

## Hot and cold stocks: 4-week trend

Here are the stocks that have risen and fallen the most over the last four weeks through Monday. The four-week trend can be a good indicator of stocks that have strong momentum in either direction.

## Stocks (\$15+)

Gainers						Losers					
Issue	Tkr	Ex	Mon. close	4-wk %chg	P/E	Issue	Tkr	Ex	Mon. close	4-wk %chg	P/E
Emulex	ELX	N	20.90	+144.4	dd	Tenet Hlthcare	THC	N	27.00	-46.9	14
SAP	SAP	N	21.06	+109.6	na	Cigna	CI	N	38.87	-33.0	6
WebSense	WBSN	Q	22.20	+102.6	44	TXU	TXU	N	15.55	-31.3	7
Nvidia	NVDA	Q	15.64	+102.1	13	ProQuest	PQE	N	19.32	-28.2	dd
MicroStrategy	MSTR	Q	15.03	+100.4	5	Silgan Holdings	SLGN	Q	19.60	-26.1	7
Network Assoc	NET	N	17.55	+97.2	68	Spinnaker Explor	SKE	N	19.92	-25.1	26
QLogic	QLGC	Q	40.16	+94.5	39	Beckman Coulter	BEC	N	29.01	-23.6	13
Varian Semicon	VSEA	Q	27.60	+91.7	cc	Sequa	SOA	N	36.73	-23.3	dd
Ticketmaster	TMCS	Q	24.77	+86.4	dd	Harland	JH	N	18.50	-23.2	11
Manhattan Assoc.	MANH	Q	24.47	+86.2	37	Northrop Grumman	NOC	N	94.02	-22.6	27
Integrated Circuit	ICST	Q	23.16	+86.0	38	Education Mgmt.	EDMC	Q	33.84	-21.9	27
Power Integrations	POWI	Q	18.80	+85.2	78	Yum Brands	YUM	N	22.70	-21.8	12
Mercury Interact	MERQ	Q	29.07	+84.7	41	Valassis Comm.	VCI	N	26.28	-21.6	11
Yahoo	YHOO	Q	16.77	+84.7	dd	Amr Hess	AHC	N	51.55	-21.6	22
STMicroelectron	STM	N	21.54	+82.9	60	Lockheed Martin	LMT	N	50.23	-18.2	dd
Avid Tech	AVID	Q	16.25	+82.6	cc	Harris	HRS	N	27.49	-18.2	21
Artisan Components	ARTI	Q	15.00	+81.8	dd	Jones Lang LaSalle	JLL	N	16.14	-17.9	81
Applied Films	AFCO	Q	16.10	+81.5	dd	Alliant Techsys	ATK	N	56.00	-17.0	21
TMP Worldwide	TMPW	Q	18.24	+81.0	dd	Jarden	JAH	N	21.91	-16.2	17
Rudolph Tech	RTEC	Q	16.34	+80.7	dd	Darden Rest	DRI	N	18.50	-16.1	14
Semtech	SMTC	Q	16.66	+79.9	33	Smith AO	AOS	N	22.34	-15.4	17
CheckFree	CKFR	Q	16.96	+78.2	dd	EDO	EDO	N	17.10	-15.3	18
Avocent	AVCT	Q	23.60	+77.3	dd	TRW	TRW	N	49.50	-15.1	dd
Storage Tech	STK	N	18.27	+77.2	22	Sears	S	N	27.39	-15.1	7
Business Objects	BOBJ	Q	16.37	+75.5	25	Lehman CBT 2027	CFN	N	21.00	-14.3	na

