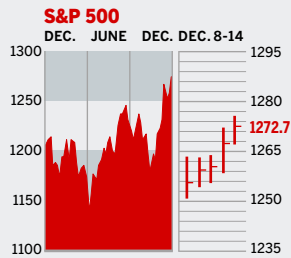


STOCKS



COMMENTARY

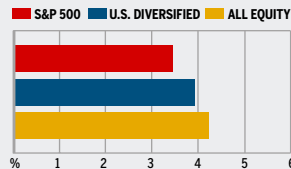
Stocks lost their footing at the start of the week with oil topping \$60 a barrel. But record profits from Lehman Brothers, coupled with the hint from the Federal Reserve that rate hikes would be coming to an end, lifted spirits and sent the markets higher on Dec. 13-14. The S&P 500 stock index hit a year-to-date high on Dec. 14, as did the S&P Midcap 400 and S&P Smallcap 600.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS

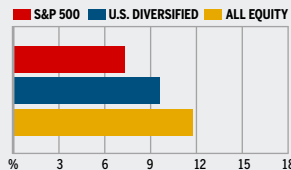
4-WEEK TOTAL RETURN

WEEK ENDED DEC. 13



52-WEEK TOTAL RETURN

WEEK ENDED DEC. 13



Data: Standard & Poor's

U.S. MARKETS

	DEC. 14	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1272.7	1.2	5.0	5.8
Dow Jones Industrials	10,883.5	0.7	0.9	1.9
NASDAQ Composite	2262.6	0.5	4.0	4.8
S&P MidCap 400	749.6	1.4	13.0	15.0
S&P SmallCap 600	361.5	1.2	9.9	11.7
DJ Wilshire 5000	12,733.5	1.2	6.5	7.6

SECTORS

	DEC. 14	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	766.4	0.7	8.8	9.4
BW Info Tech 100**	386.9	0.3	3.7	5.4
S&P/BARRA Growth	608.0	0.9	4.5	4.6
S&P/BARRA Value	660.4	1.5	5.6	6.9
S&P Energy	392.1	2.1	35.8	36.8
S&P Financials	431.4	1.7	4.9	6.3
S&P REIT	156.3	1.7	8.2	9.3
S&P Transportation	245.7	0.1	1.7	1.7
S&P Utilities	163.8	3.9	15.7	17.9
GSTI Internet	210.9	0.4	18.3	20.2
PSE Technology	853.8	0.1	9.6	9.6

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

GLOBAL MARKETS

	DEC. 14	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1515.5	2.7	8.5	12.3
London (FT-SE 100)	5521.1	-0.1	14.7	16.9
Paris (CAC 40)	4674.9	0.3	22.3	22.6
Frankfurt (DAX)	5286.8	0.4	24.2	24.9
Tokyo (NIKKEI 225)	15,464.6	-0.1	34.6	41.7
Hong Kong (Hang Seng)	14,976.3	-1.0	5.2	6.6
Toronto (S&P/TSX Composite)	11095.8	-0.3	20.0	22.1
Mexico City (IPC)	18,054.0	4.7	39.8	45.2

FUNDAMENTALS

	DEC. 13	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.79%	1.80%	1.92%
S&P 500 P/E Ratio (Trailing 12 mos.)	18.6	18.5	20.3
S&P 500 P/E Ratio (Next 12 mos.)*	15.2	15.1	16.8
First Call Earnings Revision*	-1.88%	-1.83%	-0.27%

*First Call Corp.

TECHNICAL INDICATORS

	DEC. 13	WEEK AGO	READING
S&P 500 200-day average	1207.2	1205.8	Positive
Stocks above 200-day average	64.0%	63.0%	Neutral
Options: Put/call ratio	0.68	0.74	Neutral
Insiders: Vickers NYSE Sell/buy ratio	3.55	3.24	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
Oil & Gas Exploration	21.5	Oil & Gas Refining	93.2
Oil & Gas Drilling	17.4	Oil & Gas Exploration	72.7
Oil & Gas Equipment	13.9	Oil & Gas Drilling	63.2
IT Consulting	13.6	Oil & Gas Equipment	57.2
Gold Mining	13.4	Divsfd. Metals & Mining	49.4

