

MONEYLETTER HOTLINE 10/12/04

Oil Driving the Bus

Oil continues to be uninvited guest at dinner upsetting the best expectations. Today the market marched up and down as oil led the march. This is the way it's going to be until oil settles down. We don't pretend to know where oil prices will settle over the next six months, but prices do not grow to the sky. World economic growth is slowing, partly because of oil, and the slowing should affect oil prices.

Here in the U.S., we are seeing signs of slowing in the profit reports and consumer reports. Profit expectations for the quarter just ended are being shaved. Not by much, and not out of line with historical experience. But in the first half of this year, the profits numbers defied history as they kept being revised up. From now on, overall profit expectations should be held in check.

What it also says to us is that value funds, in general, will outperform growth funds going forward. That has already been happening, of course, and we expect it to continue, as long as oil prices stay at the \$40-50 level. At the same time, we must not forget that the market has already anticipated the slower growth, which is why stocks are selling at attractive levels considering bond yields. That is the reason we remain cautious optimists.

There is no change in our recommended allocations.

New Fund Ratings – For domestic stock funds, two funds are now rated Buy: Fidelity Leveraged Company and Royce Penn Mutual. Two funds are now rated Hold: Janus Twenty and Muhlenkamp Fund. For international stock funds, one fund is now rated Buy: Driehaus Emerging Markets Growth.

The Economy – The optimists on Wall Street are beginning to lower their expectations. This is all to the good. The weekly retail store sales surveys show October so far flat with last month. We need the consumer to step up, but oil prices first and foremost are taking their toll. A decline in oil prices is what the doctor ordered. We see growth at 3-3.5% over the 6-9 months ahead.

The Stock Market – As growth settles at a good but not vigorous rate, stock-picking will become more and more important. There is good growth to be found, and that is abroad, mainly Asia. We continue to look abroad. Even with slower growth, the U.S. market remains undervalued.

The Select Portfolio – There are no changes.

MONEYLETTER HOTLINE 10/8/04

Economic Picture Clears

It took the employment report for the market to realize that the economy has slowed. Better late than later. As we said in Tuesday's Hotline, we were puzzled by the market's relentless march upward when it was apparent that the surface numbers for the economy were stronger than the underlying trend. It made no sense to us that the market was flirting with its yearly highs at this time. After yesterday and today we can forget the yearly highs, at least for the moment.

Having said that, we also want to point out that the jobs' picture is probably better than the numbers say. We believe that the hurricanes had a larger impact on the numbers than the Labor Department does. We also believe that we will see an apparent rebound in the numbers next month as the hurricane problems unwind.

As for the stock market, first it needs oil prices to retreat. At the moment, oil is a huge hurdle for the market. Second, the elections will loom larger and larger as the month proceeds. Don't expect anything from the market until the elections are over. Stocks have a lot going for them, but oil must first recede. We remain cautious optimists.

There is no change in our recommended allocations.

New Fund Ratings – For domestic stock funds, three funds are now rated buy: William Blair Small-Cap Growth N (closed), Weitz Hickory and MSI Value Portfolio. Two funds are now rated hold: Vanguard Value Index and Loomis Sayles Value. One fund is now rated sell: Fidelity Equity Income. For international stock funds, four funds are now rated buy: Vanguard European Stock Index, Dreyfus Emerging Market, Guinness China&Hong Kong and Vanguard Emerging Markets Stock Index. Two funds are now rated hold: Fidelity International Small Cap and T. Rowe Price International Discovery.

Fidelity Equity-Income is in the Fidelity family Venturesome and Moderate portfolios. We will switch the fund into Fidelity Focused Stock Fund in both portfolios.

The Economy – While job growth was disappointing, the economy is still growing. 100,000 new jobs is nothing to sneeze at. But the economy is not running as fast as Wall Street expected. We see growth at 3-3.5% over the next 6-9 months.

The Stock Market – The lower growth we have been projecting, we believe, may cause some downward revision to profit estimates over the next four quarters. Even so, we still believe that stocks are undervalued.

The Select Portfolio – There are no changes.

