	4.1	3.4	15.1
19	CRM Mid Cap Value Inv	B	3.2	5.7	23.0	69	Longleaf Partners Smallcap	H	2.7	3.7	16.2
20	FBR Small Cap (1%r<90d)	B	3.1	6.6	20.6	70	PIMCO PEA Value D	H	-0.4	3.4	21.6
21	Janus Twenty(closed)	B	4.5	6.7	18.2	71	Artisan Small Cap	S	3.3	3.6	15.3
22	Neuberger Berman Genesis	H	4.2	6.4	19.1	72	Vanguard SmallCap Index	H	3.8	3.1	15.9
23	Vanguard Small-Cap Value Index	B	2.9	5.7	22.6	73	Value Line Special Situations	S	4.3	3.3	13.9
24	TCW Galileo Diversified Value N	B	3.1	5.7	21.5	74	Strong Multi-Cap Value	S	6.8	1.8	13.7
25	MSI Mid Cap Growth	H	6.3	5.6	16.3	75	Neuberger Berman Manhattan	S	5.2	3.6	11.7
26	Third Avenue Value (1%r<60d)	B	2.2	6.2	20.9	76	Mutual Qualified(1%)CIZ	S	2.2	3.5	16.4
27	Strong Mid Cap Disciplined	B	1.4	5.5	23.5	77	Scudder Large Co Value	H	1.4	4.0	16.1
28	TCW Galileo Dividend Focused N	B	2.4	5.3	21.1	78	RS MidCap Opportunities	S	5.8	2.7	12.7
29	Royce Penn Mutual(1%r<180d)	H	5.1	4.7	18.5	79	American Century Income &	S	1.9	4.0	15.3
30	Vanguard Windsor II	B	2.3	5.5	20.7	80	Janus Enterprise	S	4.0	3.2	14.0
31	Homestead Value	B	1.9	6.9	17.5	81	Weitz Value Fund	H	2.4	2.8	17.3
32	Loomis Sayles Small Cap Value	B	3.1	5.8	18.3	82	TCW Galileo Opportunity N	S	4.5	2.3	15.0
33	Janus Mid Cap Value	B	2.5	5.1	21.0	83	RS Value+Growth	S	5.2	3.1	11.8
34	T.Rowe Price Mid Cap Growth	H	5.1	5.7	15.2	84	Harbor Value	H	1.2	4.2	15.2
35	T. Rowe Price Cap Appreciation	B	2.7	6.0	17.9	85	American Century Equity Growth	S	2.4	3.8	14.1
36	Baron Growth	H	6.1	4.8	15.3	86	Dreyfus New Leaders	S	3.9	2.5	15.1
37	Vanguard PRIMECAP(closed,	H	3.7	5.4	16.8	87	Strong Growth 20	S	7.5	2.9	8.5
38	Vanguard Value Index	B	2.0	5.9	18.1	88	USGlobal Holmes Growth (.25%	S	4.5	3.8	10.6
39	T. Rowe Price Small Cap Stock	H	5.0	5.0	15.6	89	Oakmark Fund (2%r<90d)	S	1.3	4.4	13.4
40	T. Rowe Price Equity-Income	H	2.4	6.0	16.8	90	Salomon Brothers Opportunity	S	2.2	3.8	13.1
41	Vanguard Cap Opp (closed,	H	4.7	3.7	19.1	91	Fidelity Equity-Income	H	1.4	3.5	15.1
42	Strong Opportunity	H	3.8	5.1	16.1	92	Strong Advisor Midcap Growth	S	6.9	3.2	7.5
43	Safeco Growth Opportunities (2%	H	3.8	5.7	14.5	93	Marsico 21st Century (2%r<30d)	S	5.1	2.0	12.7
44	Fidelity L P Stock (closed,1.5%	H	3.6	4.2	18.3	94	Royce Special Equity (1%	S	2.9	2.2	15.4
45	Columbia Disciplined Value CIZ	H	2.1	5.4	16.8	95	Gabelli Asset	S	2.6	3.4	12.8
46	American Century Equity Income	H	1.3	6.1	16.3	96	MSI Mid Cap Value	S	3.1	3.0	12.7
47	Loomis Sayles Value	H	2.3	5.0	17.4	97	Vanguard Extended Market	S	3.8	2.0	14.2
48	American Century Value (closed)	H	1.4	5.0	18.2	98	Cambiar Opportunity	S	2.4	1.5	17.4
49	Neuberger Berman Fasciano Inv	H	2.9	5.1	15.4	99	TCW Galileo Select Equity	H	3.0	4.5	8.7
50	Fidelity Focused Stock (.75%	H	4.3	5.5	12.3	100	Mutual Beacon(1%)CIZ	S	1.9	2.4	15.4

