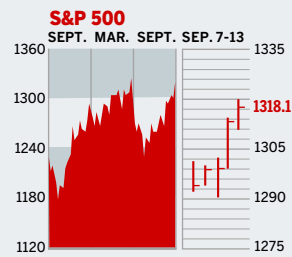


## STOCKS



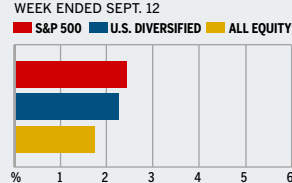
### COMMENTARY

Plunging oil prices, healthy profits from Wall Street firms such as Goldman Sachs, and upgrades in the tech sector fueled a four-day stock market rally that brought the Dow Jones Industrial Average to within 200 points of its January, 2000, all-time high of 11,722.98. Tamping down the enthusiasm, as always, were housing and consumer spending worries.

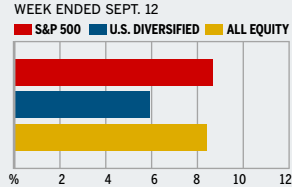
Data: Bloomberg Financial Markets, Reuters

## MUTUAL FUNDS

### 4-WEEK TOTAL RETURN



### 52-WEEK TOTAL RETURN



Data: Standard & Poor's

## U.S. MARKETS

	SEPT. 13	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
<b>S&amp;P 500</b>	1318.1	1.4	5.6	7.1
<b>Dow Jones Industrials</b>	11,543.3	1.2	7.7	8.9
<b>NASDAQ Composite</b>	2227.7	2.8	1.0	2.6
<b>S&amp;P MidCap 400</b>	757.4	1.9	2.6	5.8
<b>S&amp;P SmallCap 600</b>	374.8	2.6	6.9	6.9
<b>DJ Wilshire 5000</b>	13,186.8	1.4	5.5	7.1

## SECTORS

	SEPT. 12	WEEK AGO	% CHANGE YEAR TO DATE	LAST 12 MONTHS
<b>BusinessWeek 50*</b>	743.1	1.9	0.2	0.1
<b>BW Info Tech 100**</b>	397.4	1.9	4.5	7.4
<b>S&amp;P/Citigroup Growth</b>	612.5	1.5	2.7	4.0
<b>S&amp;P/Citigroup Value</b>	703.4	1.2	8.6	10.3
<b>S&amp;P Energy</b>	403.2	-3.9	8.2	4.1
<b>S&amp;P Financials</b>	456.8	1.9	7.1	14.8
<b>S&amp;P REIT</b>	184.4	2.1	20.5	19.2
<b>S&amp;P Transportation</b>	253.3	4.7	1.4	19.6
<b>S&amp;P Utilities</b>	171.9	-0.6	7.7	2.9
<b>GSTI Internet</b>	174.4	2.1	-15.0	-2.2
<b>PSE Technology</b>	819.2	2.6	-2.1	-0.9

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

## GLOBAL MARKETS

	SEPT. 13	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
<b>S&amp;P Euro Plus (U.S. Dollar)</b>	1751.5	0.2	15.9	21.5
<b>London (FT-SE 100)</b>	5892.2	-0.6	4.9	10.4
<b>Paris (CAC 40)</b>	5137.9	0.4	9.0	15.4
<b>Frankfurt (DAX)</b>	5906.1	1.6	9.2	20.5
<b>Tokyo (NIKKEI 225)</b>	15,750.1	-3.3	-2.2	22.1
<b>Hong Kong (Hang Seng)</b>	17,210.0	-0.3	15.7	14.2
<b>Toronto (S&amp;P/TSX Composite)</b>	11,777.2	-1.9	4.5	8.8
<b>Mexico City (IPC)</b>	21,320.2	1.7	19.8	41.3

## FUNDAMENTALS

	SEPT. 12	WEEK AGO	YEAR AGO
<b>S&amp;P 500 Dividend Yield</b>	1.84%	1.84%	2.03%
<b>S&amp;P 500 P/E Ratio (Trailing 12 mos.)</b>	17.3	17.3	19.2
<b>S&amp;P 500 P/E Ratio (Next 12 mos.)*</b>	14.4	14.3	15.2
<b>First Call Earnings Revision*</b>	-1.42%	-1.21%	0.57%

\*First Call Corp.

