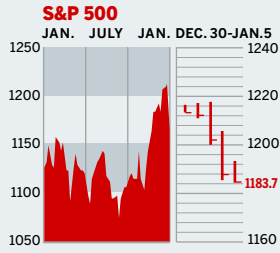


STOCKS



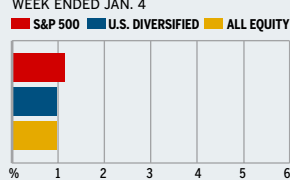
COMMENTARY

Stocks rang in the new year on a weak note. The Standard & Poor's 500-stock index was down 2.4% for the week, the Dow Jones Industrials fell 2.1% and the Nasdaq dropped almost 4%. Sending stocks lower were year-end profit-taking and tax-loss selling. Disappointing U.S. employment numbers and construction spending didn't help matters.

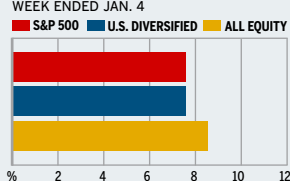
Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Standard & Poor's

U.S. MARKETS

	JAN. 5	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1183.7	-2.4	-2.3	5.5
Dow Jones Industrials	10,597.8	-2.1	-1.7	0.5
NASDAQ Composite	2091.2	-3.9	-3.9	2.1
S&P MidCap 400	635.1	-4.2	-4.3	9.4
S&P SmallCap 600	312.0	-5.2	-5.1	14.0
DJ Wilshire 5000	11,611.8	-2.9	-2.8	6.5

SECTORS

	JAN. 5	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	689.3	-2.3	10.8	10.4
BW Info Tech 100**	361.5	-2.9	3.1	0.2
S&P/BARRA Growth	569.0	-2.4	-2.2	1.4
S&P/BARRA Value	610.4	-2.5	-2.4	9.6
S&P Energy	276.7	-4.2	-4.1	21.5
S&P Financials	404.7	-1.5	-1.5	6.3
S&P REIT	135.5	-6.2	-6.2	17.1
S&P Transportation	235.0	-2.9	-2.7	16.7
S&P Utilities	137.4	-3.3	-3.0	16.1
GSTI Internet	167.4	-6.9	-6.1	11.7
PSE Technology	747.2	-4.0	-4.1	4.9

*Mar. 19, 1999=1000 **Feb. 7, 2000=1000

BEST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
Home Entertainment	12.7	Fertilizers & Ag. Chem.	75.0
Insurance Brokers	9.1	Internet Retail	71.1
Fertilizers & Ag. Chem.	8.1	Managed Health Care	54.3
Homebuilding	6.0	Internet Software	53.9
Managed Health Care	5.6	Wireless Services	51.4

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Latin America	4.1	Real Estate	28.6
Japan	4.0	Latin America	24.9
Health	2.7	Natural Resources	22.9
Diversified Pacific/Asia	2.6	Utilities	19.4
LAGGARDS			
Precious Metals	-5.3	Precious Metals	-14.8
Technology	-2.3	Technology	-4.5
Communications	0.1	Large-cap Growth	3.7
Natural Resources	0.2	Small-cap Growth	4.3

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Perkins Opportunity	11.6	iShares MSCI Austria Idx.	62.5
Volumetric	11.6	PrFds. Mble. TICmms. Inv.	54.4
ProFunds Ultra Japan Inv.	11.2	Bruce	53.4
Delafield	11.2	Fidelity Sel. Mdcl. Del.	44.3
LAGGARDS			
Blue and White A	-9.7	ProFunds Semicdr. Inv.	-42.4
Commonwealth New Zealand	-9.5	Ameritor Investment	-41.2
ProFunds Pr. Mtls. Inv.	-9.4	Thurlo Growth	-35.0
Ameritor Investment	-9.1	Rydex Electronics Inv.	-28.5

GLOBAL MARKETS

	JAN. 5	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1362.2	-2.0	-2.5	12.9
London (FT-SE 100)	4806.0	-0.3	-0.2	6.5
Paris (CAC 40)	3829.4	0.1	0.2	6.1
Frankfurt (DAX)	4258.2	-0.1	0.1	5.5
Tokyo (NIKKEI 225)	11,437.5	0.5	-0.4	5.8
Hong Kong (Hang Seng)	13,764.4	-3.5	-3.3	5.6
Toronto (S&P/TSX Composite)	9021.1	-2.9	-2.4	7.6
Mexico City (IPC)	12,591.3	-2.3	-2.5	39.1

FUNDAMENTALS

	JAN. 4	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.93%	1.93%	1.54%
S&P 500 P/E Ratio (Trailing 12 mos.)	20.0	20.5	28.2
S&P 500 P/E Ratio (Next 12 mos.)*	16.1	17.0	16.7
First Call Earnings Surprise*	790%	2.48%	7.27%

*First Call Corp.

