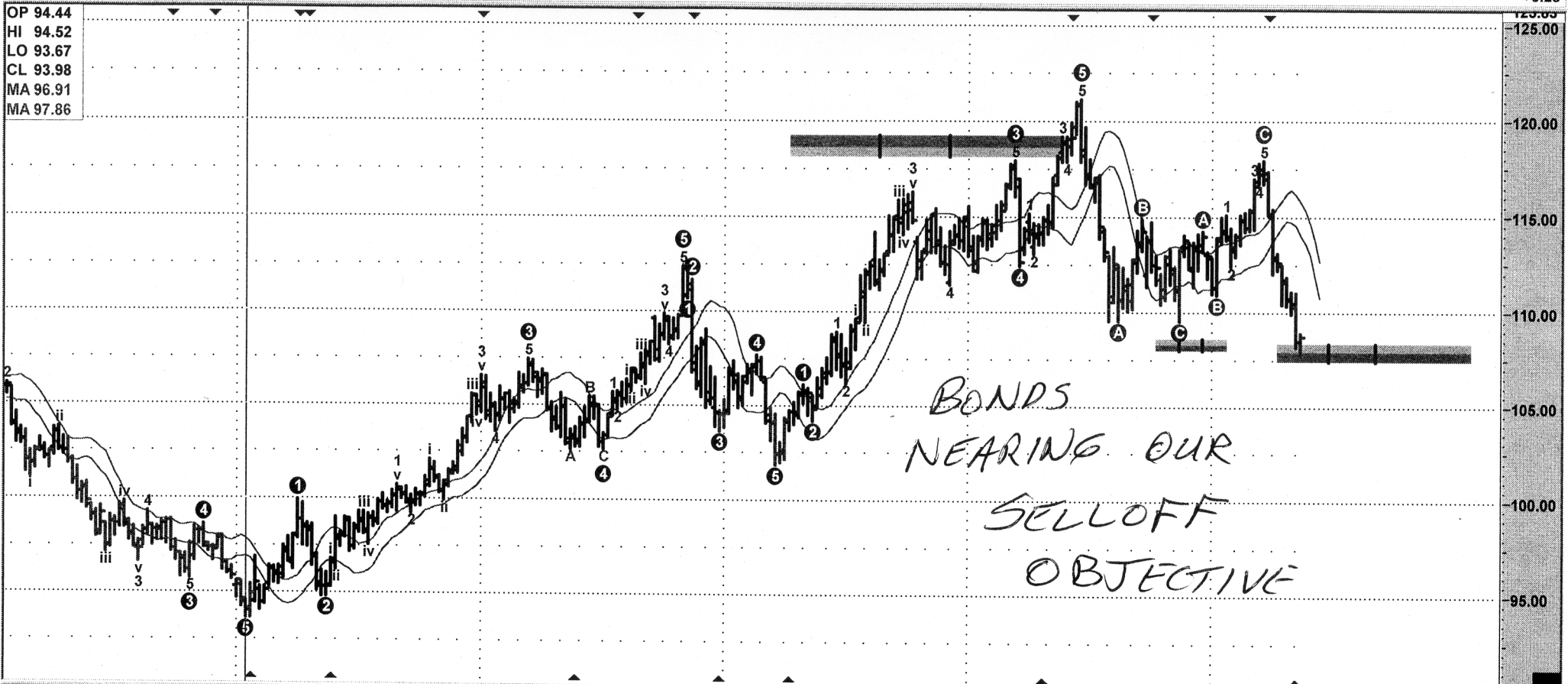


05/14/04

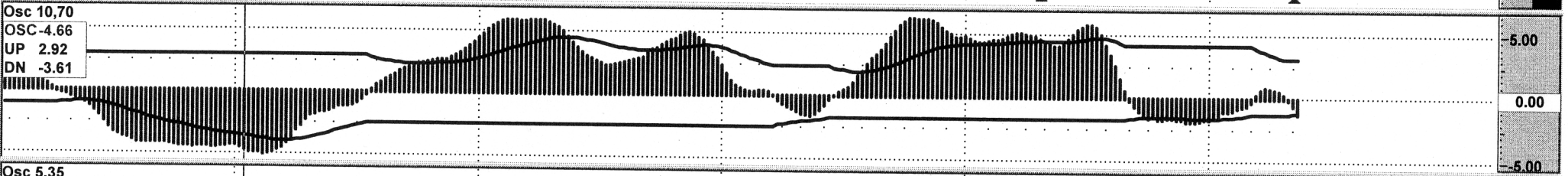
O: 108.50 H: 108.94 L: 107.84 C: 108.78

+0.28

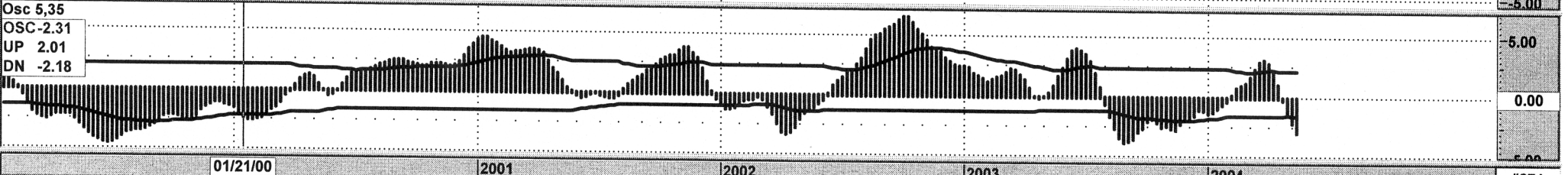
OP 94.44  
HI 94.52  
LO 93.67  
CL 93.98  
MA 96.91  
MA 97.86



