

Global Investment Strategy

www.ubswarburg.com/researchweb

In addition to the
UBS Warburg web site
our research products are available
over third-party systems
provided or serviced by:
Bloomberg, First Call, I/B/E/S, IFIS,
Multex, QUICK and Reuters

**UBS Warburg is a
business group of UBS AG**

Asset Allocation/ Equity Valuation

Highlights

- Stocks (S&P 500) rose 7.5% in November. Bonds (10-year U.S. government) fell, with the yield rising to 4.78% from 4.30%. T-bill yields fell to 1.78% from 2.05%.
- Probability of stocks outperforming bonds at 90%, down from 98%. Probability of stocks outperforming cash at 96%, up from 94%. Probability of yield curve flattening at 89%, up from 70%. Stock weighting at 84% down from 88%. Bond weighting at 16%, up from 12%. Cash weighting remained at 0%.
- Stocks undervalued on a P/E basis, at +22% appreciation potential to normal value.
- Liquidity is significantly positive; earnings power is negative.
- Three top-ranked industries in Equity Valuation Model: Banks, Finance (Diversified), Natural Gas.
- Three bottom-ranked industries in Equity Valuation Model: Metals, Paper & Packaging, International Oil.

Contents

Asset Allocation

Asset Allocation/Equity Valuation model tables	2
Stock market indicators	3
Stocks vs. 10-year gov't. bonds	4
Stocks vs. T-bills.....	4
10-year gov't. bonds vs. T-bills.....	5
Account weightings	5
Normal market P/E.....	6
Liquidity and earnings power.....	6

Equity Valuation

Alphabetical cross-reference.....	7
Stocks ranked by excess return.....	8
Industries ranked by excess return.....	18

Edward M. Kerschner, CFA
+1 212 713 2448

Michael J. Geraghty
+1 212 713 2581

Jeremy A. Zirin CFA
+1 212 713 1219

Table 1: Asset Allocation Model

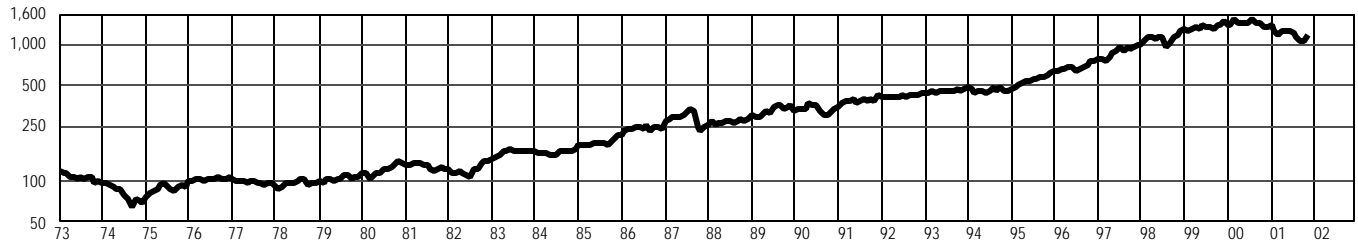
	Curr. mo. 11/01	Last mo. 10/01	Last year 11/00	1981-2001					
				Average	Std. Dev.	Maximum	Minimum		
Expected rate of return									
13-week T-bills	1.8%	2.1%	6.2%	6.3%	2.3%	14.5%	2/1982	1.8%	11/2001
10-year gov't bonds	4.8	4.3	5.5	7.9	2.4	14.6	1/1982	4.3	10/2001
S&P 500 stocks	8.4	8.5	8.3	10.6	2.1	15.8	3/1982	8.0	1/1999
Inflation (CPI)*	1.0%	2.2%	3.3%	3.4%	1.5%	9.9%	11/1981	-0.6%	8/1986
Real expected rate of return									
13-week T-bills	0.8%	-0.2%	2.9%	2.9%	1.9%	9.8%	4/1982	-0.6%	12/1990
10-year gov't bonds	3.8	2.1	2.2	4.5	2.0	10.4	4/1982	0.8	12/1990
S&P 500 stocks	7.4	6.3	5.0	7.1	1.9	13.2	3/1983	3.6	12/1990
Equity risk premium									
S&P 500 stocks vs. 13-week T-bills	6.6%	6.4%	2.1%	4.3%	1.3%	7.5%	9/1992	1.2%	2/1982
S&P 500 stocks vs. 10-year gov't bonds	3.6	4.2	2.8	2.6	0.8	4.3	9/1993	0.4	9/1987
Probability of S&P 500 outperforming:									
13-week T-bills	96%	94%	14%	53%	23%	96%	11/2001	10%	8/2000
10-year gov't bonds	90	98	66	45	19	98	10/2001	7	1/1982
Time risk premium									
10-yr gov't bonds vs. 13-week T-bills	3.0%	2.3%	-0.7%	1.7%	1.1%	4.1%	9/1982	-0.8%	12/2000
Probability of yield curve flattening									
10-yr gov't bonds vs. 13-week T-bills	89%	70%	4%	59%	27%	100%	9/1982	4%	12/2000
Probability of top performance**									
13-week T-bills	2%	3%	84%	30%	23%	88%	8/2000	1%	9/1982
10-year gov't bonds	11	3	4	39	20	91	6/1984	3	12/2000
S&P 500 stocks	87	94	11	31	18	94	10/2001	5	1/1982
Suggested balanced account weights									
13-week T-bills	0%	0%	21%	8%	6%	23%	5/1989	0%	11/2001
10-year gov't bonds	16	12	23	40	13	75	6/1984	12	10/2001
S&P 500 stocks	84	88	56	52	13	88	10/2001	24	6/1984
Suggested equity account weights									
13-week T-bills	1%	1%	22%	12%	6%	22%	8/2000	1%	11/2001
S&P 500 stocks	99	99	78	88	6	99	11/2001	78	8/2000

*CPI is 6-month moving average lagged by one month. **Flexible/Asset Allocation account weights. Suggested balanced account weightings are based upon a portfolio where maximum stock weightings are 100%, minimum 40%, bond weightings are 75% maximum and 10% minimum, and maximum cash weightings are 25%, minimum 0%. Suggested equity account weightings are based upon a portfolio where maximum stock weightings are 100%, minimum 75%, and maximum cash weightings are 25%, minimum 0%.

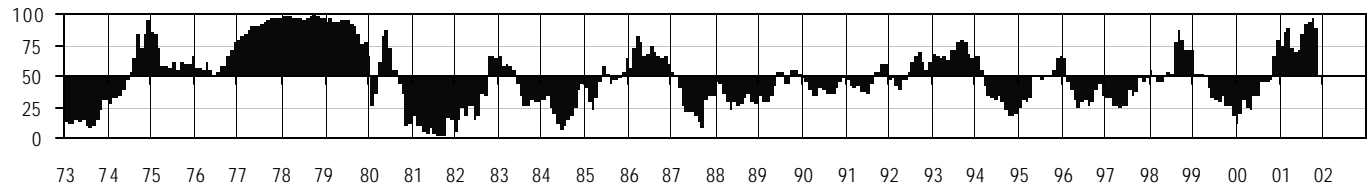
Table 2: P/E Valuation, Liquidity and Earnings Power

	Curr. mo. 11/01	Last mo. 10/01	Last year 11/00	1981-2001					
				Average	Std. Dev.	Maximum	Minimum		
P/E valuation									
Percent appreciation potential to normal value	21.8%	26.9%	17.6%	4.7%	11.0%	32.5%	8/2001	-33.8%	8/1987
Liquidity									
13-week T-bill; year-over-year basis point change (inverted)	+4.4	+4.3	-0.9	+0.6	+1.8	+7.4	9/1982	-3.3	3/1989
Earnings Power									
Operating S&P 500 EPS % deviation from normal EPS	-19.0	-16.5	+6.2	-1.5	+16.4	+40.8	4/1989	-26.8	1/1986

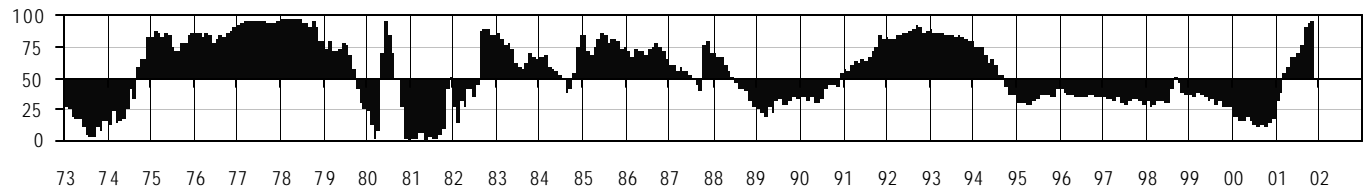
S&P 500 Price



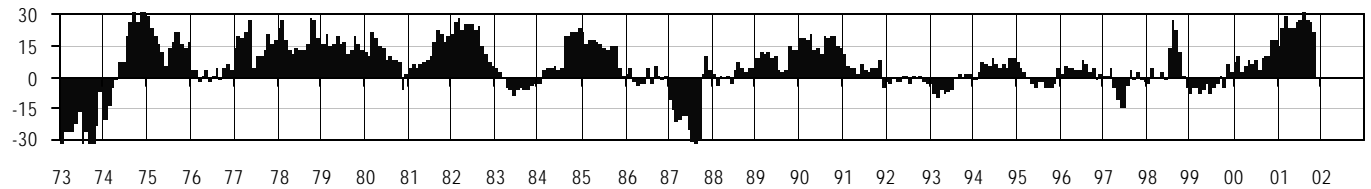
Probability of Stocks Outperforming Bonds



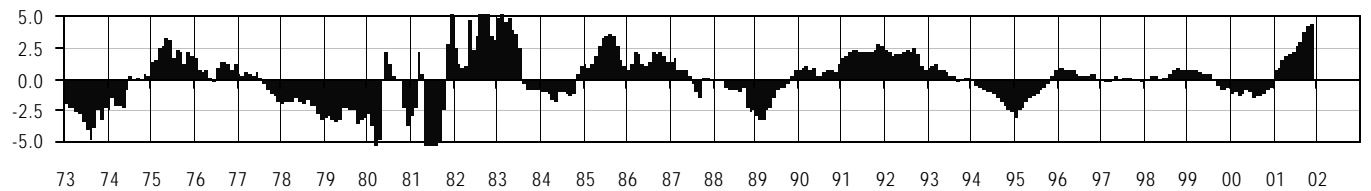
Probability of Stocks Outperforming Cash



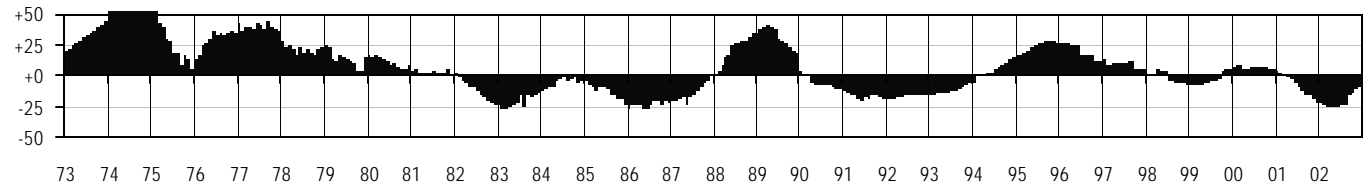
P/E Valuation – Percent appreciation potential to normal value



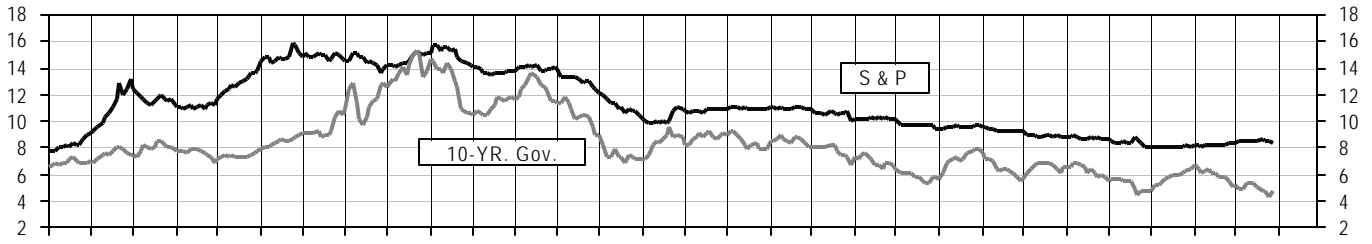
Liquidity – 13-week T-bill; year-over-year basis point change (inverted)



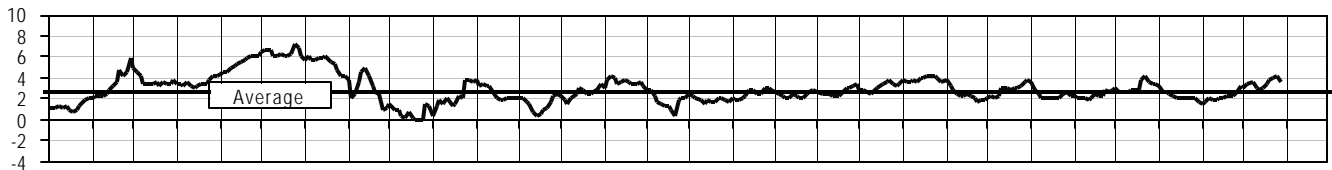
Earnings Power – Operating S&P 500 EPS percent deviation from normal EPS



