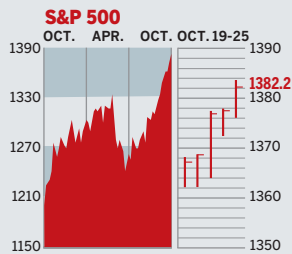


STOCKS



COMMENTARY

Stocks got a boost when the Fed showed little change in its outlook, pushing the Dow further into record territory. Wal-Mart rang up a nice 5.2% gain. The retailer announced a plan to trim capital spending. Airline stocks were grounded. Southwest Airlines reported weak third-quarter results on higher fuel costs. A rebound in oil prices helped energy issues.

Data: Bloomberg Financial Markets, Reuters

U.S. MARKETS

	OCT. 25	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1382.2	1.2	10.7	15.5
Dow Jones Industrials	12,134.7	1.2	13.2	16.9
NASDAQ Composite	2356.6	0.8	6.9	11.7
S&P MidCap 400	789.6	0.9	7.0	13.8
S&P SmallCap 600	392.1	0.9	11.8	16.3
DJ Wilshire 5000	13,766.1	0.8	10.2	15.2

SECTORS

	OCT. 25	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	783.5	1.7	5.6	8.5
BW Info Tech 100**	426.9	1.4	12.2	18.5
S&P/Citigroup Growth	641.2	1.3	7.5	11.6
S&P/Citigroup Value	738.9	1.1	14.1	19.6
S&P Energy	435.8	4.3	16.9	18.9
S&P Financials	476.3	0.2	11.7	19.1
S&P REIT	192.3	0.3	25.7	31.0
S&P Transportation	273.5	3.1	9.5	19.0
S&P Utilities	182.8	2.2	14.5	15.6
GSTI Internet	185.8	4.6	-9.4	2.1
PSE Technology	852.7	0.3	2.0	6.7

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

GLOBAL MARKETS

	OCT. 25	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1838.5	1.4	21.6	29.7
London (FT-SE 100)	6214.6	1.0	10.6	19.9
Paris (CAC 40)	5422.3	1.1	15.0	23.3
Frankfurt (DAX)	6264.9	1.3	15.8	28.6
Tokyo (NIKKEI 225)	16,699.3	0.3	3.6	25.7
Hong Kong (Hang Seng)	18,157.9	0.6	22.1	25.9
Toronto (S&P/TSX Composite)	12,341.7	3.1	9.5	19.1
Mexico City (IPC)	23,397.7	1.7	31.4	52.3

FUNDAMENTALS

	OCT. 24	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.78%	1.79%	2.09%
S&P 500 P/E Ratio (Trailing 12 mos.)	17.8	17.8	17.5
S&P 500 P/E Ratio (Next 12 mos.)*	14.8	14.7	14.1
First Call Earnings Surprise*	5.25%	1.60%	5.29%

*First Call Corp.

TECHNICAL INDICATORS

	OCT. 24	WEEK AGO	READING
S&P 500 200-day average	1290.7	1288.4	Positive
Stocks above 200-day average	67.0%	66.0%	Neutral
Options: Put/call ratio	0.86	0.83	Positive
Insiders: Vickers NYSE Sell/buy ratio	4.13	3.52	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
Steel	28.4	Steel	111.8
Coal	23.3	Agricultural Products	61.8
Real Estate Mgmt. & Dvpt.	21.2	Divsfd. Metals & Mining	50.5
Auto Parts & Equip.	18.8	Department Stores	48.2
Divsfd. Metals & Mining	18.7	Fertilizers & Ag. Chems.	46.6

WORST-PERFORMING GROUPS

	LAST MONTH %		LAST 12 MONTHS %
Educational Services	-29.1	Educational Services	-41.6
Health-Care Services	-9.4	Homebuilding	-19.1
Airlines	-8.1	Wireless Services	-9.1
Fertilizers & Ag. Chems.	-7.2	Spclzd. Cnsmr. Serv.	-8.6
Home Furnishings	-7.1	Internet Software	-8.5