DOMESTIC STOCK FUNDS
Continued on Next Page

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

Domestic Stock Funds continued — data as of 9/24/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
101	Royce Low Priced Stock (1%	S	5.1	1.0	14.1	151	American Century Growth	S	2.0	1.9	9.0
102	Dreyfus Mid Cap Index	S	3.1	2.2	13.6	152	Scudder Growth & Income	S	1.2	2.2	9.6
103	Fidelity Small Cap Stock (2%	S	2.5	1.6	15.7	153	Longleaf Partners	S	1.9	1.3	10.7
104	Meridian Fund	S	2.9	1.4	15.5	154	Fidelity Aggressive Growth(1.5%	S	4.2	0.5	9.1
105	Oakmark Equity&Income (2%	S	2.2	2.6	13.5	155	Preferred Value	S	0.5	2.3	9.8
106	USAA Capital Growth	S	5.9	2.2	8.8	156	T. Rowe Price New America	S	2.0	1.2	10.2
107	Vanguard Windsor	S	1.7	2.4	14.5	157	Wasatch Core Growth	S	2.4	-0.1	12.5
108	Royce Opportunity (1%r<180d)	S	3.7	0.6	16.0	158	Value Line Fund	S	4.8	2.7	1.9
109	Vanguard Growth & Income	S	1.8	2.8	13.4	159	Fidelity Independence	S	3.2	1.9	6.3
110	Fidelity Discovery	S	2.8	3.6	9.5	160	Fidelity Stock Selector	S	1.3	1.8	9.1
111	Strong Discovery	S	7.5	1.9	6.7	161	Strong Growth	S	4.5	1.7	4.7
112	T. Rowe Price Dividend Growth	S	1.9	3.2	11.8	162	Westport Small Cap R	S	4.1	-0.1	9.5
113	Marsico Growth & Income (2%	S	4.1	2.5	10.2	163	Wasatch Small Cap Value	S	2.8	-2.3	16.8
114	Mutual Shares(1%)CIZ	S	1.4	2.3	14.4	164	Dreyfus Fund	S	1.2	1.7	9.1
115	Selected American Shares	S	1.6	1.5	16.0	165	Janus Olympus	S	4.0	0.5	7.9
116	Oakmark Select(closed) (2%	S	2.3	2.3	12.7	166	Janus Growth & Income	S	2.2	0.7	9.7
117	Fidelity Small Cap Ind.(1.5%	S	3.9	1.2	12.9	167	CRM Small Cap Value Inv	S	3.5	-2.0	14.5
118	Vanguard Total Stk Mkt	S	2.0	2.4	12.3	168	Fidelity Capital Appreciation	S	3.5	-0.5	10.7
119	T. Rowe Price Growth & Income	S	1.5	2.3	12.9	169	Legg Mason Special Investment	S	3.2	0.4	8.7
120	T. Rowe Price New Horizons	S	5.6	-0.2	12.9	170	Domini Social Equity Fund (2%	S	0.7	1.4	9.8
121	Salomon Brothers Investors	S	1.6	2.0	13.4	171	Harbor Capital Appreciation	S	3.2	0.8	7.5
122	Northeast Investors Growth	S	2.3	2.5	10.9	172	Marsico Focus (2%r<30d)	S	3.8	0.6	6.8
123	Fidelity Equity-Income II	S	1.4	3.3	10.3	173	American Century Vista	S	3.8	-1.0	10.9
124	Fidelity Trend	S	1.7	2.9	10.7	174	Fidelity Magellan (closed)	S	1.4	1.2	8.6
125	Ariel Appreciation	S	2.4	1.9	12.2	175	C&B Mid Cap Value	S	1.9	-0.2	11.4
126	Nicholas Fund	S	2.5	1.6	12.6	176	Vanguard Explorer	S	4.4	-0.5	8.0
127	Vanguard 500 Index	S	1.4	2.5	11.7	177	USAA Growth	S	3.9	0.8	5.4
128	Fidelity Spartan 500 Index (.5%	S	1.4	2.5	11.8	178	PBHG Small Cap Value	S	4.0	-1.1	10.2
129	USAA Growth & Income	S	1.9	2.5	11.0	179	INVESCO Dynamics	S	4.1	-0.6	8.7
130	Janus Venture (closed)	S	7.5	-0.5	9.6	180	Baron Small Cap	S	2.3	0.9	7.6
131	Nicholas II	S	2.4	1.2	12.7	181	Columbia Asset Allocation CIZ	S	1.9	0.7	8.5
132	Schwab 1000 Fund (.75%r<180d)	S	1.6	2.2	11.4	182	Legg Mason Value	S	0.8	1.9	7.1
133	Strong Large Cap Growth	S	4.4	2.6	6.1	183	Preferred Growth	S	3.0	0.5	6.9
134	Fidelity Disciplined Equity	S	2.3	1.9	11.1	184	Vanguard Convertible Securities	S	1.8	-0.5	11.1
135	ABN Amro Mid Cap	S	2.2	0.5	14.7	185	RS Emerging Growth(closed)	S	7.2	-0.4	2.7
136	Aegis Value Fund	S	0.9	1.6	14.0	186	Vanguard/Morgan Growth	S	3.0	-0.1	8.3
137	SIT Large Cap Growth (2%r<30d)	S	3.3	1.6	10.1	187	Wasatch Small Cap Grth	S	4.9	0.3	4.3
138	Vanguard Capital Value	S	1.4	1.4	13.5	188	Tweedy, Browne American	S	1.3	0.3	9.8
139	Fidelity Convertible Securities	S	3.2	1.7	9.8	189	T. Rowe Price Growth Stock	S	1.8	0.4	8.5
140	Century Select Small Cap (1%	S	4.3	-0.1	12.3	190	Strong Advisor Common Stock	S	4.5	-1.1	8.1
141	Fidelity Growth & Income	S	1.0	2.8	9.5	191	Scudder Capital Growth AARP	S	1.6	1.0	7.2
142	USAA Aggressive Growth	S	3.7	1.8	7.7	192	CS Warburg Pincus Capital	S	2.5	0.9	5.9
143	Bogle Small Cap Growth(closed)	S	4.9	-0.3	10.9	193	Dreyfus Growth & Income	S	0.9	0.7	8.4
144	RS Smaller Company Growth	S	7.3	-0.6	8.1	194	Dreyfus Growth Opportunity (2%	S	0.9	0.7	8.0
145	ICM/Isabelle Small Cap Value	S	4.2	-0.4	11.9	195	American Century Ultra	S	1.9	0.4	7.1
146	Artisan Midcap(closed)	S	4.0	0.3	10.5	196	Janus Mercury	S	2.3	-0.8	9.4
147	Vanguard Small Cap Growth In-	S	4.7	0.3	9.4	197	Boston Ptnrs Smlcap Val	S	2.6	-2.6	13.1
148	SIT Mid Cap Growth (2%r<30d)	S	4.8	0.1	9.6	198	WellsFargo Montgomery Small	S	6.5	-3.1	8.5
149	Fidelity Fund	S	0.8	2.1	10.7	199	Fidelity Mid-Cap Stock (.75%	S	4.7	-1.3	6.8
150	Safeco Equity	S	1.6	2.3	8.8	200	Selected Special Shares	S	3.7	-1.6	9.0

