

THE BIG PICTURE

19 October 2003

All major domestic markets continue their longer term bullish pattern. All are at oversold levels and may experience pullbacks to their 50 day moving averages in the weeks to follow.

EAFE International index and Pacific Rim Index remain in established uptrends—both appear to be weathering the recent pullback a bit better than domestic indexes. International markets may also provide additional upside due to currency exchange gains.



How to best use this information

The information provided in this free weekly report is designed to give you a current snapshot of the marketplace. We analyze [Exchange Traded Funds](#) as a proxy for each industry sector that makes up the broad market index. Our goal is to identify the Active Sectors in the overall marketplace that are generating a significant part of the overall marketplace gains.

Each week we break the broad market index down to reveal which sectors are propelling the overall market index gains. We use 7 sets of proprietary technical, statistical and mathematical analyses on the Exchange Traded Funds we follow. Only sectors that have successfully made it through our proprietary screening will be contained in this report. These are the sectors that are in established uptrends.

You may wish to use this information to guide your approach to the marketplace, to time the indexes, to buy the actual sector ETFs themselves, or to focus your stock picking efforts in the strongest performing sectors of the market.

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DISCLAIMER: Information presented for these ETF observations was obtained from sources believed to be reliable, however we cannot warrant the accuracy or completeness or any results from the use of this information. Use of this information entirely at your own risk and it is your sole responsibility to evaluate the accuracy, completeness and usefulness of this information. You must evaluate and assess the risk of any trade with your broker or investment advisor and make

DOMESTIC ETF SECTOR RANKINGS

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MAJOR INDEXES	Close	1week%	3month%	# Days	Ticker
ISHARES TST	125.15	0.64	13.17	145	EFA
Russell 3000 Index	58.95	0.08	6.41	9	IWV
DIAMONDS TRUST STK UN	97.30	0.01	6.64	9	DIA
S&P DEPOS RECPTS	104.26	-0.30	5.86	9	SPY
NASDAQ 100 TRUST ETF	34.61	-1.14	11.00	10	QQQ
US SECTORS	Close	1week%	3month%	# Days	Ticker
B2B INTERNET ML ETF ADR	2.89	5.47	6.64	5	BHH
INTERNET INFRAST ML ETF ADR	3.84	2.67	13.61	6	IHH
REGIONAL BANK ML ETF ADR	120.82	1.50	4.65	10	RKH
ISHARES TRUST	36.13	1.32	15.95	10	IGV
FINANCIAL SELECT SPDR ETF	26.91	1.13	5.86	31	XLF
ISHR DJ FINL SVC	98.41	1.04	6.50	32	IYG
MATERIALS SELECT SECTOR SPDR FD	23.05	1.01	6.47	6	XLB
ISHARES TRUST	39.28	0.98	5.90	6	IYM
SEMICONDUCTOR ML ETF ADR	38.55	0.51	21.44	8	SMH
ISHARES TRUST	53.24	0.49	7.97	47	IOO
ISHARES TRUST	53.37	0.43	8.12	9	IYC
INDUSTRIAL SEL SPDR ETF	24.24	0.41	6.74	7	XLI
RETAIL HOLDRS ADR	91.79	0.40	10.96	9	RTH
CONSUMER STAPLES SPDR ETF	21.05	0.29	4.88	11	XLP
ISHS S&P HEALTH	43.82	0.27	0.37	10	IXJ
SOFTWARE HOLDRS ML ETF ADR	36.10	0.19	13.84	41	SWH
CONSUMER DISCRTN SPDR FD	29.41	0.17	7.38	8	XLY
ISHARES TRUST GLDMN SEMI IDX FD	58.53	0.05	23.20	9	IGW
ISHARES TRUST	44.25	-0.25	7.14	7	IYJ
ISHRS DJ UTL IDX	54.00	-0.41	5.37	37	IDU
ISHARES TRUST COHEN FD	101.39	-0.55	8.79	75	ICF
TECHNOLOGY SEL SPDR ETF	19.42	-0.61	11.74	10	XLK
ISHARES TRUST GOLDMN	43.75	-0.68	14.29	10	IGM
ISHARES TRUST	44.97	-0.68	4.34	32	IYK
WIRELESS HOLDRS ML ETF DR	43.20	-0.74	12.06	42	WMH
UTILITIES HOLDRS ML ETF ADR	73.80	-0.81	5.73	35	UTH
ENERGY SELECT SPDR ETF	24.63	-1.08	6.07	10	XLE
ISHRS DJ ENERGY	44.06	-1.17	6.32	10	IYE
BROADBAND HOLDRS ML ETF ADR	12.68	-1.17	29.79	44	BDH
INTERNET ARCH ETF ADR	34.46	-1.63	10.34	41	IAH
ISHARES TRUST	26.22	-1.72	27.53	43	IGN
ISHRS DJ CHEMCLS	40.45	-2.41	-2.20	33	IYD
ML INTERNET ETF ADR	47.27	-3.10	14.32	42	HHH

