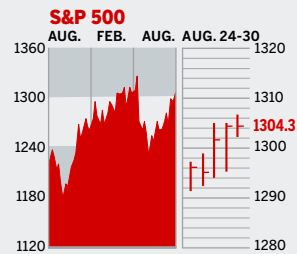


STOCKS



COMMENTARY

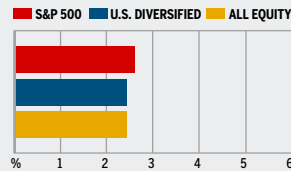
An upward revision to the gross domestic product growth rate and declining oil prices gave a small boost to an otherwise desultory market. Crude oil prices slid below \$70 for the first time in two months. Major indexes finished up slightly higher, with the Dow Jones industrial average rising 0.8%.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS

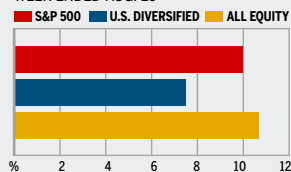
4-WEEK TOTAL RETURN

WEEK ENDED AUG. 29



52-WEEK TOTAL RETURN

WEEK ENDED AUG. 29



Data: Standard & Poor's

U.S. MARKETS

	AUG. 30	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P 500	1304.3	0.9	4.5	7.9
Dow Jones Industrials	11,382.9	0.8	6.2	9.3
NASDAQ Composite	2185.7	2.4	-0.9	2.6
S&P MidCap 400	746.7	1.2	1.2	6.6
S&P SmallCap 600	368.8	2.2	5.2	8.4
DJ Wilshire 5000	13,044.8	1.1	4.4	8.1

SECTORS

	AUG. 29	WEEK AGO	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
BusinessWeek 50*	736.0	0.7	-0.8	1.7
BW Info Tech 100**	391.8	2.7	3.0	8.5
S&P/Citigroup Growth	606.4	1.3	1.7	4.7
S&P/Citigroup Value	695.7	0.4	7.4	11.3
S&P Energy	426.4	-2.0	14.4	14.8
S&P Financials	447.2	0.1	4.9	14.4
S&P REIT	180.7	2.2	18.1	20.7
S&P Transportation	242.2	-0.2	-3.0	13.3
S&P Utilities	173.5	0.4	8.7	6.5
GSTI Internet	172.9	3.4	-15.7	0.4
PSE Technology	806.7	2.4	-3.5	0.9

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

GLOBAL MARKETS

	AUG. 30	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1767.3	1.9	16.9	26.9
London (FT-SE 100)	5929.3	1.2	5.5	12.8
Paris (CAC 40)	5182.8	2.0	9.9	19.0
Frankfurt (DAX)	5867.5	1.6	8.5	22.5
Tokyo (NIKKEI 225)	15,872.0	-1.8	-1.5	27.5
Hong Kong (Hang Seng)	17,284.7	1.1	16.2	15.8
Toronto (S&P/TSX Composite)	12,068.4	-1.0	7.1	14.1
Mexico City (IPC)	21,331.1	2.8	19.8	52.3

FUNDAMENTALS

	AUG. 29	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.84%	1.84%	2.05%
S&P 500 P/E Ratio (Trailing 12 mos.)	17.2	17.1	18.9
S&P 500 P/E Ratio (Next 12 mos.)*	14.2	14.2	15.1
First Call Earnings Revision*	-0.90%	-0.95%	0.47%

TECHNICAL INDICATORS

	AUG. 29	WEEK AGO	READING
S&P 500 200-day average	1276.1	1274.2	Positive
Stocks above 200-day average	53.0%	54.0%	Neutral
Options: Put/call ratio	0.90	0.86	Positive
Insiders: Vickers NYSE Sell/buy ratio	3.19	2.99	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Tires & Rubber	27.2	84.5
Comptr. Stge. & Perphs.	14.4	71.2
Electric Mfg. Svcs.	13.5	62.6
Communication Equipment	13.3	49.8
Food Wholesalers	13.2	44.4
Agricultural Products	8.5	84.5
Steel	7.2	71.2
Divsfd. Metals & Mining	6.2	62.6
Fertilizers & Ag. Chems.	4.9	49.8
Constr. & Engineering	4.4	44.4

