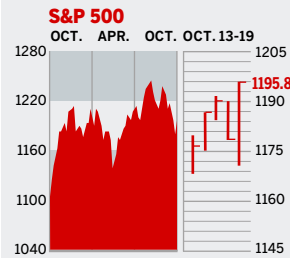


STOCKS

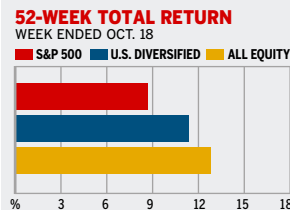
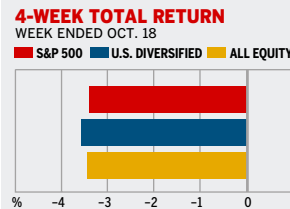


COMMENTARY

After bouncing around, stocks ended the week on an upbeat note, thanks to a raft of positive earnings reports from such big caps as Motorola, IBM, and JPMorgan. Fed data suggesting the economy has weathered the worst of Hurricanes Katrina and Rita, along with a resilient housing market, lifted spirits, too. A word of caution: trading volume was light, especially on the NASDAQ.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	OCT. 19	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P 500	1195.8	1.5	-1.3	8.4
Dow Jones Industrials	10,414.1	1.9	-3.4	5.2
NASDAQ Composite	2091.2	2.6	-3.9	8.8
S&P MidCap 400	685.2	1.5	3.3	17.4
S&P SmallCap 600	335.3	2.5	2.0	16.6
DJ Wilshire 5000	11,907.7	1.6	-0.4	10.3

SECTORS

			% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
BusinessWeek 50*	720.7	0.9	2.3	12.8
BW Info Tech 100**	358.0	1.0	-4.1	6.7
S&P/BARRA Growth	576.4	1.8	-1.0	7.7
S&P/BARRA Value	615.1	1.3	-1.7	9.1
S&P Energy	360.9	-2.7	25.0	31.5
S&P Financials	396.3	3.1	-3.6	6.4
S&P REIT	145.3	3.0	0.6	10.1
S&P Transportation	223.8	2.2	-7.3	4.4
S&P Utilities	156.1	-1.4	10.2	21.6
GSTI Internet	179.7	4.3	0.8	17.7
PSE Technology	794.3	2.5	2.0	15.8

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

GLOBAL MARKETS

	OCT. 19	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1391.6	-3.1	-0.4	14.3
London (FT-SE 100)	5167.8	-3.3	7.3	11.0
Paris (CAC 40)	4375.1	-3.1	14.5	18.2
Frankfurt (DAX)	4846.0	-2.7	13.9	22.2
Tokyo (NIKKEI 225)	13,129.5	-2.5	14.3	18.7
Hong Kong (Hang Seng)	14,372.8	-1.4	1.0	9.3
Toronto (S&P/TSX Composite)	10,425.8	-0.6	12.8	19.6
Mexico City (IPC)	15,112.0	0.1	17.0	37.1

FUNDAMENTALS

	OCT. 18	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	2.12%	2.10%	1.72%
S&P 500 P/E Ratio (Trailing 12 mos.)	18.1	18.3	18.9
S&P 500 P/E Ratio (Next 12 mos.)*	13.9	14.0	15.6
First Call Earnings Surprise*	2.74%	10.81%	2.17%

*First Call Corp.

TECHNICAL INDICATORS

	OCT. 18	WEEK AGO	READING
S&P 500 200-day average	1199.0	1199.8	Negative
Stocks above 200-day average	44.0%	47.0%	Neutral
Options: Put/call ratio	0.93	0.92	Positive
Insiders: Vickers NYSE Sell/buy ratio	3.77	4.12	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Internet Retailers	13.9	95.6
Internet Software	9.5	92.9
Airlines	9.1	61.9
Agricultural Products	8.3	55.3
Air Freight & Couriers	7.2	54.9
Oil & Gas Refining		95.6
Managed Health Care		92.9
Health-Care Distributors		61.9
Oil & Gas Exploration		55.3
Fertilizers & Ag. Chems.		54.9