TECHNICAL INDICATORS

	JAN. 4	WEEK AGO	READING
S&P 500 200-day average	1129.8	1127.5	Positive
Stocks above 200-day average	76.0%	81.0%	Negative
Options: Put/call ratio	0.68	0.59	Neutral
Insiders: Vickers NYSE Sell/buy ratio	6.34	NA	Negative

WORST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
IT Consulting	-16.0	IT Consulting	-35.8
Electric Mfg. Svcs.	-12.0	Semiconductor Equip.	-32.4
Semiconductor Equip.	-10.7	Insurance Brokers	-27.6
Gold Mining	-10.2	Semiconductors	-27.3
Home Furnishings	-9.8	Electric Mfg. Svcs.	-25.9

INTEREST RATES

KEY RATES

	JAN. 5	WEEK AGO	YEAR AGO
Money Market Funds	1.76%	1.71%	0.62%
90-Day Treasury Bills	2.32	2.26	0.89
2-Year Treasury Notes	3.20	3.09	1.81
10-Year Treasury Notes	4.28	4.32	4.25
30-Year Treasury Bonds	4.85	4.94	5.08
30-Year Fixed Mortgage †	5.74	5.69	5.77

†BanxQuote, Inc.

BLOOMBERG MUNI YIELD EQUIVALENTS

Taxable equivalent yields on AAA-rated, tax-exempt municipal bonds, assuming a 30% federal tax rate.

	10-YR. BOND	30-YR. BOND
General Obligations	3.63%	4.56%
Taxable Equivalent	5.19	6.51
Insured Revenue Bonds	3.73	4.66
Taxable Equivalent	5.33	6.66

THE WEEK AHEAD

INTERNATIONAL TRADE

Wednesday, Jan. 12, 8:30 a.m. EST » The November foreign trade deficit is forecast to have narrowed to \$53.4 billion, from a \$55.5 billion gap in October. That's based on the median forecast of economists surveyed by Action Economics LLC.

RETAIL SALES Thursday, Jan. 13, 8:30 a.m. EST » December retail sales probably jumped 0.7%, after a tepid November gain of

0.1%. Minus vehicles, sales most likely rose by 0.5% for a second straight month.

EXPORT-IMPORT PRICES

Thursday, Jan. 13, 8:30 a.m. EST » Export prices in December probably rose 0.3% for a second consecutive month. Import prices are expected to have fallen 0.4%, after a November gain of 0.2%.

PRODUCER PRICE INDEX Friday, Jan. 14, 8:30 a.m. EST » Producer prices probably nudged

up 0.2% in December, following a 0.5% surge in November. Excluding food and energy, core prices most likely grew by 0.2%, after a 0.2% rise in the prior period.

INDUSTRIAL PRODUCTION

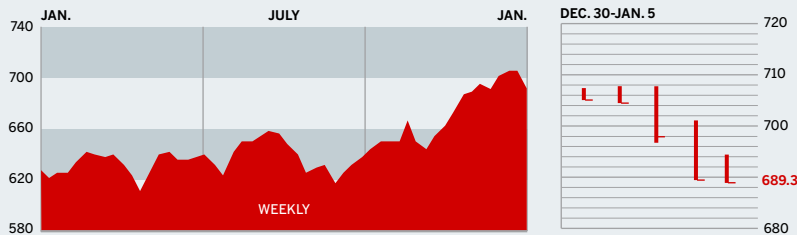
Friday, Jan. 14, 9:15 a.m. EST » Industrial output very likely increased 0.4%, after expanding by 0.2% in November. The average operating rate probably moved up to 78.9%, from an upwardly revised level of 78.7% in November.