Osc 10,70  
OSC-4.66  
UP 2.92  
DN -3.61



Osc 5,35  
OSC-2.31  
UP 2.01  
DN -2.18



01/21/00

2001

2002

2003

2004

#274

822

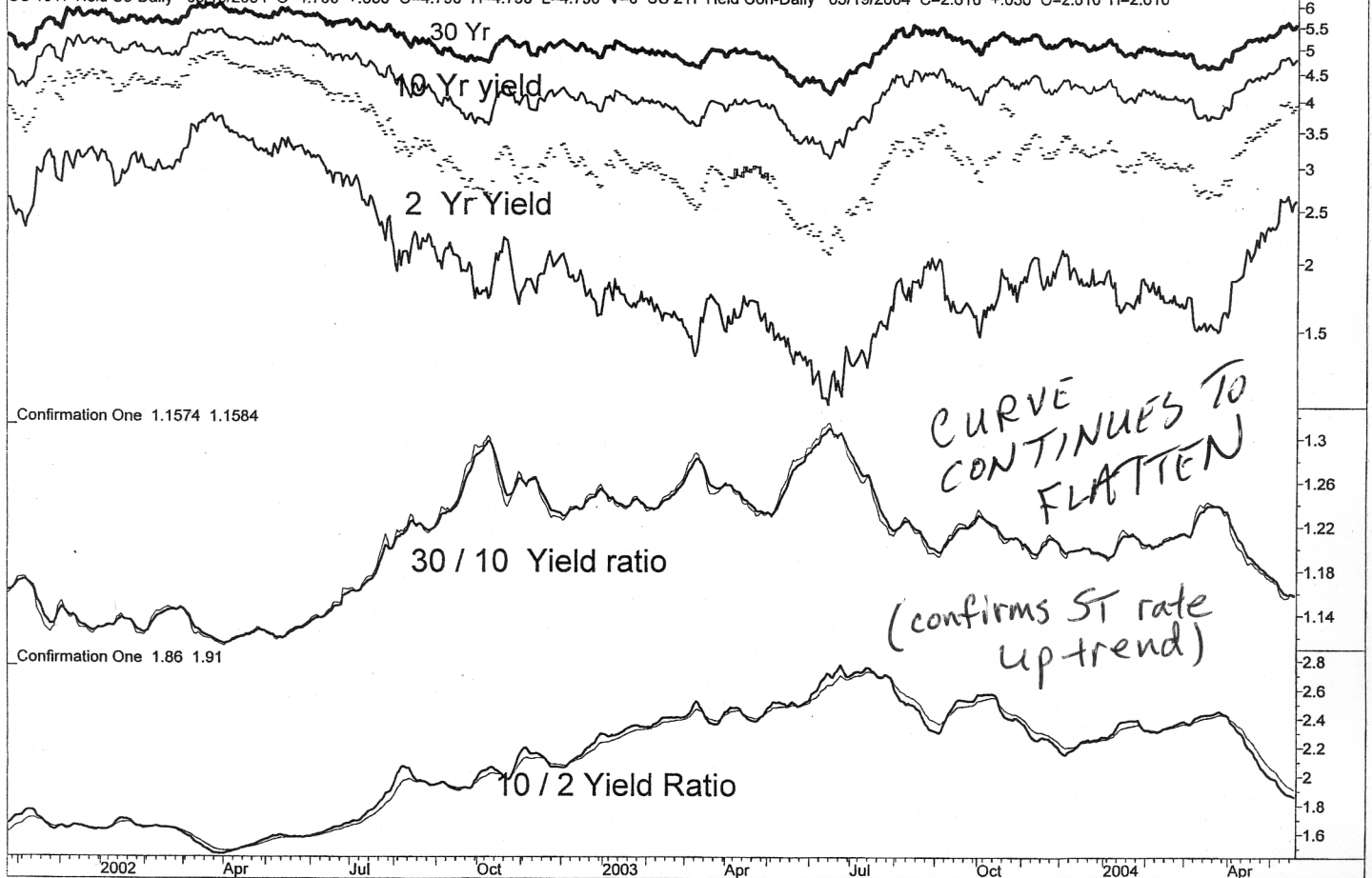
(5-14-04: Bonds nearing our targets forecast on 4-16)

10/25/2001

(\*TRCF) US 10Yr Yield Co

05/19/2004

US 10Yr Yield Co-Daily 05/19/2004 C=4.790 +.050 O=4.790 H=4.790 L=4.790 V=0 US 2Yr Yield Con-Daily 05/19/2004 C=2.610 +.030 O=2.610 H=2.610



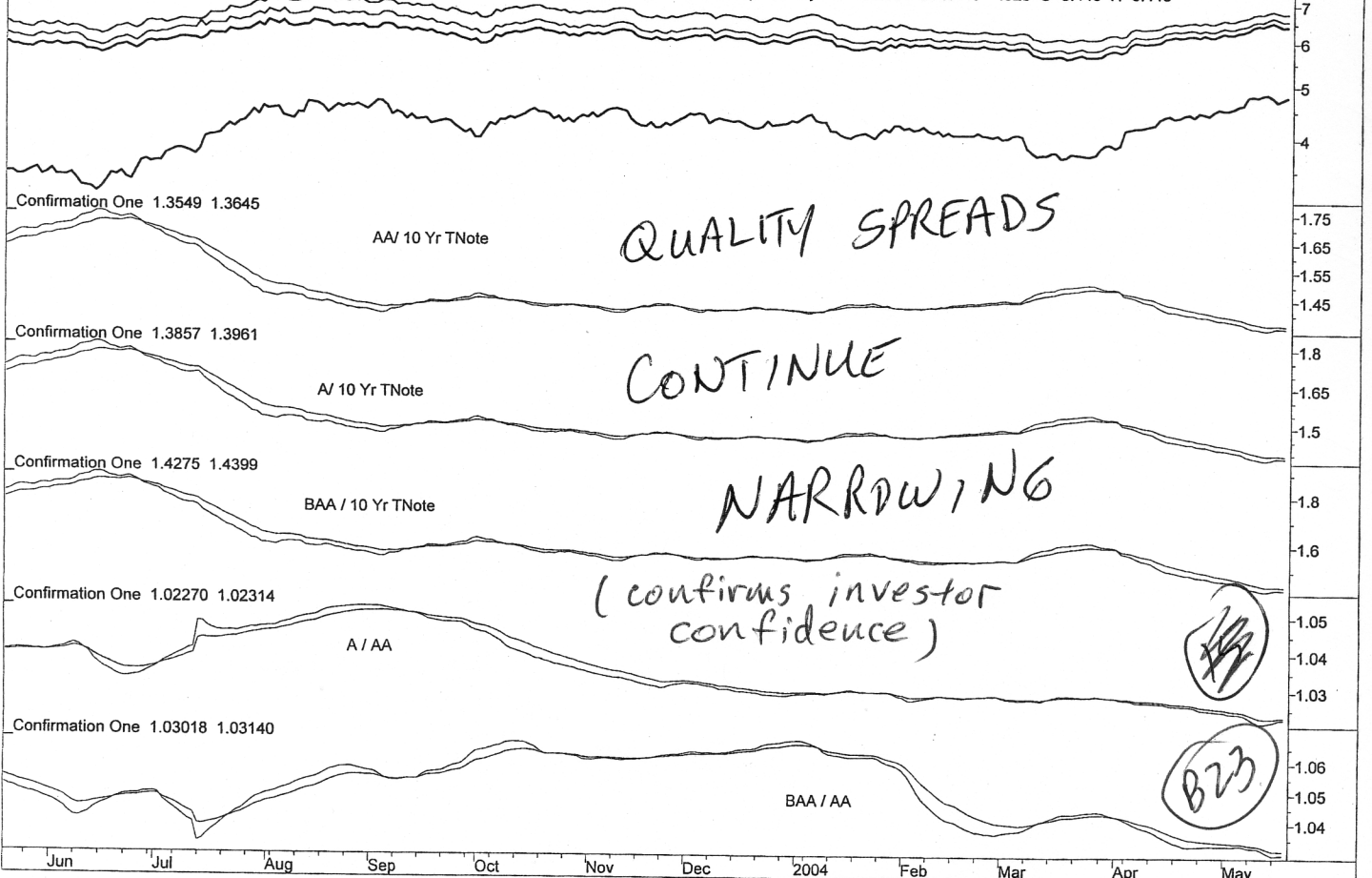
0/00 2:05am Printed using SuperCharts © Omega Research, Inc. 1997