Domestic Stock Funds — data as of 10/8/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
1	RS Partners (closed)	B	5.5%	5.3%	33.6%	51	Sound Shore	H	2.6	1.2	14.9
2	Berwyn Fund (1%r<180d)	B	3.2	6.2	31.2	52	Mutual Beacon(1%)CIZ	H	1.8	1.1	16.3
3	Fidelity Leveraged Co	B	8.4	4.0	28.1	53	MSI Small Cap Value(closed)	H	2.7	0.1	17.1
4	Artisan Mid Cap Value	B	3.7	6.2	26.4	54	Longleaf Partners Smallcap	H	2.0	0.8	16.1
5	Baron Partners	B	4.6	2.3	33.3	55	Royce Total Return (1%r<180d)	H	2.1	1.5	14.1
6	MainStay Small Cap Opportunity	B	5.4	3.2	28.7	56	T. Rowe Price Small Cap Stock	H	3.9	-0.2	15.6
7	Weitz Hickory	B	1.4	5.9	25.6	57	PIMCO PEA Value D	H	-0.4	-0.1	21.5
8	RS Contrarian Value	B	4.4	2.9	25.6	58	T.Rowe Price Mid Cap Growth	H	3.7	0.3	14.3
9	T. Rowe Price S-C Value	B	3.5	4.6	22.2	59	Aegis Value Fund	H	1.5	1.3	14.9
10	Third Avenue Small-Cap Value	B	2.8	4.5	20.2	60	American Century Value	H	0.0	1.4	16.4
11	T.Rowe Price Mid Cap Value	B	2.9	3.2	23.1	61	MSI Mid Cap Growth	H	4.4	-0.5	14.2
12	Fidelity Value	B	3.6	3.6	20.9	62	Salomon Brothers Opportunity	S	1.6	1.7	12.7
13	CGM Focus	B	6.8	2.6	18.3	63	Vanguard Mid-Cap Index	H	3.1	0.0	14.5
14	Strong Mid Cap Disciplined	B	2.1	3.1	23.6	64	Neuberger Berman Fasciano Inv	H	1.8	0.4	14.7
15	Ariel Fund	B	1.9	4.2	20.1	65	Mutual Shares(1%)CIZ	S	1.3	0.4	15.2
16	Vanguard Small-Cap Value Index	B	2.2	3.2	22.1	66	Vanguard Strategic Equity	S	3.9	-0.7	14.0
17	MSI Value Portfolio	B	2.6	4.1	19.0	67	Vanguard U.S. Value	H	0.5	0.6	15.9
18	Third Avenue Value (1%r<60d)	B	1.3	4.1	19.7	68	Boston Partners Mid Cap Value	S	2.5	-0.7	15.8
19	Royce Premier (1%r<180d)	B	3.4	1.7	21.5	69	Fidelity Contrafund	H	3.2	-0.3	13.1
20	T. Rowe Price Cap Appreciation	B	1.8	3.8	17.6	70	American Century Equity Growth	S	2.0	0.7	12.4
21	Vanguard Windsor II	B	1.6	2.7	19.8	71	American Century Income &	S	1.2	0.7	13.5
22	CRM Mid Cap Value Inv	B	2.1	1.5	21.6	72	Scudder Large Co Value	S	0.1	1.2	13.6
23	Royce Penn Mutual(1%r<180d)	B	4.9	0.6	19.4	73	Artisan Small Cap	H	4.3	-1.7	14.6
24	Homestead Value	B	1.3	3.4	16.7	74	Buffalo Small Cap(closed)	H	4.2	-4.4	21.2
25	FBR Small Cap (closed,1%r<90d)	B	1.3	2.9	17.9	75	Baron Asset	S	2.4	-1.5	16.3
26	Janus Mid Cap Value	B	1.8	1.8	19.8	76	Selected American Shares	S	1.3	-0.5	15.3
27	Vanguard Value Index	H	0.9	3.3	16.9	77	Fidelity Export & Multinat'l(.75%	H	2.1	-0.1	12.7
28	TCW Galileo Diversified Value N	B	1.7	2.0	18.8	78	Strong Multi-Cap Value	H	4.5	-2.5	15.0
29	Loomis Sayles Value	H	2.2	2.4	17.1	79	Vanguard SmallCap Index	S	3.1	-1.8	15.3
30	Fidelity Focused Stock (.75%	H	5.0	2.6	12.4	80	Oakmark Equity&Income (2%	S	1.5	0.0	13.1
31	American Century Equity Income	H	0.7	3.8	15.8	81	Fidelity Equity-Income	S	0.6	0.2	13.7
32	Fidelity L P Stock (closed,1.5%	H	3.0	1.3	18.3	82	Henlopen Fund (1%r<30d)	S	7.1	-4.7	16.1
33	Baron Growth	H	5.1	0.6	16.5	83	Oakmark Fund (2%r<90d)	S	0.1	1.1	11.7
34	T. Rowe Price Equity-Income	H	1.3	3.1	16.0	84	Vanguard Cap Opp (closed,	H	4.1	-3.0	15.6
35	Neuberger Berman Genesis	H	2.3	1.5	18.3	85	T. Rowe Price Dividend Growth	S	0.9	0.8	10.9
36	WmBlair S-C Growth N	B	6.3	-1.9	20.7	86	TCW Galileo Opportunity N	H	3.9	-2.5	14.8
37	Mutual Qualified(1%)CIZ	H	2.0	1.8	17.2	87	MSI Mid Cap Value	S	2.3	-0.6	12.2
38	Neuberger Berman Partners	H	3.9	0.7	17.0	88	Dreyfus New Leaders	S	2.7	-1.6	13.9
39	Vanguard PRIMECAP(closed,	H	3.2	1.2	16.5	89	Royce Opportunity (1%r<180d)	S	5.0	-4.1	16.6
40	Loomis Sayles Small Cap Value	H	2.2	1.4	17.5	90	Safeco Growth Opportunities	H	1.1	-0.9	14.1
41	Dodge & Cox Stock (closed)	H	2.5	1.0	17.7	91	Gabelli Asset	S	2.1	-0.9	12.5
42	Janus Twenty(closed)	H	2.4	1.4	16.6	92	Vanguard Growth & Income	S	1.3	-0.1	11.3
43	Muhlenkamp Fund	H	1.2	1.7	17.5	93	Value Line Special Situations	S	2.4	-1.7	13.1
44	Columbia Disciplined Value CIZ	H	0.9	2.7	15.2	94	Vanguard Windsor	S	1.3	-1.1	13.0
45	TCW Galileo Dividend Focused N	H	0.8	1.3	18.6	95	WPG Tudor	S	1.9	-3.5	17.9
46	Weitz Value Fund	H	1.1	2.2	15.5	96	RS Value+Growth	S	4.6	-2.0	9.9
47	Strong Opportunity	H	3.6	0.7	15.5	97	Royce Special Equity (1%	S	1.1	-1.5	13.8
48	Vanguard Equity-Income	H	0.6	3.0	14.0	98	Marsico 21st Century (2%r<30d)	S	3.2	-1.0	9.4
49	Janus Special Equity	H	5.5	-0.7	15.8	99	Vanguard Extended Market	S	3.0	-2.4	13.3
50	Neuberger Berman Guardian	H	3.0	0.9	15.3	100	Cambiar Opportunity	S	1.4	-2.4	15.8