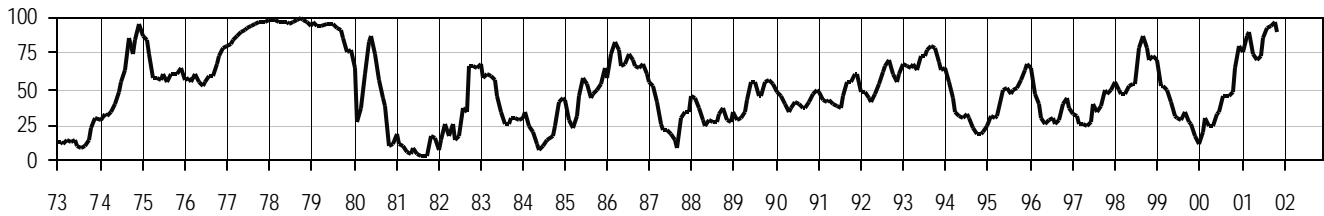
Expected Rate of Return – S&P 500 versus 10-year Government Bonds



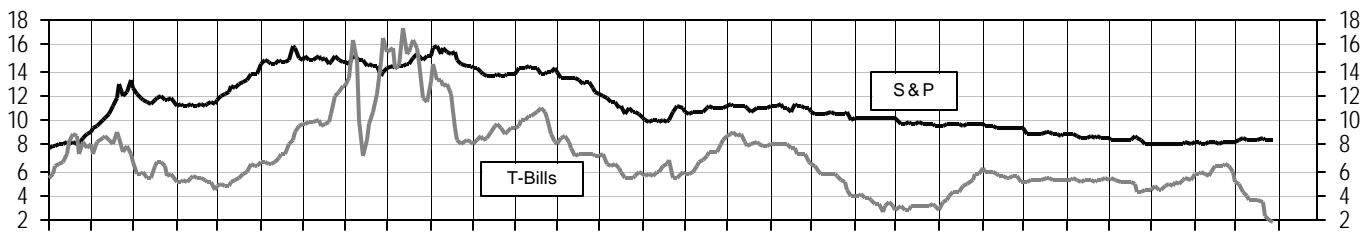
Risk Premium – Stocks versus Bonds



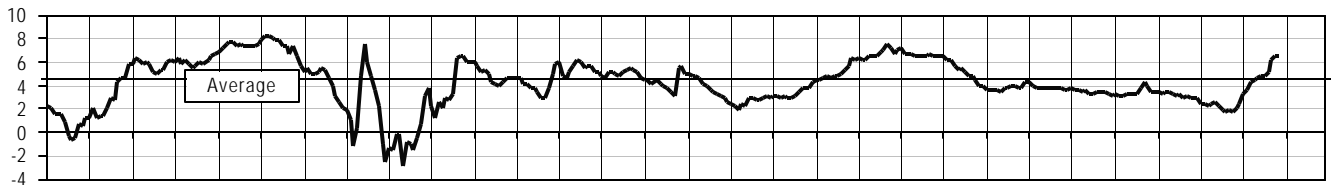
Probability of Stocks Outperforming Bonds



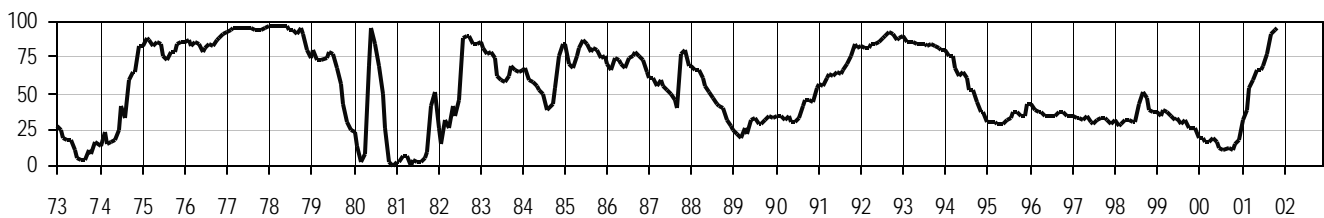
Expected Rate of Return – S&P 500 versus 13 week U.S. Treasury Bills



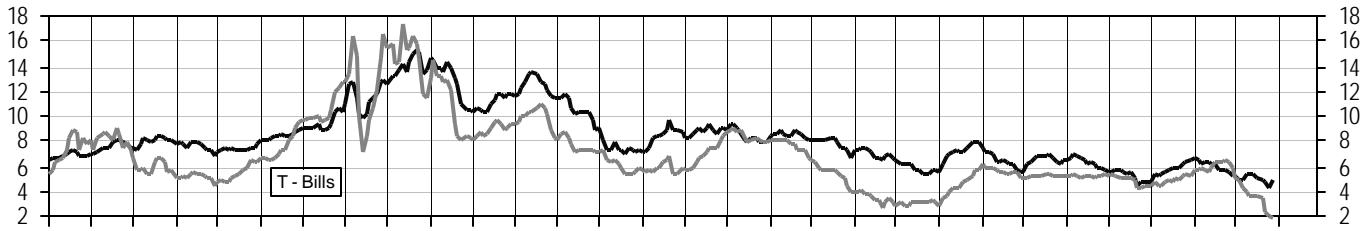
Risk Premium – Stocks versus Cash



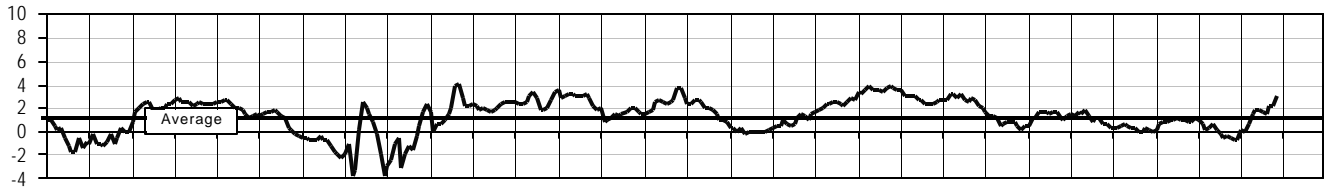
Probability of Stocks Outperforming Cash



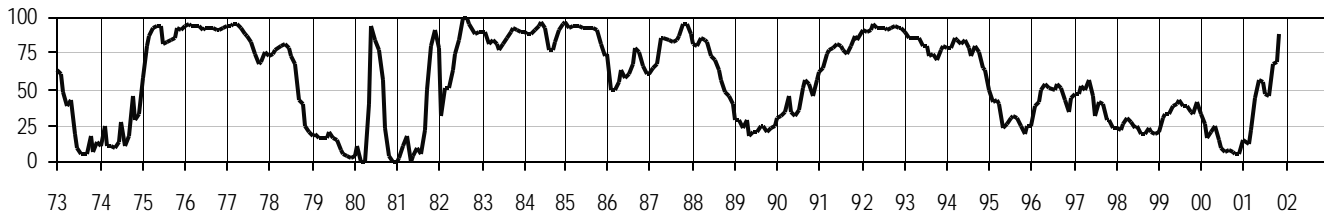
Expected Rate of Return – 10-year Government Bonds versus T-Bills



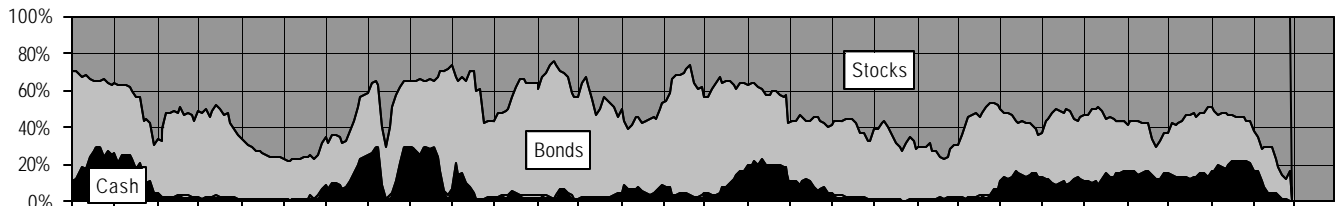
Risk Premium – Bonds versus Cash



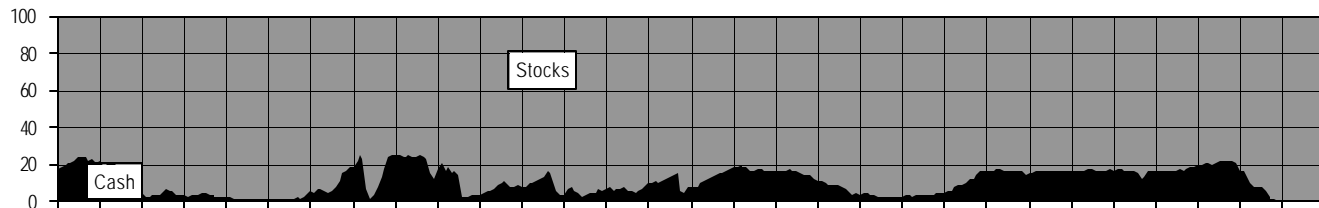
Probability of Yield Curve Flattening



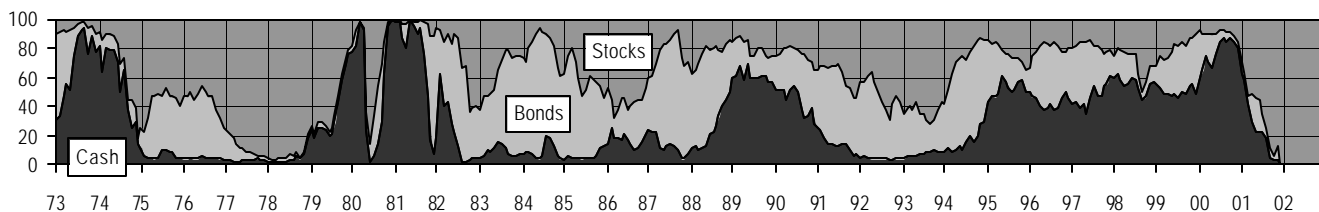
Suggested Balanced Account Weight



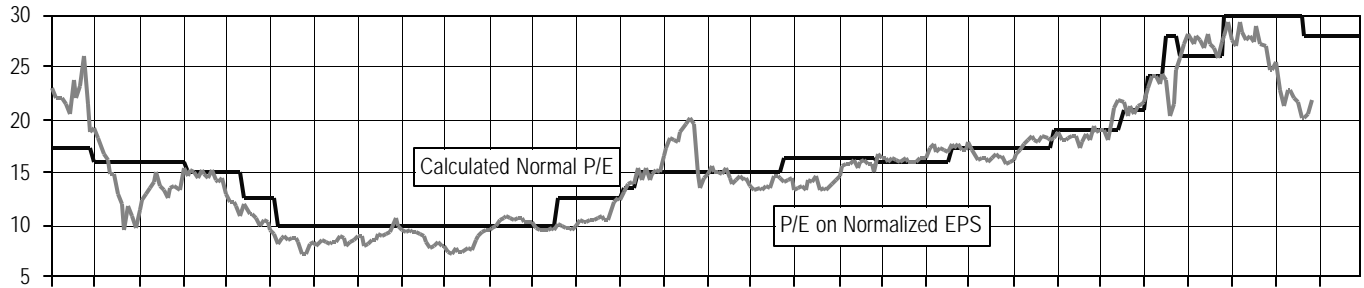
Suggested Equity Account Weight



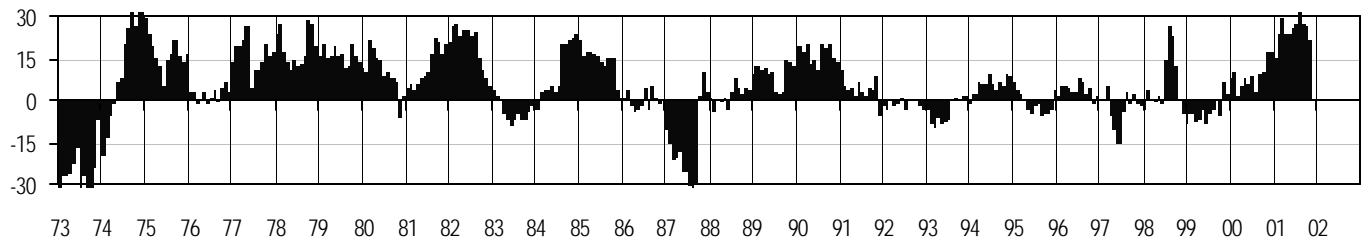
Probability of Top Performance



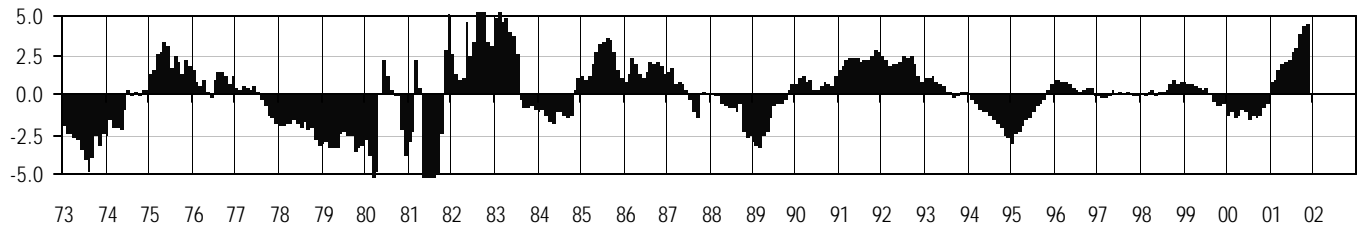
S&P 500



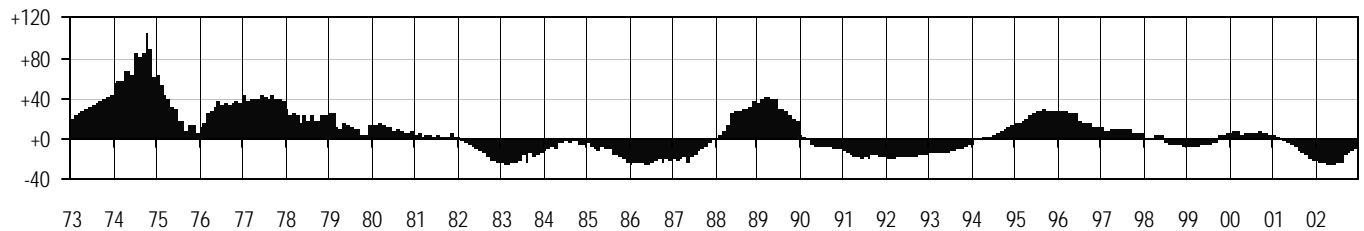
P/E Valuation – Percent appreciation potential to normal value