05/20/2003

(\*TRCF) US 10Yr Yield Co

05/19/2004

US 10Yr Yield Co-Daily 05/19/2004 C=4.790 +.050 O=4.790 H=4.790 L=4.790 V=0 Moody AA Corp YI-Daily 05/19/2004 C=6.440 +.020 O=6.440 H=6.440

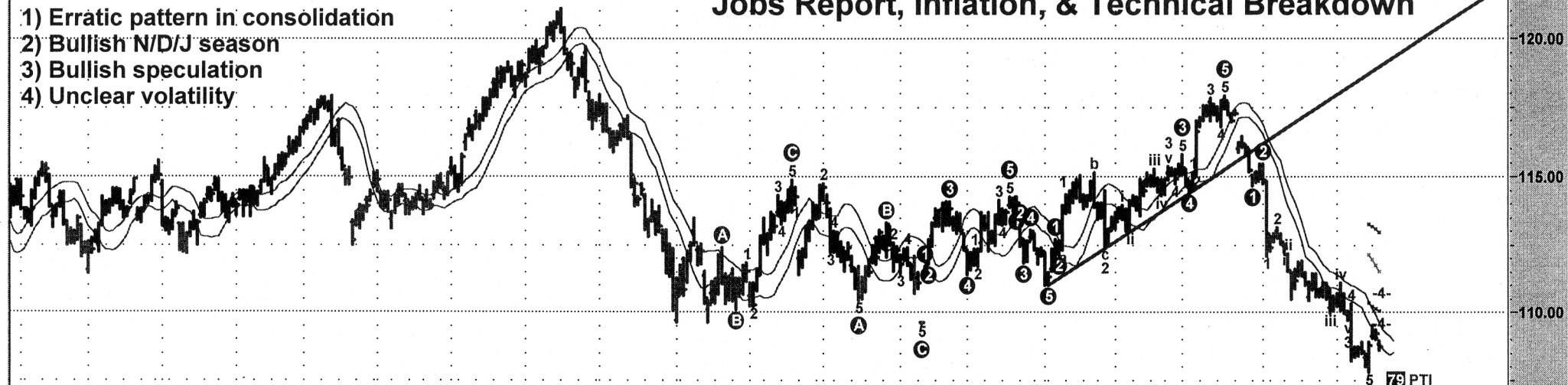


From 12-06-03: Appears to be "waiting for something to happen" rather than being a "driving market"

From 12-6: "BOND CONFUSION...We prefer the sidelines"

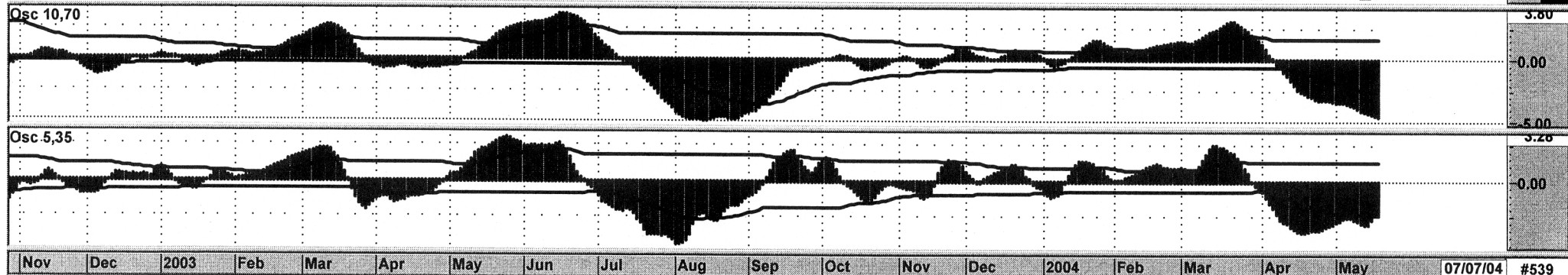
### BONDS: "Something" has finally happened: Jobs Report, Inflation, & Technical Breakdown

- 1) Erratic pattern in consolidation
- 2) Bullish N/D/J season
- 3) Bullish speculation
- 4) Unclear volatility



5-19-04: Bonds have taken out their '03 lows and may now begin putting in at least an intermediate "trading bottom" ... Look for a few more days of upside followed by a selloff into mid June. From there an important rally can commence.