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

Domestic Stock Funds continued — data as of 10/8/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
101	Century Select Small Cap (1%	S	4.7	-3.2	12.6	151	Strong Advisor Midcap Growth	S	4.9	-3.6	5.6
102	T. Rowe Price Growth & Income	S	1.2	-0.9	12.1	152	Selected Special Shares	S	3.0	-3.9	8.8
103	ICM/Isabelle Small Cap Value	S	5.1	-4.6	15.5	153	Fidelity Stock Selector	S	0.7	-2.1	7.8
104	Fidelity Equity-Income II	S	1.0	0.1	9.4	154	SIT Mid Cap Growth (2%r<30d)	S	4.4	-4.9	9.1
105	USGlobal Holmes Growth (.25%	S	4.0	-1.7	9.2	155	Northeast Investors Growth	S	0.4	-2.2	8.2
106	Royce Low Priced Stock (1%	S	4.8	-4.2	14.5	156	Fidelity Growth & Income II	S	0.3	-0.8	4.5
107	Harbor Value	S	-0.4	-0.3	12.1	157	Bogle Small Cap Growth(closed)	S	5.2	-6.4	11.2
108	Salomon Brothers Investors	S	0.5	-1.2	12.4	158	Janus Venture (closed)	S	6.9	-6.9	9.2
109	Vanguard Total Stk Mkt	S	1.2	-1.1	10.9	159	T. Rowe Price New America	S	0.9	-3.5	9.5
110	Fidelity Small Cap Stock (2%	S	2.4	-3.6	15.2	160	Fidelity Magellan (closed)	S	0.6	-2.4	7.2
111	Longleaf Partners	S	1.8	-1.1	9.7	161	T. Rowe Price Growth Stock	S	1.3	-3.3	8.1
112	Vanguard Capital Value	S	1.6	-2.0	12.2	162	CRM Small Cap Value Inv	S	2.3	-6.1	13.8
113	Wasatch Small Cap Value	S	2.9	-4.4	16.2	163	USAA Aggressive Growth	S	1.6	-2.5	5.5
114	Fidelity Discovery	S	1.2	-0.3	8.4	164	Wasatch Core Growth	S	0.2	-3.6	10.3
115	Fidelity Spartan 500 Index (.5%	S	0.7	-0.7	10.3	165	Value Line Fund	S	4.2	-2.7	2.2
116	Vanguard 500 Index	S	0.7	-0.7	10.3	166	Hussman Strategic Growth	S	2.0	-3.5	7.2
117	Dreyfus Mid Cap Index	S	2.0	-2.3	11.9	167	Harbor Capital Appreciation	S	2.3	-3.3	5.8
118	PBHG Small Cap Value	S	5.4	-4.4	11.6	168	Legg Mason Value	S	1.9	-3.0	5.6
119	Preferred Value	S	0.1	-0.3	9.2	169	Artisan Midcap(closed)	S	3.5	-5.0	7.9
120	USAA Capital Growth	S	5.6	-3.6	9.3	170	Domini Social Equity Fund (2%	S	-0.2	-2.6	7.5
121	Fidelity Growth & Income	S	0.0	-0.1	8.8	171	T. Rowe Price New Horizons	S	3.3	-6.4	11.5
122	Neuberger Berman Manhattan	S	3.4	-2.4	9.2	172	Dreyfus Growth & Income	S	0.1	-2.7	7.0
123	Fidelity Trend	S	0.9	-1.0	9.4	173	Marsico Focus (2%r<30d)	S	1.8	-2.9	4.8
124	Janus Enterprise	S	2.3	-3.0	12.3	174	Fidelity Independence	S	2.5	-3.7	5.6
125	Fidelity Convertible Securities	S	2.5	-1.9	9.0	175	American Century Growth	S	0.7	-3.0	6.5
126	Schwab 1000 Fund (.75%r<180d)	S	0.8	-1.1	9.8	176	Strong Large Cap Growth	S	1.9	-2.7	3.8
127	Marsico Growth & Income (2%	S	2.3	-1.4	8.0	177	Fidelity Capital Appreciation	S	3.3	-4.9	6.4
128	Fidelity Disciplined Equity	S	1.8	-1.7	9.6	178	RS Smaller Company Growth	S	6.1	-7.0	7.3
129	Ariel Appreciation	S	1.0	-1.5	10.1	179	USAA Growth	S	2.2	-3.3	3.8
130	Scudder Growth & Income	S	1.0	-1.0	8.7	180	Preferred Growth	S	2.0	-3.8	5.1
131	SIT Large Cap Growth (2%r<30d)	S	2.3	-2.0	9.2	181	Scudder Capital Growth AARP	S	0.2	-2.8	5.0
132	ABN Amro Mid Cap	S	2.8	-5.0	15.7	182	Boston Pttrs Smlcap Val	S	1.1	-6.9	13.7
133	Columbia Asset Allocation CIZ	S	1.4	-1.2	8.0	183	UMB Scout Stock	S	1.0	-3.1	4.4
134	Tweedy, Browne American Value	S	0.4	-1.4	9.8	184	Strong Discovery	S	6.5	-6.9	5.6
135	USAA Growth & Income	S	1.0	-1.7	9.6	185	Baron Small Cap	S	1.7	-5.1	8.1
136	Oakmark Select(closed) (2%	S	0.8	-1.6	9.3	186	Dreyfus Appreciation	S	-1.4	-2.6	6.3
137	Safeco Equity	S	0.5	-0.6	7.1	187	TCW Galileo Select Equity	S	2.0	-4.0	4.5
138	RS MidCap Opportunities	S	4.2	-3.7	9.3	188	Janus Mercury	S	2.3	-5.7	8.0
139	Dreyfus Fund	S	0.6	-1.2	8.1	189	Vanguard Small Cap Growth	S	4.0	-6.9	8.4
140	Strong Advisor Common Stock	S	4.8	-4.3	9.2	190	Vanguard/Morgan Growth	S	2.2	-5.1	6.5
141	Janus Growth & Income	S	2.7	-2.9	8.7	191	Janus Olympus	S	2.3	-4.9	5.7
142	Westport Small Cap R	S	3.4	-3.7	9.5	192	C&B Mid Cap Value	S	0.2	-5.6	10.6
143	Nicholas Fund	S	0.8	-2.7	10.9	193	Dreyfus Growth Opportunity (2%	S	-0.6	-3.4	6.0
144	Fidelity Small Cap Ind.(1.5%	S	2.5	-4.3	12.3	194	Yacktman Fund	S	-1.1	-2.7	4.5
145	Fidelity Fund	S	-0.1	-1.6	9.3	195	American Century Vista	S	2.6	-7.6	10.9
146	Meridian Fund	S	2.0	-5.1	14.7	196	Vanguard Explorer	S	3.9	-6.8	7.1
147	Strong Growth 20	S	4.6	-3.4	6.4	197	Value Line Leveraged Growth	S	3.1	-4.1	1.0
148	Nicholas II	S	1.2	-3.5	11.6	198	Columbia Common Stock	S	1.3	-4.8	5.3
149	Vanguard Convertible Securities	S	1.0	-2.8	9.7	199	Wasatch Small Cap Grth	S	3.4	-5.1	2.7
150	Clipper Fund	S	-0.6	0.6	3.7	200	Federated Kaufmann Fund	S	2.5	-5.3	4.3

