

HIGH YIELD & DISTRESSED MARKET REVIEW

Issue 03 / 03



CHANIN CAPITAL PARTNERS
A SPECIALTY INVESTMENT BANK

Week of January 31, 2003
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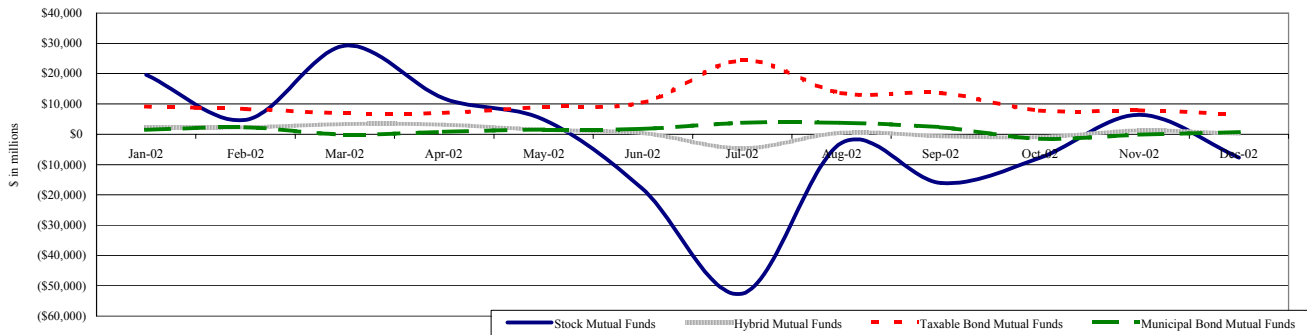
Key Market Indicators

	January 31, 2003		2 Week	2 Week	2 Week	2 Week	YTD	YTD
	Open	Close	High	Low	Change	Change %	Change	Change %
DJIA	7,945.13	8,053.81	8,442.90	7,945.13	-532.93	-6.21%	-553.71	-6.43%
Nasdaq	1,322.35	1,320.92	1,388.27	1,320.92	-55.27	-4.02%	-63.93	-4.62%
S&P 500	844.61	855.70	887.62	844.61	-46.08	-5.11%	-53.33	-5.87%
Russell 2000	367.62	372.17	383.71	367.62	-15.93	-4.10%	-20.41	-5.20%
OEX Volatility Index	36.37	35.78	39.77	30.53	7.10	24.76%	7.26	25.46%
Prime Rate	4.25%							
	1 month	3 months	6 months	1 Year				
LIBOR	1.34%	1.35%	1.35%	1.48%				

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

	Dec-02	Nov-02	Oct-02	Sep-02	Aug-02	Jul-02	YTD 2002
Stock Mutual Funds	(\$7,747)	\$6,464	(\$7,709)	(\$16,078)	(\$2,905)	(\$52,628)	(\$27,096)
Hybrid Mutual Funds	\$235	\$1,211	(\$1,024)	(\$623)	\$531	(\$4,690)	\$8,691
Taxable Bond Funds	\$6,668	\$7,899	\$7,816	\$13,555	\$13,582	\$24,374	\$124,049
Municipal Bond Funds	\$703	(\$164)	(\$1,518)	\$2,324	\$3,792	\$3,765	\$16,442

Net New Cash Flow of Long-Term Funds



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

Index	Dec-02 Level	Nov-02 Level	Oct-02 Level	Dec-02 Month Return	YTD Return
Altman-NYU Defaulted Bank Loans Index	120.5	117.6	111.6	2.51%	3.03%
Altman-NYU Defaulted Public Bonds Index	65.2	66.8	61.5	-2.28%	-5.98%
Combined Bank Loan-Public Bond Index	96.7	96.1	90.2	0.69%	-0.53%
S&P 500 (Dividends Reinvested)	151.0	160.4	151.5	-5.87%	-22.08%
Salomon Smith Barney High Yield Index	136.8	135.2	125.6	1.21%	-1.53%

Distressed Lending News

Story Description	Size (\$mil)	Date	Source
United Airlines to release Financial results January 31	N/A	01/31/03	DBR
Farmland Industries Committees oppose DIP loan amendment	N/A	01/31/03	DBR
W.R. Grace&Co.'s net income drops to \$22 million for 2002	N/A	01/30/03	DBR
AT&T Canada losses three directors	N/A	01/30/03	DBR
Farmland Industries gets ok to hire investment banker	N/A	01/30/03	DBR
Portland seeks operator for PGE	N/A	01/30/03	DBR
Formica suitors include ex-chairman	N/A	01/30/03	DBR
Kmart closing to hurt Little Caesar	N/A	01/30/03	DBR

M&A Announced Transactions

Target	Acquirer	Value (\$mil)	Date	Industry
Burlington Northern Santa Fe	Burlington Northern Santa Fe	\$792.00	01/16/03	Transportation and Shipping (except air)
Compass Bancshares Inc,Alabama	Compass Bancshares Inc,Alabama	\$201.84	01/16/03	Commercial Banks, Bank Holding Co.'s