DOMESTIC STOCK FUNDS
Continued on Next Page

Domestic Stock Funds continued — data as of 9/24/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
201	Federated Kaufmann Fund(0.2%)	S	3.3	0.0	5.2	251	Undiscovered Behavioral Growth	S	4.6	-4.4	-4.8
202	Fidelity Growth Company	S	3.2	0.2	5.0	252	RS Diversified Growth (closed)	S	6.4	-7.2	-3.4
203	Fidelity Growth & Income II	S	1.0	1.3	5.3	253	Oberweis Emerging Growth (1%	S	5.9	-4.9	-10.0
204	Value Line Leveraged Growth	S	4.3	0.7	1.6	254	PBHG Emerging Growth	S	5.5	-6.6	-13.6
205	Needham Small Cap Growth	S	3.4	-0.4	5.4	255	Neuberger Berman Focus	S	2.6	-11.7	-0.4
206	Bridgeway Aggressive Investors 2	S	5.4	-0.3	1.6	256	Undiscovered Small Cap Growth	S	4.3	-12.6	-5.4
207	Dreyfus Appreciation	S	-0.3	0.4	7.9	257	Van Wagoner Emerging Growth	S	6.7	-16.2	-23.7
208	Buffalo Mid Cap	S	4.6	-4.4	12.5						
209	Dreyfus-Founders Discovery	S	3.3	-1.1	5.7						
210	Fidelity Blue Chip Growth	S	1.0	0.2	5.7						
211	Legg Mason Opportunity Trust	S	3.1	-1.6	7.1						
212	TCW Galileo Aggressive Growth	S	3.8	-1.1	4.5						
213	Gabelli Growth	S	1.9	-0.8	6.5						
214	Janus Fund	S	0.0	0.5	5.8						
215	Clipper Fund	S	-0.4	1.4	4.1						
216	Vanguard U.S. Growth	S	2.7	-1.0	5.2						
217	American Century Heritage	S	4.6	-1.8	4.1						
218	Hussman Strategic Growth (1.5%	S	1.7	-1.4	7.3						
219	Fidelity Dividend Growth	S	0.3	-0.3	6.6						
220	UMB Scout Stock	S	1.8	-0.5	4.9						
221	Columbia Common Stock	S	1.4	-1.0	6.5						
222	William Blair Growth (1%r<60d)	S	2.7	-0.3	2.9						
223	Fidelity Large Cap Stock	S	1.3	-0.7	5.8						
224	Vanguard Growth Index	S	1.2	-0.8	5.8						
225	TCW Galileo Small Cap Growth	S	6.0	-2.5	2.4						
226	Columbia Small Company Equity	S	5.0	-4.4	7.8						
227	Dreyfus Premier Third Century	S	1.3	-1.4	5.9						
228	Scudder Large Company Growth	S	1.1	-0.5	3.7						
229	American Century Select	S	1.2	-0.9	4.6						
230	INVESCO Small Company	S	5.2	-1.9	1.0						
231	Turner Mid Cap Growth	S	5.2	-3.1	3.5						
232	INVESCO Core Equity	S	0.4	-0.4	4.1						
233	Columbia Growth	S	1.7	-1.3	3.7						
234	Yacktman Fund	S	-0.7	-0.6	5.5						
235	Columbia Large Cap Growth CIZ	S	1.7	-1.4	3.3						
236	Thompson Plumb Growth	S	-2.0	-1.6	8.5						
237	Fidelity New Millennium (closed)	S	5.1	-3.5	2.8						
238	Fidelity Fifty (.75%r<30d)	S	2.3	-1.3	1.3						
239	Matrix Advisors Value (.75%	S	0.9	-3.1	7.5						
240	SIT Small Cap Growth (2%r<30d)	S	5.9	-3.4	0.5						
241	TCW Galileo Value Opportunities	S	0.8	-3.5	7.7						
242	Columbia Special	S	4.6	-3.8	1.0						
243	CS Warburg Pincus Emerging	S	3.1	-5.4	7.0						
244	Fidelity OTC Portfolio	S	3.1	-3.3	0.0						
245	WPG Large Cap Growth	S	1.3	-3.6	2.8						
246	Vanguard Growth Equity	S	2.3	-4.2	1.8						
247	Scudder Development (closed)	S	2.2	-3.2	-1.7						
248	Pin Oak Aggressive Stock	S	2.3	-5.6	3.6						
249	Needham Growth Fund (.75%	S	4.7	-5.1	-2.6						
250	PBHG Growth	S	4.1	-4.6	-3.5						

