

MONEY MANAGER NEWSLETTER

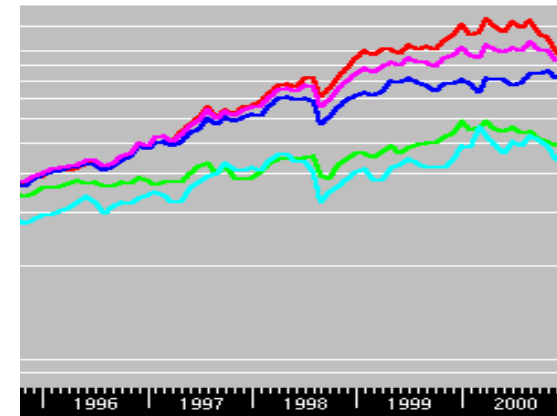
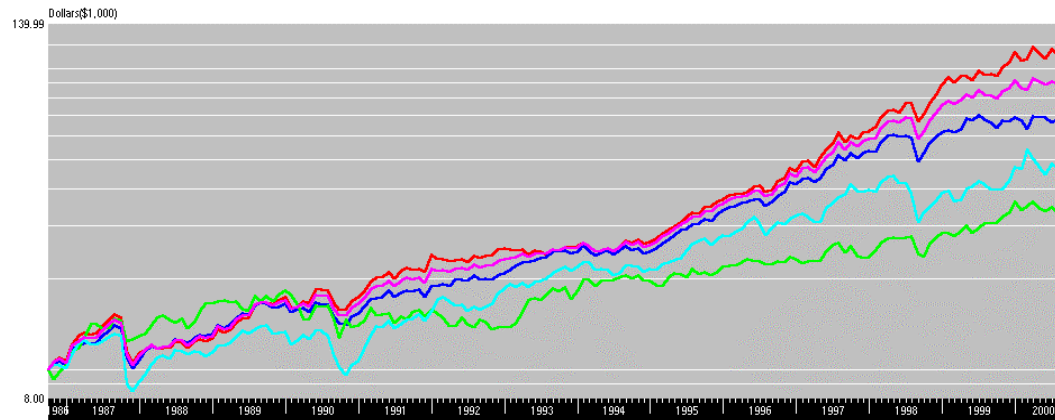
JANUARY 2001

Growth of \$10,000 from 10-01-1986 to 09-30-2000

- Idx: Barra Large Cap Growth
- Idx: Barra Large Cap Value
- Idx: MSCI EAFE ND
- Idx: Russell 2000
- Idx: Standard & Poor's 500

Fund/Index	Total Return %	Annualized Return %	Amount at End of Period \$
Idx: Barra Large Cap Growth	958.09	18.35	105,809
Idx: Barra Large Cap Value	620.81	15.15	72,081
Idx: MSCI EAFE ND	219.04	8.84	31,904
Idx: Russell 2000	388.25	11.99	48,825
Idx: Standard & Poor's 500	795.76	16.95	89,576

Annualized Return %	Amount at End of Period \$
16.15	94,452
15.40	85,768
11.42	50,618
10.98	47,740
16.01	92,819



Britt Cesarone – Advisory Research

The fixed income market was mainly driven by uncertainty during the fourth quarter. This uncertainty created a “flight to quality” rally, as the outcome of the election and the direction of the economy remained unclear.

The yield curve sustained a bullish steepening during the quarter. Rates were down across the curve but less so in the long end.

Roxbury Capital Management

At Roxbury, we believe that the market environment has been unusual in that a confluence of factors have created a “perfect storm” which, though dramatic, is temporary.*

*Editor’s note – “Sounds like a politician.”

Doug McPeck – Nottinghill Investment Advisers

U. S. common stocks began the year “priced for perfection.” In other words, valuations were high, but probably could be sustained in an environment of healthy growth, moderate inflation, and low interest rates. Of course, the perfect environment did not extend too far into 2000, and the year proved to be a difficult one for most world stock markets.

The verdict of our Market Model remains unfavorable; however, two recent phenomena are worth noting. First, we follow a 10-stock group of market leaders (entirely tech stocks at the time), which declined 31% in November. This suggests that a good deal of the euphoria associated with “the market leaders,” in a generic sense, is gone. Second, while we never forecast or try to anticipate, short-term interest rates do appear to be headed down. Both phenomena bode well for equities in general and the market leaders in particular as the year progresses.