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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
S&P ComStock	Interactive Data Corp	\$115.00	01/16/03	Business Services
3-Dimensional Pharmaceuticals	Johnson & Johnson	\$133.91	01/16/03	Drugs
Wallace Computer Services Inc	Moore Corp Ltd	\$1,303.69	01/16/03	Printing, Publishing, and Allied Services
MW Manufactures	Investcorp	\$188.00	01/17/03	Wood Products, Furniture, and Fixtures
Caminus Corp	SunGard Data Systems Inc	\$153.52	01/21/03	Prepackaged Software
First Virginia Banks,VA	BB&T Corp,Winston-Salem,NC	\$3,386.08	01/21/03	Commercial Banks, Bank Holding Cos
N'Tandem Trust	Chateau Communities Inc	\$150.00	01/21/03	Investment & Commodity Firms,Dealers
Pfizer Inc-Schick-Wilkinson	Energizer Holdings Inc	\$930.00	01/21/03	Miscellaneous Manufacturing
Bank of America Corp	Bank of America Corp	\$9,194.90	01/22/03	Commercial Banks, Bank Holding Cos
Burbank Media City Center Mall	Crown Realty & Development	\$110.00	01/22/03	Real Estate;Mortgage Bankers and Brok
Lighthouse Financial Services	SunTrust Banks Inc,Atlanta,GA	\$130.00	01/22/03	Savings and Loans, Mutual Savings Banks
Register.com Inc	IWB Acquisitions LLC	\$248.55	01/22/03	Business Services
National Steel Corp-Steel Asts	AK Steel Corp	\$1,025.00	01/23/03	Metal and Metal Products
CE Generation LLC	TransAlta Corp	\$240.00	01/24/03	Electric, Gas, and Water Distribution
Metro Life Ins CO-Office Prop	CB Richard Ellis	\$240.00	01/24/03	Real Estate;Mortgage Bankers and Brok
Standard Fruit & Vegetable Co	Fresh Del Monte Produce Inc	\$100.00	01/27/03	Wholesale Trade-Nondurable Goods
Cardinal Health Inc	Cardinal Health Inc	\$500.00	01/28/03	Wholesale Trade-Nondurable Goods
Hammerblow Towing Systems	TriMas Corp	\$142.00	01/28/03	Transportation Equipment
ALLTEL Corp-Financial Services	Fidelity National Financial	\$1,050.00	01/29/03	Real Estate;Mortgage Bankers and Brok
Undisclosed Gas Ppty,NY	Fortuna Energy Inc	\$250.00	01/29/03	Oil and Gas; Petroleum Refining
Goodrich Corp-Avionics	L-3 Communications Holdings	\$188.00	01/29/03	Aerospace and Aircraft
Goodrich Avionics Systems	L-3 Communications Holdings	\$188.00	01/29/03	Aerospace and Aircraft
McGraw-Hill Cos Inc	McGraw-Hill Cos Inc	\$874.80	01/29/03	Printing, Publishing, and Allied Services

High Yield Credit Rating Upgrades for Last 2 Weeks

Company Name	Date	Rating Type	Agency	Current	Last	Industry
American Tower Corp	01/29/03	LT Foreign Issuer Credit	S&P	B-	B- *	Wireless Equipment
American Tower Corp	01/29/03	LT Local Issuer Credit	S&P	B-	B- *	Wireless Equipment
Crown Cork & Seal Co Inc	01/29/03	LT Local Issuer Credit	S&P	B- **	B-	Containers-Metal/Glass
Crown Cork & Seal Co Inc	01/29/03	LT Foreign Issuer Credit	S&P	B- **	B-	Containers-Metal/Glass
MTS Inc	01/29/03	LT Local Issuer Credit	S&P	CCC+	CCC **	Retail-Music Store
MTS Inc	01/29/03	LT Foreign Issuer Credit	S&P	CCC+	CCC **	Retail-Music Store
Venetian Casino Resort LLC	01/29/03	Senior Secured Debt	Moody	B3	Caa1 **	Casino Hotels
Venetian Casino Resort LLC	01/29/03	Issuer Rating	Moody	Caa1	Caa2 **	Casino Hotels
Venetian Casino Resort LLC	01/29/03	Bank Loan Debt	Moody	B1	B2 **	Casino Hotels
Venetian Casino Resort LLC	01/29/03	Senior Implied Issuer	Moody	B2	B3 **	Casino Hotels
Isle of Capri Black Hawk LLC	01/28/03	LT Local Issuer Credit	S&P	B+	WR	Casino Services
Isle of Capri Black Hawk LLC	01/28/03	LT Foreign Issuer Credit	S&P	B+	WR	Casino Services
Aspect Communications Corp	01/27/03	LT Foreign Issuer Credit	S&P	B	B *	Telecom Services
Aspect Communications Corp	01/27/03	LT Local Issuer Credit	S&P	B	B *	Telecom Services
Hollywood Casino Corp	01/27/03	Issuer Rating	Moody	Caa1 **	Caa1	Casino Hotels
Hollywood Casino Corp	01/27/03	Senior Secured Debt	Moody	B3 **	B3	Casino Hotels
Hollywood Casino Corp	01/27/03	Senior Implied Issuer	Moody	B3 **	B3	Casino Hotels
Anchor Glass Container Corp	01/24/03	LT Foreign Issuer Credit	S&P	B+	WR	Containers-Metal/Glass
Anchor Glass Container Corp	01/24/03	LT Local Issuer Credit	S&P	B+	WR	Containers-Metal/Glass
Anchor Glass Container Corp	01/24/03	Senior Secured Debt	Moody	B2	Caa2	Containers-Metal/Glass
Anchor Glass Container Corp	01/24/03	Senior Implied Issuer	Moody	B2	Caa2	Containers-Metal/Glass
Anchor Glass Container Corp	01/24/03	Issuer Rating	Moody	Caa1	C	Containers-Metal/Glass
Healthsouth Corp	01/24/03	Equity Linked	Moody	B2	B2 *	Phys Therapy/Rehab Cntrs
Healthsouth Corp	01/24/03	Senior Implied Issuer	Moody	Ba3	Ba3 *	Phys Therapy/Rehab Cntrs
Healthsouth Corp	01/24/03	Bank Loan Debt	Moody	Ba3	Ba3 *	Phys Therapy/Rehab Cntrs
Healthsouth Corp	01/24/03	Senior Unsecured Debt	Moody	Ba3	Ba3 *	Phys Therapy/Rehab Cntrs
Healthsouth Corp	01/24/03	Issuer Rating	Moody	Ba3	Ba3 *	Phys Therapy/Rehab Cntrs
Isle of Capri Black Hawk LLC	01/24/03	Senior Implied Issuer	Moody	B1	WR	Casino Services
Isle of Capri Black Hawk LLC	01/24/03	Issuer Rating	Moody	B2	WR	Casino Services
LIN Television Corp/Old	01/24/03	LT Local Issuer Credit	S&P	BB-	B+	Television
LIN Television Corp/Old	01/24/03	LT Foreign Issuer Credit	S&P	BB-	B+	Television
Lin Holdings Corp	01/24/03	LT Foreign Issuer Credit	S&P	BB-	B+	Television
Lin Holdings Corp	01/24/03	LT Local Issuer Credit	S&P	BB-	B+	Television
Moscow Oblast	01/24/03	LT Foreign Issuer Credit	S&P	B	B-	Sovereign
UPC Distribution Holding BV	01/24/03	LT Foreign Issuer Credit	S&P	C *	C *	Cable TV
UPC Distribution Holding BV	01/24/03	LT Local Issuer Credit	S&P	C *	C *	Cable TV
United Pan-Europe Comm. NV	01/24/03	LT Local Issuer Credit	S&P	D	SD	Telecom Services
United Pan-Europe Comm. NV	01/24/03	LT Foreign Issuer Credit	S&P	D	SD	Telecom Services



