

HIGH YIELD & DISTRESSED MARKET REVIEW

Issue 01 / 03



CHANIN CAPITAL PARTNERS
A SPECIALTY INVESTMENT BANK

Week of January 3, 2003
PAGE 1

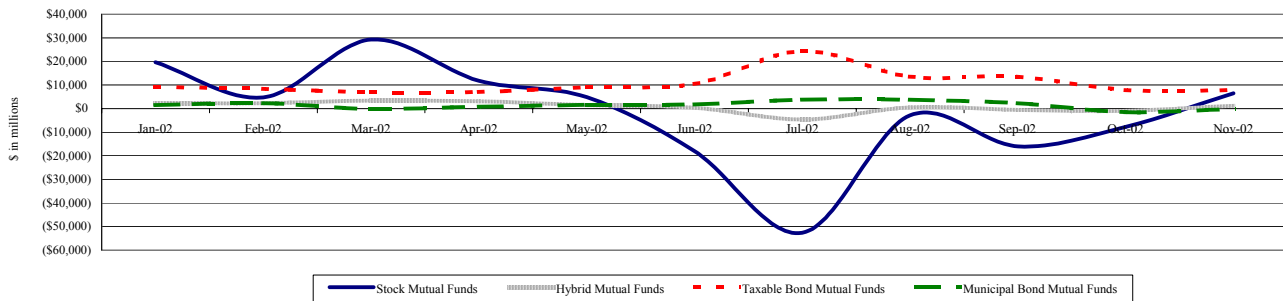
Key Market Indicators

	January 3, 2003		2 Week	2 Week	2 Week	2 Week	YTD	YTD
	Open	Close	High	Low	Change	Change %	Change	Change %
DJIA	8,607.52	8,601.69	8,607.52	8,303.78	90.37	1.06%	260.06	3.12%
Nasdaq	1,384.85	1,387.08	1,387.08	1,335.51	24.03	1.76%	51.57	3.86%
S&P 500	909.03	908.59	909.03	875.40	12.84	1.43%	28.77	3.27%
Russell 2000	392.58	390.31	392.58	382.23	3.43	0.89%	7.22	1.88%
OEX Volatility Index	28.52	27.98	34.15	27.98	-3.49	-11.09%	-4.05	-12.64%
Prime Rate	4.25%							
LIBOR	1 month		6 months	1 Year				
	1.38%		1.38%	1.46%				
	3 months							
	1.38%							

Net New Cash Flow of Mutual Funds - Source: Investment Company Institute (\$ in millions)

	Nov-02	Oct-02	Sep-02	Aug-02	Jul-02	Jun-02	YTD 2002
Stock Mutual Funds	\$6,464	(\$7,709)	(\$16,078)	(\$2,905)	(\$52,628)	(\$18,045)	(\$19,868)
Hybrid Mutual Funds	\$1,211	(\$1,024)	(\$623)	\$531	(\$4,690)	\$395	\$8,457
Taxable Bond Funds	\$7,899	\$7,816	\$13,555	\$13,582	\$24,374	\$10,428	\$117,706
Municipal Bond Funds	(\$164)	(\$1,518)	\$2,324	\$3,792	\$3,765	\$1,801	\$15,773

Net New Cash Flow of Long-Term Funds



Altman-NYU Salomon Center Defaulted Securities Indexes (December 1995=100)

Index	Nov-02 Level	Oct-02 Level	Sep-02 Level	Nov-02 Month Return	YTD Return
Altman-NYU Defaulted Bank Loans Index	117.6	111.6	113.0	5.37%	0.51%
Altman-NYU Defaulted Public Bonds Index	66.8	61.5	62.3	8.49%	-3.78%
Combined Bank Loan-Public Bond Index	96.1	90.2	90.9	6.51%	-1.22%
S&P 500 (Dividends Reinvested)	160.4	151.5	139.2	5.88%	-17.22%
Salomon Smith Barney High Yield Index	135.2	125.6	126.0	7.63%	-2.71%

Distressed Lending News

Story Description	Size (\$mil)	Date	Source
Maverick Tube completes LTV Steel Unit Buy	\$120.2	12/31/02	DBR
NTL Restructuring to include new bonds issue	\$630.0	1/3/03	DBR
Chief Justice Seeks more bankruptcy judges	NA	1/2/03	DBR
CBS to air Enron movie Sunday	NA	1/3/03	DBR
Kaiser Aluminum Smelter to curtail capacity	NA	1/3/03	DBR
Denver wants United to pay \$7.4 million in property taxes	\$7.4	12/30/02	DBR
PBGC cuts GST Steel retirees' pension supplements	NA	1/3/03	DBR
United Airlines reached a comprehensive settlement with GE for its DIP	\$120.0	12/31/02	FDBN



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The information contained in this newsletter has been compiled from a variety of news sources believed to be reliable. It is intended to provide general information about the high yield and distressed markets. It is not intended to be used as financial advice.