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Home Furnishings	-16.7	-44.3
IT Consulting	-15.9	-32.2
Leisure Products	-13.9	-30.4
Tires & Rubber	-13.7	-30.1
Educational Services	-13.2	-24.2
IT Consulting		-44.3
Photographic Products		-32.2
Home Furnishings		-30.4
Automobiles		-30.1
Aluminum		-24.2

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
Japan	0.0	Latin America	64.0
Diversified Pacific/Asia	-1.7	Natural Resources	37.4
Precious Metals	-1.9	Diversified Emerg. Mkts.	33.5
Miscellaneous	-2.0	Diversified Pacific/Asia	23.8
LAGGARDS		LAGGARDS	
Natural Resources	-9.5	Domestic Hybrid	7.0
Utilities	-7.1	Financial	7.5
Real Estate	-4.8	Large-cap Blend	8.8
Communications	-4.7	Miscellaneous	8.9

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS		LEADERS	
ProFds. USh. Sm. Cap Inv.	11.2	T. Rowe Price Lat. Am.	69.4
Potomac Sm. Cap/Sh. Inv.	11.0	iShares S&P L. Am. 40 Idx.	69.2
ProFds. USh. Mid Cap Inv.	8.8	iShares MSCI Brazil Idx.	68.9
ProFunds UltraBear Inv.	7.9	Fidelity Sel. Mdc. Del.	67.1
LAGGARDS		LAGGARDS	
Ameritor Investment	-18.2	Ameritor Investment	-62.5
ProFunds Oil & Gas Inv.	-17.5	ProFds. USh. Mid Cap Inv.	-26.2
American Heritage Grth.	-16.7	ProFds. USh. Sm. Cap Inv.	-21.0
ProFunds Utilities Inv.	-12.3	American Heritage Grth.	-16.7

INTEREST RATES

KEY RATES

	OCT. 19	WEEK AGO	YEAR AGO
Money Market Funds	3.31%	3.27%	1.29%
90-Day Treasury Bills	3.85	3.70	1.82
2-Year Treasury Notes	4.24	4.23	2.55
10-Year Treasury Notes	4.46	4.44	4.03
30-Year Treasury Bonds	4.69	4.66	4.82
30-Year Fixed Mortgage †	6.06	5.96	5.71

†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	3.88%	4.58%
Taxable Equivalent	5.54	6.54
Insured Revenue Bonds	3.99	4.63
Taxable Equivalent	5.70	6.61

THE WEEK AHEAD

EXISTING HOME SALES Tuesday, Oct. 25, 10 a.m. EDT » Home sales probably slowed to an annual rate of 7.1 million in September, from a rate of 7.3 million in August. That's the median forecast of economists surveyed by Action Economics.

CONSUMER CONFIDENCE Tuesday, Oct. 25, 10 a.m. EDT » The Conference Board's October consumer-confidence index is expected to have edged

down to 85.8, after tumbling almost 19 points, to 86.6, in the prior month.

DURABLE GOODS ORDERS Thursday, Oct. 27, 8:30 a.m. EDT » September orders for durable goods most likely held steady, after bouncing back with a 3.4% increase in August.

GROSS DOMESTIC PRODUCT Friday, Oct. 28, 8:30 a.m. EDT » Real gross domestic product most likely grew at an annual rate of

3.4% in the third quarter, following second-quarter growth of 3.3%. Hurricanes Katrina and Rita are not expected to have had a huge impact on national economic growth during the third quarter.

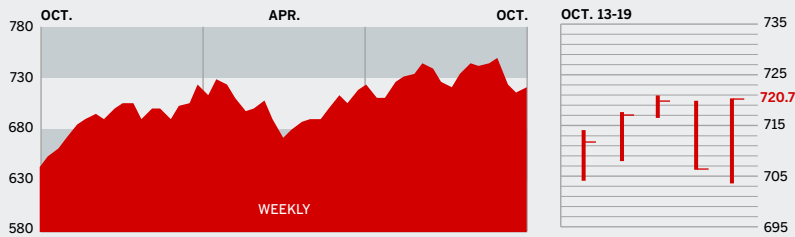
EMPLOYMENT COST INDEX Friday, Oct. 28, 8:30 a.m. EDT » Compensation is forecast to have increased by 0.8% in the third quarter from the second. During the second quarter, wage and benefit costs grew 0.7%.

