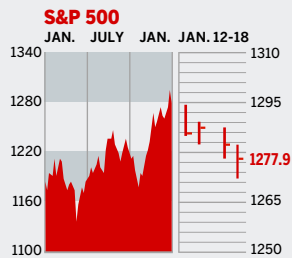


STOCKS



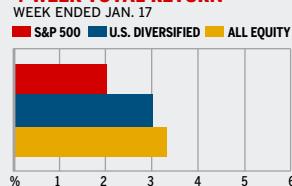
COMMENTARY

The week's higher oil prices and underwhelming tech profit reports scared the Dow off its 11,000 perch. Intel shares slid more than 11% after it reported disappointing revenues on lower sales of certain computer chips. Yahoo's less-than-perfect outlook sent its shares tumbling 16%. The spate of bad earnings news eclipsed a largely tame inflation reading.

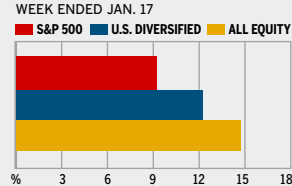
Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Standard & Poor's

U.S. MARKETS

	JAN. 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1277.9	-1.3	2.4	6.9
Dow Jones Industrials	10,854.9	-1.7	1.3	2.1
NASDAQ Composite	2279.6	-2.2	3.4	8.2
S&P MidCap 400	761.8	-1.4	3.2	17.9
S&P SmallCap 600	364.8	-1.0	4.0	14.6
DJ Wilshire 5000	12,835.9	-1.2	2.7	9.3

SECTORS

	JAN. 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	771.2	-1.0	4.0	9.7
BW Info Tech 100**	389.1	-3.7	2.3	7.1
S&P/BARRA Growth	611.4	-1.3	2.5	6.2
S&P/BARRA Value	662.1	-1.2	2.2	7.5
S&P Energy	406.0	1.2	8.9	39.2
S&P Financials	431.6	-1.9	1.2	6.3
S&P REIT	159.4	-2.0	4.2	16.1
S&P Transportation	247.7	-0.1	-0.8	11.3
S&P Utilities	165.5	2.0	3.6	17.2
GSTI Internet	206.0	-4.0	0.4	20.1
PSE Technology	872.3	-1.6	4.3	16.3

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

GLOBAL MARKETS

	JAN. 18	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1551.3	-2.4	2.6	15.3
London (FT-SE 100)	5663.7	-1.2	0.8	23.2
Paris (CAC 40)	4772.1	-2.4	1.2	23.2
Frankfurt (DAX)	5395.6	-2.5	-0.2	26.9
Tokyo (NIKKEI 225)	15,341.2	-6.2	-5.0	34.3
Hong Kong (Hang Seng)	15,481.2	-1.1	4.1	13.8
Toronto (S&P/TSX Composite)	11,554.5	-0.6	2.5	26.5
Mexico City (IPC)	18,266.0	-4.7	2.6	40.2

FUNDAMENTALS

	JAN. 17	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.76%	1.75%	1.93%
S&P 500 P/E Ratio (Trailing 12 mos.)	18.7	18.8	20.2
S&P 500 P/E Ratio (Next 12 mos.)*	14.9	15.0	16.2
First Call Earnings Surprise*	3.88%	9.13%	4.02%

*First Call Corp.

TECHNICAL INDICATORS

	JAN. 17	WEEK AGO	READING
S&P 500 200-day average	1215.9	1214.3	Positive
Stocks above 200-day average	66.0%	69.0%	Neutral
Options: Put/call ratio	0.61*	0.59	Neutral
Insiders: Vickers NYSE Sell/buy ratio	3.96	3.92	Positive

*Jan. 13

BEST-PERFORMING GROUPS

Group	LAST MONTH %	Group	LAST 12 MONTHS %
Gold Mining	13.8	Oil & Gas Refining	97.6
Oil & Gas Refining	12.4	Oil & Gas Exploration	72.7
Agricultural Products	11.7	Oil & Gas Equipment	66.1
Oil & Gas Equipment	9.5	Oil & Gas Drilling	63.0
Oil & Gas Drilling	9.1	Constr. & Engineering	55.9