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M&A Announced Transactions

Target	Acquirer	Value (\$mil)	Date	Industry
EchoStar Communications Corp	EchoStar Communications Corp	\$1,065.60	12/18/02	Radio and Television Broadcasting Stations
North Texas Cement Co LP	Ash Grove Cement Co	\$125.40	12/18/02	Stone, Clay, Glass, and Concrete Products
Rent-Way Inc-Stores(295)	Rent-A-Center Inc	\$101.50	12/18/02	Business Services
Citizens Commu-Hawaiian Gas	K-1 USA Ventures Inc	\$115.00	12/19/02	Electric, Gas, and Water Distribution
Sotheby's Holdings Inc-	RFR Holdings LLC	\$175.00	12/18/02	Real Estate; Mortgage Bankers and Brokers
Adaytum Software Inc	Cognos Inc	\$160.00	12/19/02	Business Services
Bay State Bancorp	Seacoast Financial Services	\$128.77	12/19/02	Savings and Loans, Mutual Savings Banks
Consolidated Engineering Svcs	EMCOR Group Inc	\$178.00	12/19/02	Business Services
Northcoast Commu-PCS Licenses	Verizon Wireless Inc	\$750.00	12/19/02	Telecommunications
Peabody Energy Corp-Coal	Penn Va Resource Partners LP	\$129.08	12/19/02	Mining
PepsiAmericas Inc	PepsiAmericas Inc	\$252.00	12/19/02	Food and Kindred Products
American Skandia Inc	Prudential Financial Inc	\$1,150.00	12/20/02	Insurance
San Gorgonio-Mountain View	Centennial Power Inc(MDU)	\$102.50	12/20/02	Electric, Gas, and Water Distribution
Sithe Energies Inc	Apollo Energy LLC	\$323.00	12/20/02	Electric, Gas, and Water Distribution
TECO-Properties,Alabama	Municipal Gas Authority of GA	\$140.00	12/20/02	Chemicals and Allied Products
Panhandle Eastern Pipe Line Co	Southern Union Panhandle Corp	\$1,828.00	12/22/02	Oil and Gas; Petroleum Refining
Undisclosed Natural Gas Ppty	Westport Resources Corp	\$510.00	12/23/02	Electric, Gas, and Water Distribution
Class A Office Tower,Glendale	Wells Real Estate Inv Trust	\$157.00	12/23/02	Real Estate; Mortgage Bankers and Brokers
Inktomi Corp	Yahoo! Inc	\$249.12	12/23/02	Prepackaged Software
Quanta Services Inc	First Reserve Corp	\$729.22	12/23/02	Construction Firms
Panamerican Beverages Inc	Coca-Cola FEMSA SA CV(FEM)	\$3,692.04	12/23/02	Food and Kindred Products
Aegis Realty Inc	Phillips Edison Ltd	\$161.42	12/24/02	Investment & Commodity Firms,Dealers,Ex.
Big City Radio-Radio Stations	Entravision Communications	\$139.02	12/25/02	Radio and Television Broadcasting Stations
Georgia Pacific-Warehouses(38)	Cardinal Capital Partners Inc	\$175.00	12/27/02	Transportation and Shipping (except air)
ACME-TV Stations(2)	Tribune Co	\$275.00	12/30/02	Radio and Television Broadcasting Stations
Marriott Senior-Communities(9)	CNL Retirement Partners Inc	\$257.00	12/30/02	Health Services
Sheraton,Doubletree	CNL-Hilton	\$121.00	12/30/02	Hotels and Casinos
Westmorland Mall & Crossing	CBL & Associates Properties	\$112.80	12/30/02	Real Estate; Mortgage Bankers and Brokers

High Yield Credit Rating Upgrades for Last 2 Weeks

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Tuesday Morning Corp	12/18/02	Issuer Rating	Moody	Ba3	B1 *+	Retail-Discount
Tuesday Morning Corp.-(Old)	12/18/02	Issuer Rating	Moody	Ba3	B1 *+	Retail-Discount
AES China Generating Co	12/18/02	LT Foreign Issuer Credit	S&P	B+	B+ *	Independ Power Producer
HM Sampoerna Tbk PT	12/18/02	LT Foreign Issuer Credit	S&P	B	B-	Tobacco
Kaztransoil	12/18/02	LT Foreign Issuer Credit	S&P	BB	BB *	Pipelines
AES China Generating Co	12/18/02	LT Local Issuer Credit	S&P	B+	B+ *	Independ Power Producer
Bankers Life & Casualty Co	12/18/02	LT Local Issuer Credit	S&P	B+	B+ *	N.A.
Cihc Inc	12/18/02	LT Local Issuer Credit	S&P	D	SD	N.A.
Conseco Life Insurance Co	12/18/02	LT Local Issuer Credit	S&P	B+	B+ *	N.A.
Conseco Senior Health Insurance	12/18/02	LT Local Issuer Credit	S&P	B+	B+ *	N.A.
Kaztransoil	12/18/02	LT Local Issuer Credit	S&P	BB	BB *	Pipelines
Pioneer Life Insurance Co of IL	12/18/02	LT Local Issuer Credit	S&P	B+	B+ *	N.A.
Tuesday Morning Corp	12/18/02	Senior Implied Issuer	Moody	Ba2	Ba3 **	Retail-Discount
Tuesday Morning Corp.-(Old)	12/18/02	Senior Implied Issuer	Moody	Ba2	Ba3 **	Retail-Discount
Star Choice Communications	12/18/02	Senior Secured Debt	Moody	B3	B3 *	Satellite Telecom
Tuesday Morning Corp	12/18/02	Senior Subordinate	Moody	Ba3	B2 **	Retail-Discount
Tuesday Morning Corp.-(Old)	12/18/02	Senior Subordinate	Moody	Ba3	B2 **	Retail-Discount
Gazinvest Finance BV	12/18/02	Senior Unsecured Debt	Moody	Ba2	Ba3 **	Gas-Distribution
DynCorp Inc	12/19/02	Bank Loan Debt	Moody	Ba3 **	Ba3	Commercial Services
DynCorp Inc	12/19/02	Issuer Rating	Moody	B2 **	B2	Commercial Services
Bulbank AD	12/19/02	LT Foreign Issuer Credit	S&P	BB	BB-	Commer Banks Non-US
First Investment Bank Ltd	12/19/02	LT Foreign Issuer Credit	S&P	B+	B	Special Purpose Banks
Fisher Scientific International	12/19/02	LT Foreign Issuer Credit	S&P	BB- **	BB-	Instruments-Scientific
Municipal Bank AD	12/19/02	LT Foreign Issuer Credit	S&P	BB-	B+	N.A.
Sinopac Holdings Co	12/19/02	LT Foreign Issuer Credit	S&P	BB+	BB	Diversified Finan Serv
United Bulgarian Bank	12/19/02	LT Foreign Issuer Credit	S&P	BB	BB-	Commer Banks Non-US
Weight Watchers International Inc	12/19/02	LT Foreign Issuer Credit	S&P	BB- **	BB-	Commercial Services
William Carter Co/The	12/19/02	LT Foreign Issuer Credit	S&P	BB-	B+ **	Apparel Manufacturers
Bulbank AD	12/19/02	LT Local Issuer Credit	S&P	BB	BB-	Commer Banks Non-US
First Investment Bank Ltd	12/19/02	LT Local Issuer Credit	S&P	B+	B	Special Purpose Banks
Fisher Scientific International	12/19/02	LT Local Issuer Credit	S&P	BB- **	BB-	Instruments-Scientific
Municipal Bank AD	12/19/02	LT Local Issuer Credit	S&P	BB-	B+	N.A.