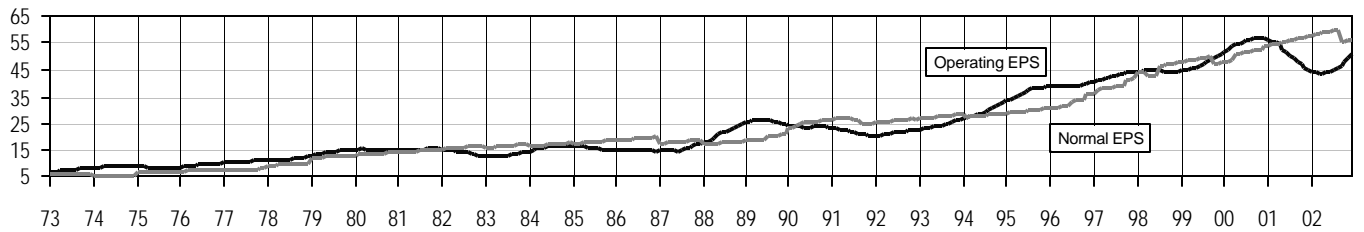
Liquidity – 13-week T-bill; year-over-year basis point change (inverted)



Earnings Power – Operating S&P 500 EPS percent deviation from normal EPS



S&P Earnings – Actual operating EPS (2001, 2002 estimates) and normal EPS



Equity Valuation Model

Stock Rankings

Rank		Price		P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess	
		(11/30/01)	Earnings				Normalized	Normal	Normal	Potential	
				Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return	
1	US Bancorporation	18.98	1.33	0.75	14.3	4.0	11.0	1.80	47.2	84	309.8
2	AOL Time Warner Incorporated 14	34.90	0.57	0.00	61.2	0.0	25.0	1.23	119.3	144	274.1
3	Convergys Corporation	33.23	1.35	0.00	24.6	0.0	17.5	1.60	86.1	136	270.8
4	Bank Of New York Incorporated	39.24	1.86	0.72	21.1	1.8	15.0	2.25	66.3	147	239.1
5	Bed Bath & Beyond Incorporated 1	32.47	0.66	0.00	49.2	0.0	23.0	0.88	141.4	122	238.3
6	Citigroup Incorporated 2,14	47.90	2.60	0.64	18.4	1.3	14.0	3.25	53.2	171	219.9
7	MBNA Corporation	32.24	1.74	0.36	18.5	1.1	14.0	2.00	58.2	115	219.7
8	Federal National Mortgage Association 2	78.60	4.93	1.20	15.9	1.5	12.0	5.50	50.7	276	214.8
9	Calpine Corporation 2	21.56	2.05	0.00	10.5	0.0	15.0	1.75	43.9	76	214.0
10	El Paso Corporation 14	44.50	0.23	0.85	NA	1.9	12.0	3.50	44.4	154	209.8
11	Mirant Corporation	24.41	1.92	0.00	12.7	0.0	15.0	1.93	43.9	84	204.9
12	Nextel Communications Inc. Cl A 1,2,14	10.71	-1.31	0.00	NA	0.0	25.0	0.25	149.2	37	203.5
13	Federal Home Loan Mortgage Corporation 2,14	66.17	4.98	0.80	13.3	1.2	12.0	4.73	47.8	224	201.1
14	Capital One Financial Corporation 2,14	50.03	2.74	0.11	18.3	0.2	18.0	2.85	60.3	169	200.4
15	AES Corporation 2,14	16.52	0.66	0.00	25.0	0.0	14.0	1.25	44.9	55	197.6
16	Stilwell Financial Incorporated	23.72	1.73	0.04	13.7	0.2	12.0	1.95	41.2	79	197.0
17	Hartford Financial Services Group 2	59.20	3.07	1.04	19.3	1.8	14.0	4.65	42.9	197	196.7
18	Home Depot Incorporated	46.65	1.20	0.20	38.9	0.4	20.0	1.50	102.8	152	187.7
19	MGIC Investment Corporation	58.55	5.65	0.10	10.4	0.2	8.0	6.00	31.6	189	184.0
20	Golden West Financial Corporation 2	51.70	4.67	0.29	11.1	0.6	9.0	5.15	32.3	165	181.9
21	FleetBoston Financial Corporation	36.75	2.25	1.40	16.3	3.8	10.0	3.25	36.0	116	181.5
22	Dynegy Incorporated 2	30.35	2.07	0.30	14.7	1.0	15.0	2.05	46.2	94	170.9
23	TMP Worldwide 1,2	41.29	0.78	0.00	52.9	0.0	20.0	1.75	72.9	126	165.9
24	Zions Bancorp 1	48.28	4.16	0.80	11.6	1.7	10.0	3.50	42.0	146	165.5
25	Ambac Financial Group 2	56.08	3.91	0.36	14.3	0.6	11.0	4.50	38.0	169	164.4
26	Pfizer Incorporated	43.31	1.61	0.44	26.9	1.0	17.0	1.59	82.8	130	162.5
27	Comerica Incorporated	51.36	4.02	1.76	12.8	3.4	7.0	5.00	30.5	152	160.2
28	Fifth Third Bancorp 1	60.09	2.00	0.80	30.0	1.3	14.0	2.76	65.2	178	159.1
29	Ecolab Incorporated	37.40	1.56	0.52	24.0	1.4	14.0	1.70	65.5	110	157.6
30	J P Morgan Chase & Company 2,14	37.72	1.92	1.36	19.6	3.6	10.0	3.04	36.3	110	155.9
31	Allegheny Energy Incorporated	34.85	3.64	1.72	9.6	4.9	5.0	4.00	25.0	100	152.5
32	Microsoft Corporation 1	64.21	1.70	0.00	37.8	0.0	20.0	1.87	100.8	186	150.9
33	Corning Incorporated 2	9.43	-5.30	0.00	NA	0.0	16.0	0.55	48.7	26	142.1
34	BankAmerica Corporation 2	61.38	4.34	2.40	14.1	3.9	7.0	5.00	34.0	169	141.1
35	NiSource Incorporated	20.90	1.40	1.16	14.9	5.6	5.0	2.12	26.8	57	138.2
36	Sanmina Corporation 1,2	21.40	0.83	0.00	25.8	0.0	22.0	0.60	100.1	59	137.8
37	Soletron Corporation 14	14.70	-0.19	0.00	NA	0.0	17.5	0.64	64.1	40	136.8
38	Washington Mutual Incorporated	31.28	3.20	0.96	9.8	3.1	8.0	3.46	24.7	85	136.1
39	T. Rowe Price Associates Incorporated 1	31.70	1.68	0.60	18.9	1.9	13.0	1.72	50.6	86	135.5
40	Williams Companies 2	26.72	2.13	0.80	12.5	3.0	10.0	2.36	30.9	72	135.3
41	Suntrust Banks Incorporated 14,18	63.26	4.66	1.60	13.6	2.5	7.0	5.00	34.2	170	133.1
42	MetLife Incorporated 2	27.43	1.87	0.00	14.7	0.0	10.0	2.25	33.2	74	131.5
43	Cardinal Health Incorporated	68.32	2.05	0.10	33.3	0.1	15.0	2.86	64.7	183	129.6
44	Charter One Financial, Incorporated 2	27.55	2.25	0.80	12.2	2.9	10.0	2.39	30.7	73	129.1
45	Omnicom Group Incorporated	85.86	2.68	0.80	32.0	0.9	15.0	3.15	71.0	221	120.0
46	Nabors Industries	31.50	2.41	0.00	13.1	0.0	18.0	1.38	59.7	81	119.4
47	Cigna Corporation	91.23	7.38	1.28	12.4	1.4	12.0	6.75	34.9	233	118.6
48	General Electric Company 2	38.50	1.37	0.64	28.1	1.7	14.0	1.61	61.7	98	118.3
49	Oracle Corporation 1	14.03	0.46	0.00	30.5	0.0	22.0	0.41	88.9	36	117.1
50	Cisco Systems Incorporated 1,14	20.44	-0.28	0.00	NA	0.0	25.0	0.39	134.2	51	113.0

Equity Valuation Model

Stock Rankings

Rank		Price	Earnings	Dividend	P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess
		(11/30/01)						Normalized	Normal	Normal	Potential
					Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return
51	John Hancock Financial	39.34	2.66	0.31	14.8	0.8	10.0	2.86	34.7	99	112.9
52	TECO Energy Incorporated 2,14	26.41	2.25	1.38	11.7	5.2	5.0	2.25	29.0	65	112.6
53	Jefferson-Pilot Corporation	44.50	3.03	1.10	14.7	2.5	7.0	3.37	33.0	110	112.4
54	CVS Corporation	26.95	1.85	0.23	14.6	0.9	12.0	2.00	33.8	67	111.1
55	Qwest Communications International	11.90	-0.37	0.05	NA	0.4	16.0	0.60	49.9	30	110.5
56	Comverse Technology Incorporated 1	21.39	1.54	0.00	13.9	0.0	17.0	1.00	53.9	53	110.4
57	Honeywell Incorporated	33.14	0.04	0.75	NA	2.3	10.0	2.41	34.1	81	109.8
58	AmSouth Bancorporation 2	18.32	1.40	0.88	13.1	4.8	7.0	1.47	30.5	45	109.8
59	Bristol-Myers Squibb Corporation	53.76	2.71	1.10	19.8	2.0	11.0	2.60	51.3	132	109.5
60	Exelon Corporation	44.61	3.27	1.69	13.6	3.8	6.0	4.50	24.3	109	109.5
61	Kimberly-Clark Corporation	58.17	3.22	1.12	18.1	1.9	9.0	3.65	39.4	143	109.0
62	PNC Financial Services Group	57.95	4.01	1.92	14.5	3.3	9.0	4.25	33.3	140	107.3
63	CMS Energy Group	23.03	-4.67	1.46	NA	6.3	4.0	2.03	26.8	54	103.7
64	Merrill Lynch & Company Inc 2	50.09	3.27	0.64	15.3	1.3	12.0	3.27	37.2	121	103.6
65	Concord EFS Incorporated 1	29.96	0.53	0.00	56.5	0.0	20.0	0.76	96.2	72	101.9
66	Pinnacle West Capital Corporation	41.75	3.94	1.60	10.6	3.8	5.0	3.75	26.2	98	99.7
67	Keycorp 2	22.90	1.33	1.18	17.2	5.2	4.0	2.40	22.3	53	99.4
68	AFLAC Corporation	27.40	1.40	0.20	19.6	0.7	11.0	1.53	42.7	65	98.9
69	Noble Drilling Corporation	29.50	1.90	0.00	15.5	0.0	14.0	1.77	39.6	69	96.6
70	King Pharmaceuticals	39.84	0.75	0.00	53.1	0.0	18.0	1.20	78.9	93	96.1
71	SBC Communications Incorporated 2	37.38	2.34	1.03	16.0	2.8	7.0	2.55	34.1	86	95.7
72	Starbucks Corporation 1	17.72	0.46	0.00	38.5	0.0	18.0	0.56	75.1	41	95.6
73	BMC Software Incorporated	16.75	0.70	0.00	23.9	0.0	14.0	1.00	39.6	39	95.5
74	Paychex Incorporated 1	35.01	0.71	0.44	49.3	1.3	20.0	0.75	110.2	81	95.4
75	PerkinElmer Incorporated 2	27.72	1.07	0.28	25.9	1.0	15.0	1.39	46.9	64	95.3
76	Mercury Interactive Corporation 1	30.79	0.83	0.00	37.1	0.0	25.0	0.61	119.3	71	93.5
77	Gap Incorporated	13.23	0.35	0.09	37.8	0.7	12.0	0.81	38.1	31	93.2
78	Dollar General Corporation	13.50	0.62	0.13	21.8	1.0	14.0	0.70	44.9	31	93.1
79	Cintas Corporation 1	42.74	1.35	0.22	31.7	0.5	15.0	1.50	66.5	99	93.0
80	May Department Stores Company	35.84	2.45	0.94	14.6	2.6	7.0	2.55	32.2	82	92.1
81	Halliburton Company	21.43	1.57	0.50	13.6	2.3	10.0	1.62	30.4	49	92.1
82	Vitesse Semiconductor Corporation 1	12.19	-0.60	0.00	NA	0.0	25.0	0.24	119.3	28	92.1
83	Household International Corp	58.99	3.96	0.88	14.9	1.5	11.0	4.00	34.0	135	92.0
84	Regions Financial Corporation 1	28.77	2.40	1.12	12.0	3.9	5.0	2.45	26.6	65	91.4
85	KB Home Corporation 2,14	33.62	5.50	0.30	6.1	0.9	6.0	4.81	16.0	77	90.7
86	Schering-Plough Corporation	35.72	1.61	0.64	22.2	1.8	10.0	1.87	43.7	81	90.6
87	Wells Fargo & Company	42.80	1.96	1.04	21.8	2.4	9.0	2.75	35.5	97	90.4
88	Harley-Davidson Incorporated	52.58	1.37	0.12	38.4	0.2	17.0	1.60	76.0	120	90.2
89	Equity Office Properties Trust 2	29.80	1.64	2.00	18.2	6.7	5.0	2.50	26.4	66	88.6
90	Provident Financial Corporation 14	2.67	2.58	0.12	1.0	4.5	5.0	0.36	16.5	6	88.3
91	Kroger Company	25.32	1.18	0.00	21.5	0.0	10.0	1.65	35.0	57	87.9
92	Philip Morris Companies 2	47.17	3.83	2.32	12.3	4.9	5.0	3.75	27.9	104	87.8
93	National City Corporation 2	28.00	2.22	1.18	12.6	4.2	5.0	2.25	27.5	62	86.2
94	Constellation Energy Group 2	23.75	2.77	0.48	8.6	2.0	3.0	3.28	16.0	52	84.7
95	Sherwin-Williams Company 14	27.99	1.66	0.58	16.9	2.1	7.0	1.90	32.7	62	84.2
96	Verizon Communications 2,57	47.00	1.60	1.54	29.4	3.3	8.0	3.00	34.5	103	84.0
97	Textron Incorporated 2	39.65	-2.10	1.30	NA	3.3	7.0	3.01	29.0	87	83.7
98	Starwood Hotels & Resorts	27.14	1.71	0.80	15.9	2.9	10.0	1.85	32.4	59	83.4
99	American International Group 2	82.40	1.91	0.17	43.1	0.2	13.0	3.46	53.3	182	83.3
100	Baxter International Inc	52.00	1.40	0.58	37.1	1.1	14.0	2.02	57.2	114	82.7