WORST-PERFORMING GROUPS

Group	LAST MONTH %	Group	LAST 12 MONTHS %
Internet Software	-16.5	Automobiles	-43.2
Educational Services	-14.0	IT Consulting	-25.2
Home Furnishings Retail	-11.6	Photographic Products	-21.9
Hypermkts. & Suprcntrs.	-6.4	Auto Parts & Equip.	-20.8
Health-Care Supplies	-5.8	Internet Retailers	-17.9

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN		52-WEEK TOTAL RETURN	
	%		%
LEADERS			
Precious Metals	18.3	Latin America	72.9
Latin America	9.9	Natural Resources	54.0
Diversified Emerg. Mkts.	8.7	Precious Metals	52.1
Natural Resources	8.1	Diversified Emerg. Mkts.	45.4
LAGGARDS			
Miscellaneous	1.5	Domestic Hybrid	7.8
Financial	1.8	Miscellaneous	8.4
Domestic Hybrid	1.9	Large-cap Blend	9.6
Large-cap Value	2.1	Large-cap Value	10.3

EQUITY FUNDS

4-WEEK TOTAL RETURN		52-WEEK TOTAL RETURN	
	%		%
LEADERS			
ProFunds Precs. Mtls. Inv.	27.6	ING Russia A	95.0
U.S. Global Invs. Gold	26.9	ProFunds Ultra Japan Inv.	83.8
U.S. Gl. Invs. Prec. Mnls.	25.1	iShares MSCI Brazil Idx.	82.9
Amer. Cent. Gl. Gold Inv.	21.4	Guinness Atkn. Gl. Energy	81.3
LAGGARDS			
GuardianUBS Sm. Cap Val A	-10.0	American Heritage Grth.	-42.9
Rydex Dyn. Vent. 100 H	-9.5	Profds. USh. Mid Cap Inv.	-28.3
Potomac Sm. Cap/Sh. Inv.	-8.5	Profds. USh. Sm. Cap Inv.	-23.2
Profds. USh. Sm. Cap Inv.	-8.5	Potomac Sm. Cap/Sh. Inv.	-22.1

INTEREST RATES

KEY RATES

	JAN. 18	WEEK AGO	YEAR AGO
Money Market Funds	3.85%	3.83%	1.81%
90-Day Treasury Bills	4.35	4.30	2.34
2-Year Treasury Notes	4.33	4.42	3.23
10-Year Treasury Notes	4.33	4.45	4.19
30-Year Treasury Bonds	4.51	4.63	4.68
30-Year Fixed Mortgage †	5.96	6.06	5.72

†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	3.76%	4.31%
Taxable Equivalent	5.37	6.16
Insured Revenue Bonds	3.87	4.45
Taxable Equivalent	5.53	6.36

THE WEEK AHEAD

LEADING INDICATORS Monday, Jan. 23, 10 a.m. EST » The Conference Board's monthly index of leading economic indicators is forecast to have edged up 0.1% for December. That's according to the median forecast of economists surveyed by Action Economics. In November the index rose 0.5%.

EXISTING HOME SALES Wednesday, Jan. 25, 10 a.m., EST » Home sales probably held steady in December

at an annual rate of 6.97 million, after easing slightly in November.

DURABLE GOODS ORDERS Thursday, Jan. 26, 8:30 a.m. EST » December durable goods orders most likely grew at a tamer pace of 0.8%. November orders surged 4.4% because of a spike in civilian aircraft orders.

GROSS DOMESTIC PRODUCT Friday, Jan. 27, 8:30 a.m., EST » Real gross domestic product is expected to have grown

at an annualized rate of 2.8% for the fourth quarter. The economy grew at an annualized rate of 4.1% in the third quarter. Softer consumer spending and wider trade deficits should account for most of the slowdown.