## Stocks (\$2-\$15)

Gainers						Losers					
Issue	Tkr	Ex	Mon. close	4-wk %chg	P/E	Issue	Tkr	Ex	Mon. close	4-wk %chg	P/E
Sorrento Networks	FIBRD	Q	11.60	+286.7	na	OM Group	OMG	N	6.75	-83.1	dd
Starbase	SBAS	Q	2.73	+250.0	dd	Endocare	ENDO	Q	3.18	-74.4	dd
Actuate	ACTU	Q	2.63	+228.8	dd	Practiceworks	PRWK	Q	5.37	-62.4	dd
US Timberlands	TIMBZ	Q	2.71	+211.5	dd	Kindred Healthcare	KIND	Q	14.43	-56.4	4
PLX Technology	PLXT	Q	3.89	+199.2	dd	Amerco	UHAL	Q	4.14	-54.4	14
Sierra Wireless	SWIR	Q	4.93	+198.8	dd	Stoneridge	SRI	N	7.63	-53.1	10
SureBeam	SURE	Q	4.99	+190.1	dd	VitalWorks	VWKS	Q	3.38	-50.6	10
Intershop Commun	ISHP	Q	4.33	+188.7	na	Microfinancial	MFI	N	2.16	-47.3	dd
Zi	ZICA	Q	4.20	+187.7	na	FPIC Insurance	FPIC	Q	4.32	-45.7	dd
EBenx	EBNX	Q	4.70	+181.4	dd	CenterSpan Comm.	CSCC	Q	2.19	-45.1	dd
ADE	ADEX	Q	6.30	+169.2	dd	PlanetCAD	PCD	A	2.75	-42.7	dd
BroadVision	BVSN	Q	3.06	+166.1	na	Cholestech	CTEC	Q	6.08	-40.7	16
Scherer Hlth	SCHR	Q	8.31	+155.7	dd	NUI	NUI	N	13.00	-40.4	13
Polymer Research	PROA	Q	4.75	+148.7	dd	GrafTech Intl	GTI	N	4.26	-40.0	dd
Tesoro Pet	TSO	N	3.40	+146.4	dd	Metro One Tele	MTON	Q	4.83	-38.9	4
Triton PCS Hold	TPC	N	3.20	+146.2	dd	Arris	ARRS	Q	2.25	-38.7	dd
Amkor Technology	AMKR	Q	3.94	+144.7	dd	Brush Eng Matts	BW	N	4.50	-37.5	dd
Power-One	PWER	Q	6.00	+141.0	dd	Apex Mortgage Cap	AXM	A	5.97	-36.2	2
RadiSys	RSYS	Q	9.02	+138.0	dd	Sihm Pacif Petrol	SPPTY	Q	6.24	-35.6	na
Sprint PCS	PCS	N	4.33	+134.1	dd	Engel General Dev	ENGEG	Q	2.27	-35.1	na
Ilog	ILOG	Q	6.30	+133.3	cc	Famous Daves of Am	DAVE	Q	3.25	-34.7	33
Genzyme Molecular	GZMQ	Q	2.33	+132.9	dd	Pathmark Stores	PTMK	Q	4.72	-34.0	dd
Alcatel	ALA	N	5.28	+130.6	na	Cytogen	CYTO	Q	4.03	-33.9	na
Retek	RETK	Q	3.72	+129.7	dd	Bush Inds	BSH	N	4.63	-33.7	dd
Cirrus Logic	CRUS	Q	3.70	+127.1	dd	Amadisys	AMED	Q	4.90	-33.3	4

Notes: Warrants and preferred stocks removed. Four-week period ends on most recent trading day. Abbreviations: P/E: price-to-earnings ratio; na: not available (not all stocks are covered); cc: P/E exceeds 99; dd: loss in the 12 months; ec: former Amex "emerging company"; q: closed-end mutual fund, no P/E. Exchanges: A: Amex; N: New York Stock Exchange; Q: Nasdaq

Source: Associated Press

Los Angeles Times

## State's Teachers Face Tax 'Shock'

Legislators' suspension, for at least one year, of an incentive that saved \$250 to \$1,500 may come as a surprise to some instructors.

By KATHY M. KRISTOF  
Times Staff Writer

California teachers are in for an unpleasant surprise come April: They've lost a substantial personal income tax credit for 2002.

State legislators, trying to close a massive budget gap, have suspended for at least one year the widely used Teacher Retention Tax Credit, which the Franchise Tax Board said was claimed by 214,166 educators in the 2001 tax year.

Suspension of the credit, which reduced a teacher's California income tax by \$250 to \$1,500 depending on the number of years of service, will cost the state's teachers about \$165.4 million in additional state tax — an average of \$772 per teacher claiming the break.

Legislators agreed in September to suspend the credit,

but the change hasn't been widely reported.

The credit was aimed at getting teachers to stay in their jobs despite the notoriously low pay compared with other professions, said Wayne Johnson, president of the California Teachers Assn. in Sacramento.

"The teachers who claimed this are upset about losing it," Johnson said. "Theoretically, the suspension is just for one year. But we don't know that for sure because we're facing a big budget shortfall again."

About half of the state's teachers quit during the first four years of their service, said Steve Blazak, director of communications for the United Teachers of Los Angeles.