## TECHNICAL INDICATORS

	SEPT. 12	WEEK AGO	READING
<b>S&amp;P 500 200-day average</b>	1278.8	1277.6	Positive
<b>Stocks above 200-day average</b>	55.0%	57.0%	Neutral
<b>Options: Put/call ratio</b>	0.93	0.86	Positive
<b>Insiders: Vickers NYSE Sell/buy ratio</b>	3.29	3.21	Negative

## BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
<b>Tires &amp; Rubber</b>	30.8	Agricultural Products 65.1
<b>Internet Retailers</b>	21.5	Steel 61.2
<b>Food Wholesalers</b>	19.4	Divsfd. Metals & Mining 53.0
<b>Automobiles</b>	17.0	Fertilizers & Ag. Chems. 40.4
<b>IT Consulting</b>	16.6	Constr. & Engineering 32.2

## WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
<b>Oil &amp; Gas Refining</b>	-18.9	Educational Services -33.1
<b>Coal</b>	-13.9	Homebuilding -32.8
<b>Oil &amp; Gas Equipment</b>	-11.9	Internet Retailers -21.0
<b>Gold Mining</b>	-11.6	IT Consulting -19.8
<b>Integrated Oil &amp; Gas</b>	-8.6	Wireless Services -17.5

## EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
<b>LEADERS</b>			
Technology	5.8	Precious Metals	46.3
Communications	5.0	Latin America	35.5
Real Estate	4.5	Diversified Emrg. Mkts.	24.5
Health	3.1	Real Estate	23.2
<b>LAGGARDS</b>			
Natural Resources	-7.3	Health	2.2
Precious Metals	-4.6	Technology	2.5
Latin America	-2.3	Large-cap Growth	2.9
Japan	-1.8	Small-cap Growth	3.2

## EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
<b>LEADERS</b>			
American Heritage	14.3	Midas	74.0
ProFunds Semicdr. Inv.	13.0	U.S. Global Invsr. Gold	73.1
DirXn. NASDAQ 100 BI 2.5X Inv.	12.8	U.S. Gbl. Invs. Prc. Mnls.	67.1
SPDR Semi Cndr. ETF	10.5	Van Eck Invsr. Gold A.	63.8
<b>LAGGARDS</b>			
ProFunds Prec. Mtls. Inv.	-13.5	Ameritor Investment	-81.8
ProFunds Oil Equip. Inv.	-13.4	American Heritage Grth.	-50.0
ProFunds Oil & Gas Inv.	-13.0	ProFds. Mble. Tlcmms. Inv.	-24.4
Rydex Commodities H	-12.0	Prasad Growth	-18.6

## INTEREST RATES

### KEY RATES

	SEPT. 13	WEEK AGO	YEAR AGO
<b>Money Market Funds</b>	4.84%	4.84%	3.09%
<b>90-Day Treasury Bills</b>	4.90	4.96	3.47
<b>2-Year Treasury Notes</b>	4.79	4.81	3.86
<b>10-Year Treasury Notes</b>	4.76	4.80	4.13
<b>30-Year Treasury Bonds</b>	4.89	4.95	4.42
<b>30-Year Fixed Mortgage †</b>	6.16	6.20	5.67

†BarxQuote, 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
<b>General Obligations</b>	3.85%	4.28%
<b>Taxable Equivalent</b>	5.50	6.11
<b>Insured Revenue Bonds</b>	3.89	4.35
<b>Taxable Equivalent</b>	5.56	6.21

## THE WEEK AHEAD

**CURRENT ACCOUNT** Monday, Sept. 18, 8:30 a.m. EDT »

The second-quarter current account deficit is forecast to be \$214.4 billion. That's according to the median forecast of economists surveyed by Action Economics. In the first quarter, the deficit stood at \$208.7 billion.

### PRODUCER PRICE INDEX

Tuesday, Sept. 19, 8:30 a.m. EDT » Producer prices most likely increased 0.2% in August, after a

0.1% gain in July. Even after excluding food and energy, producer prices probably rose by 0.2%, following a 0.3% fall in July.

### RESIDENTIAL CONSTRUCTION

Tuesday, Sept. 19, 8:30 a.m. EDT » August housing starts probably cooled further, to an annual pace of 1.77 million, from a rate of 1.8 million in July.

**FOMC MEETING** Wednesday, Sept. 20, 9 a.m. EDT » The Federal Reserve's Open Market

Committee gathers to discuss monetary policy. Most of the economists surveyed by Action Economics expect the Fed will stay on the sidelines, keeping interest rates at 5.25%.