DOMESTIC STOCK FUNDS
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Domestic Stock Funds continued — data as of 10/8/04

Rank	Fund	Vent.	1 month	6 month	1 year	Rank	Fund	Vent.	1 month	6 month	1 year
201	Strong Growth	S	2.4	-4.5	2.1	251	Undiscovered Behavioral Growth	S	5.4	-12.7	-4.5
202	Gabelli Growth	S	1.0	-4.8	4.6	252	PBHG Growth	S	3.0	-11.8	-5.4
203	American Century Ultra	S	0.6	-4.9	5.4	253	Oberweis Emerging Growth (1%	S	5.8	-13.6	-7.9
204	INVESCO Dynamics	S	2.7	-6.8	6.6	254	Neuberger Berman Focus	S	2.7	-15.9	-1.9
205	INVESCO Core Equity	S	0.1	-3.9	2.8	255	PBHG Emerging Growth	S	6.3	-14.0	-13.6
206	Fidelity Blue Chip Growth	S	-0.2	-4.3	3.8	256	Undiscovered Small Cap Growth	S	6.6	-19.8	-3.3
207	Vanguard Growth Index	S	0.7	-4.8	4.0	257	Van Wagoner Emerging Growth	S	7.4	-25.4	-24.9
208	CS Warburg Pincus Capital Ap-	S	1.1	-4.9	3.0						
209	Fidelity Mid-Cap Stock (.75%	S	3.4	-7.0	4.6						
210	Janus Fund	S	0.7	-4.6	2.7						
211	Buffalo Mid Cap	S	3.2	-9.4	10.7						
212	Fidelity Large Cap Stock	S	0.5	-5.1	4.1						
213	William Blair Growth (1%r<60d)	S	1.3	-4.4	1.2						
214	American Century Select	S	0.0	-5.0	3.8						
215	Fidelity Dividend Growth	S	-1.3	-4.5	4.6						
216	Bridgeway Aggressive Investors 2	S	5.8	-7.2	0.3						
217	Fidelity Aggressive Growth(1.5%	S	1.2	-7.0	6.8						
218	TCW Galileo Value Opportunities	S	2.3	-8.2	7.6						
219	Scudder Large Company Growth	S	-0.1	-4.4	1.7						
220	Fidelity Growth Company	S	2.6	-6.7	2.7						
221	Dreyfus Premier Third Century	S	0.1	-6.0	4.5						
222	Columbia Growth	S	1.0	-5.7	2.5						
223	Legg Mason Special Investment	S	2.3	-8.0	5.5						
224	Columbia Large Cap Growth ClZ	S	1.0	-5.8	2.1						
225	American Century Heritage	S	2.6	-7.2	2.6						
226	RS Emerging Growth(closed)	S	6.3	-9.3	2.1						
227	Thompson Plumb Growth	S	-2.9	-5.9	6.9						
228	Vanguard U.S. Growth	S	1.2	-6.7	2.6						
229	SIT Small Cap Growth (2%r<30d)	S	6.2	-9.1	0.4						
230	Fidelity Fifty (.75%r<30d)	S	1.9	-6.9	0.6						
231	WellsFargo Montgomery Small	S	5.3	-11.7	7.1						
232	Legg Mason Opportunity Trust	S	1.6	-8.0	3.3						
233	Needham Small Cap Growth	S	0.9	-8.1	4.4						
234	WPG Large Cap Growth	S	1.3	-7.0	1.1						
235	Matrix Advisors Value (.75%	S	0.0	-7.8	5.0						
236	Fidelity OTC Portfolio	S	5.1	-9.0	-0.8						
237	Dreyfus-Founders Discovery	S	1.8	-9.0	3.8						
238	INVESCO Small Company	S	4.1	-9.3	0.7						
239	Columbia Small Company Equity	S	4.1	-12.2	7.2						
240	Turner Mid Cap Growth	S	3.8	-9.7	1.2						
241	Fidelity New Millennium (closed)	S	2.4	-8.8	0.0						
242	Columbia Special	S	4.2	-10.0	0.3						
243	CS Warburg Pincus Emerging	S	2.7	-11.2	4.8						
244	Needham Growth Fund (.75%	S	4.9	-9.5	-2.8						
245	TCW Galileo Aggressive Growth	S	4.2	-10.6	0.4						
246	TCW Galileo Small Cap Growth	S	6.1	-12.1	0.8						
247	Scudder Development (closed)	S	1.9	-8.3	-2.3						
248	Vanguard Growth Equity	S	1.4	-9.3	0.2						
249	Pin Oak Aggressive Stock	S	4.0	-11.9	-0.2						
250	RS Diversified Growth (closed)	S	6.9	-14.2	-2.3						