That made the credit, just 2 years old, an important tool in efforts to retain teachers, he said. "This comes as a real shock to teachers," Blazak said. "It was something that they had last year and now it's gone. There wasn't much said about it either."

Indeed, California tax preparers said they were trying to get the word out to the state's teachers because those who were counting on the credit are likely to have too little state tax



JOHN LOK Los Angeles Times

**BENEFIT:** A deficit could extend credit's suspension, educator Wayne Johnson said.

withheld from their paychecks this year. That could leave them facing additional taxes when they file 2002 returns in early 2003.

Teachers wouldn't be subject to penalties, however: Penalties aren't assessed on taxpayers

who underpay because of a change in state law, said Lynn Freer, editor of the Spidell California Tax Letter.

"This was a big credit," said Jennifer MacMillan, a professional tax preparer in Santa Barbara.

"Teachers who were counting on this definitely need to consider adjusting their withholding."

The Teacher Retention Tax Credit provided a dollar-for-dollar reduction in state income taxes paid by classroom instructors in kindergarten through 12th grade. It did not provide breaks to school nurses, counselors or administrators.

The credit worked on a sliding scale, providing a \$250 credit for those with four or five years of experience; a \$1,000 break for those with six to 10 years of experience; a \$1,000 break for those with 11 to 19 years in the profession and a \$1,500 tax reduction for those who had been teaching for 20 years or more.

"If you have a teacher who has been counting on this, they could potentially owe \$1,500 [more] in tax" for 2002, Freer said.

"That's a big chunk of cash to have to come up with at the last minute."

## Microsoft Stock Surges in Wake of Ruling

Software giant's shares rise as much as 8%, fueling tech rally, after favorable court decision in antitrust case.

By JAMES S. GRANELLI  
Times Staff Writer

Shares of Microsoft Corp. surged as much as 8% Monday and led a rally throughout the tech industry in the first trading day after the software giant won court approval of a deal settling the government's four-year antitrust case against it.

The company also won a key ruling Monday in a federal lawsuit filed by Netscape Communications Corp., maker of the Navigator Internet browser.

Not all of Monday's tech rally was attributable to Microsoft, analysts said.

Expectations that the Federal Reserve will cut short-term

interest rates when policymakers gather Wednesday also helped the market.

"Microsoft was the afterburner," said analyst Robert Austrian at Banc of America Securities in San Francisco.

But analysts also noted that the rally faded toward the end of the day.

Late Friday, a federal judge in Washington upheld a settlement that Microsoft had reached with the Justice Department and several states in a case in which the company was found to be illegally maintaining a monopoly.

In upholding the agreement, the judge rejected a bid by nine states and the District of Columbia to broaden antitrust sanctions significantly, restrictions that Chairman Bill Gates had contended would have forced Microsoft to stop work on some core products such as the Windows operating system.

"For the most part, people got a sense that the judge wasn't going to make radical changes in

the settlement," said analyst Brad Reback of CIBC World Markets in New York.

Microsoft's rally actually began late Friday when news spread that the court had posted its opinion on a Web site 90 minutes before the close of trading. During that time, the stock rose from \$52.22 to \$53, with \$90 million worth of stock changing hands in the final five minutes, Associated Press reported.

On Monday, Microsoft stock rose as high as \$57.40 before settling back to close at \$56.10, up \$3.10, or nearly 6%, on Nasdaq. The stock still is down 15% year to date.

Gates, who owns nearly 627 million shares, saw his wealth jump by \$1.9 billion Monday.

Even many Microsoft competitors saw their stocks rise. One major competitor, Sun Microsystems Inc., slipped, losing 8 cents to close at \$3.20 on Nasdaq.

Though the federal settlement has been upheld, Microsoft

is still fighting price-fixing and restraint-of-trade claims filed by consumers and competitors across the nation.

On Monday, a federal judge in Baltimore denied Netscape's request to hold Microsoft liable for damaging its browser business on the strength of the findings in the government's case.

"It cannot be fairly said that the facts found in the government case are sufficient to establish Microsoft's liability to Netscape," U.S. District Judge J. Frederick Motz wrote.

He said the government's case didn't produce evidence of specific harm to Netscape or other competitors, and that Netscape still must prove at trial that Microsoft's illegal conduct hurt its business.

Motz, however, did adopt findings in the government's case that Microsoft sought to exclude Netscape from the market.

Bloomberg News and Associated Press were used in compiling this report.

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## November 4

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