### LEADING INDICATORS

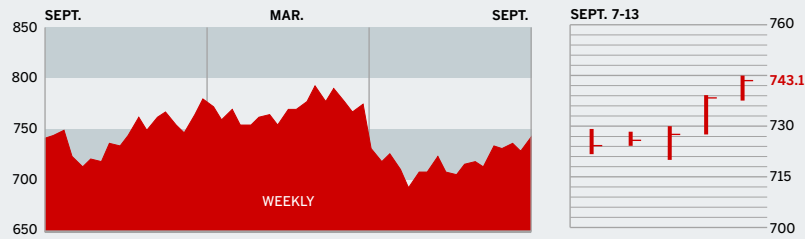
Thursday, Sept. 21, 10 a.m. EDT » The Conference Board's August index of leading economic indicators is forecast to have held steady. A drop in housing starts helped pull the July index down 0.1%.

The *BusinessWeek* production index rose to 284.3 for the week ended Sept. 2, a 12% increase from the previous year. Before calculation of the four-week moving average, the index climbed to 285.4.

## BusinessWeek online

For the BW50, more investment data, and the components of the production index visit [www.businessweek.com/extras](http://www.businessweek.com/extras)

## THE BUSINESSWEEK FIFTY



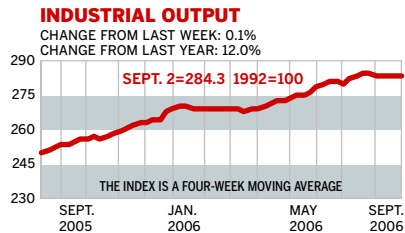
The BW50 gained 1.9% this week, outpacing the Dow and the S&P 500. Retailer Best Buy, up 13.2%, led the gains on news that home theater sales were up significantly. Other retailers had healthy returns during the week including Staples, up 8.7%, Coach, up 10%, and Home Depot, up 8.8%. Falling oil prices hit National Oilwell Varco, down 8.1%. Baker Hughes and Caterpillar fell.

### COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE		RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/06			WEEK	SINCE 3/1/06
1	Apple Computer	6.0	8.3	26	D. R. Horton	12.6	-30.7
2	WellPoint	4.8	3.6	27	National Oilwell Varco	-8.1	-1.0
3	Caremark Rx	1.1	19.4	28	JPMorgan Chase	1.1	12.8
4	UnitedHealth Group	3.2	-10.6	29	Merrill Lynch	1.9	-2.4
5	Schlumberger	-4.0	-1.7	30	Valero Energy	-1.2	-2.6
6	Occidental Petroleum	-3.9	0.3	31	ConocoPhillips	-4.2	-3.0
7	Halliburton	-6.7	-12.3	32	Marathon Oil	-5.0	7.0
8	Qualcomm	-1.9	-20.9	33	Prudential Financial	1.0	-5.5
9	Amgen	1.0	-8.4	34	Microsoft	1.4	-3.3
10	Aetna	9.4	-22.7	35	Freeport-McMoRan	-9.9	7.3
11	Lowe's	5.5	-15.0	36	Weatherford International	-4.1	-5.3
12	Burlington Northern Santa Fe	6.6	-10.3	37	eBay	-0.7	-30.1
13	Motorola	5.7	12.2	38	Coventry Health Care	3.0	-7.9
14	Yahoo	2.4	-9.0	39	CVS	0.5	23.0
15	Goldman Sachs Group	6.8	13.9	40	FedEx	5.8	-0.6
16	Lehman Brothers Holdings	6.2	-4.0	41	Franklin Resources	5.5	1.4
17	Gilead Sciences	3.5	2.3	42	Lennar	4.0	-24.5
18	Jabil Circuit	3.1	-28.3	43	Coach	10.0	-5.7
19	Best Buy	13.2	-2.8	44	Staples	8.7	1.9
20	EMC	1.1	-17.9	45	NVIDIA	7.5	23.5
21	Baker Hughes	-9.1	-4.5	46	Norfolk Southern	5.4	-14.6
22	Texas Instruments	2.9	7.4	47	Caterpillar	-4.1	-9.2
23	Cisco Systems	4.4	11.9	48	McKesson	2.5	0.0
24	Starbucks	4.9	-9.0	49	Hartford Financial Services	2.3	5.4
25	Intel	2.7	-3.7	50	Home Depot	8.8	-11.8

Data: Reuters

## BW PRODUCTION INDEX



The production index edged up a little in the latest period. Before calculation of the four-week moving average, the index climbed to 285.4, from 283.9. On a seasonally adjusted basis, all but two components posted gains. Lumber output, as well as auto and truck assemblies, showed the biggest increases. Rail freight traffic was up modestly, while coal was up just a tick. Steel and electric-power production declined. Crude oil refining was unchanged. In August the index average eased to 284.4, from 285.2 for July.

Information on each of the index components is at [www.businessweek.com](http://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.

**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/extras](http://www.businessweek.com/extras)