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Wireless Services	-14.0	-34.7
Oil & Gas Drilling	-9.4	-30.5
Personal Products	-9.3	-26.2
Oil & Gas Refining	-9.3	-21.9
Spec. Consumer Svcs.	-8.7	-21.2
Educational Services	-14.0	-34.7
Homebuilding	-9.4	-30.5
Internet Retailers	-9.3	-26.2
Spec. Consumer Svcs.	-9.3	-21.9
IT Consulting	-8.7	-21.2

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Technology	7.1	Precious Metals	70.1
Communications	4.0	Latin America	49.7
Latin America	3.8	Diversified Emrg. Mkts.	32.2
Diversified Emrg. Mkts.	3.2	Diversified Pacific/Asia	26.0
LAGGARDS			
Natural Resources	-2.4	Technology	4.1
Precious Metals	-0.6	Large-cap Growth	4.3
Miscellaneous	0.9	Health	4.7
Financial	1.0	Mid-cap Growth	5.3

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
ProFunds. Semicdr. Inv.	16.2	U.S. Global Invsr. Gold	101.4
DireXn. NASDAQ100 BI 2.5X Inv.	14.9	Midas	99.5
Fidelity Sel. Networking	13.6	U.S. Gbl. Invs. Prc. Mnls.	92.6
ProFunds Ultra Tech. Inv.	13.4	Van Eck Invsr. Gold A.	86.1
LAGGARDS			
Ameritor Investment	-33.3	Ameritor Investment	-81.8
DireXn. NASDAQ100 Br 2.5X Inv.	-13.7	American Heritage Grth.	-50
ProFds. Mble. Tlcmms. Inv.	-13.2	ProFds. Mble. Tlcmms. Inv.	-22.8
ProFunds UltSh. OTC Inv.	-10.8	American Heritage	-22.2

INTEREST RATES

KEY RATES

	AUG. 30	WEEK AGO	YEAR AGO
Money Market Funds	4.85%	4.84%	3.04%
90-Day Treasury Bills	5.05	5.09	3.56
2-Year Treasury Notes	4.82	4.87	3.95
10-Year Treasury Notes	4.76	4.81	4.10
30-Year Treasury Bonds	4.91	4.95	4.32
30-Year Fixed Mortgage†	6.25	6.25	5.73

†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	3.89%	4.28%
Taxable Equivalent	5.56	6.11
Insured Revenue Bonds	3.97	4.45
Taxable Equivalent	5.67	6.36

THE WEEK AHEAD

NONMANUFACTURERS' INDEX

Wednesday, Sept. 6, 10 a.m. EDT » The Institute for Supply Management's nonmanufacturing activity index for August is forecast to have held virtually steady at 55%. That's the median forecast of economists surveyed by Action Economics. The July index fell to 54.8%. More nonmanufacturers, consisting mostly of service industries, said they added workers in July.

BEIGE BOOK

Wednesday, Sept. 6, 2 p.m. EDT » The Federal Reserve releases its overview of economic conditions before the Sept. 20 monetary policy meeting. Most economists polled by Action Economics see the Fed holding interest rates at 5.25%.

INITIAL UNEMPLOYMENT CLAIMS

Thursday, Sept. 7, 8:30 a.m. EDT » New filings for state unemployment claims probably edged up to 315,000 in the week

ending Sept. 2, from 313,000 for the week ended Aug. 19.

INSTALLMENT CREDIT

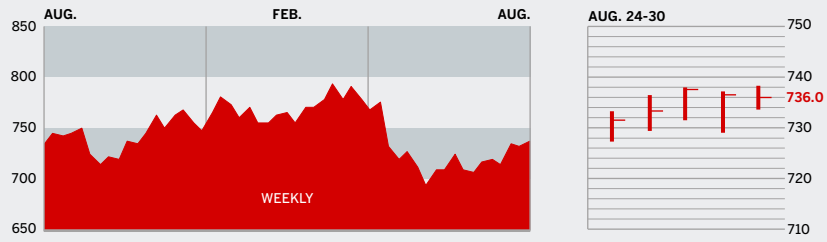
Friday, Sept. 8, 3 p.m. EDT » In July, consumers most likely accrued \$6.3 billion of debt, following a jump of \$10.3 billion in June. Slower vehicle sales have led to a slower pace of growth in consumer credit. In June, nonrevolving credit, made up largely of auto loans, grew just 2.4% from a year ago, the slowest pace since 1993.