Equity Valuation Model

Stock Rankings

Rank		Price (11/30/01)	Earnings	Dividend	P/E Ratio	Dividend Yield	Projected Growth Rate	Dec-02	Calculated	Nov-02	Excess
								Normalized Earnings	Normal P/E	Normal Value	Potential Return
101	American Express Company14	32.91	1.28	0.32	25.7	1.0	14.0	1.73	42.3	72	82.5
102	Duke Energy Corporation2	36.15	2.68	1.10	13.5	3.0	8.5	2.50	31.7	79	82.3
103	AMR Corporation 2	21.36	-5.95	0.00	NA	0.0	6.0	3.10	15.3	47	82.3
104	Guidant Corporation	48.81	1.18	0.00	41.4	0.0	16.0	1.87	58.3	108	82.1
105	Walgreen Company	33.00	0.87	0.15	37.9	0.5	15.0	1.06	69.3	73	82.1
106	Marriott International Incorporated CI A	37.62	2.06	0.26	18.3	0.7	10.0	2.05	40.5	82	81.4
107	Merck & Company Incorporated 2	67.75	3.07	1.40	22.1	2.1	10.0	3.30	45.0	147	81.3
108	Mellon Financial Corporation	37.39	2.07	0.48	18.1	1.3	10.0	2.04	40.3	82	81.3
109	USX-Marathon Group	27.40	5.95	0.92	4.6	3.4	7.0	2.50	23.8	59	81.0
110	Novellus Systems 1	38.07	2.35	0.00	16.2	0.0	22.0	0.95	88.9	83	79.8
111	Supervalu Incorporated	22.67	1.66	0.56	13.7	2.5	5.5	1.87	26.3	49	79.8
112	Devon Energy Corporation 2,50,51	34.39	7.18	0.20	4.8	0.6	8.0	3.50	21.5	75	79.5
113	Adobe Systems Incorporated 1	32.08	0.97	0.05	33.1	0.2	18.0	1.10	64.3	70	79.1
114	McDonalds Corporation	26.84	1.41	0.23	19.0	0.9	10.0	1.50	39.0	58	78.6
115	Automatic Data Processing Inc	55.46	1.47	0.46	37.7	0.8	14.0	1.87	64.6	119	77.8
116	Tiffany & Co.	28.80	1.20	0.16	24.0	0.6	16.0	1.24	50.6	62	77.5
117	Interpublic Group Companies 2	29.13	0.79	0.38	36.9	1.3	12.0	1.21	52.1	62	77.5
118	Heinz H J Company2	38.12	1.35	1.62	28.2	4.2	5.0	2.86	28.3	81	77.5
119	Synovus Financial Corporation	23.50	1.05	0.51	22.4	2.2	9.0	1.22	41.2	50	76.0
120	Goodrich Corporation	24.37	4.02	1.10	6.1	4.5	5.0	3.00	17.1	51	75.9
121	Century Telephone Enterprises, Inc 2	33.80	2.49	0.20	13.6	0.6	12.0	1.71	42.6	72	75.8
122	TXU Corporation 2	45.10	3.45	2.40	13.1	5.3	4.0	4.25	22.2	94	75.4
123	XL Capital Limited	92.98	-2.91	1.84	NA	2.0	11.3	5.75	34.5	197	75.4
124	Tellabs Incorporated 1	15.28	0.36	0.00	42.4	0.0	15.0	0.75	43.9	33	74.8
125	Radio Shack Corporation	28.96	1.68	0.22	17.2	0.8	13.0	1.65	37.6	61	74.3
126	Marsh & McLennan Companies	106.97	4.05	2.12	26.4	2.0	11.0	4.75	47.7	225	73.8
127	Watson Pharmaceuticals Incorporated	29.93	0.42	0.00	71.3	0.0	11.0	2.22	28.8	63	73.4
128	Keyspan Corporation	33.13	1.73	1.78	19.2	5.4	5.0	2.75	24.9	68	73.0
129	NVIDIA Corporation 1	54.64	1.83	0.00	29.9	0.0	20.0	1.28	91.5	115	72.8
130	Brown-Forman Corporation CI B	60.90	3.35	1.40	18.2	2.3	7.0	3.61	35.3	127	72.2
131	Avaya Incorporated	11.37	-1.33	0.00	NA	0.0	7.0	1.00	24.0	24	71.8
132	National Service Industries	15.92	0.66	0.64	24.1	4.0	5.0	2.00	16.4	33	71.0
133	Huntington Bancshares Incorporated 1	16.19	1.17	0.64	13.8	4.0	5.0	1.36	24.4	33	70.0
134	Johnson Controls Incorporated	79.52	5.41	1.32	14.7	1.7	7.0	5.20	31.7	164	69.8
135	Illinois Tool Works Incorporated	61.35	2.66	0.88	23.1	1.4	10.0	3.28	39.0	127	69.8
136	Avon Products Incorporated 2,14	47.74	2.13	0.76	22.4	1.6	10.0	2.25	43.7	98	67.7
137	Hershey Foods Corporation	65.46	2.68	1.21	24.4	1.8	10.0	3.01	44.7	133	67.4
138	Ingersoll-Rand Company2	41.89	2.28	0.68	18.4	1.6	7.0	2.99	28.6	85	66.6
139	US Airways Group Incorporated	7.49	-14.27	0.00	NA	0.0	3.0	2.00	7.7	15	66.5
140	Nortel Networks Corp. Hldg. Co.	7.80	-5.28	0.00	NA	0.0	17.0	0.30	53.9	16	66.3
141	Tyco International Limited 2, 41	58.80	2.85	0.05	20.6	0.1	15.0	2.75	44.2	120	66.2
142	Avery Dennison Corporation	53.98	2.56	1.32	21.1	2.4	10.0	2.70	40.7	109	66.0
143	Johnson & Johnson	58.25	1.87	0.72	31.1	1.2	12.0	2.18	54.7	118	65.5
144	Medtronic Incorporated 2,14,30	47.28	0.88	0.23	53.7	0.5	16.0	1.38	70.4	96	65.1
145	Cinergy Corporation	29.48	2.65	1.80	11.1	6.1	3.0	2.75	21.1	58	64.5
146	Federated Department Stores Inc	37.00	2.58	0.00	14.3	0.0	7.0	3.55	21.2	75	64.1
147	Morgan Stanley Dean Witter & Company 2	55.50	3.57	0.92	15.5	1.7	10.0	3.80	29.3	111	62.6
148	Hewlett-Packard Company	21.99	0.32	0.32	68.7	1.5	12.0	1.15	38.5	44	62.3
149	Amgen Incorporated 1	66.43	1.13	0.00	58.8	0.0	20.0	1.40	96.2	133	61.3
150	JDS Uniphase Corporation 1,2	10.08	-46.16	0.00	NA	0.0	22.0	0.23	88.9	20	61.1

Equity Valuation Model

Stock Rankings

Rank		Price	Earnings	Dividend	P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess
		(11/30/01)						Normalized	Normal	Normal	Potential
					Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return
151	Pulte Homes Incorporated 14	39.25	5.91	0.16	6.6	0.4	6.0	5.00	15.6	78	60.4
152	Winn-Dixie Stores Incorporated	13.71	1.09	1.02	12.6	7.4	4.0	1.25	21.0	26	59.7
153	IMS Health Incorporated	20.48	0.86	0.08	23.8	0.4	10.0	1.19	34.1	40	58.9
154	Pitney Bowes Incorporated	41.48	2.23	1.16	18.6	2.8	7.0	2.37	34.2	81	58.7
155	Dover Corporation	36.86	1.69	0.54	21.8	1.5	11.0	1.97	36.8	72	58.2
156	Intel Corporation 1	32.66	0.39	0.08	83.7	0.2	15.0	1.28	50.6	64	58.0
157	Becton Dickinson & Company	33.87	1.69	0.39	20.0	1.2	9.0	1.75	38.0	66	57.8
158	Sysco Corporation 2	24.59	0.93	0.36	26.4	1.5	11.0	1.00	48.3	48	57.8
159	WorldCom Inc - WorldCom Group 1,2	14.54	-7.80	0.00	NA	0.0	12.5	0.85	33.8	28	57.4
160	Sprint Corporation (FON Group) 2	21.79	0.18	0.50	NA	2.3	9.0	1.23	34.3	42	56.2
161	Alltel Corporation	65.08	3.50	1.36	18.6	2.1	9.0	3.18	39.6	125	56.1
162	Xcel Energy, Incorporation 2	27.31	2.28	1.50	12.0	5.5	3.0	2.35	22.0	52	55.9
163	United Technologies Corporation	60.20	4.23	0.90	14.2	1.5	11.0	3.60	32.5	116	55.8
164	Limited Incorporated	13.92	0.98	0.30	14.2	2.2	9.0	0.85	31.6	27	55.7
165	The Boeing Company 2	35.10	3.85	0.68	9.1	1.9	7.0	3.15	21.5	67	55.5
166	Pepsico Incorporated	48.63	1.66	0.58	29.3	1.2	12.0	1.89	49.9	93	55.1
167	Leggett & Platt Incorporated	21.64	0.99	0.48	21.9	2.2	8.0	1.37	30.4	41	55.0
168	Electronic Data Systems Corporation	69.22	2.74	0.60	25.3	0.9	13.0	2.75	48.6	132	53.6
169	Safeway Incorporated 2	44.56	2.33	0.00	19.1	0.0	10.0	2.75	31.3	85	53.5
170	State Street Corporation	52.34	1.97	0.40	26.6	0.8	12.0	2.00	50.4	100	53.3
171	Parker-Hannifin Corporation	41.05	2.43	0.72	16.9	1.8	9.0	2.94	26.6	78	52.5
172	Conagra Incorporated 2	22.97	1.33	0.94	17.3	4.1	5.0	1.55	27.8	43	52.5
173	Mcgraw-Hill Companies	56.50	2.86	0.98	19.8	1.7	9.0	2.80	38.3	107	52.1
174	Maytag Corporation 2	28.93	0.05	0.72	NA	2.5	8.0	2.12	25.6	54	50.8
175	Abbott Laboratories	55.00	1.10	0.84	50.0	1.5	11.0	2.24	46.4	103	50.7
176	Kohl's Corporation	67.85	1.32	0.00	51.4	0.0	17.5	1.65	78.8	128	50.7
177	Conseco Incorporated 2	4.23	-2.23	0.00	NA	0.0	4.5	0.72	11.1	8	50.5
178	Kinder Morgan Incorporated 2	48.93	1.63	0.20	30.0	0.4	15.0	2.05	45.4	92	50.1
179	Delta Air Lines Incorporated 2	28.98	-3.51	0.10	NA	0.3	6.0	3.50	15.6	54	50.0
180	SouthTrust Corporation 1,2	24.47	1.56	0.56	15.7	2.3	5.0	1.78	25.7	45	49.9
181	FPL Group Incorporated	55.40	4.46	2.24	12.4	4.0	3.0	5.00	20.4	102	49.6
182	Computer Associates International	33.27	-2.11	0.08	NA	0.2	12.0	1.93	32.6	62	49.5
183	Gannett Company Incorporated	69.45	3.32	0.92	20.9	1.3	9.0	3.53	36.9	129	49.4
184	Fiserv Incorporated 1	39.08	1.55	0.00	25.2	0.0	15.0	1.15	64.3	73	48.6
185	Ashland Incorporated	42.65	5.36	1.10	8.0	2.6	6.0	4.22	18.7	79	48.4
186	Stanley Works, The	41.79	2.31	0.96	18.1	2.3	7.0	2.50	31.0	77	48.2
187	Viacom Incorporated CI B 2,14	43.65	0.91	0.00	48.0	0.0	20.0	0.90	91.5	81	47.5
188	Black & Decker Corporation	37.04	2.12	0.48	17.5	1.3	8.0	3.00	22.9	68	47.3
189	Bellsouth Corporation 2	38.50	2.20	0.76	17.5	2.0	6.0	2.50	28.2	70	46.2
190	Conexant Systems Incorporated 1	14.89	-2.46	0.00	NA	0.0	15.0	0.50	55.6	27	46.1
191	Unisys Corporation	11.90	0.49	0.00	24.3	0.0	10.0	0.85	25.8	22	44.7
192	Compaq Computer Corporation	10.15	-0.81	0.10	NA	1.0	9.0	0.74	25.1	18	44.3
193	International Business Machines 2,14	115.59	4.62	0.56	25.0	0.5	11.5	5.00	42.5	211	44.3
194	Occidental Petroleum Corporation	25.00	4.67	1.00	5.4	4.0	5.0	2.60	17.2	45	44.3
195	Liz Claiborne Incorporated	49.98	3.67	0.45	13.6	0.9	8.0	4.12	22.2	91	44.3
196	Northern Trust Corporation 1	57.84	2.28	0.68	25.4	1.2	10.0	2.35	44.8	104	43.3
197	Apache Corporation 2	45.99	7.52	0.10	6.1	0.2	7.0	4.48	18.7	83	42.9
198	NCR Corporation	38.43	2.44	0.00	15.8	0.0	13.0	1.97	35.7	70	42.6
199	American Electric Power Company 2	41.25	3.18	2.40	13.0	5.8	3.0	3.86	18.7	72	42.4
200	Scientific-Atlanta Incorporated	26.89	2.10	0.04	12.8	0.1	13.5	1.29	38.0	49	42.3