Target: 106-107 mid June



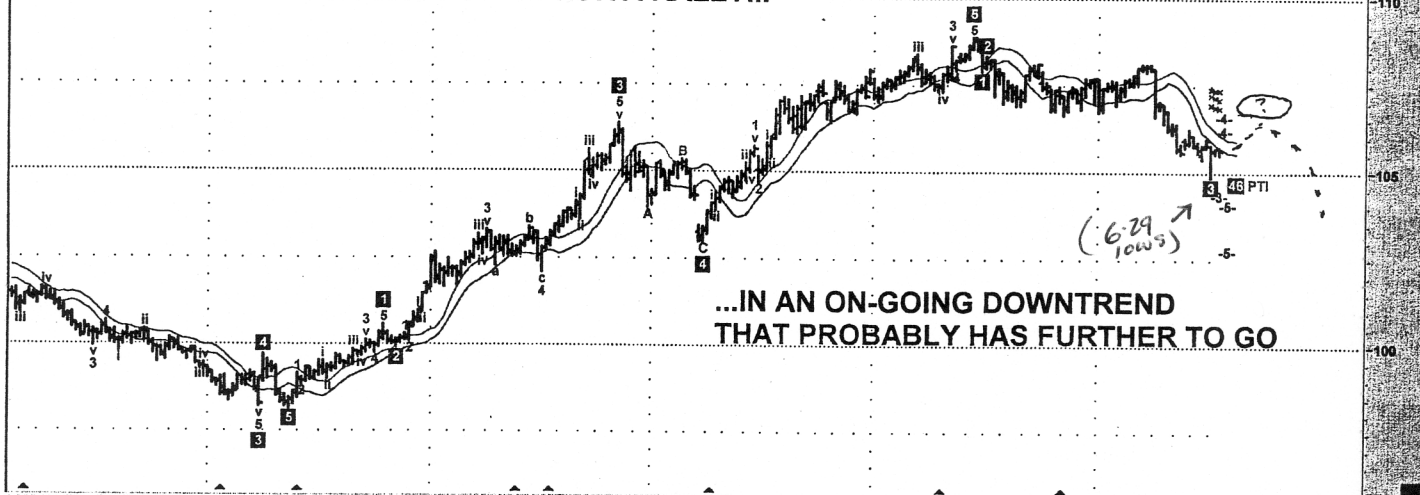
(B24)

(5-19-04: "a short bounce then selloff to mid June" - actually bottomed 6-29!)

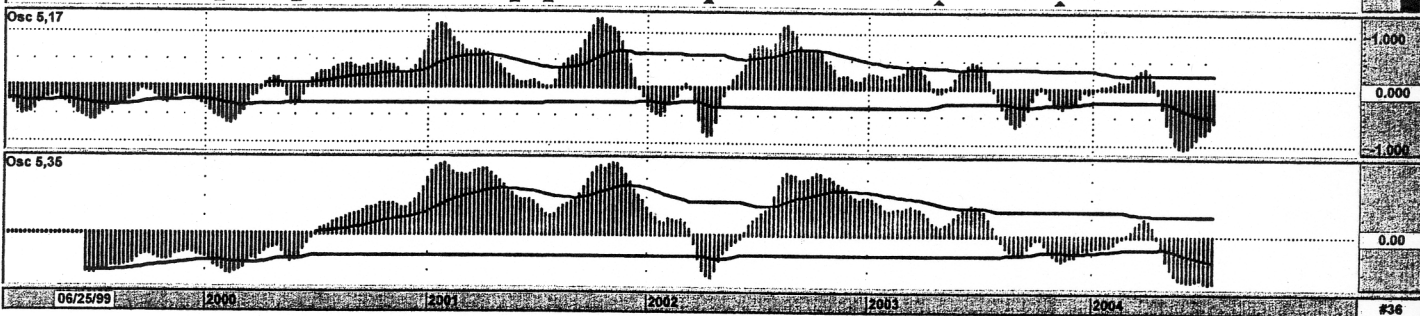


7-16-04:

THE 2 YEAR NOTE LOOKS POISED FOR A RALLY...

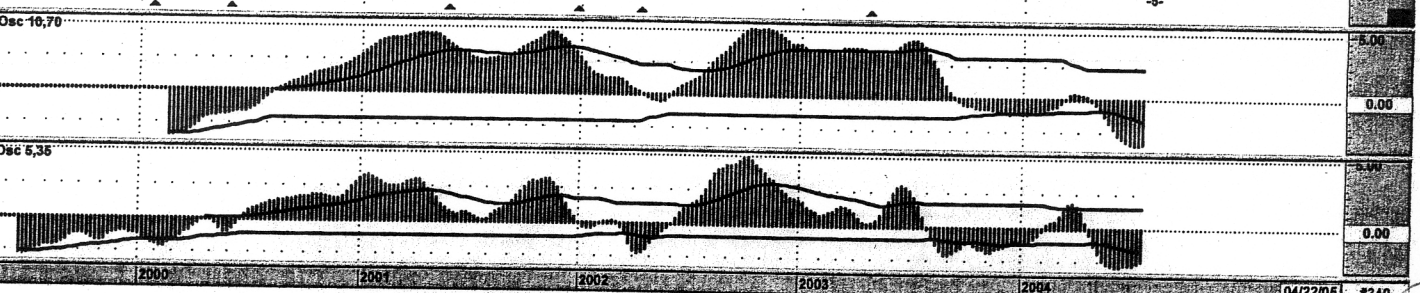


...IN AN ON-GOING DOWNTREND THAT PROBABLY HAS FURTHER TO GO



US 5 Yr T-Note, Weekly - Advanced GET ©2004 Trading Techniques, Inc.

DITTO FOR THE 5 YEAR



7-16: "Bonds poised for rally"