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High Yield Credit Rating Upgrades for Last 2 Weeks (continued)

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Sinopac Holdings Co	12/19/02	LT Local Issuer Credit	S&P	BB+	BB	Diversified Finan Serv
United Bulgarian Bank	12/19/02	LT Local Issuer Credit	S&P	BB	BB-	Commer Banks Non-US
Weight Watchers International Inc	12/19/02	LT Local Issuer Credit	S&P	BB- *+	BB-	Commercial Services
William Carter Co/The	12/19/02	LT Local Issuer Credit	S&P	BB-	B+ *+	Apparel Manufacturers
DynCorp Inc	12/19/02	Senior Subordinate	Moody	B3 *+	B3	Commercial Services
Direct Merchants Credit Card Bar	12/20/02	Issuer Rating	Moody	Ba2	Ba2 *-	Finance-Credit Card
Municipality of Coatzacoalcos/Mt	12/20/02	Issuer Rating	Moody	Ba2 *+	Ba2	N.A.
Direct Merchants Credit Card Bar	12/20/02	Long Term Bank Deposits	Moody	Ba1	Ba1 *-	Finance-Credit Card
Bear Island Paper Co LLC	12/20/02	LT Foreign Issuer Credit	S&P	B-	B- *-	Finance-Other Services
Fresenius Medical Care AG	12/20/02	LT Foreign Issuer Credit	S&P	BB+	BB	Medical Products
National Medical Care Inc	12/20/02	LT Foreign Issuer Credit	S&P	BB+	BB	Finance-Investment Fund
Bear Island Paper Co LLC	12/20/02	LT Local Issuer Credit	S&P	B-	B- *-	Finance-Other Services
Fresenius Medical Care AG	12/20/02	LT Local Issuer Credit	S&P	BB+	BB	Medical Products
National Medical Care Inc	12/20/02	LT Local Issuer Credit	S&P	BB+	BB	Finance-Investment Fund
SC Termoelectrica SA	12/20/02	Senior Unsecured Debt	Moody	B1	B2	Electric-Integrated
Denny's Corp	12/23/02	LT Foreign Issuer Credit	S&P	B	B-	Retail-Restaurants
Impex Bank	12/23/02	LT Foreign Issuer Credit	S&P	CCC	CCC-	N.A.
Denny's Corp	12/23/02	LT Local Issuer Credit	S&P	B	B-	Retail-Restaurants
Panhandle Eastern Pipe Line	12/23/02	Senior Unsecured Debt	Moody	Ba2 *	Ba2 *-	Pipelines
Panamerican Beverages Inc	12/23/02	Subordinated Debt	Moody	Ba1 *+	Ba1	Beverages-Non-alcoholic
Home Interiors & Gifts Inc	12/24/02	Bank Loan Debt	Moody	B2	WR	Multilevel Dir Selling
Town Sports International	12/24/02	LT Foreign Issuer Credit	S&P	B	B *-	Recreational Centers
Town Sports International	12/24/02	LT Local Issuer Credit	S&P	B	B *-	Recreational Centers
Qwest Communications Internatic	12/26/02	LT Local Issuer Credit	S&P	B-	SD	Telephone-Integrated
Big 5 Corp	12/27/02	Bank Loan Debt	Moody	Ba2	Ba3	Retail-Sporting Goods
Chohung Bank	12/27/02	LT Foreign Issuer Credit	S&P	BB+ *+	BB+	Commer Banks Non-US
Chohung Bank	12/27/02	LT Local Issuer Credit	S&P	BB+ *+	BB+	Commer Banks Non-US
Big 5 Corp	12/27/02	Senior Implied Issuer	Moody	Ba3	B1	Retail-Sporting Goods
Big 5 Corp	12/27/02	Senior Unsecured Debt	Moody	Ba3	B1	Retail-Sporting Goods
JL French Automotive Castings Ir	12/30/02	LT Foreign Issuer Credit	S&P	CCC+ *+	CCC+ *-	Auto/Trk Prts&Equip-Orig
Stericycle Inc	12/30/02	LT Foreign Issuer Credit	S&P	BB	BB-	Hazardous Waste Disposal
JL French Automotive Castings Ir	12/30/02	LT Local Issuer Credit	S&P	CCC+ *+	CCC+ *-	Auto/Trk Prts&Equip-Orig
Stericycle Inc	12/30/02	LT Local Issuer Credit	S&P	BB	BB-	Hazardous Waste Disposal
Western Digital Corp	12/31/02	Issuer Rating	Moody	B2	B3	Computers-Memory Devices
Elgar Holdings Inc	12/31/02	LT Foreign Issuer Credit	S&P	CCC-	CC	Diversified Operations
Elgar Holdings Inc	12/31/02	LT Local Issuer Credit	S&P	CCC-	CC	Diversified Operations
Western Digital Corp	12/31/02	Senior Implied Issuer	Moody	B1	B2	Computers-Memory Devices
Western Digital Corp	12/31/02	Subordinated Debt	Moody	B3	Caal	Computers-Memory Devices
Cia Latino Americana de Infraestr	1/2/03	LT Foreign Issuer Credit	S&P	D	SD	Diversified Operations
Hylsa SA DE CV	1/2/03	LT Foreign Issuer Credit	S&P	CCC+	D	Metal Processors&Fabrica
Kinetic Concepts Inc	1/2/03	LT Foreign Issuer Credit	S&P	B+	B *+	Hospital Beds/Equipment
Hylsa SA DE CV	1/2/03	LT Local Issuer Credit	S&P	CCC+	D	Metal Processors&Fabrica
Kinetic Concepts Inc	1/2/03	LT Local Issuer Credit	S&P	B+	B *+	Hospital Beds/Equipment