Equity Valuation Model

Stock Rankings

Rank		Price	Earnings	Dividend	P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess
		(11/30/01)						Normalized	Normal	Normal	Potential
					Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return
201	Veritas Software Corporation 1	38.89	-1.43	0.00	NA	0.0	30.0	0.45	159.5	70	42.2
202	Symbol Technologies	16.62	-0.19	0.02	NA	0.1	17.5	0.53	57.3	30	42.1
203	Freeport-McMoran Copper & Gold CI B	13.35	0.93	0.00	14.4	0.0	10.0	0.94	25.8	24	42.1
204	K Mart Corporation	6.10	-0.76	0.00	NA	0.0	7.0	0.60	18.4	11	41.9
205	Target Corporation	37.54	1.40	0.22	26.8	0.6	13.0	1.60	42.5	67	41.8
206	Wal-Mart Stores Incorporated	55.15	1.45	0.28	38.0	0.5	14.0	1.72	57.9	98	40.7
207	Teradyne Incorporated	27.86	0.22	0.00	NA	0.0	12.0	1.57	32.1	50	40.7
208	Cendant Corporation	17.04	1.05	0.00	16.2	0.0	9.0	1.16	26.5	30	40.6
209	Consolidated Edison Incorporated 2	38.62	2.94	2.20	13.1	5.7	2.0	3.38	19.8	67	40.2
210	FMC Corporation	53.55	-10.34	0.00	NA	0.0	5.0	6.00	16.0	95	39.8
211	American Power Conversion Corporation 1	13.76	0.62	0.00	22.2	0.0	12.0	0.77	32.1	24	39.4
212	Baker Hughes Incorporated	32.97	0.81	0.46	40.7	1.4	13.0	1.45	40.5	58	39.4
213	BB&T Corporation	34.15	2.41	1.04	14.2	3.0	7.0	2.42	24.8	60	39.3
214	American Home Products Corporation	60.10	1.90	0.92	31.6	1.5	10.0	2.51	42.4	105	38.8
215	Tupperware Corporation	19.66	0.94	0.88	20.9	4.5	5.0	1.82	18.7	34	38.6
216	Procter & Gamble Company 2	77.46	2.12	1.52	36.5	2.0	9.0	3.25	42.0	135	38.5
217	Allegheny Technologies Incorporated	15.44	0.44	0.80	35.1	5.2	5.0	1.26	21.1	26	38.0
218	International Game Technology	61.99	2.90	0.00	21.4	0.0	13.3	3.00	36.8	109	37.9
219	Bear Stearns Companies Incorporated 2	57.50	4.71	0.60	12.2	1.0	8.0	4.50	22.5	100	37.4
220	Ameren Corporation	40.88	3.30	2.54	12.4	6.2	2.0	3.46	20.0	69	36.6
221	Harrahs Entertainment Incorporated	32.23	-0.02	0.00	NA	0.0	11.0	1.97	28.8	56	36.2
222	Sabre Holdings Corporation	34.69	0.53	0.00	65.5	0.0	11.0	2.12	28.8	61	36.1
223	Clorox Company 14	39.52	1.57	0.84	25.2	2.1	8.0	1.87	36.6	68	35.9
224	Pharmacia Corporation	44.40	1.23	0.54	36.1	1.2	15.0	1.58	49.1	77	35.7
225	First Data Corporation	73.24	2.51	0.08	29.2	0.1	12.0	2.80	45.7	127	34.9
226	Staples Incorporated 1	17.60	0.36	0.00	48.9	0.0	15.0	0.70	43.9	30	34.3
227	Union Planters Corporation	43.41	3.15	2.00	13.8	4.6	4.0	3.35	21.7	72	33.3
228	Dow Chemical Company 14	37.50	-17.22	1.34	NA	3.6	7.5	1.55	40.9	63	33.2
229	Chiron Corporation 1	43.40	0.01	0.00	NA	0.0	22.0	0.85	88.9	74	32.9
230	Nicor Incorporated	38.97	3.04	1.76	12.8	4.5	3.0	3.10	21.0	65	32.9
231	EMC Corporation	16.79	0.02	0.00	NA	0.0	20.0	0.40	72.9	29	32.7
232	FedEx Corporation	45.86	1.85	0.00	24.8	0.0	9.0	2.37	33.2	78	31.9
233	Progress Energy Incorporated 2	41.45	2.97	2.12	14.0	5.1	3.0	3.50	19.6	68	31.7
234	Union Pacific Corporation 2	55.05	3.43	0.80	16.0	1.5	7.0	4.15	22.5	93	31.5
235	Cooper Industries Incorporated	40.85	3.06	1.40	13.3	3.4	5.0	3.15	21.6	68	31.2
236	Coca-Cola Company	46.96	1.33	0.72	35.3	1.5	12.0	1.77	44.9	79	31.0
237	Alberto-Culver Company CI B	43.52	1.96	0.33	22.2	0.8	8.0	2.20	33.5	73	30.5
238	Eastman Kodak Company	30.27	1.63	1.80	18.6	5.9	4.0	2.00	24.7	49	30.5
239	UST Incorporated	35.90	2.87	1.84	12.5	5.1	3.0	3.00	19.6	59	30.0
240	Lowe's Companies Incorporated 2	45.31	1.13	0.08	40.1	0.2	16.0	1.30	59.2	76	29.5
241	Aluminum Company Of America	38.60	1.69	0.60	22.8	1.6	7.0	2.33	27.7	64	29.5
242	SLM Holding Corporation 2	85.07	1.30	0.80	65.4	0.9	12.0	3.83	37.4	142	29.3
243	Emerson Electric Company 2	54.06	3.36	1.55	16.1	2.9	8.0	3.19	28.1	89	29.2
244	Delphi Automotive Systems Corporation	13.72	-0.07	0.28	NA	2.0	5.0	1.13	20.2	23	29.2
245	Applied Materials Incorporated 1	39.74	0.95	0.00	41.8	0.0	17.0	1.25	53.9	66	29.0
246	Lilly Eli & Company	82.67	2.77	1.12	29.8	1.4	12.0	2.96	46.7	137	28.5
247	Bank One Corporation 2	37.44	1.38	0.84	27.1	2.2	7.0	2.70	22.9	61	27.9
248	Family Dollar Stores	29.80	1.10	0.24	27.1	0.8	12.5	1.20	41.4	49	27.5
249	Sara Lee Corporation	21.88	1.97	0.60	11.1	2.7	5.0	1.36	26.3	36	27.4
250	Biomet Incorporated 1	27.99	0.52	0.00	53.8	0.0	13.0	0.85	55.0	46	26.9

Equity Valuation Model

Stock Rankings

Rank		Price		P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess	
		(11/30/01)	Earnings				Normalized	Normal	Normal	Potential	
				Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return	
251	KLA-Tencor Corporation 1,2	50.23	1.58	0.00	31.8	0.0	20.5	1.10	76.6	83	26.8
252	Carnival Corporation	26.11	1.72	0.42	15.2	1.6	7.0	1.38	31.1	43	26.8
253	Transocean Sedco Forex Inc 2	28.30	0.75	0.12	37.7	0.4	10.0	1.75	26.8	47	26.6
254	Masco Corporation	20.93	0.45	0.54	46.5	2.6	7.0	1.42	24.0	34	25.9
255	Anheuser-Busch Companies Inc 2	43.10	1.88	0.72	22.9	1.7	7.0	2.12	33.1	70	25.4
256	Gateway Incorporated	9.40	-3.56	0.00	NA	0.0	10.0	0.60	25.8	15	25.2
257	Sunoco Incorporated	36.56	6.68	1.00	5.5	2.7	5.0	3.75	15.7	59	25.2
258	Burlington Northern Santa Fe Corp 2	29.31	2.05	0.48	14.3	1.6	5.0	2.63	18.1	47	25.1
259	Engelhard Corporation	27.95	1.26	0.40	22.2	1.4	6.0	1.75	26.0	45	24.9
260	Public Service Enterprises 2	40.55	3.74	2.16	10.8	5.3	2.0	3.75	17.1	64	24.6
261	Pepsi Bottling Group	44.45	2.04	0.08	21.8	0.2	10.0	2.15	33.7	72	23.7
262	AmerisourceBergen Corporation	59.50	2.16	0.03	27.5	0.1	14.0	2.45	39.7	96	23.6
263	Unum Corporation 2	25.80	2.53	0.59	10.2	2.3	5.0	2.74	15.1	41	23.5
264	Ciena Corporation 1	17.75	0.64	0.00	27.7	0.0	20.0	0.40	72.9	29	23.5
265	Lehman Brothers Holding Incorporated 2,14	66.15	5.90	0.28	11.2	0.4	8.0	5.00	21.5	107	23.4
266	Costco Companies Incorporated 1	40.88	1.34	0.00	30.5	0.0	13.0	1.47	45.3	66	22.9
267	Franklin Resources Incorporated	35.75	1.92	0.26	18.6	0.7	7.0	2.39	24.1	57	22.7
268	MBIA Incorporated 2	50.93	3.71	0.60	13.7	1.2	4.0	4.60	17.8	81	22.7
269	Computer Sciences Corporation	47.65	0.85	0.00	56.1	0.0	13.0	2.03	38.1	76	22.2
270	Stryker Corporation	54.91	1.31	0.08	41.9	0.1	15.0	1.50	59.2	88	21.7
271	Power-One Incorporated 1	9.98	-0.83	0.00	NA	0.0	17.0	0.30	53.9	16	21.6
272	Crane Company	23.70	2.09	0.40	11.3	1.7	5.0	2.05	18.3	37	21.5
273	HCA-The Healthcare Company	38.79	0.62	0.08	62.6	0.2	12.0	1.91	32.6	62	21.1
274	Health Management Association	19.51	0.80	0.00	24.4	0.0	10.0	1.00	31.3	31	21.0
275	Donnelley R R & Sons Company	29.30	1.65	0.96	17.8	3.3	5.0	1.81	25.3	46	20.8
276	Visteon Corporation 2	13.80	-0.42	0.24	NA	1.7	3.5	1.50	14.5	22	20.8
277	Reebok International Ltd	23.26	1.07	0.00	21.7	0.0	8.0	1.80	20.7	37	20.5
278	Colgate Palmolive Company	58.36	1.87	0.72	31.2	1.2	11.0	2.00	46.3	92	20.1
279	Nordstrom Incorporated	18.93	0.75	0.36	25.2	1.9	8.0	0.97	30.7	30	19.9
280	Snap-On Incorporated	31.30	1.35	0.96	23.2	3.1	5.0	2.12	23.0	48	19.6
281	Eastman Chemical Company	38.37	-0.46	1.76	NA	4.6	5.0	2.80	21.1	59	19.3
282	Fortune Brands Incorporated 2	39.27	-0.68	1.00	NA	2.5	7.0	2.52	24.3	61	19.2
283	Lincoln National Corporation 2	47.70	3.01	1.28	15.8	2.7	5.0	3.90	18.9	73	18.2
284	FirstEnergy Corporation	33.78	2.80	1.50	12.1	4.4	2.0	3.29	15.6	51	18.1
285	DTE Energy Company 2	41.30	2.95	2.06	14.0	5.0	2.0	3.75	16.7	62	18.0
286	Knight-Ridder Incorporated	60.60	0.65	1.00	93.2	1.7	9.0	3.45	27.4	94	18.0
287	Ford Motor Company 2	18.94	0.23	0.60	82.3	3.2	4.0	2.25	12.9	29	17.8
288	Aon Corporation	35.83	0.76	0.90	47.1	2.5	5.0	2.56	21.5	55	17.3
289	Anadarko Petroleum Corporation	51.90	5.11	0.30	10.2	0.6	9.0	3.32	24.4	80	17.1
290	Qualcomm Incorporated 1	58.72	-0.73	0.00	NA	0.0	20.0	1.27	72.9	91	16.9
291	Southern Company 2	22.75	2.17	1.34	10.5	5.9	2.0	1.72	19.8	34	16.8
292	Praxair Incorporated	52.92	1.95	0.68	27.1	1.3	7.0	3.00	27.2	81	16.6
293	Tricon Global Restaurants Incorporated	47.45	3.31	0.00	14.3	0.0	7.0	3.25	22.6	73	15.7
294	PMC-Sierra Incorporated 1	22.79	-1.70	0.00	NA	0.0	25.0	0.30	119.3	35	15.7
295	Countrywide Credit Industries Inc. 3,4	42.48	4.02	0.40	10.6	0.9	6.0	3.95	16.5	65	15.6
296	Wachovia Corporation 2,14,18	30.95	-0.36	0.96	NA	3.1	5.0	2.80	16.7	47	15.1
297	Torchmark Corporation	39.45	3.03	0.36	13.0	0.9	5.0	3.25	18.4	60	13.7
298	Minnesota Mining & Manufacturing 2	114.58	3.48	2.40	32.9	2.1	7.0	4.85	35.6	172	13.5
299	Deere & Company	39.99	-0.27	0.88	NA	2.2	8.0	2.29	26.3	60	13.3
300	Sun Microsystems Incorporated 1	14.24	0.08	0.00	NA	0.0	17.0	0.38	57.4	22	12.9