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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 10/8/04

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	9.4%	7.6%	38.3%	51	T. Rowe Price Intl Stock	S	2.6	-3.1	12.0
2	T.Rowe Price Latin America (2%	H	10.4	7.7	36.2	52	Loomis Sayles International	S	4.7	-4.5	12.0
3	Scudder Latin America	H	10.5	6.7	32.3	53	Columbia Intl Equity CIZ	S	2.7	-4.1	12.2
4	Oakmark Intl Small Cap	B	3.6	7.2	31.0	54	Fidelity Overseas (1%r<30d)	S	3.9	-5.4	13.1
5	Dodge & Cox Intl Stock	B	4.7	6.3	28.7	55	Columbia International Stock	S	2.7	-4.2	12.0
6	Neuberger Berman Intl (2%	B	4.0	5.4	31.7	56	Fidelity Worldwide (1%r<30d)	S	2.1	-3.3	10.6
7	Artisan Intl Value (2%r<90d)	B	3.2	5.5	30.6	57	Janus Overseas(closed,2%	S	5.4	-7.7	15.6
8	Fidelity Europe (1%r<30d)	B	6.8	3.8	25.3	58	American Century Global	S	3.9	-4.8	9.2
9	Driehaus Emerging Mkts Gr (2%	B	9.8	0.7	25.3	59	Vanguard Pacific Stock Index	S	1.6	-5.1	12.7
10	Vanguard European Stock Index	B	4.4	3.8	22.8	60	Longleaf Partners International	S	0.1	-4.8	9.7
11	Matthews Asia G & I (closed,2%	B	3.2	3.7	22.2	61	Driehaus Int'l Discovery (2%	S	6.9	-9.7	10.9
12	Vanguard Emerging Mkts Stk	B	8.2	-0.9	24.6	62	T. Rowe Price Japan	S	-0.9	-7.1	15.2
13	Fidelity Intl Small Cap (2%r<90d)	H	5.1	0.0	26.3	63	Fidelity Aggressive Intl. (1%	S	4.0	-7.8	7.3
14	Vanguard International Value (2%	B	4.0	2.4	21.9	64	Fidelity Pacific Basin (1.5%	S	1.8	-9.1	7.7
15	Dreyfus Emerging Market(1%r)	B	6.9	-0.4	23.6	65	Matthews Japan Fund (2%	S	-1.8	-9.1	12.5
16	Scudder Greater Europe (2%	H	5.0	2.5	19.0	66	Janus Worldwide (2%r<90d)	S	2.2	-10.5	4.5
17	T.Rowe Price Intl Disc. (2%r<1yr)	H	4.4	0.5	23.3	67	Fidelity Japan(1.5%<90d)	S	-0.8	-10.2	6.3
18	Vanguard Intl Explorer	H	3.0	0.8	24.3	68	Japan Fund (Scudder) (2%	S	-1.8	-12.9	4.8
19	Preferred International	H	2.9	2.7	19.6	69	CS Warburg Pincus Japan Grth	S	-0.4	-13.7	0.4
20	Tweedy, Browne Global Value	H	1.7	2.2	22.2						
21	Harbor International (2%r<60d)	H	4.3	1.2	20.4						
22	Oakmark International (2%r<90d)	H	2.7	2.3	19.4						
23	Matthews Pacific Tiger (2%r<90d)	H	5.2	0.4	19.6						
24	Guinness China & Hong Kong	B	4.9	-1.0	23.0						
25	T. Rowe Price European	H	3.9	1.1	18.8						
26	USAA International	H	3.8	0.8	19.2						
27	Gabelli Intl Growth (2%r<60d)	S	4.0	0.4	18.1						
28	Julius Baer Intl Equity A (2%	S	4.6	-0.5	18.9						
29	Schwab International Index (1.5%	S	3.3	0.8	17.4						
30	USAA World Growth	H	2.7	0.7	17.0						
31	Artisan Intl Small Cap(closed,2%	S	4.0	-1.1	18.6						
32	Wasatch International Growth	H	4.1	-1.3	18.2						
33	Fidelity Emerging Mkts (1.5%	S	8.9	-5.2	19.8						
34	Fidelity Diversified Intl (1%r<30d)	S	3.8	-1.6	18.1						
35	Fidelity Europe Capital App. (1%	S	5.6	-2.0	16.3						
36	Vanguard International Growth	S	3.4	-1.1	17.2						
37	Scudder Global	S	5.6	-1.2	13.7						
38	Scudder Pacific Opportunity (2%	S	5.4	-3.1	18.2						
39	Artisan International (2%r<90d)	S	3.6	-2.4	16.9						
40	Scudder Global Discovery(closed)	S	3.6	-1.8	15.3						
41	Oakmark Global (2%r<90d)	S	3.0	-1.2	14.5						
42	Fidelity SE Asia (1.5%r<90d)	S	8.1	-6.1	18.5						
43	Fidelity Intl Discovery(2%r<30d)	S	3.1	-2.5	16.5						
44	T. Rowe Price New Asia	S	5.0	-3.6	16.1						
45	Wm. Blair Intl Growth N	S	4.3	-2.8	14.7						
46	Scudder International (2%r<180d)	S	3.5	-2.1	12.7						
47	Amer.Cent.Intl Opportunity (2%	S	2.5	-4.9	20.4						
48	American Century Intl Growth (2%	S	4.1	-3.1	12.2						
49	Fidelity Global Balanced (1%	S	1.9	-1.8	10.5						
50	SIT International Growth (2%	S	4.0	-3.5	11.4						

Next Issue of
MONEYLETTER Plus
Will Be Available:
Wednesday
October 20, 2004
by Midnight