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for all managed accounts.*

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INTERNATIONAL STOCK FUNDS
On Next Page

International Stock Funds — data as of 9/24/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
1	Fidelity Latin Amer.(1.5%<90d)	H	6.7%	9.9%	38.6%	51	Fidelity Worldwide (1%r<30d)	S	2.1	0.1	11.6
2	T.Rowe Price Latin America (2%	H	7.0	9.2	34.7	52	Columbia International Stock	S	2.6	-0.9	11.4
3	Scudder Latin America	H	6.9	7.6	29.6	53	Columbia Intl Equity CIZ	S	2.6	-1.0	11.6
4	Fidelity Europe (1%r<30d)	B	8.4	7.7	26.1	54	T. Rowe Price Intl Stock	S	2.4	-1.1	11.9
5	Dodge&Cox Intl. Stock	B	3.7	8.8	29.1	55	SIT International Growth (2%	S	3.7	-1.6	9.8
6	Oakmark Intl Small Cap	B	2.8	7.9	30.5	56	Fidelity Overseas (1%r<30d)	S	3.1	-2.8	13.5
7	Neuberger Berman International	B	3.4	6.4	30.6	57	Loomis Sayles International	S	3.8	-2.9	11.9
8	Artisan Intl Value (2%r<90d)	B	3.6	6.0	29.6	58	T. Rowe Price Japan	S	-1.4	-2.7	18.5
9	Vanguard European Stock Index	H	4.3	5.8	21.8	59	Janus Overseas(closed,2%	S	3.2	-5.1	14.2
10	Dreyfus Emerging Market(1%r)	H	6.6	2.7	24.7	60	Driehaus Int'l Discovery (2%	S	4.8	-5.3	10.7
11	T.Rowe Price Intl Disc. (2%r<1yr)	B	4.6	2.8	25.5	61	Longleaf Partners International	S	-0.9	-2.5	10.0
12	Matthews Asia G & I (closed,2%	B	3.7	4.7	21.9	62	Fidelity Aggressive Intl. (1%	S	4.3	-4.5	6.9
13	Guinness China & Hong Kong	H	10.1	-0.3	24.6	63	Vanguard Pacific Stock Index	S	-0.6	-4.6	13.3
14	Vanguard Emerging Mkts Stk	H	6.7	1.5	24.1	64	Matthews Japan Fund (2%	H	-3.2	-4.3	15.3
15	Scudder Greater Europe (2%	H	5.1	5.1	17.2	65	Fidelity Pacific Basin (1.5%	S	1.2	-6.5	8.9
16	Vanguard International Value (2%	B	3.5	4.3	21.1	66	Janus Worldwide (2%r<90d)	S	1.8	-7.1	4.8
17	Driehaus Emerging Mkts Gr (2%	H	8.0	0.6	23.5	67	Fidelity Japan(1.5%<90d)	S	-2.5	-9.5	8.3
18	Fidelity Intl Small Cap (2%r<90d)	B	4.1	1.5	26.4	68	Japan Fund (Scudder) (2%	S	-2.9	-10.8	9.1
19	Harbor International (2%r<60d)	H	4.0	4.1	19.5	69	CS Warburg Pincus Japan Grth	S	-2.0	-11.2	0.4
20	Vanguard Intl Explorer	H	2.3	2.2	25.9						
21	Tweedy, Browne Global Value	H	1.6	4.5	21.0						
22	Matthews Pacific Tiger (2%r<90d)	H	6.9	1.8	19.6						
23	Oakmark International (2%r<90d)	H	4.0	3.5	18.6						
24	Preferred International	H	2.5	3.9	18.9						
25	T. Rowe Price European	H	4.4	2.9	18.4						
26	Scudder Global Discovery(closed)	H	5.5	3.0	15.9						
27	USAA World Growth	H	2.9	3.6	17.1						
28	USAA International	H	3.3	2.9	18.1						
29	Schwab International Index (1.5%	S	2.8	3.1	16.3						
30	Fidelity Diversified Intl (1%r<30d)	S	3.9	1.5	18.4						
31	Wasatch International Growth	H	3.0	1.7	18.9						
32	Fidelity Emerging Mkts (1.5%	S	7.8	-2.1	20.5						
33	Artisan Intl Small Cap(closed,2%	H	3.9	0.3	19.5						
34	Gabelli Intl Growth (2%r<60d)	S	3.1	1.9	16.7						
35	Julius Baer Intl Equity A (2%	S	3.5	0.8	18.8						
36	Fidelity Europe Capital App. (1%	S	4.9	0.1	15.6						
37	T. Rowe Price New Asia	H	6.0	-1.6	18.0						
38	Vanguard International Growth	S	3.0	0.7	16.4						
39	Wm. Blair Intl Growth N	S	4.3	0.4	15.1						
40	Oakmark Global (2%r<90d)	S	4.2	0.8	13.8						
41	Amer.Cent.Intl Opportunity (2%	S	0.1	-0.8	23.9						
42	Scudder Pacific Opportunity (2%	S	5.5	-1.5	17.2						
43	Fidelity International G & I (1%	S	2.5	0.2	17.1						
44	Scudder Global	S	4.6	0.2	11.3						
45	Artisan International (2%r<90d)	S	3.5	-0.7	15.1						
46	American Century Intl Growth (2%	S	3.8	-0.5	12.4						
47	Scudder International (2%r<180d)	S	3.2	0.1	11.2						
48	Fidelity Global Balanced (1%	S	1.8	0.7	11.4						
49	Fidelity SE Asia (1.5%r<90d)	S	7.5	-4.4	15.7						
50	American Century Global Growth	S	4.2	-0.4	10.2						