WORST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
Home Entertainment	-9.2	Automobiles	-42.5
Genl. Merchandise Chains	-5.6	IT Consulting	-37.5
Biotechnology	-3.5	Photographic Products	-22.4
Airlines	-2.9	Internet Retailers	-21.7
Divsfd. Commercial Svcs.	-2.8	Auto Parts & Equip.	-20.4

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN		% 52-WEEK TOTAL RETURN	
LEADERS			
Precious Metals	13.3	Latin America	65.2
Japan	11.0	Natural Resources	47.7
Natural Resources	10.9	Diversified Emerg. Mkts.	38.2
Diversified Pacific/Asia	9.1	Japan	34.1
LAGGARDS			
Health	2.1	Domestic Hybrid	5.9
Domestic Hybrid	2.4	Miscellaneous	7.2
Financial	2.8	Large-cap Blend	7.5
Large-cap Value	3.2	Technology	8.1

EQUITY FUNDS

4-WEEK TOTAL RETURN		% 52-WEEK TOTAL RETURN	
LEADERS			
ProFunds Precs. Mtls. Inv.	20.0	ING Russia A	79.7
Glenmede International	18.1	Guinness Atkn. Gl. Energy	73.8
Midas	16.5	Fidelity Advsr. Korea A	73.7
BlackRock Gl. Rscs. Inv. A	16.3	Gartmore Gl. Ntrl. Rscs. A	71.8
LAGGARDS			
STI Sm. Cap Val. Eq. C	-16.9	Ameritor Investment	-63.6
Ameritor Investment	-11.1	American Heritage Grth.	-42.9
Potomac Sm. Cap/Sh. Inv.	-9.4	American Heritage	-33.3
ProFds. USH. Sm. Cap Inv.	-9.2	Frontier MicroCap	-28.0

INTEREST RATES

KEY RATES

	DEC. 14	WEEK AGO	YEAR AGO
Money Market Funds	3.70%	3.63%	1.61%
90-Day Treasury Bills	3.89	4.02	2.23
2-Year Treasury Notes	4.36	4.40	2.96
10-Year Treasury Notes	4.46	4.51	4.12
30-Year Treasury Bonds	4.66	4.71	4.77
30-Year Fixed Mortgage †	6.23	6.24	5.64

†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	3.92%	4.49%
Taxable Equivalent	5.60	6.41
Insured Revenue Bonds	4.05	4.58
Taxable Equivalent	5.79	6.54

THE WEEK AHEAD

PRODUCER PRICE INDEX

Tuesday, Dec. 20, 8:30 a.m. EST » Producer prices most likely retreated 0.4% in November, and less food and energy, prices rose 0.2%. That's the median forecast of economists surveyed by Action Economics. In October, producer prices climbed 0.7% with the core measure falling 0.3%.

RESIDENTIAL CONSTRUCTION

Tuesday, Dec. 20, 8:30 a.m. EST » Housing starts likely

cooled to an annual rate of 1.99 million in November, after easing to a pace of 2.01 million in October.

PERSONAL INCOME Thursday, Dec. 22, 8:30 a.m. EST » In November income probably grew 0.3%, after a 0.4% rise in the prior month. Consumer spending likely rose 0.4%, after a gain of 0.2%.

LEADING INDICATORS Thursday, Dec. 22, 10 a.m. EST » The Conference Board's monthly index of leading economic indicators is

expected to have risen 0.3% in November, after a jump of 0.9%.

DURABLE GOODS ORDERS Friday, Dec. 23, 8:30 a.m. EST »

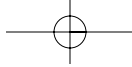
November durable goods orders growth probably moderated with a 0.5% gain, after a 3.7% surge due to a rebound in aircraft orders.

NEW HOME SALES Friday, Dec. 23, 10 a.m. EST » New home sales probably slowed to an annual rate of 1.3 million in November, from 1.42 million in October.

The *BusinessWeek* production index rose to 264.2 for the week ended Dec. 3, and 13.5% from a year ago. Before calculation of the four-week moving average, the index retreated to 265.4.