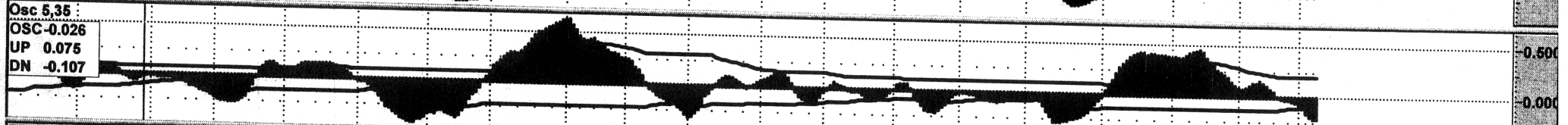
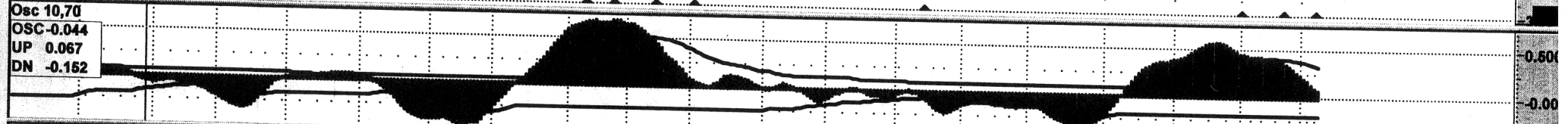
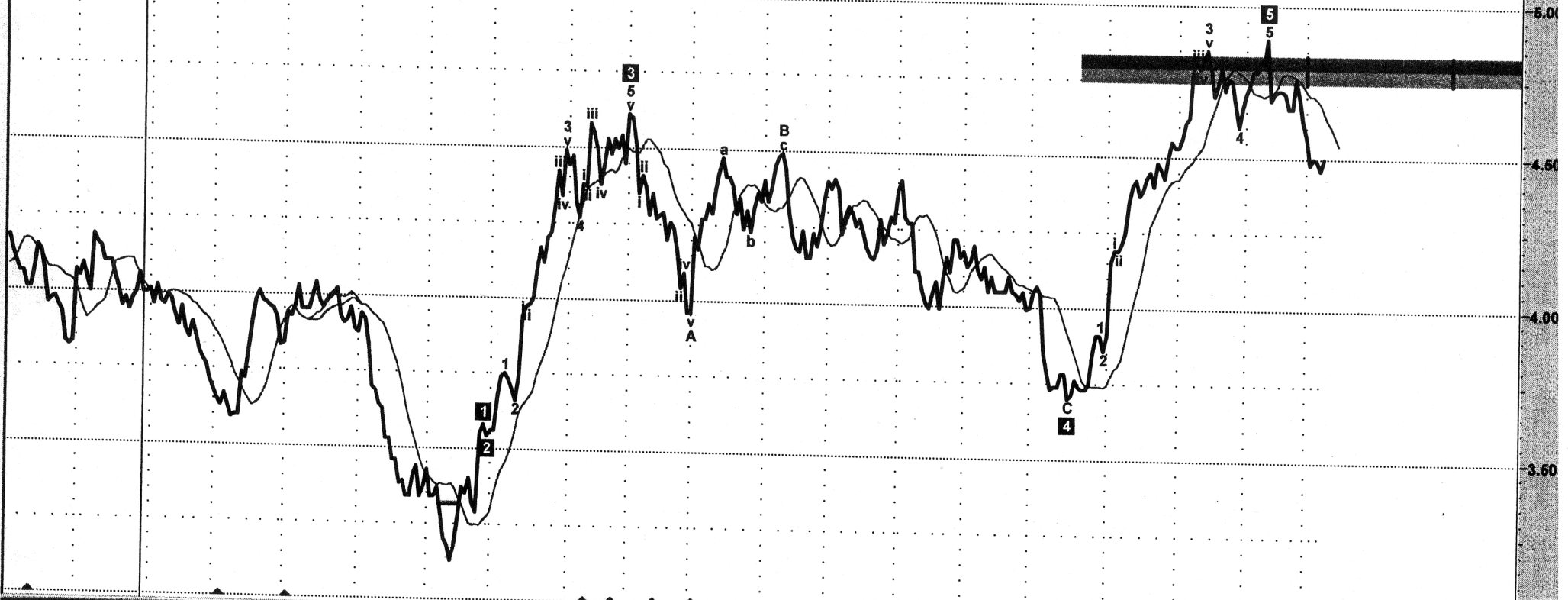
B25



07/13/04  
OP 4.00  
HI 4.00  
LO 4.00  
CL 4.00  
MA 4.03  
MA 4.03

O: 4.50 H: 4.50 L: 4.50 C: 4.50

# 10 YEAR TREASURY YIELDS REACHED A TECHNICAL INTERMEDIATE HIGH ON 6-14



2003 01/30/03 Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2004 Feb Mar Apr May Jun Jul #168

B26

7-13

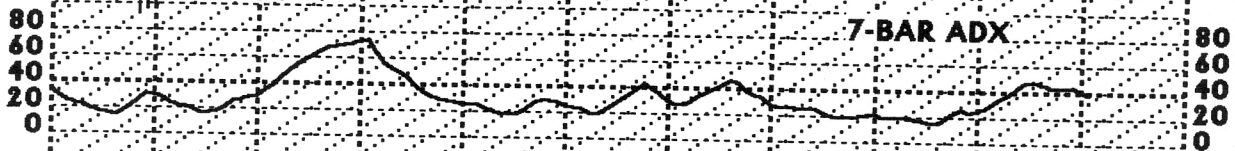
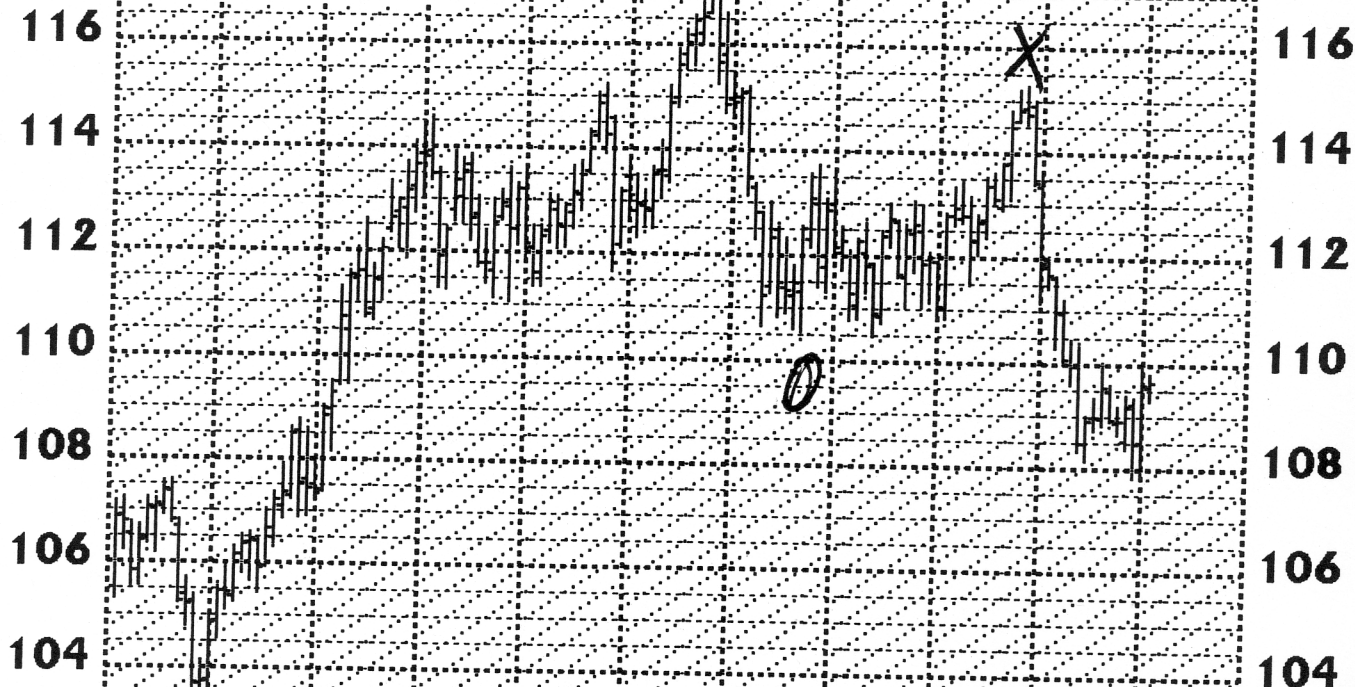
7-13: "Rates reached their highs on 6-14 mid June!"