Next Issue of
MONEYLETTER Plus
Will Be Available:
Wednesday
October 6, 2004
by Midnight

Total Return % - 8/31/04					
1 mo	Model Portfolio	6 mo	1 yr	3 yr	YTD
1.1	ML Conservative	-1.0	11.5	24.5	2.2
0.4	Fidelity Conservative	-0.9	9.2	10.4	1.8
1.5	Vanguard Conservative	-0.2	11.4	8.3	3.2
-1.0	ML Moderate	-5.9	13.9	43.0	-0.4
-1.0	Fidelity Moderate	-4.4	11.7	24.0	0.2
1.0	Vanguard Moderate	-2.8	13.4	17.0	1.7
-1.4	ML Venturesome	-8.0	13.7	42.3	-1.7
-1.6	Fidelity Venturesome	-6.2	9.7	22.7	-1.3
0.6	Vanguard Venturesome	-4.3	12.9	17.0	0.6
0.6	ML Select	-10.6	0.5	n/a	-3.5
Benchmarks					
0.4	S&P 500	-2.8	11.4	2.4	0.5
0.7	Asset Allocation Funds Avg (84)	-2.3	10.2	9.8	0.5

SPECIALTY FUNDS
On Next Page

Specialty Funds — data as of 9/24/04

Rank	Fund	Cons.	1 month	6 month	1 year	Rank	Fund	Cons.	1 month	6 month	1 year
1	Fidelity Natural Gas (.75%r<30d)	*	15.0%	27.2%	48.0%	51	Stratton Mthly Div REIT (1.5%	*	-0.1	0.3	19.4
2	ICON Energy	*	11.0	23.2	53.4	52	Fidelity Banking (.75%r<30d)	*	0.6	1.7	14.5
3	Rydex Energy Services	*	14.6	23.7	39.8	53	Fidelity Biotechnology (.75%	*	5.8	0.7	8.3
4	Rydex Energy	*	12.0	23.2	42.6	54	Fidelity Balanced	B	2.6	1.5	10.6
5	Vanguard Energy (1%r<1yr)	*	10.6	21.9	45.3	55	Vanguard Balanced Index	B	1.7	1.7	9.3
6	Fidelity Energy Services (.75%	*	14.9	22.8	36.1	56	Fidelity Finl Serv (.75%r<30d)	*	1.1	0.2	13.7
7	Fidelity Energy (.75%r<30d)	*	11.3	20.5	38.3	57	Gateway Fund	B	1.0	3.2	5.9
8	T. Rowe Price New Era	*	9.3	18.4	38.4	58	ICON Leisure & Consumer Sta-	*	1.6	0.6	11.6
9	Fidelity Chemicals (.75%r<30d)	*	4.4	18.5	37.5	59	ICON Healthcare	*	3.0	0.2	9.0
10	Fidelity Natrl Resources (.75%	*	9.6	17.1	33.2	60	T.Rowe Price Financial Services	*	0.9	-0.1	11.8
11	ICON Materials	*	3.7	16.3	36.9	61	AXARosenberg Value L/S (2%	*	1.8	1.3	5.7
12	Fidelity Defense & Aero (.75%	*	4.0	16.7	33.4	62	Rydex Telecommunications	*	4.3	-2.6	10.8
13	Fidelity Wireless (.75%r<30d)	*	4.6	11.5	43.1	63	Rydex Health Care	*	2.2	0.0	6.6
14	Fidelity Cyclical Ind (.75%r<30d)	*	3.1	14.7	29.2	64	Rydex Internet	*	3.7	-2.0	9.2
15	Fidelity Transportation (.75%	*	4.9	16.0	13.1	65	Fidelity Environmental Ser (.75%	*	0.8	0.5	3.3
16	CGM Realty	*	6.3	4.4	40.0	66	Fidelity Automotive (.75%r<30d)	*	1.6	-1.9	6.0
17	Fidelity Utilities Growth (.75%	*	4.2	11.6	24.7	67	Fidelity Multimedia (.75%r<30d)	*	3.2	-1.8	2.1
18	Fidelity Med Del (.75%r<30d)	*	4.9	8.0	32.4	68	ICON Consumer Discretionary	*	2.7	-2.7	4.8
19	Rydex Basic Materials	*	3.3	11.1	26.3	69	Rydex Biotechnology	*	5.7	-2.2	-1.9
20	Alpine U.S. Real Estate Equity	*	5.8	5.0	37.5	70	Fidelity Pharmaceuticals (.75%	*	3.4	-2.3	0.2