High Yield Credit Rating Downgrades for Last 2 Weeks

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Hamaca Holding LLC	12/18/02	Bank Loan Debt	Moody	Ba2 *-	Ba1 *-	N.A.
Sincruados de Oriente Sincor CA	12/18/02	Bank Loan Debt	Moody	Ba2 *-	Ba1 *-	N.A.
Phillips-Van Heusen	12/18/02	Issuer Rating	Moody	Ba3 *-	Ba3	Apparel Manufacturers
Micron Technology Inc	12/18/02	LT Foreign Issuer Credit	S&P	B+	BB-	Electronic Compo-Semicon
Nova Chemicals Corp	12/18/02	LT Foreign Issuer Credit	S&P	BB+	BBB-	Chemicals-Diversified
Ormet Corp	12/18/02	LT Foreign Issuer Credit	S&P	CCC	B	Metal-Aluminum
Banco Santa Cruz	12/18/02	LT Local Issuer Credit	S&P	B+	BB-	Commer Banks Non-US
Cooperative Rural de Electriciaci	12/18/02	LT Local Issuer Credit	S&P	B+	BB	N.A.
Micron Technology Inc	12/18/02	LT Local Issuer Credit	S&P	B+	BB-	Electronic Compo-Semicon
Nova Chemicals Corp	12/18/02	LT Local Issuer Credit	S&P	BB+	BBB-	Chemicals-Diversified
Ormet Corp	12/18/02	LT Local Issuer Credit	S&P	CCC	B	Metal-Aluminum
Phillips-Van Heusen	12/18/02	Senior Implied Issuer	Moody	Ba2 *-	Ba2	Apparel Manufacturers
Cerro Negro Finance Ltd	12/18/02	Senior Secured Debt	Moody	Ba2 *-	Ba1 *-	Oil Comp-Integrated
Petrozuata Finance Inc	12/18/02	Senior Secured Debt	Moody	Ba2 *-	Ba1 *-	Oil Comp-Integrated
Phillips-Van Heusen	12/18/02	Senior Subordinate	Moody	Ba3 *-	Ba3	Apparel Manufacturers





High Yield Credit Rating Downgrades for Last 2 Weeks (continued)