Total Return % - 9/30/04

1 mo	Model Portfolio	6 mo	1 yr	3 yr	YTD
2.0	ML Conservative	0.8	12.8	37.7	4.3
2.0	Fidelity Conservative	0.9	10.1	21.5	3.9
1.1	Vanguard Conservative	0.6	12.0	20.3	4.4
4.0	ML Moderate	-2.5	18.0	62.1	3.6
2.8	Fidelity Moderate	-1.8	14.3	39.3	2.9
1.5	Vanguard Moderate	-1.6	15.6	33.0	3.2
3.4	ML Venturesome	-5.7	17.9	61.7	1.6
3.0	Fidelity Venturesome	-2.8	13.7	37.9	1.6
1.6	Vanguard Venturesome	-3.0	16.0	34.4	2.2
3.7	ML Select	-7.1	12.4	n/a	0.1
	Benchmarks				
1.1	S&P 500	-0.3	13.8	12.6	1.6
1.5	Asset Allocation Funds Avg (84)	-0.6	11.4	19.4	2.0

SPECIALTY FUNDS
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Specialty Funds — data as of 10/8/04

Rank	Fund	Cons.	1 month	6 month	1 year	Rank	Fund	Cons.	1 month	6 month	1 year
1	ICON Energy	*	12.4%	22.8%	58.1%	51	Gateway Fund	B	0.9	1.9	6.2
2	Fidelity Natural Gas (.75%r<30d)	*	11.6	25.6	50.1	52	Fidelity Balanced	B	2.1	-0.9	9.9
3	Rydex Energy Services	*	10.5	22.4	44.1	53	ICON Telecommunications &	*	3.6	-2.9	12.8
4	Vanguard Energy (1%r<1yr)	*	10.8	20.3	47.9	54	Vanguard Balanced Index	B	0.9	0.3	8.5
5	Rydex Energy	*	10.4	20.8	45.7	55	ICON Leisure & Consumer Sta-	*	1.3	-2.2	12.0
6	Fidelity Energy Services (.75%	*	10.2	21.9	38.8	56	Fidelity Medical Equip (.75%	*	-1.1	-1.6	13.5
7	Fidelity Energy (.75%r<30d)	*	10.3	18.9	41.3	57	Fidelity Finl Serv (.75%r<30d)	*	-0.2	-1.7	10.9
8	T. Rowe Price New Era	*	8.9	17.7	40.8	58	Fidelity Leisure (.75%r<30d)	*	3.2	-4.1	11.8
9	Fidelity Natrl Resources (.75%	*	9.3	16.0	36.9	59	Rydex Leisure	*	3.3	-5.6	15.0
10	ICON Materials	*	5.1	11.1	39.9	60	Fidelity Insurance (.75%r<30d)	*	0.7	-3.9	13.9
11	Cohen & Steers Realty Shares	*	0.9	16.2	33.1	61	T.Rowe Price Financial Services	*	-0.4	-2.5	10.3
12	Fidelity Chemicals (.75%r<30d)	*	3.8	12.2	38.0	62	Rydex Telecommunications	*	4.9	-6.5	9.0
13	Fidelity Wireless (.75%r<30d)	*	7.8	4.6	39.6	63	Vanguard Health Care	*	-2.1	-3.1	9.5
14	T.Rowe Price Real Estate (1%	*	0.3	14.6	25.3	64	Merger Fund (closed,2%r<30d)	*	0.5	-2.2	1.4
15	Fidelity Transportation (.75%	*	7.8	12.8	16.3	65	T.Rowe Price Health Sciences	*	0.6	-6.7	12.1
16	Fidelity Real Estate (.75%r<90d)	*	0.6	13.6	24.2	66	Fidelity Food & Agr (.75%r<30d)	*	-1.1	-4.6	7.8
17	Fidelity Utilities Growth (.75%	*	4.5	10.7	24.3	67	Rydex Ursa	*	-0.5	0.8	-9.7
18	U.S.Global Gold Shares (.25%	*	25.4	-2.5	24.7	68	Rydex Internet	*	5.4	-10.5	9.6
19	Rydex Basic Materials	*	4.1	8.9	27.8	69	ProFunds Bear Inv	*	-0.6	0.5	-9.9
20	Vanguard REIT Index (1%r<1yr)	*	0.3	13.1	22.8	70	ICON Healthcare	*	-0.1	-7.1	8.1
21	Fidelity Indust Matrls (.75%r<30d)	*	7.2	7.5	26.1	71	Fidelity Automotive (.75%r<30d)	*	0.4	-6.9	5.6