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

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Consolidated Container Capital	01/23/03	LT Foreign Issuer Credit	S&P	B-	B- *	N.A.
Consolidated Container Capital	01/23/03	LT Local Issuer Credit	S&P	B-	B- *	N.A.
Freeport-McMoRan Copper&Gol	01/23/03	Issuer Rating	Moody	B2	B3	Metal-Diversified
Freeport-McMoRan Copper&Gol	01/23/03	Senior Unsecured Debt	Moody	B2	B3	Metal-Diversified
Freeport-McMoRan Copper&Gol	01/23/03	Senior Implied Issuer	Moody	B2	B3	Metal-Diversified
Hanger Orthopedic Group Inc	01/23/03	LT Local Issuer Credit	S&P	B+	B	Medical Products
Hanger Orthopedic Group Inc	01/23/03	LT Foreign Issuer Credit	S&P	B+	B	Medical Products
UPC Distribution Holding BV	01/23/03	LT Local Issuer Credit	S&P	C *-	SD	Cable TV
UPC Distribution Holding BV	01/23/03	LT Foreign Issuer Credit	S&P	C *-	SD	Cable TV
Central Garden and Pet Co	01/22/03	Subordinated Debt	Moody	B2	B3	Consumer Products-Misc
Central Garden and Pet Co	01/22/03	Issuer Rating	Moody	B1	B2	Consumer Products-Misc
Central Garden and Pet Co	01/22/03	Senior Implied Issuer	Moody	Ba3	B1	Consumer Products-Misc
Global Imaging Systems Inc	01/22/03	LT Local Issuer Credit	S&P	BB-	B+	Office Automation&Equip
Global Imaging Systems Inc	01/22/03	LT Foreign Issuer Credit	S&P	BB-	B+	Office Automation&Equip
LIN Television Corp/Old	01/22/03	Senior Subordinate	Moody	B2	B3 **	Television
LIN Television Corp/Old	01/22/03	Senior Unsecured Debt	Moody	B1	B2 **	Television
LIN Television Corp/Old	01/22/03	Bank Loan Debt	Moody	Ba2	Ba3 **	Television
Lin Holdings Corp	01/22/03	Senior Unsecured Debt	Moody	B3	Caa1 **	Television
Lin Holdings Corp	01/22/03	Senior Implied Issuer	Moody	Ba3	B1 **	Television
Lin Holdings Corp	01/22/03	Issuer Rating	Moody	B3	Caa1 **	Television
Central Garden and Pet Co	01/21/03	LT Foreign Issuer Credit	S&P	BB- **	BB-	Consumer Products-Misc
Central Garden and Pet Co	01/21/03	LT Local Issuer Credit	S&P	BB- **	BB-	Consumer Products-Misc
Moore Corp Ltd	01/21/03	LT Local Issuer Credit	S&P	BB+ **	BB+	Office Supplies&Forms
Moore Corp Ltd	01/21/03	LT Foreign Issuer Credit	S&P	BB+ **	BB+	Office Supplies&Forms
Moore North America Inc	01/21/03	LT Local Issuer Credit	S&P	BB+ **	BB+	Printing-Commercial
Moore North America Inc	01/21/03	LT Foreign Issuer Credit	S&P	BB+ **	BB+	Printing-Commercial
ATA Holdings Corp	01/17/03	LT Local Issuer Credit	S&P	B-	B- *	Airlines
ATA Holdings Corp	01/17/03	LT Foreign Issuer Credit	S&P	B-	B- *	Airlines
American Trans Air	01/17/03	LT Foreign Issuer Credit	S&P	B-	B- *	Transport-Air Freight
American Trans Air	01/17/03	LT Local Issuer Credit	S&P	B-	B- *	Transport-Air Freight
Houghton Mifflin Co	01/16/03	Bank Loan Debt	Moody	Ba3	WR	Publishing-Books

