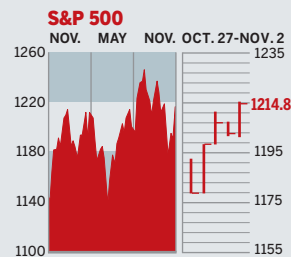


STOCKS



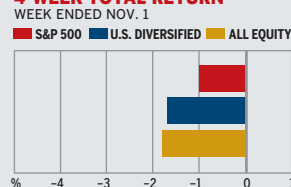
COMMENTARY

After falling sharply on Oct. 28, stocks rallied and made up for lost ground. In a week light on economic data, quarterly reports took center stage. Profits at ExxonMobil soared 75% to a staggering \$9.9 billion as the oil giant benefited from higher energy prices. Meanwhile, net profits at Microsoft and Time Warner rose sharply; both beefed up their stock buyback programs.

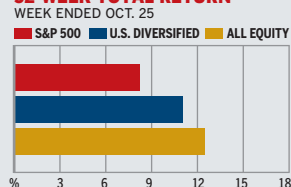
Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Standard & Poor's

U.S. MARKETS

	NOV. 2	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1214.8	2.0	0.2	7.4
Dow Jones Industrials	10,472.7	1.2	-2.9	4.4
NASDAQ Composite	2144.3	2.1	-1.4	8.0
S&P MidCap 400	712.8	3.2	7.5	18.5
S&P SmallCap 600	345.3	3.2	5.0	16.0
DJ Wilshire 5000	12,144.0	2.1	1.6	9.8

SECTORS

	NOV. 2	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	735.2	2.5	4.3	12.4
BW Info Tech 100**	365.5	1.7	-2.1	6.3
S&P/BARRA Growth	579.5	1.4	-0.4	6.1
S&P/BARRA Value	631.1	2.5	0.9	8.7
S&P Energy	374.9	3.2	29.9	37.2
S&P Financials	410.7	2.2	-0.1	6.1
S&P REIT	147.3	1.1	2.0	9.7
S&P Transportation	235.5	3.4	-2.5	5.3
S&P Utilities	157.1	0.7	11.0	19.3
GSTI Internet	190.7	5.1	7.0	22.6
PSE Technology	807.4	1.5	3.6	13.0

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

GLOBAL MARKETS

	NOV. 2	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1432.4	0.9	2.5	14.2
London (FT-SE 100)	5358.6	2.5	11.3	14.2
Paris (CAC 40)	4429.7	0.4	15.9	17.6
Frankfurt (DAX)	4954.8	1.1	16.4	22.7
Tokyo (NIKKEI 225)	13,894.8	3.7	20.9	27.6
Hong Kong (Hang Seng)	14,597.5	1.0	2.6	9.7
Toronto (S&P/TSX Composite)	10,585.7	2.9	14.5	19.3
Mexico City (IPC)	15,896.5	1.5	23.1	36.9

FUNDAMENTALS

	NOV. 1	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	2.06%	2.09%	1.69%
S&P 500 P/E Ratio (Trailing 12 mos.)	17.7	18.1	19.3
S&P 500 P/E Ratio (Next 12 mos.)*	14.3	14.1	15.9
First Call Earnings Surprise*	1.26%	1.60%	2.99%

*First Call Corp.

TECHNICAL INDICATORS

	NOV. 1	WEEK AGO	READING
S&P 500 200-day average	1199.3	1199.1	Positive
Stocks above 200-day average	49.0%	49.0%	Neutral
Options: Put/call ratio	0.79	0.82	Positive
Insiders: Vickers NYSE Sell/buy ratio	3.18	3.52	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
Internet Software	12.2	Oil & Gas Refining	109.4
Airlines	10.6	Managed Health Care	76.8
Genl. Merchandise Chains	9.6	Oil & Gas Drilling	61.9
Employment Services	9.3	Oil & Gas Exploration	61.7
Hypermkts. & Superctr.	9.2	Fertilizers & Ag. Chems.	54.5