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Bariven SA	12/18/02	Senior Unsecured Debt	Moody	Ba3 *-	Ba1 *-	Oil Refining&Marketing
PDV America Inc	12/18/02	Senior Unsecured Debt	Moody	Ba3 *-	Ba1 *-	Oil Refining&Marketing
PDVSA Finance Ltd	12/18/02	Senior Unsecured Debt	Moody	Ba1 *-	Baa2 *-	Special Purpose Entity
Phillips-Van Heusen	12/18/02	Senior Unsecured Debt	Moody	Ba2 *-	Ba2	Apparel Manufacturers
Shaw Communications Inc	12/18/02	Senior Unsecured Debt	Moody	Ba2	Baa3 *-	Cable TV
General Cable Corp	12/19/02	Bank Loan Debt	Moody	B1	Ba3	Wire&Cable Products
O'Sullivan Industries Inc	12/19/02	Bank Loan Debt	Moody	B2	B1	Home Furnishings
Teekay Shipping Corp	12/19/02	Bank Loan Debt	Moody	Ba1 *-	Ba1	Transport-Marine
Congoleum Corp	12/19/02	Issuer Rating	Moody	Ca	B2	Bldg&Construct Prod-Misc
Dyckerhoff AG	12/19/02	Issuer Rating	Moody	Ba1	Baa3 *-	Bldg Prod-Cement/Aggreg
General Cable Corp	12/19/02	Issuer Rating	Moody	B2	B1	Wire&Cable Products
International Game Technology	12/19/02	Issuer Rating	Moody	Ba1 *-	Ba1	Casino Services
O'Sullivan Industries Inc	12/19/02	Issuer Rating	Moody	B3	B2	Home Furnishings
Teekay Shipping Corp	12/19/02	Issuer Rating	Moody	Ba2 *-	Ba2	Transport-Marine
Alamosa Delaware Inc	12/19/02	LT Foreign Issuer Credit	S&P	CCC+ *-	B- *-	Finance-Other Services
Alamosa Holdings Inc	12/19/02	LT Foreign Issuer Credit	S&P	CCC+ *-	B- *-	Cellular Telecom
Alamosa Holdings LLC	12/19/02	LT Foreign Issuer Credit	S&P	CCC+ *-	B- *-	Cellular Telecom
Desc SA	12/19/02	LT Foreign Issuer Credit	S&P	BB *-	BBB-	Diversified Operations
Dole Food Co	12/19/02	LT Foreign Issuer Credit	S&P	BB *-	BBB- *-	Food-Misc/Diversified
Gener SA	12/19/02	LT Foreign Issuer Credit	S&P	B+ *-	BB *-	Electric-Integrated
Maxxim Medical Group Inc	12/19/02	LT Foreign Issuer Credit	S&P	B- *-	B-	Disposable Medical Prod
NRG Northeast Generating LLC	12/19/02	LT Foreign Issuer Credit	S&P	D	CC *-	Electric-Integrated
Unik SA de CV	12/19/02	LT Foreign Issuer Credit	S&P	BB *-	BBB-	N.A.
Alamosa Delaware Inc	12/19/02	LT Local Issuer Credit	S&P	CCC+ *-	B- *-	Finance-Other Services
Alamosa Holdings Inc	12/19/02	LT Local Issuer Credit	S&P	CCC+ *-	B- *-	Cellular Telecom
Alamosa Holdings LLC	12/19/02	LT Local Issuer Credit	S&P	CCC+ *-	B- *-	Cellular Telecom
Desc SA	12/19/02	LT Local Issuer Credit	S&P	BB *-	BBB-	Diversified Operations
Dole Food Co	12/19/02	LT Local Issuer Credit	S&P	BB *-	BBB- *-	Food-Misc/Diversified
Gener SA	12/19/02	LT Local Issuer Credit	S&P	B+ *-	BB *-	Electric-Integrated
Maxxim Medical Group Inc	12/19/02	LT Local Issuer Credit	S&P	B- *-	B-	Disposable Medical Prod
NRG Northeast Generating LLC	12/19/02	LT Local Issuer Credit	S&P	D	CC *-	Electric-Integrated
Unik SA de CV	12/19/02	LT Local Issuer Credit	S&P	BB *-	BBB	N.A.
Congoleum Corp	12/19/02	Senior Implied Issuer	Moody	Caa2	B2	Bldg&Construct Prod-Misc
General Cable Corp	12/19/02	Senior Implied Issuer	Moody	B1	Ba3	Wire&Cable Products
International Game Technology	12/19/02	Senior Implied Issuer	Moody	Ba1 *-	Ba1	Casino Services
O'Sullivan Industries Inc	12/19/02	Senior Implied Issuer	Moody	B2	B1	Home Furnishings
TNK International Ltd	12/19/02	Senior Implied Issuer	Moody	Ba2 *-	Ba2	N.A.
Teekay Shipping Corp	12/19/02	Senior Implied Issuer	Moody	Ba1 *-	Ba1	Transport-Marine
Teekay Shipping Corp	12/19/02	Senior Secured Debt	Moody	Ba1 *-	Ba1	Transport-Marine
O'Sullivan Industries Inc	12/19/02	Senior Subordinate	Moody	Caa1	B3	Home Furnishings
Beghin-Say	12/19/02	Senior Unsecured Debt	Moody	Ba1 *-	Baa1 *-	Agricultural Operations
Congoleum Corp	12/19/02	Senior Unsecured Debt	Moody	Ca	B2	Bldg&Construct Prod-Misc
Dyckerhoff AG	12/19/02	Senior Unsecured Debt	Moody	Ba1	Baa3 *-	Bldg Prod-Cement/Aggreg
Eridania Beghin-Say	12/19/02	Senior Unsecured Debt	Moody	Ba1 *-	Baa1 *-	Agricultural Operations
International Game Technology	12/19/02	Senior Unsecured Debt	Moody	Ba1 *-	Ba1	Casino Services
Lone Star Industries	12/19/02	Senior Unsecured Debt	Moody	Ba1	Baa3 *-	Bldg Prod-Cement/Aggreg
O'Sullivan Industries Hldgs	12/19/02	Senior Unsecured Debt	Moody	Caa2	Caa1	Home Furnishings
Sibneft	12/19/02	Senior Unsecured Debt	Moody	Ba3 *-	Ba3	Oil Comp-Integrated
Teekay Shipping Corp	12/19/02	Senior Unsecured Debt	Moody	Ba2 *-	Ba2	Transport-Marine
Tyumen Oil Co	12/19/02	Senior Unsecured Debt	Moody	Ba3 *-	Ba3	Oil Comp-Integrated
Consolidated Container Co LLC	12/20/02	Bank Loan Debt	Moody	B2 *-	B2	N.A.
Maxxim Medical Group Inc	12/20/02	Bank Loan Debt	Moody	Caa1	B1	Disposable Medical Prod
Metris Cos Inc	12/20/02	Bank Loan Debt	Moody	B2	B1 *-	Finance-Credit Card
Terex Corp	12/20/02	Bank Loan Debt	Moody	B1	Ba3 *-	Machinery-Constr&Mining
ABB Asea Brown Boveri Ltd	12/20/02	Issuer Rating	Moody	B1	Ba2 *-	Engineering/R&D Services
ABB Holdings Inc	12/20/02	Issuer Rating	Moody	B1	Ba2 *-	N.A.
ABB Ltd	12/20/02	Issuer Rating	Moody	B1	Ba2 *-	Engineering/R&D Services
Consolidated Container Co LLC	12/20/02	Issuer Rating	Moody	B3 *-	B3	N.A.
JLG Industries Inc	12/20/02	Issuer Rating	Moody	Ba2 *-	Ba2	Machinery-Constr&Mining
Maxxim Medical Group Inc	12/20/02	Issuer Rating	Moody	Caa2	B2	Disposable Medical Prod
Millicom International Cellular S/	12/20/02	Issuer Rating	Moody	Caa2	B3	Cellular Telecom
Northwestern Corp	12/20/02	Issuer Rating	Moody	Ba1 *-	Baa2 *-	Gas-Distribution





High Yield Credit Rating Downgrades for Last 2 Weeks (continued)