21	Fidelity Const & Housing (.75%	*	4.6	7.5	31.0	71	Rydex Consumer Products	*	-2.7	-2.1	8.8
22	Fidelity Indust Matrls (.75%r<30d)	*	5.4	8.6	23.3	72	Fidelity Food & Agr (.75%r<30d)	*	-1.5	-2.6	7.4
23	Cohen & Steers Realty Shares	*	-0.4	6.4	33.8	73	Fidelity Consumer Ind (.75%	*	1.4	-2.9	3.6
24	Fidelity Medical Equip (.75%	*	4.8	7.7	16.2	74	Rydex Retailing	*	1.2	-2.9	3.1
25	Rydex Transportation	*	2.4	11.4	8.2	75	Merger Fund (closed,2%r<30d)	*	0.0	-1.8	1.9
26	T.Rowe Price Media & Telecom-	*	4.7	3.9	22.7	76	RS Internet Age	*	9.7	-6.4	-3.5
27	ICON Industrials	*	3.9	7.7	13.3	77	RS Information Age	*	9.3	-6.7	-4.4
28	Fidelity Real Estate (.75%r<90d)	*	0.3	4.3	26.2	78	Fidelity Developing Comm (.75%	*	3.6	-8.2	8.0
29	T.Rowe Price Real Estate (1%	*	-0.9	4.9	25.9	79	Rydex Precious Metals	*	7.3	-7.8	1.0
30	Fidelity Air Transport (.75%r<30d)	*	1.3	9.9	6.9	80	Fidelity Brokerage (.75%r<30d)	*	1.9	-6.0	2.5
31	Fidelity Bus Services (.75%r<30d)	*	4.7	5.4	12.3	81	Amer. Cent. Global Gold (1%	*	5.4	-6.7	-1.1
32	ICON Financial	*	3.2	3.2	19.6	82	Scudder Gold (closed)	*	5.6	-9.7	5.1
33	Fidelity Home Finance (.75%	*	1.9	2.9	22.2	83	T.Rowe Price Science & Tech	*	2.2	-6.4	-1.6
34	Fidelity Industrial Equip (.75%	*	0.6	4.4	19.9	84	Rydex Juno	*	-4.3	-0.9	-9.4
35	Fidelity Paper & Forest (.75%	*	1.0	6.0	14.4	85	U.S.Global Gold Shares (.25%	*	7.9	-13.5	3.0
36	Rydex Banking	*	0.6	4.3	18.4	86	Rydex Ursa	*	-1.3	-2.5	-11.0
37	Vanguard REIT Index (1%r<1yr)	*	-0.6	2.7	23.8	87	ProFunds Bear Inv	*	-1.4	-2.7	-11.3
38	Rydex Utilities	*	1.7	5.0	13.7	88	ICON Information Technology	*	4.0	-6.0	-13.6
39	T.Rowe Price Health Sciences	*	5.8	2.2	14.2	89	Fidelity Gold (.75%r<30d)	*	5.1	-8.9	-8.1
40	Fidelity Telecomm (.75%r<30d)	*	3.7	1.3	18.0	90	Fidelity Software (.75%r<30d)	*	3.5	-9.9	-4.9
41	Cohen & Steers Equity Income	*	-0.7	1.1	24.0	91	Rydex Technology	*	2.4	-9.6	-6.3
42	Rydex Financial Services	*	1.1	2.4	16.7	92	Fidelity Technology (.75%r<30d)	*	2.2	-11.0	-8.5
43	Fidelity Insurance (.75%r<30d)	*	2.4	1.0	17.4	93	Prudent Bear	*	-1.4	-8.5	-12.2
44	ICON Telecommunications &	*	3.5	1.6	13.9	94	Fidelity Computers (.75%r<30d)	*	2.2	-13.7	-11.1
45	Fidelity Leisure (.75%r<30d)	*	3.5	1.7	12.6	95	Fidelity Networking (.75%r<30d)	*	3.2	-15.7	-14.5
46	Vanguard Precious Metals	*	6.2	0.1	11.9	96	Royce Technology Value (2%	*	4.2	-15.1	-22.0
47	Fidelity Retailing (.75%r<30d)	*	1.8	3.0	11.2	97	Fidelity Electronics (.75%r<30d)	*	3.3	-19.3	-12.0
48	Rydex Leisure	*	5.2	-0.6	14.8	98	Rydex Electronics	*	0.5	-24.0	-22.0
49	Vanguard Health Care (\$25k&1%	*	1.4	2.6	12.2						
50	Fidelity Health Care (.75%r<30d)	*	2.3	3.3	8.9						