High Yield Credit Rating Downgrades for Last 2 Weeks

Company Name	Date	Rating Type	Agency	Current	Last	Industry
AmeriCredit Corp	01/29/03	LT Foreign Issuer Credit	S&P	B+	BB- **	Finance-Auto Loans
AmeriCredit Corp	01/29/03	LT Local Issuer Credit	S&P	B+	BB- **	Finance-Auto Loans
American Premier Underwriters I	01/29/03	Subordinated Debt	Moody	Ba1	Baa3 **	N.A.
Burns Philp & Co Ltd	01/29/03	Senior Implied Issuer	Moody	B1	Ba3 **	Food-Misc/Diversified
Burns Philp & Co Ltd	01/29/03	Issuer Rating	Moody	B2	B1 **	Food-Misc/Diversified
Burns Philp & Co Ltd	01/29/03	Senior Subordinate	Moody	B3	B2 **	Food-Misc/Diversified
Century Aluminum Co	01/29/03	Senior Implied Issuer	Moody	B1 *	B1	Metal-Aluminum
Century Aluminum Co	01/29/03	Senior Secured Debt	Moody	B1 *	B1	Metal-Aluminum
Century Aluminum Co	01/29/03	Bank Loan Debt	Moody	Ba3 **	Ba3	Metal-Aluminum
Century Aluminum Co	01/29/03	Issuer Rating	Moody	B3 **	B3	Metal-Aluminum
Cia Energetica de Minas Gerais	01/29/03	Senior Unsecured Debt	Moody	B1	Ba1 **	Electric-Integrated
Cia Energetica de Minas Gerais	01/29/03	LC Curr Issuer Rating	Moody	B1	Ba1 **	Electric-Integrated
Fleming Cos Inc	01/29/03	Senior Subordinate	Moody	B3 **	B3	Food-Wholesale/Distrib
Fleming Cos Inc	01/29/03	Senior Unsecured Debt	Moody	B2 **	B2	Food-Wholesale/Distrib
Fleming Cos Inc	01/29/03	Bank Loan Debt	Moody	Ba3 **	Ba3	Food-Wholesale/Distrib
Fleming Cos Inc	01/29/03	Senior Implied Issuer	Moody	B2 **	B2	Food-Wholesale/Distrib
Fleming Cos Inc	01/29/03	Issuer Rating	Moody	B3 **	B3	Food-Wholesale/Distrib
Metris Cos Inc	01/29/03	LT Local Issuer Credit	S&P	B *	B	Finance-Credit Card
Metris Cos Inc	01/29/03	LT Foreign Issuer Credit	S&P	B *	B	Finance-Credit Card
AMR Corp	01/28/03	Senior Implied Issuer	Moody	B1 **	B1	Airlines
AMR Corp	01/28/03	Senior Unsecured Debt	Moody	B2 **	B2	Airlines
American Airlines Inc	01/28/03	Senior Secured Debt	Moody	Ba3 **	Ba3	Airlines
American Airlines Inc	01/28/03	Issuer Rating	Moody	B2 **	B2	Airlines
American Airlines Inc	01/28/03	Bank Loan Debt	Moody	B2 **	B2	Airlines
Light Servicos de Eletricidade	01/28/03	LT Local Issuer Credit	S&P	CCC+	B *	Electric-Integrated
Light Servicos de Eletricidade	01/28/03	LT Foreign Issuer Credit	S&P	CCC+	B *	Electric-Integrated
Paperboard Industries Intl	01/28/03	Senior Unsecured Debt	Moody	B2	B2 **	Paper&Related Products
Paperboard Industries Intl	01/28/03	Senior Implied Issuer	Moody	B1	B1 **	Paper&Related Products
Paperboard Industries Intl	01/28/03	Issuer Rating	Moody	B2	B2 **	Paper&Related Products