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Ormet Corp	12/20/02	Issuer Rating	Moody	Ca	Caa3	Metal-Aluminum
Sun World International	12/20/02	Issuer Rating	Moody	Caa2	B3	Agricultural Operations
Terex Corp	12/20/02	Issuer Rating	Moody	B2	B1 *	Machinery-Constr&Mining
Equitable Life Finance Plc	12/20/02	JR Subordinated Debt	Moody	Ca	Caa2	Life/Health Insurance
TNK International Ltd	12/20/02	LT Foreign Issuer Credit	S&P	B+	B+ **	N.A.
TNK International Ltd	12/20/02	LT Local Issuer Credit	S&P	B+	B+ **	N.A.
Consolidated Container Co LLC	12/20/02	Senior Implied Issuer	Moody	B2 *-	B2	N.A.
JLG Industries Inc	12/20/02	Senior Implied Issuer	Moody	Ba1 *-	Ba1	Machinery-Constr&Mining
Maxxim Medical Group Inc	12/20/02	Senior Implied Issuer	Moody	Caa1	B1	Disposable Medical Prod
Millicom International Cellular S/	12/20/02	Senior Implied Issuer	Moody	Caa1	B2	Cellular Telecom
Ormet Corp	12/20/02	Senior Implied Issuer	Moody	Caa2	Caa1	Metal-Aluminum
Sun World International	12/20/02	Senior Implied Issuer	Moody	Caa1	B2	Agricultural Operations
Terex Corp	12/20/02	Senior Implied Issuer	Moody	B1	Ba3 *-	Machinery-Constr&Mining
Ormet Corp	12/20/02	Senior Secured Debt	Moody	Caa3	Caa1	Metal-Aluminum
Sun World International	12/20/02	Senior Secured Debt	Moody	Caa1	B2	Agricultural Operations
Consolidated Container Co LLC	12/20/02	Senior Subordinate	Moody	Caa1 *-	Caa1	N.A.
JLG Industries Inc	12/20/02	Senior Subordinate	Moody	Ba2 *-	Ba2	Machinery-Constr&Mining
Maxxim Medical Group Inc	12/20/02	Senior Subordinate	Moody	Caa3	B3	Disposable Medical Prod
Terex Corp	12/20/02	Senior Subordinate	Moody	B3	B2 *-	Machinery-Constr&Mining
ABB Asea Brown Boveri Ltd	12/20/02	Senior Unsecured Debt	Moody	B1	Ba2 *-	Engineering/R&D Services
ABB Capital BV	12/20/02	Senior Unsecured Debt	Moody	B1	Ba2 *-	Engineering/R&D Services
ABB Capital USA LLC	12/20/02	Senior Unsecured Debt	Moody	B1	Ba2 *-	Specified Purpose Acquis
ABB Finance Inc	12/20/02	Senior Unsecured Debt	Moody	B1	Ba2 *-	Engineering/R&D Services
ABB International Finance Ltd	12/20/02	Senior Unsecured Debt	Moody	B1	Ba2 *-	Finance-Other Services
ABB Treasury Centre Australi	12/20/02	Senior Unsecured Debt	Moody	B1	Ba2 *-	Special Purpose Entity
Fairfax Financial Holdings Ltd	12/20/02	Senior Unsecured Debt	Moody	Ba3	Ba2 *-	Multi-line Insurance
Gener SA	12/20/02	Senior Unsecured Debt	Moody	B2	Ba2 *-	Electric-Integrated
Metris Cos Inc	12/20/02	Senior Unsecured Debt	Moody	B3	B1 *	Finance-Credit Card
Northwestern Corp	12/20/02	Senior Unsecured Debt	Moody	Ba1 *-	Baa2 *-	Gas-Distribution
Northwestern Energy LLC	12/20/02	Senior Unsecured Debt	Moody	Ba1 *-	Baa2 *-	Electric-Integrated
TIG Holdings Inc	12/20/02	Senior Unsecured Debt	Moody	B1	Ba3 *-	Property/Casualty Ins
Touch America Holdings Inc	12/20/02	Senior Unsecured Debt	Moody	Ba1 *-	Baa2 *-	Telecom Services
Lumbermens Mutual Casualty	12/20/02	Subordinated Debt	Moody	B2	Ba1 *-	Mutual Insurance
Millicom International Cellular S/	12/20/02	Subordinated Debt	Moody	Caa3	Caa1	Cellular Telecom
SEMCO Energy Inc	12/20/02	Subordinated Debt	Moody	Ba1 *-	Ba1	Gas-Distribution
Cluett American Corp	12/23/02	Bank Loan Debt	Moody	Caa1	Ba3	Apparel Manufacturers
Rural Cellular Corp	12/23/02	Bank Loan Debt	Moody	B2	Ba3 *-	Cellular Telecom
Western Wireless Corp	12/23/02	Bank Loan Debt	Moody	B3	B1 *-	Cellular Telecom
Cluett American Corp	12/23/02	Issuer Rating	Moody	Caa2	B2	Apparel Manufacturers
Corp Durango SA de CV	12/23/02	Issuer Rating	Moody	Caa3 *-	B3	Paper&Related Products
Rural Cellular Corp	12/23/02	Issuer Rating	Moody	B3	B2 *-	Cellular Telecom
Western Wireless Corp	12/23/02	Issuer Rating	Moody	Caa1	B2 *-	Cellular Telecom
Compagnie Generale de Geophysi	12/23/02	LT Foreign Issuer Credit	S&P	BB *-	BB	Seismic Data Collection
Corp Durango SA de CV/Old	12/23/02	LT Foreign Issuer Credit	S&P	CC	B	Paper&Related Products
Focal Communications Corp	12/23/02	LT Foreign Issuer Credit	S&P	D	CC *-	Telephone-Integrated
Wickes Inc	12/23/02	LT Foreign Issuer Credit	S&P	CC *-	CCC	Retail-Building Products
XM Satellite Radio Holdings Inc	12/23/02	LT Foreign Issuer Credit	S&P	CCC- *-	CCC+ *-	Radio
Xm Satellite Radio Inc	12/23/02	LT Foreign Issuer Credit	S&P	CCC- *-	CCC+ *-	Broadcast Serv/Program
Casualty Underwriters Insurance	12/23/02	LT Local Issuer Credit	S&P	BBpi	BBBpi	N.A.
Compagnie Generale de Geophysi	12/23/02	LT Local Issuer Credit	S&P	BB *-	BB	Seismic Data Collection
Corp Durango SA de CV/Old	12/23/02	LT Local Issuer Credit	S&P	CC	B	Paper&Related Products
Focal Communications Corp	12/23/02	LT Local Issuer Credit	S&P	D	CC *-	Telephone-Integrated
Phoenix Indemnity Insurance Co	12/23/02	LT Local Issuer Credit	S&P	CCCpi	Bpi	N.A.
Standard Mutual Insurance Co	12/23/02	LT Local Issuer Credit	S&P	BBpi	BBBpi	N.A.
Upland Mutual Insurance Inc	12/23/02	LT Local Issuer Credit	S&P	BBpi	BBBpi	N.A.
Wickes Inc	12/23/02	LT Local Issuer Credit	S&P	CC *-	CCC	Retail-Building Products
XM Satellite Radio Holdings Inc	12/23/02	LT Local Issuer Credit	S&P	CCC- *-	CCC+ *-	Radio
Xm Satellite Radio Inc	12/23/02	LT Local Issuer Credit	S&P	CCC- *-	CCC+ *-	Broadcast Serv/Program
Cluett American Corp	12/23/02	Senior Implied Issuer	Moody	Caa1	B1	Apparel Manufacturers
Corp Durango SA de CV	12/23/02	Senior Implied Issuer	Moody	Caa2 *-	B2	Paper&Related Products
Rural Cellular Corp	12/23/02	Senior Implied Issuer	Moody	B2	B1 *-	Cellular Telecom
Western Wireless Corp	12/23/02	Senior Implied Issuer	Moody	B3	B1 *-	Cellular Telecom