22	Fidelity Cyclical Ind (.75%r<30d)	*	2.1	9.1	28.0	72	Fidelity Multimedia (.75%r<30d)	*	4.3	-7.6	1.1
23	Fidelity Defense & Aero (.75%	*	0.9	8.0	28.9	73	Rydex Retailing	*	0.7	-5.6	0.6
24	Vanguard Precious Metals	*	12.9	3.9	19.0	74	Fidelity Health Care (.75%r<30d)	*	-3.4	-5.1	5.4
25	Cohen & Steers Equity Income	*	0.1	10.1	22.5	75	Fidelity Consumer Ind (.75%	*	1.6	-7.0	2.5
26	Fidelity Med Del (.75%r<30d)	*	2.9	3.6	30.4	76	Fidelity Environmental Ser (.75%	*	-1.4	-5.1	2.0
27	Stratton Mthly Div REIT (1.5%	*	0.2	10.0	18.4	77	Rydex Consumer Products	*	-3.4	-6.0	7.5
28	Amer. Cent. Global Gold (1%	*	17.7	0.0	14.5	78	Prudent Bear	*	1.8	-3.9	-8.8
29	Rydex Precious Metals	*	17.2	-1.3	18.1	79	T.Rowe Price Science & Tech	*	6.2	-9.4	-2.0
30	Rydex Transportation	*	3.6	9.2	10.6	80	Fidelity Biotechnology (.75%	*	0.2	-9.1	5.2
31	Scudder Gold (closed)	*	18.0	-3.2	17.2	81	Fidelity Software (.75%r<30d)	*	8.5	-12.1	-1.4
32	Rydex Banking	*	0.5	5.2	16.9	82	Rydex Health Care	*	-3.2	-8.1	3.3
33	Rydex Utilities	*	2.6	5.2	13.7	83	Fidelity Brokerage (.75%r<30d)	*	0.0	-9.2	0.9
34	Fidelity Home Finance (.75%	*	0.1	3.7	19.4	84	Rydex Juno	*	-1.1	-4.9	-9.6
35	Fidelity Paper & Forest (.75%	*	2.0	2.7	17.3	85	ICON Consumer Discretionary	*	-1.3	-9.9	-1.3
36	Fidelity Const & Housing (.75%	*	-1.3	3.8	19.1	86	RS Information Age	*	12.0	-16.6	-4.8
37	Alpine U.S. Real Estate Equity	*	-2.0	2.6	22.6	87	RS Internet Age	*	11.8	-17.2	-4.6
38	T.Rowe Price Media & Telecom-	*	5.4	-1.6	21.9	88	ICON Information Technology	*	7.1	-12.4	-11.7
39	Fidelity Telecomm (.75%r<30d)	*	5.3	-1.0	19.0	89	Rydex Technology	*	6.5	-14.7	-6.8
40	ICON Industrials	*	2.9	2.4	14.0	90	Fidelity Developing Comm (.75%	*	5.1	-17.7	2.1
41	Fidelity Gold (.75%r<30d)	*	16.8	-2.5	4.5	91	Rydex Biotechnology	*	-0.2	-12.6	-4.1
42	ICON Financial	*	1.6	0.3	17.5	92	Fidelity Technology (.75%r<30d)	*	7.6	-15.7	-8.5
43	Fidelity Banking (.75%r<30d)	*	1.2	2.1	12.7	93	Fidelity Pharmaceuticals (.75%	*	-4.6	-10.5	-4.2
44	Fidelity Industrial Equip (.75%	*	1.7	-1.8	19.5	94	Fidelity Computers (.75%r<30d)	*	8.3	-18.6	-10.8
45	Rydex Financial Services	*	0.2	1.0	14.5	95	Fidelity Electronics (.75%r<30d)	*	10.8	-24.8	-13.3
46	Fidelity Bus Services (.75%r<30d)	*	2.6	0.3	12.4	96	Fidelity Networking (.75%r<30d)	*	5.4	-23.2	-17.0
47	Fidelity Retailing (.75%r<30d)	*	1.7	1.4	10.2	97	Royce Technology Value (2%	*	4.9	-22.5	-21.0
48	CGM Realty	*	-3.2	1.0	17.6	98	Rydex Electronics	*	10.0	-29.5	-23.8
49	AXARosenberg Value L/S (2%	*	1.5	2.6	5.8						
50	Fidelity Air Transport (.75%r<30d)	*	1.9	2.1	4.5						