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

Company Name	Date	Rating Type	Agency	Current	Last	Industry
Penta-Ocean Construction	01/28/03	Issuer Rating	Moody	B1	Ba3 *-	Building&Construct-Misc
UbiquiTel Operating Co	01/28/03	LT Foreign Issuer Credit	S&P	CC *-	CCC+ *-	Cellular Telecom
UbiquiTel Operating Co	01/28/03	LT Local Issuer Credit	S&P	CC *-	CCC+ *-	Cellular Telecom
Ubiquitel Inc	01/28/03	LT Local Issuer Credit	S&P	CC *-	CCC+ *-	Cellular Telecom
Ubiquitel Inc	01/28/03	LT Foreign Issuer Credit	S&P	CC *-	CCC+ *-	Cellular Telecom
Beghin-Say	01/27/03	LT Local Issuer Credit	S&P	BB+	BBB+ *-	Agricultural Operations
Beghin-Say	01/27/03	LT Foreign Issuer Credit	S&P	BB+	BBB+ *-	Agricultural Operations
CF Cable TV Inc	01/27/03	Senior Secured Debt	Moody	Ba3 *-	Ba3	Cable TV
Getronics NV	01/27/03	LT Foreign Issuer Credit	S&P	B *-	BB+	Computer Services
Getronics NV	01/27/03	LT Local Issuer Credit	S&P	B *-	BB+	Computer Services
Hollywood Casino Shreveport	01/27/03	Senior Secured Debt	Moody	B3 *-	B3	Casino Hotels
Hollywood Casino Shreveport	01/27/03	Issuer Rating	Moody	Caa1 *-	Caa1	Casino Hotels
Hollywood Casino Shreveport	01/27/03	Senior Implied Issuer	Moody	B3 *-	B3	Casino Hotels
Pegasus Communications Corp	01/27/03	LT Foreign Issuer Credit	S&P	CCC+	B *-	Television
Pegasus Communications Corp	01/27/03	LT Local Issuer Credit	S&P	CCC+	B *-	Television
Pegasus Media & Communic.	01/27/03	LT Foreign Issuer Credit	S&P	CCC+	B *-	Broadcast Serv/Program
Pegasus Media & Communic.	01/27/03	LT Local Issuer Credit	S&P	CCC+	B *-	Broadcast Serv/Program
Pegasus Media & Communic.	01/27/03	LT Local Issuer Credit	S&P	CCC+	B *-	Satellite Telecom
Pegasus Media & Communic.	01/27/03	LT Foreign Issuer Credit	S&P	CCC+	B *-	Satellite Telecom
i2 Technologies Inc	01/27/03	LT Local Issuer Credit	S&P	B *-	B	B2B/E-Commerce
i2 Technologies Inc	01/27/03	LT Foreign Issuer Credit	S&P	B *-	B	B2B/E-Commerce
AK Steel Corp	01/24/03	LT Foreign Issuer Credit	S&P	BB *-	BB	Steel-Producers
AK Steel Corp	01/24/03	LT Local Issuer Credit	S&P	BB *-	BB	Steel-Producers
AK Steel Corp	01/24/03	Issuer Rating	Moody	B1 *-	B1	Steel-Producers
AK Steel Corp	01/24/03	Senior Secured Debt	Moody	Ba2 *-	Ba2	Steel-Producers
AK Steel Corp	01/24/03	Senior Implied Issuer	Moody	Ba3 *-	Ba3	Steel-Producers
AK Steel Corp	01/24/03	Senior Unsecured Debt	Moody	B1 *-	B1	Steel-Producers
AK Steel Holding Corp	01/24/03	LT Foreign Issuer Credit	S&P	BB *-	BB	Steel-Producers
AK Steel Holding Corp	01/24/03	LT Local Issuer Credit	S&P	BB *-	BB	Steel-Producers
Armco Inc	01/24/03	Senior Unsecured Debt	Moody	B1 *-	B1	Steel-Producers
Central Parking Corp	01/24/03	Issuer Rating	Moody	Ba3	Ba2	Commercial Services
Cone Mills Corp	01/24/03	LT Local Issuer Credit	S&P	CCC+ *-	CCC+	Textile-Apparel
Cone Mills Corp	01/24/03	LT Foreign Issuer Credit	S&P	CCC+ *-	CCC+	Textile-Apparel
Indian Oil Corp Ltd	01/24/03	Issuer Rating	Moody	Ba2	Ba2 +*	Oil Refining&Marketing
Magellan Health Services Inc	01/24/03	Senior Implied Issuer	Moody	Ca	Caa2	Medical-HMO
Magellan Health Services Inc	01/24/03	Senior Unsecured Debt	Moody	Caa3	Caa2	Medical-HMO
Magellan Health Services Inc	01/24/03	Issuer Rating	Moody	Caa3	Caa2	Medical-HMO
Magellan Health Services Inc	01/24/03	Senior Subordinate	Moody	C	Ca	Medical-HMO
Paperboard Industries Intl	01/24/03	LT Local Issuer Credit	S&P	BB-	BB- +*	Paper&Related Products
Paperboard Industries Intl	01/24/03	LT Foreign Issuer Credit	S&P	BB-	BB- +*	Paper&Related Products
Tata Power Co Ltd	01/24/03	Senior Unsecured Debt	Moody	Ba2	Ba2 +*	Electric-Integrated
Cable & Wireless Plc	01/23/03	LT Foreign Issuer Credit	S&P	BB	BBB+ *-	Telecom Services
Cable & Wireless Plc	01/23/03	LT Local Issuer Credit	S&P	BB	BBB+ *-	Telecom Services
Cantv Finance Ltd	01/23/03	Senior Unsecured Debt	Moody	Caa1	B2	Telephone-Integrated
Cantv Finance Ltd	01/23/03	Senior Implied Issuer	Moody	Caa1	B2	Telephone-Integrated
Cantv Finance Ltd	01/23/03	Issuer Rating	Moody	Caa1	B2	Telephone-Integrated
Goodyear Tire & Rubber Co	01/23/03	Senior Unsecured Debt	Moody	Ba2	Ba1 *-	Rubber-Tires
Oslo Seismic Services Inc	01/23/03	Senior Secured Debt	Moody	Ca	Caa2	Oil-Field Services
Petroleum Geo-Services ASA	01/23/03	Issuer Rating	Moody	Ca	Caa3	Oil-Field Services
Petroleum Geo-Services ASA	01/23/03	Senior Unsecured Debt	Moody	Ca	Caa3	Oil-Field Services
Petroleum Geo-Services ASA	01/23/03	Senior Implied Issuer	Moody	Ca	Caa3	Oil-Field Services
Port Arthur Finance Corp	01/23/03	Senior Secured Debt	Moody	Ba3	Ba3 +*	Oil Refining&Marketing
Premcor Refining & Marketing	01/23/03	Senior Subordinate	Moody	B2	B2 +*	N.A.
Premcor Refining & Marketing	01/23/03	Bank Loan Debt	Moody	Ba3	Ba3 +*	N.A.
Premcor Refining & Marketing	01/23/03	Senior Unsecured Debt	Moody	Ba3	Ba3 +*	N.A.
Premcor Refining Group Inc	01/23/03	Bank Loan Debt	Moody	Ba2	Ba2 +*	Oil Refining&Marketing
Premcor USA Inc	01/23/03	Senior Implied Issuer	Moody	Ba3	Ba3 +*	Oil Refining&Marketing
Premcor USA Inc	01/23/03	Subordinated Debt	Moody	B2	B2 +*	Oil Refining&Marketing
Premcor USA Inc	01/23/03	Issuer Rating	Moody	B1	B1 +*	Oil Refining&Marketing
Village Roadshow Ltd	01/23/03	LT Foreign Issuer Credit	S&P	BB+ *-	BB+	Motion Pictures&Services
Village Roadshow Ltd	01/23/03	LT Local Issuer Credit	S&P	BB+ *-	BB+	Motion Pictures&Services
AMR Corp	01/22/03	LT Local Issuer Credit	S&P	BB- *-	BB-	Airlines