High Yield Credit Rating Downgrades for Last 2 Weeks (continued)

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Corp Durango SA de CV/Old	12/23/02	Senior Secured Debt	Moody	Caa3 *-	B3	Paper&Related Products
Rural Cellular Corp	12/23/02	Senior Subordinate	Moody	Caa1	B3 *-	Cellular Telecom
Western Wireless Corp	12/23/02	Senior Subordinate	Moody	Caa2	B3 *-	Cellular Telecom
Avon Energy Partners Holdings	12/23/02	Senior Unsecured Debt	Moody	B2	Baa3 *-	Electric-Integrated
Corp Durango SA de CV	12/23/02	Senior Unsecured Debt	Moody	Caa3 *-	B3	Paper&Related Products
Fiat Finance & Trade Ltd	12/23/02	Senior Unsecured Debt	Moody	Ba1	Baa3 *	Auto-Cars/Light Trucks
Fiat Finance Canada Ltd	12/23/02	Senior Unsecured Debt	Moody	Ba1	Baa3 *-	Auto-Cars/Light Trucks
Fiat Finance Luxembourg SA	12/23/02	Senior Unsecured Debt	Moody	Ba1	Baa3 *-	Auto-Cars/Light Trucks
Fiat Finance North America Inc	12/23/02	Senior Unsecured Debt	Moody	Ba1	Baa3 *-	Auto-Cars/Light Trucks
Cluett American Corp	12/23/02	Subordinated Debt	Moody	Caa3	Ba3	Apparel Manufacturers
Buhrmann US	12/24/02	Bank Loan Debt	Moody	B1	Ba3 *-	Distribution/Wholesale
ASML Holding NV	12/24/02	Issuer Rating	Moody	B2	B1	Semiconductor Equipment
Buhrmann NV	12/24/02	Issuer Rating	Moody	B3	B2 *-	Distribution/Wholesale
Avalon Cable Finance Inc	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	N.A.
Avalon Cable Holding Finance In	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avalon Cable Holdings LLC	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avalon Cable LLC.	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	N.A.
Avalon Cable of Michigan	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avalon Cable of Michigan Holdin	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	N.A.
Avalon Cable of New England LI	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avon Energy Partners Holdings	12/24/02	LT Foreign Issuer Credit	S&P	BB *-	BBB *	Electric-Integrated
CC VI Operating Co LLC	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Special Purpose Entity
CC VIII Operating	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Special Purpose Entity
Centennial Cellular Operating Co	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cellular Telecom
Centennial Communications Corp	12/24/02	LT Foreign Issuer Credit	S&P	B *	B+ *-	Cellular Telecom
Charter Communications Holding	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Charter Communications Holding	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Charter Communications Inc	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Charter Communications Operatir	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Cable TV
Goodyear Tire & Rubber Co/The	12/24/02	LT Foreign Issuer Credit	S&P	BB-	BB+ *-	Rubber-Tires
Unicco Service Co	12/24/02	LT Foreign Issuer Credit	S&P	B *-	B+ *-	Building-Maint&Service
Avalon Cable Finance Inc	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	N.A.
Avalon Cable Holding Finance In	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avalon Cable Holdings LLC	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avalon Cable LLC.	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	N.A.
Avalon Cable of Michigan	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avalon Cable of Michigan Holdin	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	N.A.
Avalon Cable of New England LI	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Avon Energy Partners Holdings	12/24/02	LT Local Issuer Credit	S&P	BB *-	BBB *	Electric-Integrated
CC VI Operating Co LLC	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Special Purpose Entity
CC VIII Operating	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Special Purpose Entity
Caisse Generale D'Assurances	12/24/02	LT Local Issuer Credit	S&P	Bpi	BBpi	N.A.
Centennial Cellular Operating Co	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cellular Telecom
Centennial Communications Corp	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cellular Telecom
Charter Communications Holding	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Charter Communications Holding	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Charter Communications Inc	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Charter Communications Operatir	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Cable TV
Feuersozietat Berlin Branden	12/24/02	LT Local Issuer Credit	S&P	BBpi	BBBpi	N.A.
Goodyear Tire & Rubber Co/The	12/24/02	LT Local Issuer Credit	S&P	BB-	BB+ *-	Rubber-Tires
Mannheimer AG Holding	12/24/02	LT Local Issuer Credit	S&P	BBpi	Api	Multi-line Insurance
Mutuelle des Provinces de France	12/24/02	LT Local Issuer Credit	S&P	BBpi	BBBpi	N.A.
Unicco Service Co	12/24/02	LT Local Issuer Credit	S&P	B *-	B+ *-	Building-Maint&Service
Union Insurance Co Ltd	12/24/02	LT Local Issuer Credit	S&P	BB+	BBB-	Property/Casualty Ins
ASML Holding NV	12/24/02	Senior Implied Issuer	Moody	B1	Ba3	Semiconductor Equipment
Buhrmann NV	12/24/02	Senior Implied Issuer	Moody	B1	Ba3 *-	Distribution/Wholesale
Buhrmann US	12/24/02	Senior Subordinate	Moody	B3	B2 *-	Distribution/Wholesale
Qwest Capital Funding Inc	12/26/02	Senior Unsecured Debt	Moody	Caa2 *-	Caa1 *-	Telephone-Integrated
Texas Industries Inc	12/27/02	Bank Loan Debt	Moody	Ba2	Ba1	Bldg Prod-Cement/Aggreg
Texas Industries Inc	12/27/02	Issuer Rating	Moody	Ba2	Ba1	Bldg Prod-Cement/Aggreg
Texas Industries Inc	12/27/02	Senior Implied Issuer	Moody	Ba2	Ba1	Bldg Prod-Cement/Aggreg
Interop National Radio Sales Inc	12/30/02	Issuer Rating	Moody	B3	B2 *-	Advertising Sales





