MPSIF Small-Cap Fund

Small-Cap Report
12/11/00
Fund members and roles

- PM’s: Eric Woodworth, Steve Chung
- Fund Services: Melissa Sheer
- Research: Dave Lebowitz, Edson Jones, James Doyle, Matt Kather
- Market Strategists: Ashley Bradley, Ari Moses, Steve Cays
- Trader: Hayim Nomnazz
Small-Cap Fund Process

- Invest in stocks with market capitalizations from $100 M to $3 B
- Invest in both value and growth names
- Stocks pitched by analysts and voted on by entire team
- Sell holdings because of valuation concerns or declining fundamentals
Total Returns - Fund vs. S&P 600 Index

Since inception (03/01/00): 5.28% / -10.90%
Trailing 3 months: -0.01% / -12.9%
Trailing 1 month: -5.84% / -9.23%

Equity-only return since inception: 10.87%
## Portfolio Statistics

<table>
<thead>
<tr>
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<th>MPSIF Small-Cap</th>
<th>S&amp;P 600 Index</th>
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<tbody>
<tr>
<td>Median Mkt. Cap.</td>
<td>$1,430 M</td>
<td>$426 M</td>
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<tr>
<td>Average P/E</td>
<td>35.38</td>
<td>24.89</td>
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<tr>
<td>Average P/B</td>
<td>5.47</td>
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<tr>
<td>Average P/S</td>
<td>11.64</td>
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<tr>
<td>Average Beta</td>
<td>1.32</td>
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Small-Cap Fund Activity

- **Buys**
  - Cephalon
  - Illumina
  - US Freightways
  - Bisys
  - Silicon Valley Bancshare
  - Hott Topic
  - Hasbro
  - Insight Enterprises
  - Vintage Petroleum
  - Bemis

- **Sells**
  - JNI Corporation
  - Brinker International
  - Manugistics
  - KV Pharmaceutical Company

- **Watch List**
  - Barra
  - Kopin
  - Cerner
  - Mitel
  - CTS Corporation
  - Cree
Going Forward...

- Continue stock selection to get fully invested
- Add portfolio analytics