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INTERNATIONAL ETF SECTOR RANKINGS

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GLOBAL SECTORS	Close	1week%	3month%	# Days	Ticker
ISHS S&P GBL FIN	55.20	0.84	9.61	44	IXG
ISHS SP GBL IT	49.00	0.33	16.78	10	IXN
ISHS S&P HEALTH	43.82	0.27	0.37	10	IXJ
ISHS S&P GBL NRG	52.25	-0.46	6.20	10	IXC
ISHS S&P GBL NRG	40.65	-1.67	1.91	9	IXP
COUNTRY REGIONS	Close	1week%	3month%	# Days	Ticker
EUROPE 2001 ETF ADR	54.21	2.57	10.86	7	EKH
ISHARES MSCI UK	14.40	1.19	10.51	32	EWU
ISHARES CANADA	13.24	1.15	11.26	48	EWC
ISHARES SWEDEN	14.12	0.79	15.74	73	EWD
ISHARES S&P/TOPIX	83.64	0.72	24.67	42	ITF
ISHARES AUSTRAL	12.45	0.40	11.66	59	EWA
ISHARES MSCI JAP	9.55	0.21	25.00	45	EWJ
ISHARES NETHRLND	15.02	0.13	14.57	8	EWN
ISHARES BELGIUM	12.33	0.08	12.40	28	EWK
ISHARES	69.04	0.00	14.40	144	EPP
ISHARES MSCI SNG	6.08	-0.16	16.03	46	EWS
ISHARES AUSTRIA	11.46	-0.17	4.56	26	EWO
ISHARES HONG KNG	10.02	-0.30	27.00	116	EWH
ISHARES MSCI FRN	17.93	-0.50	7.11	10	EWQ
ISHARES S&P LAT	51.80	-1.09	11.88	44	ILF
ISHARES MSCI TAI FD	11.62	-1.69	15.74	42	EWT
ISHARES BRAZIL	13.95	-1.83	24.89	44	EWZ
ISHARES SPAIN FD	23.32	-1.89	3.19	9	EWP
CANADIAN SECTORS	Close	1week%	3month%	# Days	Ticker
TD S&P TSX CAPP UN	30.15	2.59	17.77	48	TCF.TO
TD SEL CDN VAL	17.92	2.22	13.42	67	TAV.TO
IUNITS CDN FINL FD UN	32.01	2.07	6.56	7	XFN.TO
TD S&P COMP UN	25.82	1.69	10.63	101	TTF.TO
IUNITS 60 CAPPED FD UN	48.15	1.69	6.53	4	XIC.TO
IUNITS 60 INDEX FD UN	43.47	1.57	6.28	4	XIU.TO
IUNITS CDN ENRGY FD UN	34.98	0.95	3.83	6	XEG.TO
IUNITS CDN MIDCP FD UN	49.90	0.60	8.60	126	XMD.TO
IUNITS TSX CANA UN	10.70	0.47	3.38	6	XRE.TO
IUNITS CDN INFO FD UN	6.35	-0.78	25.99	136	XIT.TO
IUNITS MSCI INTL	18.00	-1.10	5.88	11	XIN.TO

In the weeks to come

Over the next few weeks we will be developing more information and charts to include in our weekly report.

Please contact us with your ideas on how we can improve this free weekly publication. We are keenly interested in your feedback. Our goal is to provide the very best free weekly investment information supplemental available on the internet.

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