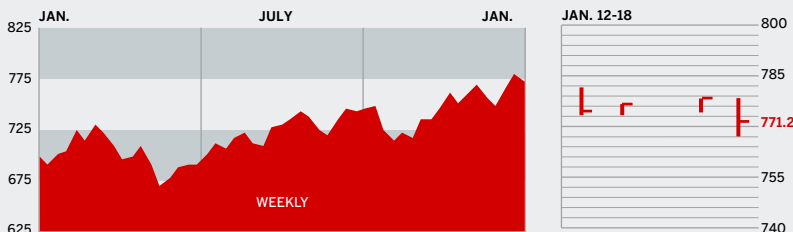
NEW HOME SALES Friday, Jan. 27, 10 a.m. EST » December new home sales probably remained virtually unchanged at an annual rate of 1.24 million, from 1.25 in November.

The *BusinessWeek* production index moved up to 271.1 for the week ended Jan. 7, and stood 13.2% above the year-ago level. Before calculation of the four-week moving average, the index retreated to 268.9.

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 lost 1% for the week but still outperformed the three major U.S. indexes as strength in energy stocks tempered dot-com weakness. ConocoPhillips and Valero gained about 4% each, as Iran nuclear tensions sent oil prices higher. Yahoo! slid 16% on disappointing earnings. Elsewhere, Boston Scientific lost 5.8% as the device maker sweetened its offer price for Guidant.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/05			WEEK	SINCE 3/1/05
1	Nucor	-4.7	9.8	26	Carnival	-0.4	-1.3
2	ConocoPhillips	4.3	14.4	27	Adobe Systems	1.0	28.7
3	ChevronTexaco	1.8	-1.9	28	Cummins	-0.7	31.2
4	Valero Energy	3.7	65.8	29	Boston Scientific	-5.8	-26.7
5	UnitedHealth Group	-1.3	34.0	30	EOG Resources	2.7	76.7
6	Occidental Petroleum	-0.6	28.0	31	Symantec	-1.9	-12.4
7	Exxon Mobil	0.7	-4.2	32	Starbucks	0.0	20.2
8	Yahoo	-16.0	9.0	33	Electronic Arts	-2.1	-11.6
9	Apache	1.5	14.6	34	WellPoint	-0.2	25.8
10	Devon Energy	0.8	40.9	35	Deere	1.8	-1.0
11	Pulte Homes	-7.1	6.3	36	United States Steel	1.9	-18.1
12	Qualcomm	-2.2	32.5	37	Zimmer Holdings	-0.8	-16.9
13	Apple Computer	-1.7	83.9	38	FedEx	-1.1	2.9
14	Dell	-4.1	-25.2	39	Chubb	-1.4	22.9
15	Paccar	-1.0	-6.0	40	XTO Energy	0.5	33.0
16	Coach	-2.2	18.1	41	Microsoft	-1.7	6.6
17	Sunoco	1.3	77.2	42	Danaher	0.1	2.2
18	eBay	-2.0	3.7	43	Dow Chemical	-4.2	-23.3
19	Burlington Resources	2.3	81.5	44	Cisco Systems	-3.5	7.5
20	Progressive	-6.8	26.3	45	Gilead Sciences	3.0	69.7
21	Caremark Rx	3.0	36.8	46	Nike	-3.0	-2.7
22	Caterpillar	0.9	30.2	47	Anadarko Petroleum	3.6	36.6
23	Phelps Dodge	-2.8	31.4	48	Bank of America	-1.8	-3.0
24	Autodesk	2.8	45.1	49	Eaton	-3.4	-6.5
25	Johnson & Johnson	-0.5	-5.2	50	3M	-1.5	-8.1

Data: Reuters

BW PRODUCTION INDEX

INDUSTRIAL OUTPUT

CHANGE FROM LAST WEEK: 0.4%
CHANGE FROM LAST YEAR: 13.2%



The production index is starting off the year on a positive note. Before calculation of the four-week moving average, however, the index slipped back to 268.9, from 271.6. On a seasonally adjusted basis, auto and truck assemblies posted the biggest increases. Coal output was the only other component to improve. Rail-freight traffic declined the most during the week, followed by lumber, steel, and electric-power production. Crude-oil refining was nearly unchanged.

Information on each of the index components is at www.businessweek.com.
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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