SPECIALTY FUNDS
Continued On Next Page

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

* = **Not Recommended**

Bond Funds — data as of 10/8/04

Fund	Cons.	1 month	6 month	1 year	Fund	Cons.	1 month	6 month	1 year
American Century Ginnie Mae	*	0.1	0.5	0.8	PIMCO Real Return	H	0.2	1.2	6.2
American Century Inflation Adj	B	0.2	2.7	8.4	PIMCO Total Return	H	0.5	1.6	3.5
American Century Intl Bond	*	2.6	3.3	9.1	PIMCO Total Return Mortgage	H	0.4	2.1	3.2
American Century Target 2010	*	0.5	1.9	4.7	Safeco U.S. Government (2%	H	0.1	0.8	0.7
American Century Target 2015	*	0.9	5.0	10.4	Schwab S-T Bond Mkt Index	B	0.1	0.2	0.7
American Century Target 2020	*	1.4	6.7	14.2	Scudder Global Bond S-T	*	0.9	1.1	3.2
American Century Target 2025	*	2.1	8.6	17.2	Scudder Income (closed)	H	0.8	2.3	5.8
American Government Bond	H	0.2	0.3	0.7	Scudder Short-Term Bond	B	0.4	0.8	2.1
BBH Inflation Indexed Sec	B	0.2	2.9	8.5	Strong Corporate Bond	*	0.8	1.1	3.9
Buffalo High-Yield(2%r<180d)	*	1.5	2.6	8.2	Strong Govt Securities	H	0.5	0.7	2.0
Columbia Fixed Income Sec	H	0.2	0.0	1.0	Strong High Yield Bond (1%	*	1.5	2.5	7.5
Columbia High Yield	*	1.0	0.7	3.4	Strong S-T Bond	B	0.2	-0.3	0.7
Columbia Income CIZ	H	1.0	1.6	3.9	Strong S-T High Yield	*	0.6	0.8	2.3
Columbia Intermediate Bond CIZ	H	0.6	1.2	2.9	T. Rowe Price Corporate Inc	*	1.0	1.4	5.2
Columbia S-T Bond	B	0.0	-0.1	0.2	T. Rowe Price GNMA	*	0.2	0.8	1.4
Dodge & Cox Income	H	0.5	1.6	4.4	T. Rowe Price High Yld	*	1.7	1.8	6.3
Dreyfus 100 Treasury L-T	*	0.4	1.7	-3.1	T. Rowe Price Int'l Bond	*	2.1	1.3	5.1
Dreyfus A Bonds Plus	*	0.6	0.5	0.6	T. Rowe Price New Income	*	0.6	1.4	2.9
Dreyfus GNMA	*	0.1	1.1	3.6	T. Rowe Price Spectrum Income	*	1.2	1.5	5.7
Dreyfus Short-Term Income	B	0.4	-0.4	-2.2	T. Rowe Price S-T Bond	B	0.0	-0.4	-0.2
Dreyfus Strategic Income	*	0.5	0.1	-0.7	T. Rowe Price U.S. Treas. L-T	*	0.7	2.0	3.8
Federated Total Return Govt	H	-0.1	0.3	1.5	TCW Galileo High Yield Bond	*	1.3	3.4	11.2
Federated U.S. Govt Sec. 1-3	B	-0.1	-0.3	-0.4	TCW Galileo Total Return Bond	H	0.5	2.2	4.8
Fidelity Capital & Income (1%	*	2.5	2.7	8.5	USAA Income	H	0.5	1.9	5.0
Fidelity Floating Rate High Inc(1%	B	0.5	0.9	2.4	Value Line Aggressive Inc (1%	*	0.8	1.7	6.3
Fidelity GNMA	*	0.3	1.2	2.0	Value Line U.S. Govt Sec	H	0.1	1.0	2.5
Fidelity Government Income	*	0.3	0.8	2.4	Vanguard GNMA	B	0.2	2.3	2.4
Fidelity High Income (1%r<90d)	*	1.3	0.9	7.4	Vanguard High Yield Corporate	*	1.4	3.7	10.0
Fidelity Inflation-Protected Bond	B	0.3	2.6	7.8	Vanguard Inflation Protected	B	0.2	2.8	8.8
Fidelity Intermediate Bond	H	0.3	0.3	1.6	Vanguard Intermediate Treas.	H	0.4	0.6	0.3
Fidelity Intermediate Govt	H	0.2	1.1	2.8	Vanguard Long-Term Corporate	*	1.2	2.7	5.2
Fidelity Investment Grade	H	0.4	2.3	5.1	Vanguard L-T Treasury	*	0.9	2.3	3.7
Fidelity New Markets Income (1%	*	3.0	3.0	8.7	Vanguard Short-Term Corporate	B	0.3	-0.1	0.2
Fidelity Short-Term Bond	B	0.2	0.1	1.0	Vanguard S-T Federal	*	0.1	-0.2	-0.2
Fidelity Strategic Income	B	1.8	3.4	8.5	Vanguard S-T Treasury	B	0.1	-0.2	-0.3
FifthThird Bond	*	0.4	1.6	4.1	Vanguard Total Bond Market	H	0.4	2.1	4.8
Fremont Bond	H	0.5	1.9	4.4	WellsFargo Montgomery S Dur	B	0.2	0.2	0.9
Janus Flexible Income	*	0.6	0.5	1.7	WellsFargo Montgomery Total	H	0.5	1.6	3.5
Janus High Yield (2%r<90d)	*	1.4	2.9	6.1	Westcore Plus Bond (2%r<90d)	*	0.6	2.7	7.8
Janus S-T Bond	B	0.2	0.3	1.0	WPG Core Bond	H	0.2	1.3	3.5
Loomis Sayles Bond Retail	B	2.6	4.5	12.9					
Managers Bond	*	0.9	2.1	6.8					
Managers Int. Duration Govt	*	0.2	2.1	4.4					
Managers Short Duration Govt	B	0.2	1.0	1.9					
MetroWest Low Duration	B	-0.2	-0.5	0.9					
MetroWest Total Return	*	-0.2	-0.7	3.4					
Northeast Investors Trust	*	0.8	4.4	14.6					
Payden Global Fixed Income	*	0.7	0.9	2.8					
PIMCO High Yield	*	1.8	2.7	8.0					
PIMCO Low Duration	B	0.2	0.3	0.7					

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

* = **Not Recommended**

PORTFOLIO HOLDINGS
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Weekly Performance of ML Model Holdings — data as of 10/8/04

Fund	Last Week	Fund	Last Week
ACITX Amer. Cent. Inflation Adj.	0.27%	LSBRX Loomis Sayles Bond	0.82
ARTQX Artisan Mid Cap Value	-0.19	RSCOX RS Contrarian	-0.21
BPTRX Baron Partners	-0.41	SMCDX Strong Mid Cap Disciplined	-0.28
BERWX Berwyn Fund	-0.21	VBINX Vanguard Balanced	-0.32
CSRSX Cohen & Steers Realty	1.00	VWEHX Vanguard High Yield Corp	0.16
DODIX Dodge & Cox Income	0.31	VIPSX Van. Inflation Protected Bond	0.24
DODFX Dodge & Cox International	0.44	VISVX Vanguard Small Cap Value	-1.02
FBALX Fidelity Balanced	-0.30	VBMFX Vanguard Total Bond	0.29
FCNTX Fidelity Contrafund	-0.86	VIVAX Vanguard Value Index	-0.15
FEXPX Fidelity Export & Multinational	-1.10	VUVLX Vanguard US Value	-0.77
FTQGX Fidelity Focused Stock	-0.32	VWNFX Vanguard Windsor II	-0.21
FINPX Fidelity Inflation Protected	0.26	WEHIX Weitz Hickory	0.17
FBNDX Fidelity Inv Grade Bond	0.40		
FLVCX Fidelity Leveraged Company	1.39		
FSNGX Fidelity Natural Gas	1.29		
FSICX Fidelity Strategic Income	0.57		
FDVLX Fidelity Value	-0.28		
FWRLX Fidelity Wireless	0.57		
GATEX Gateway Fund	0.04		
		Indices	
		DOW JONES INDUSTRIALS	-1.35%
		NASDAQ	-1.14
		S&P 500	-0.83

Editorial Questions?

Phone: 800-890-9670
 Fax: 508-429-0940
 E-mail: service@moneyletter.com

Contact Us!

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

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