	Long	Chg	Short	Chg	Net
LSpecs	313203	6033	220299	18488	92904
Comm	769174	21925	782218	31404	-13044
SSpecs	50258	-22634	130118	-44568	-79860

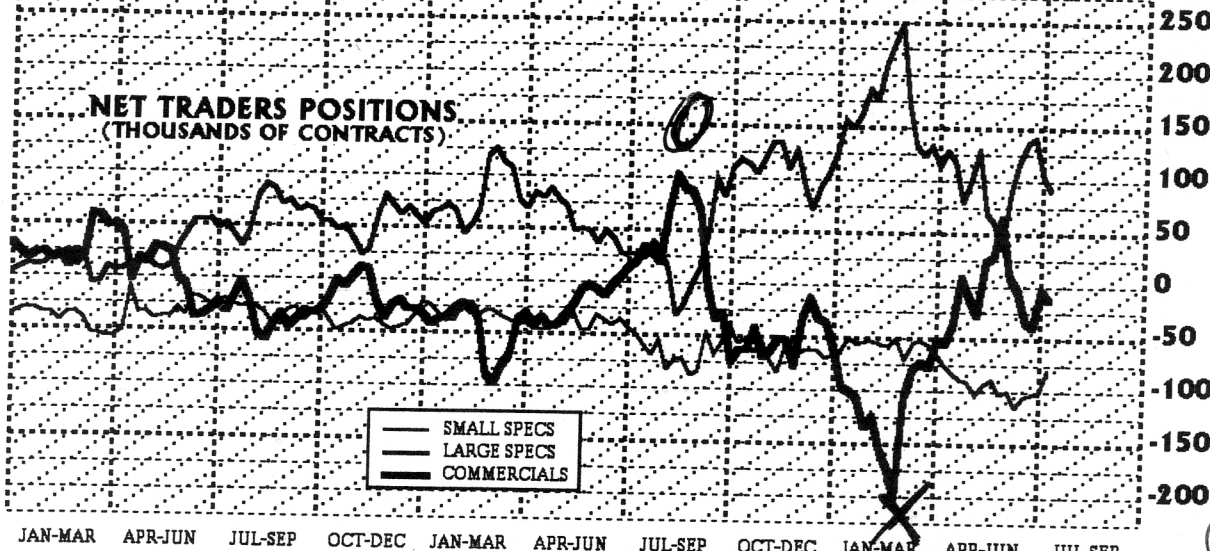
Week	Open	High	Low	Close
06/11/04	10828	10905½	10821	10828½
06/18/04	10816½	10912½	10812	10905½
06/25/04	10907½	10911½	10726½	10815½
07/02/04	10816	11001½	10727	10919
07/09/04	10918	10924½	10911½	10920½

# 5-YR T-NOTES (CBOT)

## WEEKLY FUTURES



### NET TRADERS POSITIONS (THOUSANDS OF CONTRACTS)



— SMALL SPECS  
 — LARGE SPECS  
 — COMMERCIALS

JAN-MAR APR-JUN JUL-SEP OCT-DEC JAN-MAR APR-JUN JUL-SEP OCT-DEC JAN-MAR APR-JUN JUL-SEP  
 2002 2003 2004

7-90

COMMERCIALS SUPPORTIVE OF MILD BOND RALLY

~~B27~~  
 B27

\* This chart produced by COMMODITY PRICE CHARTS 1-800-221-4352

06/05/1998

(\*BAD) Bond Advances NY

07/16/2004

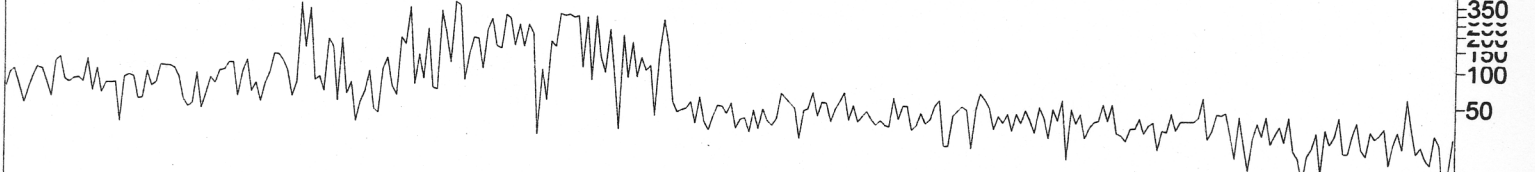
US 10Yr Yield Co-Weekly 07/16/2004 C=4.500 +.010 O=4.460 H=4.500 L=4.460 V=0



Bond Advances NY-Weekly 07/16/2004 C=29.000 +12.000 O=17.000 H=32.000 L=29.000 V=0