The *BusinessWeek* production index increased to 257.6 for the week ended Oct. 8, a 12.7% jump from the previous year. Before calculation of the four-week moving average, the index rose to 257.5.

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



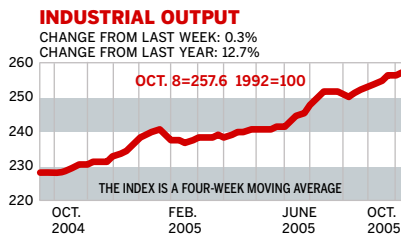
The BW50, up 0.9% for the week, lagged the indexes. Energy stocks fell as good news for the U.S. consumers—lower oil prices—was bad news for the profit outlook at such outfits as Valero Energy, ChevronTexaco, and Devon Energy. Meanwhile, shares in Apple Computer soared 11.6% on news of the video iPod. Tech companies such as Adobe Systems, eBay, and Yahoo were strong.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/05			WEEK	SINCE 3/1/05
1	Nucor	2.0	-11.0	26	Carnival	2.3	-12.1
2	ConocoPhillips	-3.0	11.0	27	Adobe Systems	9.4	0.3
3	ChevronTexaco	-4.3	-6.0	28	Cummins	1.7	11.4
4	Valero Energy	-4.8	38.9	29	Boston Scientific	1.1	-27.3
5	UnitedHealth Group	5.8	27.7	30	EOG Resources	-2.9	45.6
6	Occidental Petroleum	-4.4	4.7	31	Symantec	3.2	3.0
7	Exxon Mobil	-3.0	-9.7	32	Starbucks	7.9	5.7
8	Yahoo	5.8	11.3	33	Electronic Arts	5.1	-16.1
9	Apache	-3.1	1.2	34	WellPoint	6.1	25.1
10	Devon Energy	-4.2	29.6	35	Deere	-1.8	-17.3
11	Pulte Homes	3.0	-4.3	36	United States Steel	-1.3	-43.4
12	Qualcomm	3.9	22.1	37	Zimmer Holdings	-3.3	-26.4
13	Apple Computer	11.6	22.5	38	FedEx	2.0	-9.2
14	Dell	-0.8	-19.2	39	Chubb	1.9	8.7
15	Paccar	0.3	-13.5	40	XTO Energy	-1.1	19.5
16	Coach	9.4	14.0	41	Microsoft	3.3	-0.3
17	Sunoco	-4.1	42.3	42	Danaher	0.4	-3.2
18	eBay	6.6	-1.9	43	Dow Chemical	0.4	-22.8
19	Burlington Resources	-2.7	39.3	44	Cisco Systems	-1.3	-1.3
20	Progressive	5.5	27.7	45	Gilead Sciences	-0.3	33.2
21	Caremark Rx	3.4	30.6	46	Nike	0.6	-5.2
22	Caterpillar	1.2	16.6	47	Anadarko Petroleum	-0.5	16.9
23	Phelps Dodge	-3.5	13.5	48	Bank of America	1.3	-9.0
24	Autodesk	1.2	46.4	49	Eaton	1.4	-13.6
25	Johnson & Johnson	4.1	-2.0	50	3M	7.5	-9.9

Data: Reuters

BW PRODUCTION INDEX



The production index picked up its pace in the latest week. Before calculation of the four-week moving average, the index climbed to 257.5, from 255.8. On a seasonally adjusted basis, the components were evenly split. On the positive side, crude-oil refining showed the biggest improvement. Electric-power production, autos, and steel output were all modestly higher. Truck assemblies and coal fell the most, although the declines were not that large. Lumber and rail-freight traffic were off slightly.

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 More information about BW50 companies is available online.

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

MUTUAL FUNDS Search for funds, view BW ratings, and read Q&As with fund managers.

COLUMNS Hot stocks, takeover plays, and the latest strategies for managing your money.

BusinessWeek online

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