WORST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
IT Consulting	-21.8	IT Consulting	-50.7
Automobiles	-14.7	Automobiles	-35.0
Building Products	-12.3	Home Furnishings	-27.2
Power & Energy Traders	-12.0	Photographic Products	-25.9
Oil & Gas Storage	-11.9	Aluminum	-22.7

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN		% 52-WEEK TOTAL RETURN	
LEADERS			
Financial	2.4	Latin America	67.2
Japan	2.2	Natural Resources	43.8
Large-cap Growth	-0.6	Diversified Emerg. Mkts.	33.1
Large-cap Blend	-1.0	Japan	25.8
LAGGARDS			
Utilities	-6.7	Domestic Hybrid	6.5
Pacific/Asia ex-Japan	-5.5	Technology	7.9
Diversified Emerg. Mkts.	-5.0	Financial	8.4
Natural Resources	-4.4	Miscellaneous	8.4

EQUITY FUNDS

4-WEEK TOTAL RETURN		% 52-WEEK TOTAL RETURN	
LEADERS			
Berkshire Focus	7.1	iShares MSCI Brazil Idx.	73.8
Merrill Lynch Gbl. Val. B	6.6	T. Rowe Price Lat. Am.	72.9
Japan Smaller Companies	6.3	iShares S&P L. Am. 40 Idx.	72.0
ProFds. USh. Sm. Cap Inv.	5.9	Gartmore Gl. Ntrl. Rscs. A	69.7
LAGGARDS			
American Heritage Grth.	-20.0	Ameritor Investment	-60.9
Ameritor Investment	-18.2	American Heritage Grth.	-42.9
ProFunds Utilities Inv.	-12.3	ProFds. USh. Mid Cap Inv.	-27.0
U.S. Gbl. Accde. E. Erpn.	-11.8	ProFds. USh. Sm. Cap Inv.	-20.4

INTEREST RATES

KEY RATES

	NOV. 2	WEEK AGO	YEAR AGO
Money Market Funds	3.43%	3.36%	1.33%
90-Day Treasury Bills	3.93	3.90	1.98
2-Year Treasury Notes	4.43	4.37	2.57
10-Year Treasury Notes	4.61	4.59	4.05
30-Year Treasury Bonds	4.80	4.79	4.81
30-Year Fixed Mortgage†	6.19	6.12	5.60

†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	3.94%	4.59%
Taxable Equivalent	5.63	6.56
Insured Revenue Bonds	4.03	4.66
Taxable Equivalent	5.76	6.66

THE WEEK AHEAD

INSTALLMENT CREDIT Monday, Nov. 7, 3 p.m. EST »

Consumers most likely accrued another \$5.6 billion in debt during September. That's according to the median forecast of economists polled by Action Economics. Installment credit grew \$4.9 billion in August.

INTERNATIONAL TRADE

Thursday, Nov. 10, 8:30 a.m. EST » The September foreign trade deficit is forecast to have

swelled to \$60.4 billion. In August the trade gap increased to \$59 billion. Higher prices for petroleum products have driven the trade deficit higher, overshadowing some improvement in exports.

EXPORT-IMPORT PRICES

Thursday, Nov. 10, 8:30 a.m. EST » October export prices most likely grew by 0.4%, following a 0.9% increase in September. Ebbing energy prices probably left the import price index 0.2% higher.

In September, import prices jumped by 2.3%.

FEDERAL BUDGET Thursday, Nov. 10, 2 p.m. EST »

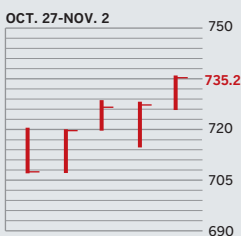
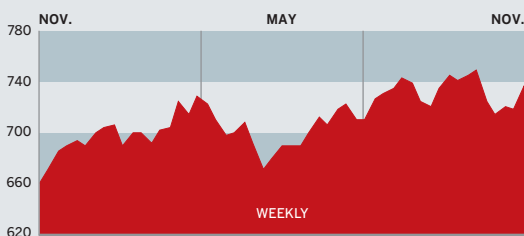
The Federal government probably ran a \$58 billion deficit during October, after a \$35.8 billion surplus in September. Some downside risk to the forecast exists, given the uncertainty regarding the amount and timing of rebuilding funds paid out to hurricane victims along the Gulf Coast region and Florida.