The *BusinessWeek* production index eased to 283.9 for the week ended Aug. 19, a 12.5% improvement from a year ago. Before calculation of the four-week moving average, the index eased to 283.6.

BusinessWeek online

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

THE BUSINESSWEEK FIFTY



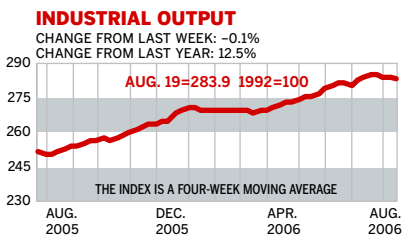
The BW50 rose 0.7% last week as markets digested news of declining oil prices and stronger economic growth. Oil and gas refiners Marathon Oil and Valero Energy saw their shares fall 5.9% and 5.3% respectively. But semiconductor makers NVIDIA and Intel gained 11.1% and 7.9%. Financial services firms Lehman Brothers and Goldman Sachs slumped 3.8% and 3.7%.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/06			WEEK	SINCE 3/1/06
1	Apple Computer	-0.5	-2.2	26	D.R. Horton	3.6	-36.2
2	WellPoint	1.3	1.8	27	National Oilwell Varco	-1.9	7.0
3	Caremark Rx	2.0	15.6	28	JPMorgan Chase	0.5	11.2
4	UnitedHealth Group	4.3	-11.1	29	Merrill Lynch	-2.3	-5.1
5	Schlumberger	-3.5	7.9	30	Valero Energy	-5.3	8.8
6	Occidental Petroleum	-1.3	13.1	31	ConocoPhillips	-3.8	4.2
7	Halliburton	-1.3	-3.0	32	Marathon Oil	-5.9	20.3
8	Qualcomm	3.4	-19.6	33	Prudential Financial	1.5	-5.2
9	Amgen	1.4	-9.6	34	Microsoft	0.5	-4.0
10	Aetna	4.5	-25.5	35	Freeport-McMoRan	0.7	12.7
11	Lowe's	0.5	-20.1	36	Weatherford International	-4.5	0.5
12	Burlington Northern Santa Fe	-1.3	-17.3	37	eBay	5.4	-29.0
13	Motorola	5.2	11.5	38	Coventry Health Care	2.2	-8.0
14	Yahoo!	1.1	-9.5	39	CVS	3.0	19.8
15	Goldman Sachs Group	-3.7	4.1	40	FedEx	1.4	-6.2
16	Lehman Brothers Holdings	-3.8	-13.5	41	Franklin Resources	-0.4	-4.9
17	Gilead Sciences	0.5	1.9	42	Lennar	0.8	-25.4
18	Jabil Circuit	2.0	-28.1	43	Coach	-0.8	-15.1
19	Best Buy	-0.2	-14.1	44	Staples	-1.8	-7.7
20	EMC	4.9	-17.0	45	NVIDIA	11.1	24.0
21	Baker Hughes	-1.2	7.3	46	Norfolk Southern	-1.1	-17.8
22	Texas Instruments	3.8	9.5	47	Caterpillar	-3.2	-11.0
23	Cisco Systems	2.9	7.1	48	McKesson	-0.7	-5.8
24	Starbucks	3.5	-15.4	49	Hartford Financial Services	2.0	3.4
25	Intel	7.9	-3.7	50	Home Depot	1.4	-19.1

Data: Reuters

BW PRODUCTION INDEX



The production index slipped for a third straight week. Before calculation of the four-week moving average, the index declined to 283.6, from 284.2. On a seasonally adjusted basis, electric-power production fell again as temperatures around the country cooled off. Crude-oil refining, autos, and truck assemblies were down modestly, while coal output was nearly unchanged. On the positive side, lumber posted the biggest gains, followed by smaller increases in steel and rail-freight traffic.

Information on each of the index components is at www.businessweek.com.
BW production index Copyright 2006 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.

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BusinessWeek online

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