Equity Valuation Model

Stock Rankings

Rank		Price	Earnings	Dividend	P/E Ratio	Dividend Yield	Projected Growth Rate	Dec-02	Calculated	Nov-02	Excess
		(11/30/01)						Normalized Earnings	Normal P/E	Normal Value	Potential Return
301	MedImmune, Incorporated 1	44.10	0.63	0.00	70.0	0.0	21.0	0.84	80.5	67	12.6
302	Block H&R Incorporated	39.84	1.73	0.64	23.0	1.6	10.0	1.95	30.7	59	12.5
303	Disney Walt Company 14,34	20.47	0.55	0.21	37.2	1.0	12.5	0.82	37.7	31	12.3
304	Dominion Resources Incorporated 2	58.45	2.82	2.58	20.7	4.4	3.0	4.50	19.0	85	12.2
305	Novell Incorporated 1	4.26	-0.79	0.00	NA	0.0	7.0	0.35	18.4	6	12.2
306	Reliant Energy Incorporated 2,56	25.55	3.17	1.50	8.1	5.9	3.0	2.60	14.2	37	11.9
307	Genuine Parts Company	33.70	2.19	1.14	15.4	3.4	3.0	2.36	20.8	49	10.4
308	Robert Half International	26.95	0.86	0.00	31.3	0.0	15.0	0.92	43.9	40	9.9
309	Jabil Circuit	26.30	0.62	0.00	42.4	0.0	17.0	0.73	53.9	39	9.4
310	Schwab (Charles) Corporation	14.36	0.27	0.04	53.2	0.3	16.0	0.40	53.5	21	9.2
311	Dana Corporation	13.70	-0.60	0.04	NA	0.3	4.0	2.00	10.1	20	9.2
312	Wendys International Incorporated	28.43	1.59	0.24	17.9	0.8	7.0	1.60	26.1	41	8.5
313	Newell Company	25.65	1.22	0.84	21.0	3.3	5.0	1.50	24.6	37	8.4
314	Gillette Company	32.70	0.18	0.65	NA	2.0	10.0	1.20	39.7	47	8.2
315	Micron Technology Incorporated	27.16	-0.88	0.00	NA	0.0	12.0	1.25	32.1	40	7.9
316	Sapient Corporation 1	6.28	-1.28	0.00	NA	0.0	22.5	0.10	93.4	9	7.8
317	Forest Laboratories	70.80	1.64	0.00	43.2	0.0	20.0	1.44	72.9	103	7.7
318	Yahoo! Incorporated 1	15.57	0.18	0.00	86.5	0.0	22.0	0.26	88.9	23	7.6
319	St Jude Medical Incorporated	74.50	1.90	0.00	39.2	0.0	13.0	2.56	42.9	109	7.6
320	Citrix Systems Incorporated 1	22.37	0.51	0.00	43.9	0.0	15.0	0.75	43.9	33	7.2
321	Hilton Hotels Corporation 2	9.90	0.58	0.08	17.1	0.8	7.0	0.72	19.9	14	6.5
322	Linear Technology Corporation 1	41.03	1.35	0.16	30.4	0.4	20.0	0.70	85.8	59	6.1
323	Vulcan Materials Company	46.25	2.22	0.90	20.8	1.9	7.0	2.68	24.7	66	6.1
324	Weyerhaeuser Company	52.85	2.67	1.60	19.8	3.0	6.0	3.42	21.9	74	5.5
325	Best Buy Company, Incorporated	71.39	1.81	0.00	39.4	0.0	16.0	2.13	48.7	102	5.1
326	Willamette Industries Incorporated	48.25	2.65	0.92	18.2	1.9	7.0	3.00	22.9	68	4.9
327	Air Products & Chemicals Inc	45.72	2.17	0.80	21.1	1.7	5.0	2.66	24.4	65	4.6
328	TRW Incorporated	39.02	2.15	0.70	18.1	1.8	6.0	3.00	18.3	55	3.4
329	Rockwell International Corporation 2	16.50	1.65	0.66	10.0	4.0	5.0	1.00	22.7	23	2.9
330	Molex Incorporated 1	28.74	0.83	0.10	34.6	0.3	9.0	1.25	32.6	40	2.8
331	Sears Roebuck & Company 2	45.51	2.64	0.92	17.2	2.0	5.0	4.19	15.1	63	2.0
332	Royal Dutch Petroleum	48.34	3.72	1.20	13.0	2.5	6.0	3.30	20.2	66	1.1
333	Cooper Tire & Rubber Company	14.82	0.59	0.42	25.1	2.8	3.0	1.37	14.8	20	0.9
334	Bemis Company Incorporated	50.27	2.56	1.00	19.6	2.0	5.0	2.75	25.2	69	0.9
335	Tenet Healthcare Corporation	60.00	2.30	0.00	26.1	0.0	10.0	2.85	29.5	83	0.7
336	Equifax Incorporated	24.89	1.73	0.08	14.4	0.3	7.0	1.31	26.2	34	-0.7
337	Intuit Incorporated 1	43.90	-0.43	0.00	NA	0.0	20.0	0.84	72.9	60	-1.0
338	Wrigley William Jr Company	50.54	1.56	0.76	32.4	1.5	9.0	1.65	41.8	68	-1.3
339	ITT Industries Incorporated	49.04	3.11	0.60	15.8	1.2	7.0	3.18	21.1	67	-1.3
340	Pactiv Corporation	17.50	0.82	0.00	21.3	0.0	7.0	1.00	24.0	24	-1.8
341	Biogen Incorporated 1	58.91	1.92	0.00	30.7	0.0	15.0	1.85	43.9	80	-2.0
342	Du Pont E I De Nemours & Company 2	44.34	0.62	1.40	71.5	3.2	7.0	2.00	29.5	59	-2.7
343	PPG Industries Incorporated	53.77	2.77	1.68	19.4	3.1	5.5	3.50	20.3	71	-3.5
344	Circuit City Group	17.55	0.73	0.07	24.0	0.4	10.0	0.88	27.0	24	-3.8
345	Unilever NV 2	56.90	0.00	1.10	NA	1.9	7.0	3.25	23.3	75	-3.9
346	Bard C R Incorporated 41	63.08	2.20	0.84	28.7	1.3	7.0	3.00	28.0	84	-4.6
347	Peoplesoft Incorporated 1	34.91	0.60	0.00	58.2	0.0	20.0	0.65	72.9	47	-4.7
348	VF Corporation	37.98	2.36	0.96	16.1	2.5	3.0	3.14	15.8	49	-5.6
349	Danaher Corporation	58.65	2.38	0.08	24.6	0.1	12.0	2.41	32.5	78	-5.9
350	Sempra Energy 2	23.16	2.50	1.00	9.3	4.3	3.0	2.49	11.9	30	-6.4

Equity Valuation Model

Stock Rankings

Rank		Price	Earnings	Dividend	P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess
		(11/30/01)						Normalized	Normal	Normal	Potential
					Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return
351	Altera Corporation 1	22.76	0.78	0.00	29.2	0.0	18.0	0.51	59.7	30	-6.5
352	Peoples Energy Corporation	38.42	2.74	2.04	14.0	5.3	2.0	3.25	15.0	49	-6.5
353	Allstate Corporation 2	34.24	1.97	0.76	17.4	2.2	5.0	2.83	15.7	44	-6.6
354	Albertsons Incorporated	33.56	1.71	0.76	19.6	2.3	5.0	2.13	20.5	43	-6.6
355	Siebel Systems Incorporated 1	22.35	0.55	0.00	40.6	0.0	20.0	0.41	72.9	29	-6.6
356	Xilinx Incorporated 1	36.11	-0.57	0.00	NA	0.0	22.0	0.54	88.9	47	-7.6
357	New York Times Company CI A	45.45	3.17	0.50	14.3	1.1	9.8	2.05	28.8	58	-8.5
358	Lexmark International Group Inc. - Class A	51.67	2.26	0.00	22.9	0.0	10.0	2.60	25.8	67	-9.4
359	Wellpoint Health Networks Incorporated 2,7	117.90	6.24	0.00	18.9	0.0	7.0	6.00	25.4	152	-9.7
360	Sigma-Aldrich Corporation 1	42.76	1.71	0.34	25.0	0.8	6.0	2.20	24.9	54	-10.1
361	Brunswick Corporation	19.70	4.79	0.50	4.1	2.5	5.0	1.50	16.5	25	-10.3
362	Rockwell Collins Incorporated	16.81	1.42	0.36	11.8	2.1	5.0	1.35	15.7	21	-10.3
363	Bausch & Lomb Incorporated 2	33.25	0.61	1.04	54.5	3.1	7.0	1.35	30.9	41	-10.5
364	Phillips Petroleum Company	55.63	8.16	1.44	6.8	2.6	5.0	4.19	16.7	70	-10.6
365	Chubb Corporation	70.06	1.42	1.36	49.3	1.9	5.0	4.50	19.7	88	-10.6
366	Advanced Micro Devices Inc	13.56	0.35	0.00	38.7	0.0	14.0	0.44	39.6	17	-11.2
367	Great Lakes Chemical Corporation	24.42	-4.29	0.32	NA	1.3	6.0	1.75	17.6	31	-11.5
368	Tribune Company	36.10	0.72	0.44	50.1	1.2	10.0	1.25	36.6	45	-11.5
369	Moody's Corporation	34.67	1.15	0.18	30.1	0.5	10.0	1.25	35.2	44	-12.0
370	Rohm & Haas Company	35.50	1.21	0.80	29.3	2.3	7.0	1.75	25.3	44	-12.2
371	Whirlpool Corporation	65.76	3.45	1.36	19.1	2.1	5.0	5.25	15.6	82	-12.2
372	Palm Incorporated 1	3.49	-0.72	0.00	NA	0.0	25.0	0.03	149.2	4	-12.4
373	Applied Micro Circuits Corporation 1	13.63	-13.23	0.00	NA	0.0	30.0	0.11	159.5	17	-12.4
374	Worthington Industries Incorporated	14.80	0.48	0.64	30.8	4.3	4.0	1.00	18.0	18	-12.7
375	Conoco Incorporated	27.37	3.23	0.76	8.5	2.8	4.0	2.53	13.3	34	-13.1
376	PPL Corporation 2	35.57	4.25	1.06	8.4	3.0	2.0	4.00	10.9	43	-13.1
377	Lucent Technologies Incorporated 14,16	7.32	-4.18	0.00	NA	0.0	7.0	0.50	18.4	9	-13.2
378	Applera Corp - Applied Biosystems 2	33.10	0.93	0.17	35.6	0.5	15.0	0.89	46.8	41	-13.5
379	Loews Corporation	56.83	-4.87	0.60	NA	1.1	4.0	6.50	10.9	70	-13.5
380	Alcan Incorporated	36.00	1.23	0.60	29.3	1.7	5.0	3.00	14.8	44	-13.6
381	EOG Resources Incorporated 2	34.98	4.94	0.16	7.1	0.5	8.0	2.00	21.8	43	-14.2
382	Cummins Incorporated	36.26	-5.90	1.20	NA	3.3	4.0	3.01	14.6	44	-14.5
383	Campbell Soup Company 2,19	29.31	1.51	0.63	19.4	2.1	6.0	1.32	27.1	36	-14.5
384	Dillard's Incorporated	16.55	0.52	0.16	31.8	1.0	5.0	1.25	16.3	20	-14.7
385	Pall Corporation	23.02	0.91	0.68	25.3	3.0	5.0	1.07	25.9	28	-15.3
386	Coors Adolph Company CI B	57.03	3.20	0.82	17.8	1.4	7.0	3.15	22.1	69	-15.5
387	Nike Incorporated	52.99	2.16	0.48	24.5	0.9	10.0	2.25	28.9	64	-15.8
388	Exxon Mobil Corporation 14	37.40	2.47	0.92	15.1	2.5	5.0	2.25	20.0	45	-15.9
389	Caterpillar Incorporated	47.42	2.61	1.40	18.2	3.0	5.0	3.11	18.3	57	-16.1
390	Edison International 2,10	15.10	-11.12	0.00	NA	0.0	3.0	1.90	9.7	18	-17.0
391	Kellogg Company	29.49	1.11	1.01	26.6	3.4	4.0	1.41	24.7	35	-17.3
392	McDermott International Inc	11.27	-0.05	0.00	NA	0.0	5.0	1.10	12.4	14	-17.4
393	Motorola Incorporated 2	16.54	-1.17	0.16	NA	1.0	15.0	0.40	50.1	20	-17.6
394	ADC Telecommunications Incorporated 1	4.44	-1.64	0.00	NA	0.0	12.5	0.16	33.8	5	-17.7
395	Citizens Communications	9.79	0.67	0.00	14.6	0.0	18.0	0.20	59.7	12	-18.1
396	Ryder System Incorporated	20.50	0.76	0.60	27.0	2.9	3.0	1.84	13.0	24	-18.6
397	St Paul Companies Incorporated	47.08	3.88	1.12	12.1	2.4	5.0	3.35	16.5	55	-18.7
398	General Motors Incorporated 2	49.70	1.94	2.00	25.6	4.0	3.0	4.74	12.1	57	-18.8
399	Deluxe Corporation	39.52	2.40	1.48	16.5	3.7	3.0	2.50	18.3	46	-19.0
400	American Greetings Corporation CI A	13.05	-3.33	0.40	NA	3.1	3.0	1.46	10.4	15	-19.3