High Yield Credit Rating Downgrades for Last 2 Weeks (continued)

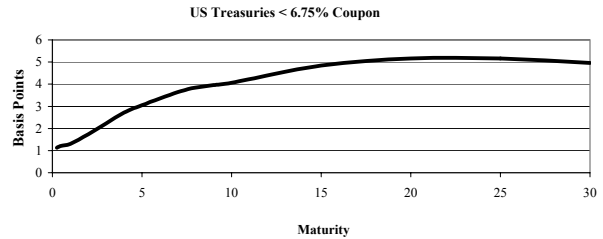
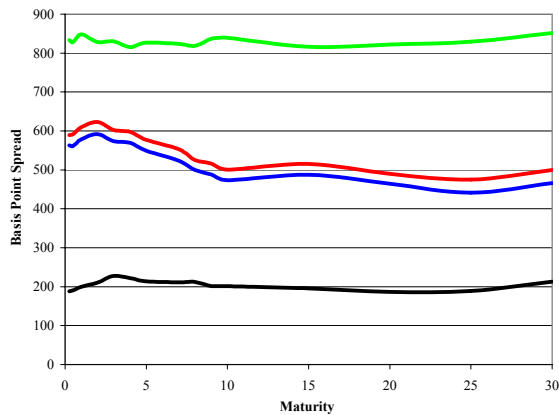
Company Name	Date	Rating Type	Agency	Current	Last	Industry
Northwestern Corp	12/30/02	LT Foreign Issuer Credit	S&P	BB+	BBB+	Gas-Distribution
Oslo Seismic Services Inc	12/30/02	LT Foreign Issuer Credit	S&P	CC *	CCC+	Oil-Field Services
Petroleum Geo-Services ASA	12/30/02	LT Foreign Issuer Credit	S&P	CC *	CCC+	Oil-Field Services
Touch America Holdings Inc	12/30/02	LT Foreign Issuer Credit	S&P	BB+	BBB+	Telecom Services
Trinity Industries Inc	12/30/02	LT Foreign Issuer Credit	S&P	BB	BBB- *	Diversified Manufact Op
Northwestern Corp	12/30/02	LT Local Issuer Credit	S&P	BB+	BBB+	Gas-Distribution
Oslo Seismic Services Inc	12/30/02	LT Local Issuer Credit	S&P	CC *	CCC+	Oil-Field Services
Petroleum Geo-Services ASA	12/30/02	LT Local Issuer Credit	S&P	CC *	CCC+	Oil-Field Services
Touch America Holdings Inc	12/30/02	LT Local Issuer Credit	S&P	BB+	BBB+	Telecom Services
Trinity Industries Inc	12/30/02	LT Local Issuer Credit	S&P	BB	BBB- *	Diversified Manufact Op
Interop National Radio Sales Inc	12/30/02	Senior Implied Issuer	Moody	B3	B1 *	Advertising Sales
Interop National Radio Sales Inc	12/30/02	Senior Subordinate	Moody	Caa2	B3 *	Advertising Sales
Centennial Cellular Operating Co	12/31/02	Bank Loan Debt	Moody	B3	B1 *	Cellular Telecom
Centennial Cellular Operating Co	12/31/02	Issuer Rating	Moody	Caa1	B2 *	Cellular Telecom
XM Satellite Radio Holdings Inc	12/31/02	Issuer Rating	Moody	Caa2 *	Caa2	Radio
AirGate PCS Inc	12/31/02	LT Foreign Issuer Credit	S&P	CCC- *	CCC+	Cellular Telecom
Ipcs Inc	12/31/02	LT Foreign Issuer Credit	S&P	CC *	CCC- *	Telecom Services
iPCS Wireless Inc	12/31/02	LT Foreign Issuer Credit	S&P	CC *	CCC- *	Telecom Services
AirGate PCS Inc	12/31/02	LT Local Issuer Credit	S&P	CCC- *	CCC+	Cellular Telecom
Ipcs Inc	12/31/02	LT Local Issuer Credit	S&P	CC *	CCC- *	Telecom Services
iPCS Wireless Inc	12/31/02	LT Local Issuer Credit	S&P	CC *	CCC- *	Telecom Services
Centennial Cellular Operating Co	12/31/02	Senior Implied Issuer	Moody	B3	B1 *	Cellular Telecom
XM Satellite Radio Holdings Inc	12/31/02	Senior Implied Issuer	Moody	Caa1 *	Caa1	Radio
XM Satellite Radio Holdings Inc	12/31/02	Senior Secured Debt	Moody	Caa1 *	Caa1	Radio
Centennial Cellular Operating Co	12/31/02	Subordinated Debt	Moody	Caa2	B3 *	Cellular Telecom
XM Satellite Radio Holdings Inc	12/31/02	Subordinated Debt	Moody	Caa3 *	Caa3	Radio
Petroleum Geo-Services ASA	1/2/03	Issuer Rating	Moody	Caa3	Caa1	Oil-Field Services
Petroleum Geo-Services ASA	1/2/03	JR Subordinated Debt	Moody	C	Ca	Oil-Field Services
Cia Latino Americana de Infraestr	1/2/03	LT Local Issuer Credit	S&P	D	CC	Diversified Operations
Petroleum Geo-Services ASA	1/2/03	Senior Implied Issuer	Moody	Caa3	Caa1	Oil-Field Services
Oslo Seismic Services Inc	1/2/03	Senior Secured Debt	Moody	Caa2	Caa1	Oil-Field Services

Upcoming Speaking Engagements

Please join Chanin professionals at these upcoming financial restructuring conferences.

Topic	Venue	Date	Speaker
Corporate Restructuring Summit	The W Hotel, New York City	2/27 and 2/28	Tom Thompson

Corporate Bond Spreads to US Treasury Notes with Coupons < 6.75%



Change in spread to US treasuries with coupons < 6.75% (7 Year)

	Time Period of Change			
	2 weeks	3 months	6 months	1 year
B3	2	(40)	176	167
B1	(2)	(59)	96	112
BB3	1	(67)	79	105
BBB3	11	(14)	23	11