SPECIALTY FUNDS
Continued On Next Page

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

* = **Not Recommended**

Bond Funds — data as of 9/24/04

Fund	Cons.	1 month	6 month	1 year	Fund	Cons.	1 month	6 month	1 year
American Century Ginnie Mae	*	0.6%	-0.1%	0.4%	PIMCO Real Return	H	0.8	-2.1	5.3
American Century Inflation Adj	B	1.3	0.1	8.1	PIMCO Total Return	H	0.9	0.1	3.2
American Century Intl Bond	*	2.0	0.7	9.6	PIMCO Total Return Mortgage	H	0.5	0.6	2.6
American Century Target 2010	*	1.7	-0.9	4.7	Safeco U.S. Government (2%	H	0.9	-0.7	0.5
American Century Target 2015	*	3.9	0.4	10.5	Schwab S-T Bond Mkt Index	B	0.3	-0.5	0.6
American Century Target 2020	*	5.8	0.9	13.7	Scudder Global Bond S-T	*	1.0	-0.4	3.5
American Century Target 2025	*	7.9	1.9	16.6	Scudder Income (closed)	H	1.5	0.9	5.6
American Government Bond	H	0.7	-1.0	0.5	Scudder Short-Term Bond	B	0.4	0.1	1.9
BBH Inflation Indexed Sec	B	1.0	0.1	8.1	Strong Corporate Bond	*	2.0	-0.8	3.8
Buffalo High-Yield(2%r<180d)	*	1.3	2.6	8.3	Strong Govt Securities	H	1.1	-1.2	1.7
Columbia Fixed Income Sec	H	1.2	-1.3	1.2	Strong High Yield Bond (1%	*	1.7	2.7	8.1
Columbia High Yield	*	1.7	0.2	4.2	Strong S-T Bond	B	0.4	-0.9	0.8
Columbia Income CIZ	H	1.6	-0.2	4.1	Strong S-T High Yield	*	0.7	0.8	2.5
Columbia Intermediate Bond CIZ	H	1.4	-0.5	3.1	T. Rowe Price Corporate Inc	*	2.0	-0.4	5.2
Columbia S-T Bond	B	0.3	-0.7	0.3	T. Rowe Price GNMA	*	0.6	-0.1	1.3
Dodge & Cox Income	H	1.2	0.5	4.4	T. Rowe Price High Yld	*	1.8	2.0	6.6
Dreyfus 100 Treasury L-T	*	3.0	-0.8	-1.4	T. Rowe Price Int'l Bond	*	1.4	-1.1	6.1
Dreyfus A Bonds Plus	*	1.1	-1.4	0.7	T. Rowe Price New Income	*	1.3	-0.4	2.6
Dreyfus GNMA	*	0.4	-0.1	3.3	T. Rowe Price Spectrum Income	*	1.4	0.9	5.9
Dreyfus Short-Term Income	B	0.4	-1.2	-2.2	T. Rowe Price S-T Bond	B	0.2	-1.0	-0.2
Dreyfus Strategic Income	*	1.3	-1.7	-0.5	T. Rowe Price U.S. Treas. L-T	*	2.8	-1.1	3.8
Federated Total Return Govt	H	1.1	-1.1	1.6	TCW Galileo High Yield Bond	*	1.5	3.5	11.7
Federated U.S. Govt Sec. 1-3	B	0.0	-0.9	-0.3	TCW Galileo Total Return Bond	H	1.1	1.1	5.1
Fidelity Capital & Income (1%	*	3.0	3.1	8.5	USAA Income	H	1.3	0.6	5.1
Fidelity Floating Rate High Inc(1%	B	0.5	0.9	2.5	Value Line Aggressive Inc (1%	*	1.5	2.3	7.2
Fidelity GNMA	*	0.8	0.4	1.4	Value Line U.S. Govt Sec	H	0.8	-0.4	2.4
Fidelity Government Income	*	1.0	-0.9	2.1	Vanguard GNMA	B	0.8	1.2	2.1
Fidelity High Income (1%r<90d)	*	1.7	1.2	7.9	Vanguard High Yield Corporate	*	1.6	3.3	10.4
Fidelity Inflation-Protected Bond	B	0.9	-0.6	7.1	Vanguard Inflation Protected	B	1.0	-0.1	8.4
Fidelity Intermediate Bond	H	1.0	-1.0	1.5	Vanguard Intermediate Treas.	H	1.4	-1.3	0.4
Fidelity Intermediate Govt	H	0.7	-0.3	2.7	Vanguard Long-Term Corporate	*	3.4	-0.7	4.9
Fidelity Investment Grade	H	1.3	0.9	4.8	Vanguard L-T Treasury	*	3.4	-1.3	3.6
Fidelity New Markets Income (1%	*	2.6	0.7	8.5	Vanguard Short-Term Corporate	B	0.5	-0.7	0.2
Fidelity Short-Term Bond	B	0.4	-0.6	0.8	Vanguard S-T Federal	*	0.1	-1.0	-0.3
Fidelity Strategic Income	B	2.1	2.5	8.7	Vanguard S-T Treasury	B	0.2	-1.0	-0.3
FifthThird Bond	*	1.1	0.0	3.7	Vanguard Total Bond Market	H	1.2	0.5	4.6
Fremont Bond	H	1.2	0.4	4.6	WellsFargo Montgomery S Dur	B	0.2	-0.6	0.8
Janus Flexible Income	*	1.4	-1.3	1.7	WellsFargo Montgomery Total	H	1.2	0.0	3.2
Janus High Yield (2%r<90d)	*	1.6	2.7	6.4	Westcore Plus Bond (2%r<90d)	*	1.1	1.1	7.8
Janus S-T Bond	B	0.2	-0.3	1.0	WPG Core Bond	H	1.2	0.0	3.6
Loomis Sayles Bond Retail	B	2.8	3.1	12.8					
Managers Bond	*	1.7	0.5	6.6					
Managers Int. Duration Govt	*	0.8	1.3	4.2					
Managers Short Duration Govt	B	0.3	0.8	1.9					
MetroWest Low Duration	B	0.3	-0.6	1.1					
MetroWest Total Return	*	1.0	-1.1	3.5					
Northeast Investors Trust	*	1.1	4.5	14.9					
Payden Global Fixed Income	*	0.8	-0.2	2.5					
PIMCO High Yield	*	1.8	1.8	8.2					
PIMCO Low Duration	B	0.1	-0.4	0.3					