The *BusinessWeek* production index rose to 236.6 for the week ended Dec. 25, up 11.3% from the previous year. Before calculation of the four-week moving average, the index climbed up to 239.3.

BusinessWeek online

For the BW50, more investment data, and the components of the production index visit www.businessweek.com/magazine/extra.htm

THE BUSINESSWEEK FIFTY



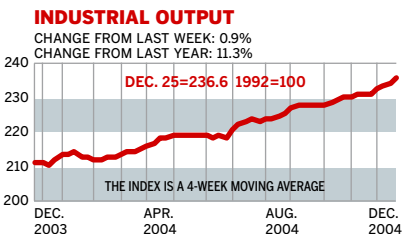
The BusinessWeek 50 closely tracked the S&P 500 this week, losing 2.3%. Dragging the index down were energy stocks, as oil prices continued to slide, and tech issues, as investors booked year-end profits. One bright spot: insurance stocks. AIG rose 2.4%, largely due to the company's announcement of a 67% dividend boost. Progressive gained 2% on an analyst upgrade.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/04			WEEK	SINCE 3/1/04
1	Progressive	2.0	4.9	26	Procter & Gamble	-0.3	7.4
2	Cendant	-1.6	-0.7	27	Yahoo	-4.5	63.0
3	WellPoint Health Networks	0.9	34.1	28	Apache	-5.7	15.9
4	UnitedHealth Group	-1.5	38.8	29	Sears, Roebuck	-2.5	7.2
5	Forest Laboratories	-8.0	-44.8	30	Stryker	2.3	10.3
6	ACE	-0.3	-6.2	31	Sysco	-3.5	-7.8
7	Best Buy	-2.4	9.0	32	Dollar General	0.9	-4.3
8	ConocoPhillips	-3.6	22.2	33	Bed Bath & Beyond	0.1	-2.2
9	Lowe's	-2.6	0.5	34	Quest Diagnostics	-3.5	11.5
10	Electronic Arts	-5.9	26.6	35	Nike	-2.5	20.6
11	Pulte Homes	-3.7	14.4	36	Devon Energy	-6.0	28.9
12	Centex	-7.2	2.5	37	Intel	-3.7	-23.3
13	eBay	-5.7	61.4	38	Johnson Controls	-3.5	5.3
14	ChevronTexaco	-3.9	15.2	39	Staples	-3.6	22.9
15	Symantec	0.8	22.3	40	American International Group	2.4	-9.0
16	Dell	-4.7	23.3	41	Ambac Financial Group	-0.9	5.0
17	Qualcomm	-1.2	34.1	42	Express Scripts	-0.8	4.4
18	International Game Technology	-1.7	-14.4	43	Harley-Davidson	-2.0	12.5
19	MBNA	-2.0	1.0	44	PepsiCo	-1.2	-0.5
20	Marathon Oil	-3.9	1.7	45	Burlington Resources	-6.2	38.5
21	St. Jude Medical	-4.9	10.5	46	Carnival	-2.3	28.4
22	Home Depot	-1.5	16.1	47	3M	-2.4	3.5
23	Exxon Mobil	-3.2	17.4	48	Apollo Group	-0.5	6.5
24	Johnson & Johnson	-1.4	16.2	49	KB Home	-4.2	36.4
25	Starbucks	-3.6	64.7	50	Humana	0.0	35.5

Data: Reuters

BW PRODUCTION INDEX



The production index turned in a strong performance. Before calculation of the four week moving average, the index surged to 239.2, from 235.6. All the constituents posted gains during the latest period. On a seasonally adjusted basis, the top performances belonged to coal and lumber output. Also showing healthy increases were steel, auto and truck assemblies, electric-power production, and crude oil-refining. The smallest increase came in rail-freight traffic.

Information on each of the index components is at www.businessweek.com.
BW production index Copyright 2005 by The McGraw-Hill Companies

ONLINE RESOURCES

BW50 Track the index and the companies in it all day long. Plus: our exclusive Info Tech 100 index.

BUSINESSWEEK INVESTING Real-time market coverage and investment tools in partnership with Standard & Poor's.

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BusinessWeek online

For the BW50, more investment data, and the components of the production index visit www.businessweek.com/magazine/extra.htm