Equity Valuation Model

Stock Rankings

Rank		Price	Earnings	Dividend	P/E Ratio	Dividend Yield	Projected Growth Rate	Dec-02	Calculated	Nov-02	Excess
		(11/30/01)						Normalized Earnings	Normal P/E	Normal Value	Potential Return
401	Eaton Corporation	69.61	4.05	1.76	17.2	2.5	5.0	4.75	17.1	81	-19.6
402	Centex Corporation 2	45.19	5.74	0.16	7.9	0.4	4.0	5.25	10.2	53	-19.6
403	Compuware Corporation 1	11.18	0.38	0.00	29.4	0.0	10.0	0.51	25.8	13	-21.4
404	Dow Jones & Company	50.62	0.55	1.00	92.0	2.0	7.0	2.20	26.5	58	-21.8
405	Hercules Incorporated 2	10.10	-0.82	0.00	NA	0.0	5.0	0.95	12.4	12	-21.8
406	International Flavors & Fragrances	30.65	1.13	0.60	27.1	2.0	5.0	1.72	20.3	35	-22.7
407	Zimmer Holdings Incorporated	32.26	0.00	0.00	NA	0.0	13.0	1.05	35.7	37	-23.5
408	ChevronTexaco Corporation	85.01	8.24	2.80	10.3	3.3	5.0	4.59	20.7	95	-23.5
409	Autodesk Incorporated 1	37.20	1.81	0.24	20.6	0.6	7.0	2.13	19.9	42	-24.3
410	Manor Care Incorporated 2	23.35	1.07	0.00	21.8	0.0	9.0	1.16	23.1	27	-24.3
411	Agilent Technologies Incorporated	27.27	0.38	0.00	71.8	0.0	18.0	0.42	75.1	31	-24.3
412	Cincinnati Financial Corporation 1	38.59	0.65	0.84	59.4	2.2	7.0	1.66	26.1	43	-24.4
413	Burlington Resources Incorporated	35.14	4.45	0.55	7.9	1.6	7.0	1.72	23.0	39	-24.7
414	Southwest Airlines Company	18.75	0.75	0.02	25.0	0.1	10.0	0.81	26.1	21	-26.3
415	Kerr-Mcgee Corporation	52.54	6.87	1.80	7.6	3.4	3.0	5.00	11.4	57	-26.5
416	Comcast Corp Cl A Special 1,14	38.00	1.84	0.00	20.7	0.0	12.0	1.32	32.1	42	-28.0
417	Tektronix Incorporated	22.48	1.28	0.00	17.6	0.0	8.0	1.20	20.7	25	-28.7
418	Ologic Corporation 1	49.45	0.94	0.00	52.6	0.0	20.0	0.75	72.9	54	-29.4
419	LSI Logic Corporation	16.25	-0.55	0.00	NA	0.0	13.0	0.50	35.7	18	-29.7
420	Entergy Corporation	36.90	3.38	1.32	10.9	3.6	3.0	3.17	12.1	38	-30.7
421	Big Lots, Incorporated	9.40	4.92	0.00	1.9	0.0	7.0	0.55	18.4	10	-31.1
422	Network Appliance Incorporated 1	15.43	0.05	0.00	NA	0.0	22.5	0.18	93.4	17	-31.2
423	Rowan Companies Incorporated	16.34	1.22	0.00	13.4	0.0	6.0	1.15	15.3	17	-31.3
424	Grainger W W Incorporated	46.80	1.70	0.70	27.5	1.5	5.0	2.56	19.3	49	-31.9
425	Paccar Incorporated 1	60.86	2.44	1.20	24.9	2.0	5.0	3.95	16.1	63	-32.0
426	United Health Group Incorporated 2	71.45	2.83	0.03	25.2	0.0	10.0	2.75	27.8	76	-32.1
427	Unocal Corporation	32.89	3.44	0.80	9.6	2.4	5.5	1.69	20.2	34	-32.7
428	Parametric Technology 1	8.75	0.21	0.00	41.7	0.0	8.0	0.45	20.7	9	-32.7
429	Texas Instruments Incorporated	32.05	0.32	0.09	NA	0.3	17.0	0.61	56.0	34	-32.8
430	General Mills Incorporated 2	49.35	2.45	1.10	20.1	2.2	5.0	2.13	24.0	51	-32.9
431	General Dynamics Corporation	83.15	4.54	1.12	18.3	1.3	6.0	4.72	18.4	87	-32.9
432	USX-US Steel Group	16.89	-0.58	0.40	NA	2.4	3.0	1.75	10.0	17	-33.0
433	Darden Restaurants Incorporated	30.74	1.70	0.08	18.1	0.3	7.0	1.70	19.1	32	-33.1
434	Northrop Grumman Corporation	93.88	5.95	1.60	15.8	1.7	5.0	6.25	15.6	97	-33.2
435	CSX Corporation	37.40	3.12	0.40	12.0	1.1	6.0	2.19	17.6	38	-34.7
436	Immunex Corporation 1	27.00	0.32	0.00	84.4	0.0	40.0	0.18	159.5	28	-35.0
437	Amerada Hess Corporation	58.10	14.44	1.20	4.0	2.1	2.0	8.45	6.9	59	-35.4
438	Dell Computer Corporation 1	27.93	0.44	0.00	63.5	0.0	15.0	0.66	43.9	29	-35.7
439	TJX Companies Incorporated	37.69	1.86	0.18	20.3	0.5	7.0	1.96	19.6	38	-36.3
440	Broadcom Corporation 1	43.99	-13.07	0.00	NA	0.0	27.5	0.30	152.0	45	-36.8
441	Boston Scientific Company 2,14	26.60	-0.15	0.00	NA	0.0	9.0	0.96	28.1	27	-37.5
442	Westvaco Corporation	28.61	0.87	0.88	32.9	3.1	4.0	1.75	15.9	28	-38.1
443	Sprint Corporation (PCS Group) 2,14	24.95	-1.48	0.00	NA	0.0	30.0	0.16	159.5	25	-38.3
444	Office Depot Incorporated	16.15	0.55	0.00	29.4	0.0	7.0	0.88	18.4	16	-38.5
445	Allied Waste Industries Incorporated 2	11.84	0.08	0.00	NA	0.0	5.0	0.95	12.4	12	-38.9
446	Schlumberger Limited	48.01	1.01	0.75	47.5	1.6	7.0	1.97	24.0	47	-39.0
447	Univision Communications 2	35.61	0.40	0.00	89.0	0.0	22.0	0.40	88.9	35	-40.1
448	National Semiconductor Corporation	30.13	0.28	0.00	NA	0.0	12.0	0.93	32.1	30	-40.3
449	McKesson Corporation	37.27	0.04	0.24	NA	0.6	8.0	1.60	22.8	36	-40.6
450	Autozone Incorporated	67.30	2.40	0.00	28.0	0.0	7.0	2.60	25.4	66	-40.7

Equity Valuation Model

Stock Rankings

Rank		Price		P/E	Dividend	Projected	Dec-02	Calculated	Nov-02	Excess	
		(11/30/01)	Earnings				Normalized	Normal	Normal	Potential	
			Dividend	Ratio	Yield	Growth Rate	Earnings	P/E	Value	Return	
451	Waste Management Incorporated	29.30	0.61	0.01	48.0	0.0	7.0	1.52	18.6	28	-42.6
452	Meredith Corporation	34.10	1.27	0.34	26.9	1.0	7.0	1.40	23.2	32	-42.6
453	Georgia-Pacific Group 2	32.06	-2.43	0.50	NA	1.6	4.0	2.50	12.1	30	-42.8
454	PG&E Corporation 2	18.30	-9.70	0.00	NA	0.0	2.0	2.62	6.7	17	-43.0
455	Norfolk Southern Corporation	19.39	0.75	0.24	25.9	1.2	5.0	1.20	14.8	18	-45.7
456	Aetna Incorporated 2	31.17	-3.48	0.04	NA	0.1	9.0	1.23	23.5	29	-46.0
457	Ralston-Purina Group	33.13	1.03	0.28	32.2	0.8	8.0	1.27	23.8	30	-46.9
458	Maxim Integrated Products 1	54.81	0.85	0.00	64.5	0.0	20.0	0.69	72.9	50	-47.9
459	Quintiles Transnational Corporation 1	16.55	-4.75	0.00	NA	0.0	10.0	0.58	25.8	15	-48.5
460	Allergan Incorporated	75.49	1.57	0.36	48.1	0.5	10.0	2.00	33.9	67	-48.7
461	Thomas & Betts Corporation	20.41	-2.17	0.00	NA	0.0	6.0	1.20	15.3	18	-49.0
462	Xerox Corporation 2	8.40	-0.48	0.00	NA	0.0	5.0	0.60	12.4	7	-49.8
463	Temple-Inland Incorporated 2	57.14	2.58	1.28	22.1	2.2	4.5	3.00	16.4	49	-50.1
464	Apple Computer Incorporated 1	21.30	-0.11	0.00	NA	0.0	9.0	0.79	23.1	18	-53.2
465	Navistar International Corporation	36.59	-2.21	0.00	NA	0.0	5.0	2.50	12.4	31	-53.7
466	Humana Incorporated	12.58	0.66	0.00	19.1	0.0	6.0	0.70	15.3	11	-53.7
467	AT&T Wireless Services 2	13.97	0.04	0.00	NA	0.0	25.0	0.10	119.3	12	-54.5
468	HEALTHSOUTH Corporation 2,14	14.72	0.55	0.00	26.8	0.0	6.0	0.81	15.3	12	-54.7
469	Hasbro Incorporated	16.45	-1.19	0.12	NA	0.7	7.0	0.63	21.1	13	-57.4
470	Safeco Corporation 1	32.16	-7.29	0.74	NA	2.3	4.0	1.66	15.2	25	-57.6
471	Ball Corporation	68.52	-3.33	0.60	NA	0.9	5.0	3.82	14.3	54	-57.9
472	Louisiana Pacific Corporation 2	7.68	-1.15	0.00	NA	0.0	3.0	0.80	7.7	6	-58.4
473	Boise Cascade Corporation	32.04	0.01	0.60	NA	1.9	4.0	1.85	13.5	25	-58.5
474	Toys R Us Incorporated	21.51	0.75	0.00	28.7	0.0	5.0	1.36	12.4	17	-60.0
475	International Paper Company	39.95	-2.16	1.00	NA	2.5	4.0	1.77	16.8	30	-61.6
476	Andrew Corporation 1	21.01	0.76	0.00	27.6	0.0	7.0	0.86	18.4	16	-63.3
477	Phelps Dodge Corporation	35.83	-1.83	0.00	NA	0.0	3.0	3.50	7.7	27	-63.4
478	Millipore Corporation 2	59.70	2.39	0.44	25.0	0.7	7.0	2.00	21.5	43	-66.0
479	Raytheon Company	32.77	0.42	0.80	78.0	2.4	3.0	1.89	12.1	23	-66.0
480	Goodyear Tire & Rubber Company	22.40	-0.85	0.48	NA	2.1	3.0	1.40	11.2	16	-66.4
481	Mead Corporation	30.92	0.24	0.68	NA	2.2	4.0	1.35	15.9	21	-66.7
482	Fluor Corporation	37.85	-0.40	0.64	NA	1.7	3.0	2.50	10.3	26	-68.9
483	Archer-Daniels-Midland Company	15.39	0.58	0.20	26.5	1.3	4.0	0.80	12.7	10	-71.3
484	Penney J C Incorporated	25.34	-1.38	0.50	NA	2.0	4.0	1.00	15.9	16	-73.6
485	Clear Channel Communications 2	46.73	-1.94	0.00	NA	0.0	20.0	0.25	110.2	27	-80.3
486	Coca-Cola Enterprises 2	17.45	0.15	0.16	NA	0.9	10.0	0.28	34.7	10	-82.1
487	Nucor Corporation	49.48	2.13	0.68	23.2	1.4	3.0	2.60	10.3	27	-83.0
488	AT&T Corporation 2	17.49	-1.41	0.15	NA	0.9	7.0	0.37	24.4	9	-86.0
489	Analog Devices Incorporated	42.50	1.00	0.00	42.5	0.0	10.0	0.84	25.8	22	-87.7
490	Progressive Corporation	146.53	4.55	0.28	32.2	0.2	5.0	5.58	13.0	72	-88.8
491	Sealed Air Corporation	45.90	1.97	0.00	23.3	0.0	5.0	1.81	12.4	22	-89.5
492	Mattel Incorporated	18.41	0.65	0.05	28.3	0.3	4.0	0.84	10.5	9	-90.1
493	Inco Limited	16.10	2.01	0.00	8.0	0.0	3.0	0.97	7.7	7	-92.1
494	Barrick Gold Corporation 2	15.13	-1.99	0.22	NA	1.5	2.0	0.69	8.7	6	-97.4
495	Lockheed Martin Corporation	46.45	1.42	0.44	32.7	0.9	3.0	1.67	10.3	17	-100.5
496	Placer Dome Incorporated	10.91	-0.77	0.10	NA	0.9	3.0	0.36	10.5	4	-102.8
497	Thermo Electron Corporation	21.70	0.41	0.00	52.9	0.0	3.0	0.97	7.7	7	-104.0
498	Niagara Mohawk Power Corporation 2	17.74	-0.48	0.00	NA	0.0	3.0	0.75	7.7	6	-105.9
499	Newmont Mining Corporation 2	19.67	-0.01	0.12	NA	0.6	2.0	0.55	7.7	4	-116.3
500	Homestake Mining Company	7.92	0.03	0.03	NA	0.4	2.0	0.20	6.8	1	-120.9

Equity Valuation Model

Stock Rankings

	Price	Earnings	Dividend	P/E Ratio	Dividend Yield	Projected Growth Rate	Dec-02 Normalized Earnings	Calculated Normal P/E	Nov-02 Normal Value	Excess Potential Return
All Stocks - Averages				35.5	1.4	9.8		37.0		34.0
All Stocks - Standard Deviation				24.4	1.6	5.8		26.7		67.7
S&P 500 Composite	1139.45	37.59	16.56	30.3	1.5	7.0	56.00	28.0	1561	0.0