EQUITY FUND CATEGORIES

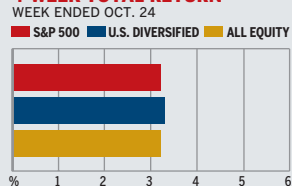
4-WEEK TOTAL RETURN		52-WEEK TOTAL RETURN	
	%		%
LEADERS		LEADERS	
Latin America	11.5	Latin America	46.7
Natural Resources	6.6	Precious Metals	42.0
Real Estate	5.0	Diversified Emerging Mkts.	34.8
Diversified Pacific/Asia	4.8	Real Estate	34.2
LAGGARDS		LAGGARDS	
Technology	1.9	Health	9.4
Financial	1.9	Large-cap Growth	9.7
Domestic Hybrid	1.9	Technology	9.8
International Hybrid	2.1	Domestic Hybrid	11.0

EQUITY FUNDS

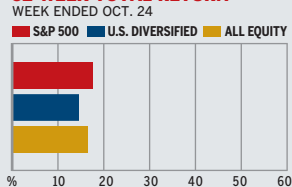
4-WEEK TOTAL RETURN		52-WEEK TOTAL RETURN	
	%		%
LEADERS		LEADERS	
DireXn. Lat. Am. Bull 2X Inv.	22.5	Oberweis China Opport.	73.8
ProFunds. Ult. Japan Inv.	15.0	ING Russia A	70.0
DireXn. Japan Bull 2X Inv.	14.9	U.S. Global Invsr. Gold	65.4
American Heritage	14.3	U.S. Gbl. Invs. Prc. Mnls.	64.4
LAGGARDS		LAGGARDS	
Ameritor Investment	-50.0	Ameritor Investment	-88.9
ProFds UltSh. Japan Inv.	-13.1	American Heritage Grth.	-40.0
ProFunds UltSh. Emrg. Mkts.	-13.0	DireXn. Sm. Cap Bear 2.5X	-32.5
DireXn. Sm. Cap Bear 2.5X	-10.4	ProFds. UltSh. Sm. Cap Inv.	-29.0

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Standard & Poor's

INTEREST RATES

KEY RATES

	OCT. 25	WEEK AGO	YEAR AGO
Money Market Funds	4.84%	4.84%	3.36%
90-Day Treasury Bills	5.12	5.09	3.93
2-Year Treasury Notes	4.85	4.84	4.33
10-Year Treasury Notes	4.76	4.76	4.53
30-Year Treasury Bonds	4.89	4.89	4.73
30-Year Fixed Mortgage †	6.28	6.23	6.07

†BancQuote, 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	3.90%	4.35%
Taxable Equivalent	5.57	6.21
Insured Revenue Bonds	3.95	4.43
Taxable Equivalent	5.64	6.33

THE WEEK AHEAD

PERSONAL INCOME Monday, Oct. 30, 8:30 a.m. EST » September personal income is forecast to have grown 0.4%, after a 0.3% gain in August. That's the median forecast of economists polled by Action Economics. Consumer spending probably rose 0.2% after a small 0.1% increase.

EMPLOYMENT COST INDEX Tuesday, Oct. 31, 8:30 a.m., EST » Compensation most likely increased 0.9% in the third quarter.

PURCHASING MANAGERS' INDEX Wednesday, Nov. 1, 10 a.m. EST » The Institute for Supply Management's October factory activity index probably inched up to 53%, from 52.9% in September.

CONSTRUCTION SPENDING Wednesday, Nov. 1, 10 a.m. EST » September building outlays likely rose 0.1%, due to the housing downturn, after climbing 0.3%.

PRODUCTIVITY & COSTS Thursday, Nov. 2, 8:30 a.m.

EST » Gains in output per hour worked likely hit an annualized rate of 1.5% in the third quarter, after a 1.6% rise in the prior quarter. Unit labor cost growth probably slowed to 3.4%, from 4.9%.

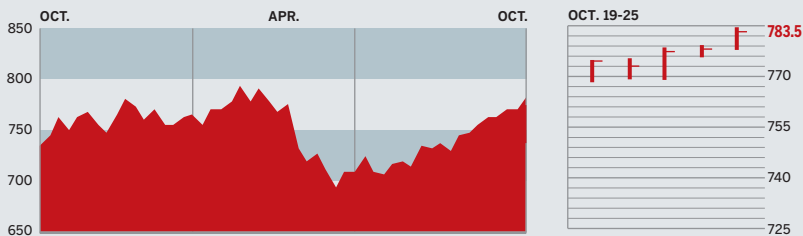
EMPLOYMENT Friday, Nov. 3, 8:30 a.m. EST » Nonfarm payrolls are expected to have expanded by 125,000 jobs, after a tepid September gain of 51,000 jobs. The September jobless rate most likely remained at 4.6%.