BusinessWeek online

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



BusinessWeek

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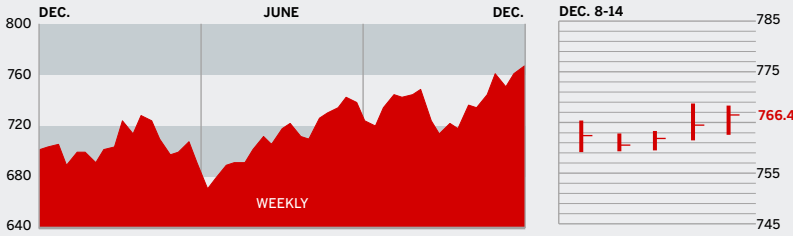
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THE BUSINESSWEEK FIFTY



The BW50 rose 0.7% for the week. The big gainer was Burlington Northern, jumping 13% on news that ConocoPhillips was buying it. The Street, meanwhile, shaved 7.8% off Conoco's market cap, standard operating procedure in merger announcements. After hitting another new high on Dec. 13, Apple shares fell about 4% after a wave of analyst downgrades on Dec. 14.

COMPANY PERFORMANCE

RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/05	RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/05
1	Nucor	-4.1	5.7	26	Carnival	1.4	1.9
2	ConocoPhillips	-7.8	5.0	27	Adobe Systems	-5.3	11.8
3	ChevronTexaco	0.0	-4.5	28	Cummins	-0.2	20.3
4	Valero Energy	5.5	54.0	29	Boston Scientific	-2.0	-22.5
5	UnitedHealth Group	0.6	38.2	30	EOG Resources	5.9	77.4
6	Occidental Petroleum	2.5	20.4	31	Symantec	-1.1	-19.4
7	Exxon Mobil	1.4	-5.4	32	Starbucks	1.0	22.2
8	Yahoo	3.0	28.0	33	Electronic Arts	-5.1	-16.8
9	Apache	5.9	16.6	34	WellPoint	2.3	28.8
10	Devon Energy	5.3	45.0	35	Deere	1.1	-2.0
11	Pulte Homes	5.6	9.7	36	United States Steel	-5.2	-24.2
12	Qualcomm	2.7	28.2	37	Zimmer Holdings	2.6	-19.1
13	Apple Computer	-2.6	60.5	38	FedEx	0.4	2.1
14	Dell	3.3	-18.1	39	Chubb	3.6	23.2
15	Paccar	2.0	-3.9	40	XTO Energy	7.0	37.6
16	Coach	-1.9	23.5	41	Microsoft	-2.4	7.7
17	Sunoco	0.2	69.2	42	Danaher	-0.6	6.6
18	eBay	2.2	5.7	43	Dow Chemical	0.7	-18.3
19	Burlington Resources	13.0	73.3	44	Cisco Systems	-0.5	1.5
20	Progressive	1.2	40.1	45	Gilead Sciences	-0.7	50.8
21	Caremark Rx	3.8	40.0	46	Nike	5.5	5.2
22	Caterpillar	1.7	23.6	47	Anadarko Petroleum	6.1	31.1
23	Phelps Dodge	-3.0	28.4	48	Bank of America	2.0	0.3
24	Autodesk	-2.9	45.5	49	Eaton	4.6	-4.3
25	Johnson & Johnson	0.1	-8.4	50	3M	0.2	-7.6

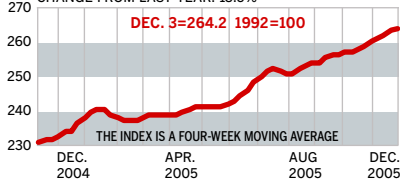
Data: Reuters

BW PRODUCTION INDEX

ONLINE RESOURCES

INDUSTRIAL OUTPUT

CHANGE FROM LAST WEEK: 0.2%
CHANGE FROM LAST YEAR: 13.5%



The production index posted a small gain. Before calculation of the four-week moving average, however, the index dipped to 265.4, from 265.9. On a seasonally adjusted basis, steel output showed the biggest increase, followed by small rises in crude-oil refining and electric-power production. Auto and truck assemblies dropped, with coal, lumber, and rail freight traffic also declining. The average index level for November was 264, up from 259.2 for the month of October.

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

BW50 More information about BW50 companies is available online.

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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

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