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

Company Name	Date	Rating Type	Agency	Current	Last	Industry
AMR Corp	01/22/03	LT Foreign Issuer Credit	S&P	BB- *	BB-	Airlines
American Airlines Inc	01/22/03	LT Foreign Issuer Credit	S&P	BB- *	BB-	Airlines
American Airlines Inc	01/22/03	LT Local Issuer Credit	S&P	BB- *	BB-	Airlines
American Tower Corp	01/22/03	LT Local Issuer Credit	S&P	B- *	B+ *	Wireless Equipment
American Tower Corp	01/22/03	LT Foreign Issuer Credit	S&P	B- *	B+ *	Wireless Equipment
Atlas Air Inc	01/22/03	LT Local Issuer Credit	S&P	CCC- *	B- *	Airlines
Atlas Air Inc	01/22/03	LT Foreign Issuer Credit	S&P	CCC- *	B- *	Airlines
Atlas Air Worldwide Holdings	01/22/03	LT Local Issuer Credit	S&P	CCC- *	B- *	Transport-Air Freight
Atlas Air Worldwide Holdings	01/22/03	LT Foreign Issuer Credit	S&P	CCC- *	B- *	Transport-Air Freight
Broadwing Communications Inc	01/22/03	Senior Subordinate	Moody	Caa3	B3 *	Telecom Services
Broadwing Inc	01/22/03	Issuer Rating	Moody	B2	B1 *	Telephone-Integrated
Broadwing Inc	01/22/03	Senior Unsecured Debt	Moody	B2	B1 *	Telephone-Integrated
Broadwing Inc	01/22/03	Bank Loan Debt	Moody	B1	Ba3 *	Telephone-Integrated
Broadwing Inc	01/22/03	Equity Linked	Moody	B3	B2 *	Telephone-Integrated
Broadwing Inc	01/22/03	Senior Implied Issuer	Moody	B1	Ba3 *	Telephone-Integrated
Cincinnati Bell Tele Co	01/22/03	Senior Unsecured Debt	Moody	Ba2	Ba1 *	Telecom Services
Dunlop Standard Aerospace Hdgs	01/22/03	LT Local Issuer Credit	S&P	B	B+	Aerospace/Defense
Dunlop Standard Aerospace Hdgs	01/22/03	LT Foreign Issuer Credit	S&P	B	B+	Aerospace/Defense
Hamaca Holding LLC	01/22/03	Bank Loan Debt	Moody	B3	B2	N.A.
Harbor Insurance Co	01/22/03	LT Local Issuer Credit	S&P	Bpi	BBpi	N.A.
Harbor Insurance Co	01/22/03	Financial Strength	S&P	Bpi	BBpi	N.A.
Hollywood Casino Shreveport	01/22/03	LT Local Issuer Credit	S&P	B- *	B- **	Casino Hotels
Hollywood Casino Shreveport	01/22/03	LT Foreign Issuer Credit	S&P	B- *	B- **	Casino Hotels
Corp Durango SA de CV	01/21/03	Senior Unsecured Debt	Moody	Ca	Caa3 *	Paper&Related Products
Corp Durango SA de CV	01/21/03	Issuer Rating	Moody	Ca	Caa3 *	Paper&Related Products
Corp Durango SA de CV	01/21/03	Senior Implied Issuer	Moody	Ca	Caa2 *	Paper&Related Products
Corp Durango SA de CV	01/21/03	Senior Secured Debt	Moody	Ca	Caa3 *	Paper&Related Products
Fort James Corp	01/21/03	Senior Unsecured Debt	Moody	Ba2	Ba1 *	Paper&Related Products
GP Canada Finance Co	01/21/03	Senior Unsecured Debt	Moody	Ba3	Ba1 *	Forestry
Georgia-Pacific Corp	01/21/03	Issuer Rating	Moody	Ba2	Ba1 *	Paper&Related Products
Georgia-Pacific Corp	01/21/03	Senior Unsecured Debt	Moody	Ba3	Ba1 *	Paper&Related Products
Georgia-Pacific Corp	01/21/03	Senior Implied Issuer	Moody	Ba2	Ba1 *	Paper&Related Products
Millicom International Cellular	01/21/03	LT Foreign Issuer Credit	S&P	CC *	CCC *	Cellular Telecom
Millicom International Cellular	01/21/03	LT Local Issuer Credit	S&P	CC *	CCC *	Cellular Telecom
PDV America Inc	01/21/03	Senior Unsecured Debt	Moody	Caa1	B3	Oil Refining&Marketing
PDVSA Finance Ltd	01/21/03	Senior Unsecured Debt	Moody	Caa1 *	B3 *	Special Purpose Entity
Petroleos de Venezuela SA	01/21/03	Foreign Currency LT Debt	Moody	Caa1	B3	Oil Comp-Explor&Prodn
Petroleos de Venezuela SA	01/21/03	FC Curr Issuer Rating	Moody	Caa1	B3	Oil Comp-Explor&Prodn
Petroleos de Venezuela SA	01/21/03	Senior Implied Issuer	Moody	Caa1	B3	Oil Comp-Explor&Prodn
Petroleos de Venezuela SA	01/21/03	LC Curr Issuer Rating	Moody	Caa1	B3	Oil Comp-Explor&Prodn
Venezuela Titulos	01/21/03	CC LT Foreign Curr Debt	Moody	Caa1	B3	Sovereign
Venezuela Titulos	01/21/03	Foreign Currency LT Debt	Moody	Caa1	B3	Sovereign
Ahold Finance BV	01/17/03	Subordinated Debt	Moody	Ba1	Baa2 *	Food-Retail
Ahold Finance Europe BV	01/17/03	Subordinated Debt	Moody	Ba1	Baa2 *	Food-Retail
Ahold Finance USA Inc	01/17/03	Subordinated Debt	Moody	Ba1	Baa2 *	Food-Retail
Avalon Cable Finance Inc	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	N.A.
Avalon Cable Finance Inc	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	N.A.
Avalon Cable Holding Finance	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable Holding Finance	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable Holdings LLC	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable Holdings LLC	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable LLC.	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	N.A.
Avalon Cable LLC.	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	N.A.
Avalon Cable of Michigan	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable of Michigan	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable of Michigan	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	N.A.
Avalon Cable of Michigan	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	N.A.
Avalon Cable of New England	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	Cable TV
Avalon Cable of New England	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	Cable TV
CC VI Operating Co LLC	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *	B *	Special Purpose Entity
CC VI Operating Co LLC	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	Special Purpose Entity
CC VIII Operating	01/17/03	LT Local Issuer Credit	S&P	CCC+ *	B *	Special Purpose Entity