The *BusinessWeek* production index cooled to 283.9 for the week ended Oct. 14, a 10.3% improvement from a year ago. Before calculation of the four-week moving average, the index slid 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 BW 50 closed the week ended Oct. 25 up 1.7%. Shares of luxury goods maker Coach rose 10.6% after bagging a 34% gain in quarterly profits, while railroad Norfolk Southern jumped 10.5% for its solid performance last period. Halliburton improved 14% due in part to news of an upcoming initial public offering of its engineering services company KBR.

COMPANY PERFORMANCE

RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06	RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06
1	Apple Computer	9.6	19.3	26	D. R. Horton	2.5	-29.7
2	WellPoint	-0.2	-0.3	27	National Oilwell Varco	6.5	1.3
3	Caremark Rx	-0.5	-0.1	28	JPMorgan Chase	0.1	14.9
4	UnitedHealth Group	1.3	-16.5	29	Merrill Lynch	1.6	11.1
5	Schlumberger	6.2	11.1	30	Valero Energy	3.5	0.4
6	Occidental Petroleum	5.6	6.9	31	ConocoPhillips	4.0	2.9
7	Halliburton	14.0	-4.0	32	Marathon Oil	3.6	24.1
8	Qualcomm	-1.6	-20.5	33	Prudential Financial	-0.1	1.7
9	Amgen	4.2	-0.1	34	Microsoft	-0.7	5.4
10	Aetna	-3.3	-24.5	35	Freeport-McMoRan	5.9	18.1
11	Lowe's	-4.2	-12.0	36	Weatherford International	6.2	1.5
12	Burlington Northern Santa Fe	0.8	1.6	37	eBay	12.6	-19.9
13	Motorola	-0.3	10.1	38	Coventry Health Care	0.5	-17.0
14	Yahoo	6.5	-23.6	39	CVS	-1.7	9.0
15	Goldman Sachs Group	3.1	33.5	40	FedEx	1.5	7.4
16	Lehman Brothers Holdings	-0.9	6.1	41	Franklin Resources	3.1	6.6
17	Gilead Sciences	0.3	9.1	42	Lennar	3.5	-20.7
18	Jabil Circuit	-1.8	-22.6	43	Coach	10.6	11.8
19	Best Buy	-2.7	1.2	44	Staples	-1.5	5.8
20	EMC	3.6	-10.0	45	NVIDIA	3.9	39.2
21	Baker Hughes	5.5	9.2	46	Norfolk Southern	10.5	5.0
22	Texas Instruments	-2.7	2.9	47	Caterpillar	-10.4	-15.3
23	Cisco Systems	0.5	20.0	48	McKesson	1.3	-5.6
24	Starbucks	1.8	5.9	49	Hartford Financial Services	-2.0	8.3
25	Intel	2.9	5.4	50	Home Depot	2.0	-13.2

Data: Reuters

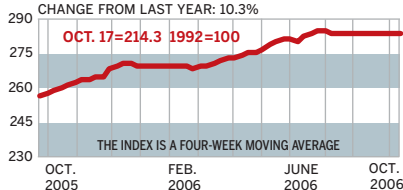
BW PRODUCTION INDEX

ONLINE RESOURCES

INDUSTRIAL OUTPUT

CHANGE FROM LAST WEEK: -0.1%

CHANGE FROM LAST YEAR: 10.3%



The production index declined for a third straight week. Before calculation of the four-week moving average, however, the index retreated to 283.6, from 284.5. On a seasonally adjusted basis, only two components managed a rise. On the downside, electric power production declined the most, followed closely by lumber output. Both auto and truck assemblies dipped. Steel and coal were down slightly. Crude-oil refining rose modestly, and rail freight traffic posted a small gain.

Information on each of the index components is at www.businessweek.com.
BW production index Copyright 2006 by The McGraw-Hill Companies

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