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

* = **Not Recommended**

PORTFOLIO HOLDINGS
On Next Page

Weekly Performance of ML Model Holdings — data as of 9/24/04

Fund	Last Week	Fund	Last Week
ACITX Amer. Cent. Inflation Adj.	0.63%	VBINX Vanguard Balanced	-0.70
ARTQX Artisan Mid Cap Value	0.46	VWEHX Vanguard High Yield Corp	0.00
BPTRX Baron Partners	1.28	VIPSX Van. Inflation Protected Bond	0.56
BERWX Berwyn Fund	-0.04	VISVX Vanguard Small Cap Value	-1.12
CSRSX Cohen & Steers Realty	-1.75	VBMFX Vanguard Total Bond	0.19
DODIX Dodge & Cox Income	0.23	VIVAX Vanguard Value Index	-1.50
DODFX Dodge & Cox International	-0.15	VUVLX Vanguard US Value	-1.39
FBALX Fidelity Balanced	-0.54	VWNFX Vanguard Windsor II	-1.37
FCNTX Fidelity Contrafund	-0.27		
FEQIX Fidelity Equity-Income	-1.76		
FEXPX Fidelity Export & Multinational	-1.38		
FINPX Fidelity Inflation Protected	0.53		
FBNDX Fidelity Inv Grade Bond	0.26		
FLVCX Fidelity Leveraged Company	1.35		
FSNGX Fidelity Natural Gas	3.85		
FSICX Fidelity Strategic Income	0.19		
FDVLX Fidelity Value	-0.57		
FWRLX Fidelity Wireless	0.40		
GATEX Gateway Fund	-0.84		
LSBRX Loomis Sayles Bond	0.84		
RSCOX RS Contrarian	0.38		
SMCDX Strong Mid Cap Disciplined	-0.42		
		Indices	
		DOW JONES INDUSTRIALS	-2.31%
		NASDAQ	-1.60
		S&P 500	-1.63

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