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

Company Name	Date	Rating Type	Agency	Current	Last	Industry
CC VIII Operating	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *-	B *-	Special Purpose Entity
Charter Communications Hldgs	01/17/03	LT Local Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications Hldgs	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications Hldgs	01/17/03	LT Local Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications Hldgs	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications Inc	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications Inc	01/17/03	LT Local Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications LLC	01/17/03	LT Local Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Charter Communications LLC	01/17/03	LT Foreign Issuer Credit	S&P	CCC+ *-	B *-	Cable TV
Congregational and General Ins.	01/17/03	LT Local Issuer Credit	S&P	BBpi	BBBpi	N.A.
Congregational and General Ins.	01/17/03	Financial Strength	S&P	BBpi	BBBpi	N.A.
Koninklijke Ahold NV	01/17/03	Subordinated Debt	Moody	Ba1	Baa2 *-	Food-Retail
Micron Technology Inc	01/17/03	JR Subordinated Debt	Moody	B2	Ba2 *-	Electronic Compo-Semicon
Micron Technology Inc	01/17/03	Issuer Rating	Moody	Ba3	Ba1 *-	Electronic Compo-Semicon
Micron Technology Inc	01/17/03	Senior Implied Issuer	Moody	Ba3	Ba1 *-	Electronic Compo-Semicon
Moore North America Inc	01/17/03	Bank Loan Debt	Moody	Ba2 *-	Ba2	Printing-Commercial
Moore North America Inc	01/17/03	Senior Implied Issuer	Moody	Ba3 *-	Ba3	Printing-Commercial
Moore North America Inc	01/17/03	Issuer Rating	Moody	B1 *-	B1	Printing-Commercial
Vishay Intertechnology Inc	01/17/03	LT Local Issuer Credit	S&P	BB	BB+ *-	Electronic Compo-Misc
Vishay Intertechnology Inc	01/17/03	LT Foreign Issuer Credit	S&P	BB	BB+ *-	Electronic Compo-Misc
Alaska Communications Sys	01/16/03	LT Local Issuer Credit	S&P	BB-	BB *-	Telephone-Integrated
Alaska Communications Sys	01/16/03	LT Foreign Issuer Credit	S&P	BB-	BB *-	Telephone-Integrated
Alaska Communications Sys	01/16/03	LT Foreign Issuer Credit	S&P	BB-	BB *-	Telecom Services
Alaska Communications Sys	01/16/03	LT Local Issuer Credit	S&P	BB-	BB *-	Telecom Services
Allegheny Energy Inc	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
Allegheny Energy Inc	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
Allegheny Energy Supply	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB *-	Electric-Generation
Allegheny Energy Supply	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB *-	Electric-Generation
Allegheny Generating Co	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB *-	Electric-Generation
Allegheny Generating Co	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB *-	Electric-Generation
AmeriCredit Corp	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB-	Finance-Auto Loans
AmeriCredit Corp	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB-	Finance-Auto Loans
Crown Castle International Corp	01/16/03	LT Foreign Issuer Credit	S&P	B-	B+ *-	Wireless Equipment
Crown Castle International Corp	01/16/03	LT Local Issuer Credit	S&P	B-	B+ *-	Wireless Equipment
Houghton Mifflin Co	01/16/03	Senior Unsecured Debt	Moody	B2	Ba3 *-	Publishing-Books
MedPointe Inc	01/16/03	LT Foreign Issuer Credit	S&P	B	B+ *-	Medical Products
MedPointe Inc	01/16/03	LT Local Issuer Credit	S&P	B	B+ *-	Medical Products
Monongahela Power Co	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
Monongahela Power Co	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
Potomac Edison Co	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
Potomac Edison Co	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
West Penn Power Co	01/16/03	LT Local Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated
West Penn Power Co	01/16/03	LT Foreign Issuer Credit	S&P	BB- *-	BB *-	Electric-Integrated