The *BusinessWeek* production index climbed to 257.9 for the week ended Oct. 22 and stood at 12.3% above the previous year's reading. Before calculation of the four-week moving average, the index hit 261.1.

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



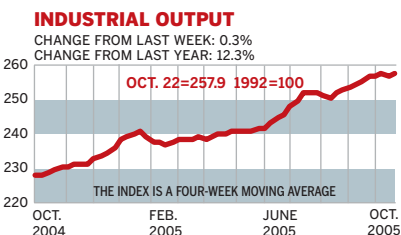
The BW50 beat out the broader indexes handily, climbing 2.5% for the week thanks to energy companies, which are reporting record profits. Tech stocks rose nicely, too: Apple continued to hit new highs daily, as investors see no limit to iPod mania, and Microsoft rose after reporting strong quarterly results. But Dell and Symantec got hammered when they failed to meet expectations.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE WEEK	% CHANGE SINCE 3/1/05	RANK	COMPANY	% CHANGE WEEK	% CHANGE SINCE 3/1/05
1	Nucor	6.8	1.6	26	Carnival	4.9	-4.6
2	ConocoPhillips	6.2	20.3	27	Adobe Systems	0.0	6.5
3	ChevronTexaco	1.5	-5.7	28	Cummins	6.7	17.8
4	Valero Energy	7.0	51.6	29	Boston Scientific	3.9	-22.6
5	UnitedHealth Group	10.4	30.7	30	EOG Resources	6.7	54.7
6	Occidental Petroleum	5.1	13.1	31	Symantec	-16.4	-12.0
7	Exxon Mobil	2.1	-9.4	32	Starbucks	4.2	11.3
8	Yahoo	7.1	17.7	33	Electronic Arts	8.4	-6.6
9	Apache	6.7	6.3	34	WellPoint	4.0	22.2
10	Devon Energy	-1.6	27.7	35	Deere	5.1	-12.6
11	Pulte Homes	12.5	4.9	36	United States Steel	7.4	-37.7
12	Qualcomm	-10.0	12.0	37	Zimmer Holdings	2.9	-23.6
13	Apple Computer	5.1	33.6	38	FedEx	3.3	-4.4
14	Dell	-7.6	-26.8	39	Chubb	4.0	20.4
15	Paccar	3.3	-6.1	40	XTO Energy	0.4	28.6
16	Coach	1.8	18.7	41	Microsoft	5.4	5.2
17	Sunoco	5.8	54.0	42	Danaher	5.1	-1.9
18	eBay	7.3	-4.1	43	Dow Chemical	1.1	-17.8
19	Burlington Resources	3.5	48.0	44	Cisco Systems	3.1	1.2
20	Progressive	6.5	37.4	45	Gilead Sciences	4.5	41.5
21	Caremark Rx	9.7	36.1	46	Nike	2.1	-1.6
22	Caterpillar	6.2	13.0	47	Anadarko Petroleum	0.8	18.3
23	Phelps Dodge	-2.0	16.4	48	Bank of America	2.0	-5.5
24	Autodesk	2.6	60.2	49	Eaton	4.4	-13.3
25	Johnson & Johnson	-2.4	-6.6	50	3M	0.0	-10.5

Data: Reuters

BW PRODUCTION INDEX



The production index rebounded in a big way. Before calculating the four-week moving average, the index zoomed ahead to 261.1, from 257.3. On a seasonally adjusted basis, only one component suffered a decline. Rail-freight traffic posted another record week of activity. Auto and truck assemblies, along with coal output, were also quite strong. More moderate gains came in crude-oil refining, steel, and electric-power production. Lumber was down slightly during the period.

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