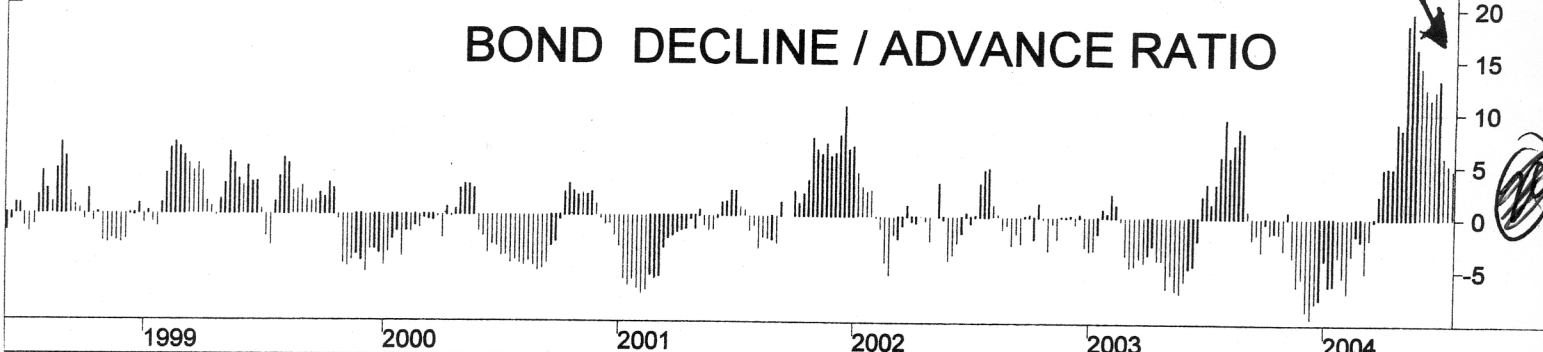
Bond Declines NY-Weekly 07/16/2004 C=28.000 +13.000 O=15.000 H=28.000 L=19.000 V=0



*Falling D/A Ratio supports lower yields*

Precedent One 4.72

**BOND DECLINE / ADVANCE RATIO**



*B28*

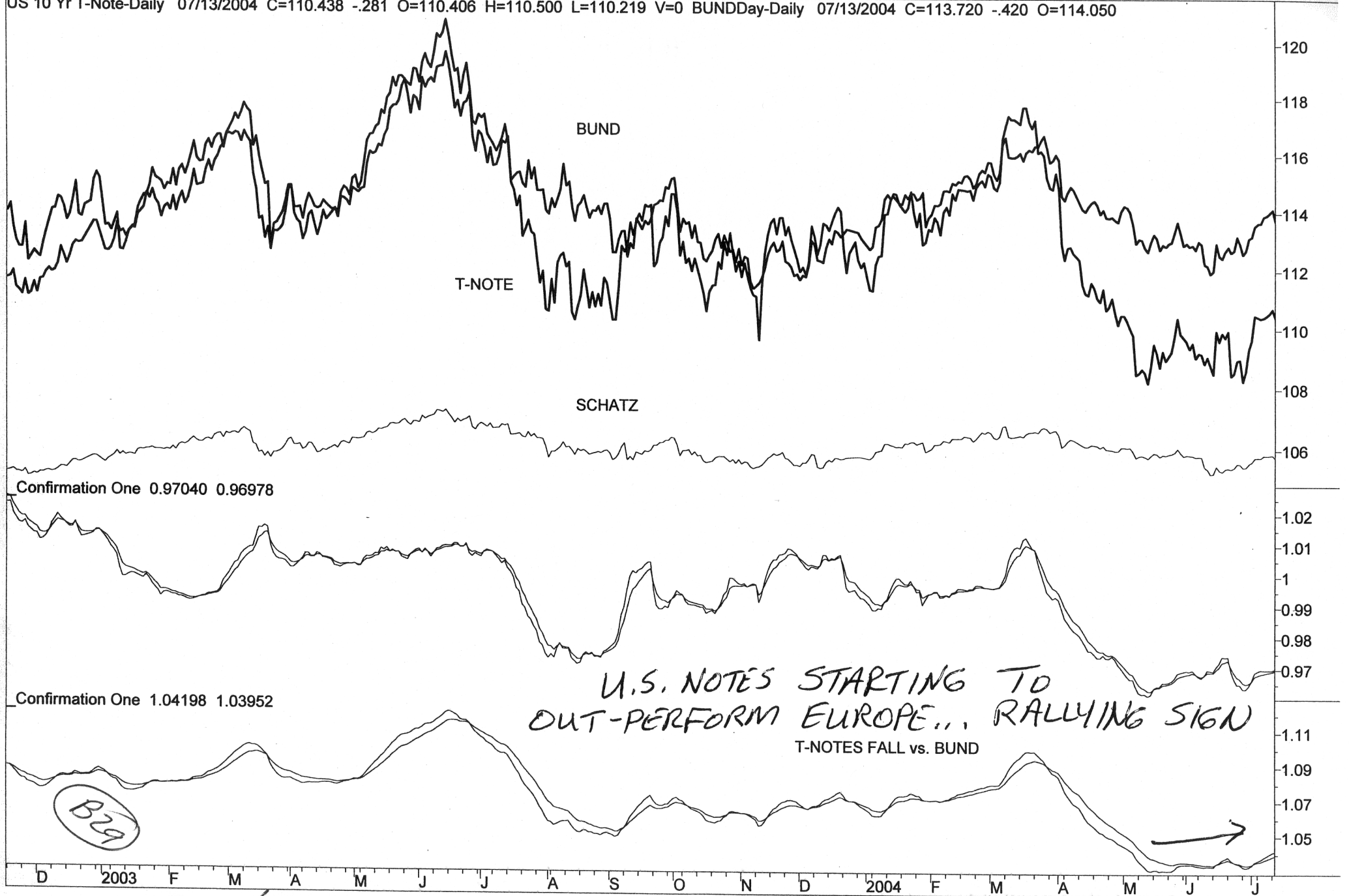


11/18/2002

(ME1600) US 10 Yr T-Note

07/13/2004

US 10 Yr T-Note-Daily 07/13/2004 C=110.438 -.281 O=110.406 H=110.500 L=110.219 V=0 BUNDDay-Daily 07/13/2004 C=113.720 -.420 O=114.050



U.S. NOTES STARTING TO OUT-PERFORM EUROPE... RALLYING SIGN  
T-NOTES FALL vs. BUND

B29

7-13: Positive sign for TY gaining strength vs. Bund,

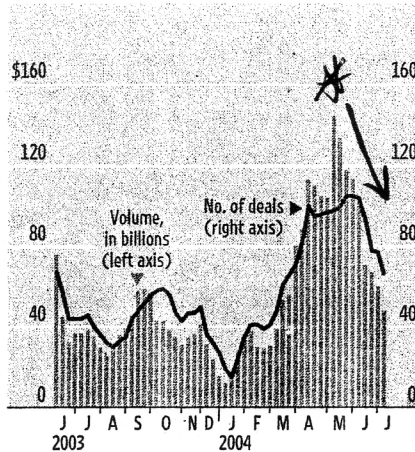
# DEAL MAKERS

## Syndicated-Loan Market / Trends & Prices

Syndicated loans are corporate loans that are bought or traded by a group, or "syndicate," of banks and/or institutional investors. Investment-grade loans are investment grade or unrated loans priced at or below the London interbank offered rate (Libor) plus 1.50 percentage points (150 basis points). Leveraged loans are speculative grade or unrated loans priced at or above Libor plus 1.51 percentage points.

