



GRS ASSET CONSULTING GROUP

MARKET SNAPSHOT

2ND QUARTER 2003 INDEX RETURNS

	QTR	YTD
S&P 500	15.39%	11.76%
S&P/Barra Growth	12.17%	11.25%
S&P/Barra Value	18.84%	12.29%
S&P Midcap 400	17.63%	12.41%
S&P 500 Equal Wt.	21.62%	16.17%
MSCI EAFE	19.57%	9.85%
Lehman Aggregate	2.50%	3.93%

Major Economic Indicators

- ◆ The CPI-Urban/1982-100 for the 12-month period ended June 2003 rose 2.1%. In the second quarter, consumer prices rose at a seasonally adjusted annual rate of -.7%.
- ◆ The Producer Price Index (PPI) for finished goods rose 2.9% for the 12-month period ended in June. The seasonally adjusted annual rate for the 3 months ended in June was -6.7%. For the six months ended in June, the seasonally adjusted annual rate rose 4.8%.
- ◆ Real Gross Domestic Product (GDP) rose at an annual rate of 1.4% (final) for the first quarter 2003. Real GDP rose 1.4% in the (final) fourth quarter of 2002.
- ◆ The Unemployment Rate was 6.4% in June. The rate was 6.1% in May, 6.0% in April, and 5.8% in March.

Federal Reserve News

- ◆ During the second quarter, the Federal Reserve Board reduced the primary discount rate from 2.25% to 2%. The primary discount rate is a result of the new discount rate program approved by the Federal Reserve Board on October 31, 2002. The primary discount rate is the interest rate the Federal Reserve charges banks for short-term loans.
- ◆ The Federal Reserve Open Market Committee reduced its target for the federal funds rate from 1.25% to 1% during the second quarter. The federal funds rate is the interest rate banks charge each other for overnight loans.

Sector Trends

- ◆ Best Performing Sector: Telecommunications Services rose 20.44% in the second quarter.
- ◆ Worst Performing Sector: Energy rose 6.40% in the second quarter.

Source: Standard & Poors (Performance reflects Price Returns Only)