Airline News

US Airways began the process yesterday of terminating the pension plan for its pilots, and the pilots' union responded by saying they would take legal action against the move. Terminating the plan reportedly could cut off 75% of pilots' pension benefits, on top of the 29% pay reduction to which they already had agreed. The airline said it would establish a new, defined contribution plan for the pilots, which will not do much good for older pilots who had been relying on the defined benefit plan that is being terminated. Dumping the pension liability is a condition to the \$900 million government loan guarantee that is the cornerstone of US Air's chapter 11 plan. The motion to terminate the pension plan will be argued on February 20. Today is the deadline for mailing out the disclosure statement so US Air can remain on schedule for a March 18 plan confirmation.

United Airlines is scheduled to explain its new business plan today to the financial advisors for the creditors' committee. Meanwhile, the flight attendants' union joined the pilots in attacking the company's plan to establish a low cost "airline within an airline" where workers would not be subject to the union contracts.

Northwest Airlines told its pilots' union this week that it would be looking for labor cost savings, but perhaps not in the form of wage reductions. A third airline has now reported profits.

JetBlue earned \$15 million in the fourth quarter, a 37% rise over last year. In '02, JetBlue grew 100% in the number of passengers boarded.

Ryanair, the low cost Irish carrier, is paying US\$26 million to buy **Buzz**, the low cost but money losing subsidiary of **KLM**.






Upcoming Speaking Engagements

Please join us at these upcoming financial advisory conferences:

Conference	Venue	Date	Speaker
Valuation of Distressed Assets	Mandalay Bay, Las Vegas	February 6, 2003	Brent Williams
Distressed Investing: Focus on Corporate Restructuring and Investor Opportunities	The W Hotel, New York	February 24, 2003	Brent Williams
Turnaround Management & Corporate Restructuring Summit	The W Hotel, New York	February 28, 2003	Tom Thompson
Buyouts Symposium: Buying Bankrupt Companies	Waldorf-Astoria, New York	March 14, 2003	Rich Morgner

Recent Chanin Transactions

January 2003



NCS HealthCare, Inc

has sold substantially all of its assets to

OMNICARE INC.

for

\$460,000,000

Chanin acted as financial advisor to the Ad-Hoc Noteholders' Committee in connection with the sale of the Company

January 2003



trend
TECHNOLOGIES, INC.

has sold substantially all of its assets to

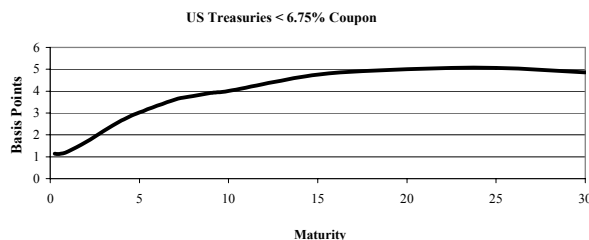
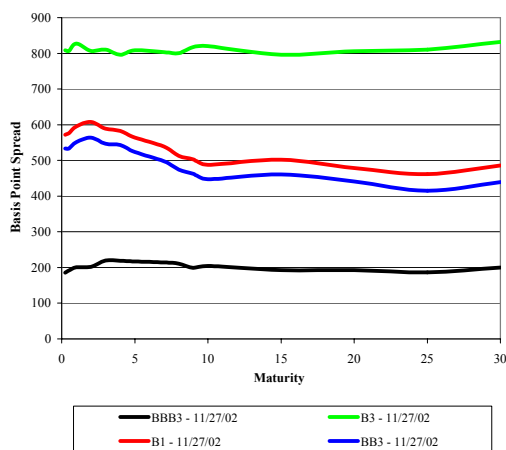
TREND TECHNOLOGIES, LLC

for

\$61,000,000

Chanin acted as financial advisor to the debtors in connection with the sale of the Company

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	11	(88)	59	159
B1	11	(63)	0	107
BB3	7	(90)	(33)	98
BBB3	4	(30)	8	23