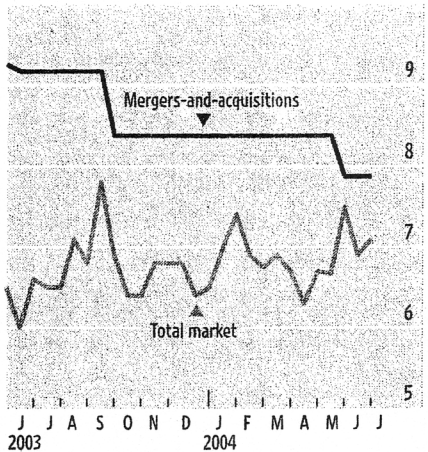
### Forward Calendar

A leading indicator of activity, showing new investment-grade deals mandated or in the market.



### Credit Costs

Average new-issue fees paid by single-A-rated issuers on undrawn loans\* for all purposes and for mergers-and-acquisitions purposes; in basis points.



\*These loans are assumed to be 100% undrawn. Fees include the facility fee paid to have a line of credit open and/or the commitment fee paid to retain the portion of the money that is undrawn.

Notes: Final data points on left-hand chart are as of July 2; final data points on right-hand chart are as of June 21.

Sources: Banc of America Securities LLC, Loan Pricing Corp.

### The Week's Biggest Movers

Biggest gainers and losers among widely quoted syndicated loans in secondary trading, in the week ended Friday. Listed are the biggest movers among the 102 loans with at least five bids. All loans listed are B-term, or sold to institutional investors.

LOAN RATING MOODY'S/S&P	COUPON	MATURITY	AVERAGE WEEKLY BID CHANGE (pct. pts.)	LOAN RATING MOODY'S/S&P	COUPON	MATURITY	AVERAGE WEEKLY BID CHANGE (pct. pts.)				
Allegheny Energy Supply	B1/BB-	L+300	March 8, '11	101.46	+0.17	Olympus Cable Hldgs.	N.R./N.R.	L+300	Sep. 30, '10	96.89	-0.27
Apria Healthcare Gr.	Ba1/BBB-	L+200	July 20, '08	101.25	+0.33	Owens-Illinois	B1/BB	L+325	May 21, '08	101.13	+0.38
Caremark	N.R./BBB	L+225	March 15, '06	100.47	+0.15	Pegasus <sup>2</sup>	Caa1/N.R.	L+350	May 1, '05	95.30	+0.55
Centennial Cellular <sup>1</sup>	B2/B-	L+275	Jan. 15, '11	100.55	+0.38	Primedia	N.R./B	L+275	June 30, '09	95.90	+0.85
Crown Castle Oper. Co.	B1/B-	L+275	March 15, '08	100.06	-1.86	Relliant Resources	N.R./CCC	L+400	March 15, '07	100.40	+0.54
Dean Foods	Ba1/BBB-	L+200	July 15, '08	100.00	-1.19	Scotts	Ba1/BB	L+200	Oct. 1, '10	101.16	-0.14
Dex Media East	B1/BB-	L+200	May 8, '09	101.16	+0.17	Solo Cup	B1/B+	L+250	Feb. 9, '11	101.04	+0.23
Dex Media West	B1/BB-	L+225	Sep. 9, '10	101.90	+0.54	Titan	Ba3/BB-	L+275	June 30, '09	100.15	+0.35
Emmis Oper. Co.	Ba2/B+	L+200	May 3, '12	100.74	+0.34	United Defense	Ba2/BB	L+200	Aug. 16, '09	100.67	+0.23
General Nutrition	N.R./N.R.	L+300	Nov. 26, '09	101.05	+0.22	United Rentals <sup>3</sup>	Ba3/BB	L+225	Aug. 31, '11	101.60	+0.22
Huntsman	B2/N.R.	L+725	Sep. 30, '07	100.43	+0.70	VWR International	B2/BB-	L+250	April 7, '11	101.60	+0.15
Mediacom Brdbnd	N.R./BB+	L+250	Sep. 30, '10	101.36	+0.15	Western Wireless	B2/B-	L+300	May 30, '11	101.14	+0.43
Nalco	B1/BB-	L+250	Oct. 20, '10	101.41	+0.49						

<sup>1</sup>Operating Co. <sup>2</sup>Media & Communications <sup>3</sup>North America  
Note: N.R. indicates that this issue is not rated.

Unchanged	2,125
Advancers	327
Decliners	108

Total loans with at least one bid: 2,560  
Average change in bids: 0.08 percentage point

Note: These are the averages of indicative bid prices provided by bank-loan traders and expressed as a percentage of the par, or face, value. Coupon, or interest rate, is in 1/100s of a percentage point over Libor, London interbank offered rate. All ratings are for specific loans and not for the company itself except as noted with an (a). These prices don't represent actual trading prices. They are offers to trade; rather they are estimated values provided by dealers.

ay. the ost the ple st- ch ik- n- z- re o- r- ed to of a- fi- s- n e s l- 1 1

July '04

Falling supply of new corporate debt takes pressure off rates, at least short-term.

**How**  
The follo listed iss composi delphia, National Boldface 5% or m Underlin per exch calculatio average underline on the N. volume p YTD perc year to date The 52-wv of the issu not the lat payouts of or more. Dividend/D. based on the Special or e special situat footnotes. Yield is defi company on l The P/E rati company's dilt four quarters. they qualify as rules. Sales figures hundreds (two Exchange tick exchange comm listed-for Class symbols are list tion of Nasdaq

B30