Industry Rankings

Rank		Number of Stocks	P/E Ratio	Dividend Yield	Projected EPS Growth	Calculated Normal P/E	Excess Potential Return
1	Banks (Money Center / Major Reg.)	27	19.5	2.9	8.4	35.7	113.7
2	Finance (Diversified)	15	20.7	1.5	10.6	40.6	100.2
3	Utilities (Natural Gas)	9	22.5	3.5	7.8	29.6	88.6
4	Finance (Investment)	12	20.3	0.9	10.9	35.8	78.3
5	Utilities (Electric)	29	21.1	3.8	4.5	21.6	56.9
6	Building & Home	6	17.6	1.4	6.3	21.5	49.5
7	Computer Software and Services	26	44.0	0.1	15.9	61.1	49.0
8	Drugs	17	44.6	0.8	15.9	64.5	48.6
9	Retail	39	28.3	1.0	10.4	38.0	41.1
10	Insurance	24	34.7	1.4	7.9	27.9	40.8
11	Restaurants & Hotels	10	24.9	0.8	9.4	33.5	40.0
12	Telecommunications	24	52.4	0.6	14.1	54.4	38.4
13	Media: Entertainment / Publishing / Broadcast	19	43.7	0.9	13.4	54.4	34.4
14	Household Products / Personal Care	16	36.2	2.1	7.6	30.5	30.3
15	Oil and Gas Services	16	19.6	1.1	8.5	25.2	27.2
16	Chemicals	21	40.5	2.1	7.5	29.2	25.6
17	Industrial	14	31.1	1.9	6.9	25.2	22.1
18	Electrical Equipment	13	42.6	0.7	11.7	42.6	21.5
19	Transportation	10	37.0	0.9	6.0	18.4	16.2
20	Beverages, Foods, and Tobacco	19	25.4	2.3	7.1	30.7	14.1
21	Computer Hardware and Peripherals	37	59.6	0.2	16.9	66.0	13.6
22	Household Products / Personal Care	24	40.8	0.4	10.8	37.1	10.8
23	Miscellaneous	13	37.6	1.4	8.8	28.5	7.3
24	Oil (Domestic Integrated)	6	6.5	2.9	4.8	16.4	5.6
25	Autos & Equipment	16	46.8	1.9	5.6	20.9	-1.9
26	Aerospace / Defense	9	29.1	2.1	5.8	19.8	-5.0
27	Oil (International Integrated)	3	12.8	2.7	5.3	20.3	-12.7
28	Paper & Packaging	13	46.7	1.6	4.8	16.9	-39.5
29	Metals	13	47.2	1.5	4.0	13.6	-48.1

¹ UBS Warburg LLC and/or one of its affiliates makes a market in the securities of this company.

² UBS Warburg LLC, UBS PaineWebber Inc. and/or one of their affiliates has acted as a manager/co-manager or placement agent in underwriting securities of this company or one of its subsidiaries in the past three years.

³ A director or an employee of UBS Warburg LLC, UBS PaineWebber Inc. and/or one of their affiliates is a director of this company or one of its subsidiaries.

⁴ A director of this company acts as a consultant to UBS PaineWebber Inc.

⁷ UBS Warburg LLC is acting as advisor to Rightchoice Managed Care Inc. in its announced sale to Wellpoint Health Network Inc.

¹⁰ Edison Mission Energy is a subsidiary of Edison International.

¹⁴ Securities, or derivatives thereof, of this company, are owned either directly by the securities analyst covering the stock or indirectly by his/her household family members.

¹⁶ UBS Warburg LLC is acting as adviser to Furukawa Electric Co in relation to its proposed acquisition with Commscope Inc. of some of the fibre optics business of Lucent Technologies Inc.

¹⁸ UBS Warburg is acting as financial advisor to Radiant Partners (management team) in an MBO structure to acquire certain or all assets of First Union and Mortgage Investment.

¹⁹ UBS Warburg is acting as financial advisor to Campbell Soup Company in connection with the acquisition of certain assets from Unilever.

³⁰ UBS Warburg LLC acted as advisor to MiniMed, Inc., in the completed acquisition of MiniMed Inc. by Medtronic, Inc.

³⁴ UBS Warburg LLC, UBS PaineWebber Inc. and/or one of their affiliates is acting as manager/co-manager or placement agent in underwriting securities of this company.

⁴¹ UBS Warburg is acting as financial advisor to CR Bard in the announced acquisition of CR Bard by Tyco.

⁵⁰ UBS Warburg advised Devon Energy in the announced acquisitions of Mitchell Energy and Anderson Exploration.

⁵¹ UBS Warburg is joint lead bookrunner on the \$6 billion term loan facility being used to finance the announced acquisition of Mitchell Energy and Anderson Exploration.

⁵⁶ UBS Warburg LLC is acting as manager/co-manager in underwriting securities of Reliant Resources.

⁵⁷ UBS Warburg LLC is acting as co-manager in underwriting securities of Verizon Wireless.

Asset allocation model

The Asset Allocation Model identifies the relative attraction of three asset classes—cash, fixed income and equity—by examining the expected rate of return of representative instruments.

Expected Rate of Return for 10-year government bonds—Source: Board of Governors of the Federal Reserve System. Data represent yield on Treasury securities at a constant maturity of ten years.

Expected Rate of Return for T-bills—Source: Board of Governors of the Federal Reserve System. Data represent coupon equivalent yield of discount rates on new three-month bills issued.

Expected Rate of Return for the S&P 500—Based upon forecasts of normalized earnings, dividend and earnings growth rate, the expected rate of return is calculated as follows: Expected Rate of Return is R, given that P = current price, D = current normalized dividend, and g = secular long-term growth rate.

$$P = \sum \frac{D(1+g)^t}{D(1+R)^t}$$

Risk premium for stocks versus bonds—Expected rate of return of S&P 500, as defined above, less the expected rate of return of Government bonds, as defined above.

Risk premium for stocks versus cash—Expected rate of return of S&P 500, as defined above, less the expected rate of return of T-bills, as defined above.

Risk premium for bonds versus cash—Expected rate of return of Government Bonds, as defined above, less the expected rate of return of T-bills, as defined above.

By examining these respective measures of investor expected return rates, the premium expected return from one instrument versus another is determined. Comparing current relationships with normal average levels and the range about the average, the relative attraction of a given instrument versus another is determined.

The probability that any deviation from average is meaningful can be established by examining the distribution of risk premiums historically. The greater the actual deviation from average (relative to historical standard deviation) the greater the probability.

These probabilities are then combined to produce a suggested asset weighting mix. (A detailed explanation of the Asset Allocation model is available upon request.)

Equity valuation model

The equity valuation model is a fundamental model based upon an earnings payback methodology. The model analyzes the relative attraction of individual stocks, industry groups and economic sectors.

While a dividend discount/rate of return model can be used to assign a normal P/E level to the aggregate market, an earnings payback model is used to assign P/E's for individual stocks because of the difficulty in establishing reliable long-term inputs for individual companies (particularly dividend levels for high growth companies).

Earnings payback requires the determination of the time period for the market to payback, or recoup, the initial investment through the stream of earnings. For a particular stock at any given growth rate, a P/E can be assigned so that the stock through its stream of earnings will return the initial investment in the market's payback period.

Given the assigned P/E for a given growth rate, two adjustments are made: 1) a premium for above average dividend payout ratio and a discount for below average dividend payout ratio and 2) a premium for below average earnings volatility and a discount for above average earnings volatility.

Having developed a normal P/E for any given growth rate and made adjustments for dividend payout and earnings volatility, a unique normal P/E is thus assigned for a given stock. In order to calculate normal value, the normal assigned P/E is multiplied by normal earnings. Normal earnings is defined as earnings in mid-cycle, eliminating fluctuations due to seasonal or cyclical factors.

The excess potential return for a given stock is calculated, where excess potential return is defined as the potential total return (change from current price to normal value plus dividend yield) for a given stock less the potential return of the S&P 500.

Ranking stocks by excess potential return produces a list of stocks in order of relative attraction. The most attractive stocks have the highest excess potential return and the least attractive the lowest excess potential return. Ranking stocks by excess potential return has been an effective determination of future relative price performance for stocks. (A detailed explanation of the model is available upon request.)

Definition of terms

Fundamental data

Price The closing price as of the date of the report

Earnings The latest available 12 months' trailing earnings per share

Dividend The current indicated annual rate

P/E ratio The price divided by the earnings

Dividend yield The dividend divided by the price

Valuation model data

Projected growth rate The projected compound annual rate in mid-cycle to mid-cycle earnings growth rate is projected.

Normalized earnings The base in mid-cycle earnings, as of year-end, from which the earnings growth rate is projected.

Calculated normal P/E The theoretical fair value P/E based upon projected growth rate, dividend payout ratio and earnings volatility.

Normal value The normal value of the stock, as calculated by the model, one year forward from the date of the report.

Excess potential return Potential total return (change from current price to normal value plus dividend yield) for a given stock less the potential return of the S&P 500.

Liquidity Year-over-year basis point change in T-bills (inverted).

Earnings power Percent difference between S&P operating EPS and consensus normalized earnings.



This report was produced by:
UBS Warburg LLC

Street address:

1285 Avenue of the Americas
New York
NY 10019
+1-212-713-2000

UBS Warburg LLC, 1285 Avenue of the Americas, New York, NY 10019 Phone: +1-212-713-2000

This report has been prepared by the division, group, subsidiary or affiliate of UBS AG ("UBS") identified herein. In certain countries UBS AG is referred to as UBS SA, which is a translation of UBS AG, its registered legal name. UBS Warburg is a business group of UBS AG. This report is for distribution only under such circumstances as may be permitted by applicable law, including the following:

This report has no regard to the specific investment objectives, financial situation or particular needs of any specific recipient. The report is published solely for informational purposes and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. The report is based on information obtained from sources believed to be reliable but is not guaranteed as being accurate, nor is it a complete statement or summary of the securities, markets or developments referred to in the report. The report should not be regarded by recipients as a substitute for the exercise of their own judgement. Any opinions expressed in this report are subject to change without notice and UBS is not under any obligation to update or keep current the information contained herein. UBS and/or its directors, officers and employees may have or have had interests or long or short positions in, and may at any time make purchases and/or sales as principal or agent, or UBS may act or have acted as market-maker in the relevant securities or related financial instruments discussed in this report. Furthermore, UBS may have or have had a relationship with or may provide or has provided corporate finance, capital markets and/or other financial services to the relevant companies. Employees of UBS may serve or have served as officers or directors of the relevant companies. UBS may rely on information barriers, such as "Chinese Walls," to control the flow of information contained in one or more areas within UBS, into other areas, units, divisions, groups, or affiliates of UBS.

Options, derivative products and futures are not suitable for all investors, and trading in these instruments is considered risky. Past performance is not necessarily indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related instrument mentioned in this report. Clients wishing to effect transactions should contact their local sales representative. UBS accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this report. **Additional information will be made available upon request.**

EEA: This report has been issued by UBS Warburg Ltd., regulated in the UK by the Securities and Futures Authority. In the UK this report is for distribution to persons who are not UK private customers. Customers should approach the analyst(s) named on the cover regarding the contents of this report. For investment advice, trade execution or any other queries, customers should contact their London representative. **Switzerland:** This report is being distributed in Switzerland by UBS AG. **Italy:** Should persons receiving this research in Italy require additional information or wish to effect transactions in the relevant securities, they should contact either Giubergia UBS Warburg SIM SpA, an associate of UBS SA, in Milan or UBS Warburg (Italia) SIM SpA, a subsidiary of UBS SA, in Milan or its London or Lugano Branch. **South Africa:** UBS Warburg Securities (South Africa) (Pty) Ltd. (incorporating J.D. Anderson & Co.) is a member of the JSE Securities Exchange SA. **United States:** This report is being distributed to US persons by either UBS Warburg LLC or by UBS PaineWebber Inc., subsidiaries of UBS AG; or (ii) by a division, group, subsidiary or affiliate of UBS AG, that is not registered as a US broker-dealer (a "non-US affiliate"), to major US institutional investors only. UBS Warburg LLC or UBS PaineWebber Inc. accepts responsibility for the content of a report prepared by another non-US affiliate when distributed to US persons by UBS Warburg LLC or UBS PaineWebber Inc. All transactions by a US person in the securities mentioned in this report must be effected through UBS Warburg LLC or UBS PaineWebber Inc., and not through a non-US affiliate. **Canada:** This report is being distributed by UBS Bunting Warburg Inc., a subsidiary of UBS AG and a member of the principal Canadian stock exchanges & CIPF. A statement of its financial condition and a list of its directors and senior officers will be provided upon request. **Singapore:** This report is being distributed in Singapore by UBS Warburg Pte. Ltd. **Hong Kong:** This report is being distributed in Hong Kong to investors who fall within section 3(1) of the Securities Ordinance (Cap 333) by UBS Warburg Asia Limited. **Japan:** This report is being distributed in Japan by UBS Warburg (Japan) Limited to institutional investors only. **Australia:** This report is being distributed in Australia by UBS Warburg Australia Limited in relation to fixed income securities, and UBS Warburg Australia Equities Limited in relation to equity securities. **New Zealand:** This report is being distributed in New Zealand by UBS Warburg New Zealand Ltd in relation to fixed income securities and UBS Warburg New Zealand Equities Ltd in relation to equity securities.

(c) 2001. All rights reserved. No part of this report may be reproduced or distributed in any manner without the written permission of UBS. UBS specifically prohibits the re-distribution of this report, via the Internet or otherwise, and accepts no liability whatsoever for the actions of third parties in this respect.