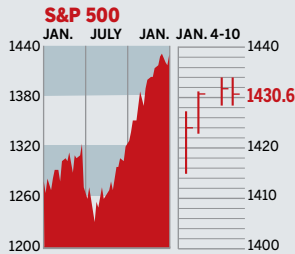


STOCKS



COMMENTARY

Markets rose as earnings reports trickled in. Alcoa's report boosted its stock 7%, while an analyst's upgrade helped Procter & Gamble rise 3%. The falling price of oil helped buoy the shares of heavy users FedEx and DuPont. Intel's shares took a hit when its earnings failed to impress. Cisco Systems shares fell 5.9% after it was downgraded.

Data: Bloomberg Financial Markets, Reuters

U.S. MARKETS

	JAN. 17	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1430.6	1.1	0.9	11.5
Dow Jones Industrials	12,577.2	1.1	0.9	15.4
NASDAQ Composite	2479.4	0.8	2.7	7.7
S&P MidCap 400	818.9	1.6	1.8	7.3
S&P SmallCap 600	401.0	1.5	0.2	10.0
DJ Wilshire 5000	14,357.2	1.2	1.0	11.5

SECTORS

BusinessWeek 50*	8079	1.5	1.2	3.8
BW Info Tech 100**	452.9	1.5	1.2	14.5
S&P/Citigroup Growth	660.8	1.2	1.3	7.6
S&P/Citigroup Value	768.1	1.0	0.5	15.6
S&P Energy	429.8	1.9	-5.7	4.5
S&P Financials	497.8	0.7	0.5	14.9
S&P REIT	207.0	3.0	4.1	29.6
S&P Transportation	268.2	3.1	1.7	9.8
S&P Utilities	182.9	-0.4	-2.0	10.8
GSTI Internet	199.9	-0.6	0.1	-5.3
PSE Technology	901.2	0.3	2.9	3.2

*March 19, 1999=1000 **February 7, 2000=1000

GLOBAL MARKETS

	JAN. 17	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1981.3	2.1	-0.4	26.5
London (FT-SE 100)	6204.5	0.7	-0.3	8.9
Paris (CAC 40)	5561.8	1.1	0.4	15.7
Frankfurt (DAX)	6701.7	2.1	1.6	22.7
Tokyo (NIKKEI 225)	17,261.4	1.9	0.2	9.2
Hong Kong (Hang Seng)	20,064.6	2.5	0.5	28.8
Toronto (S&P/TSX Composite)	12,730.4	2.2	-1.4	8.9
Mexico City (IPC)	26,558.5	2.6	0.4	43.6

FUNDAMENTALS

	JAN. 16	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.77%	1.79%	1.76
S&P 500 P/E Ratio (Trailing 12 mos.)	179	177	18.1
S&P 500 P/E Ratio (Next 12 mos.)*	15.0	14.7	14.9
First Call Earnings Revision*	5.93%	8.37%	3.88

*First Call Corp.

TECHNICAL INDICATORS

	JAN. 16	WEEK AGO	YEAR AGO
S&P 500 200-day average	1323.5	1321.0	Positive
Stocks above 200-day average	73.0%	70.0%	Negative
Options: Put/call ratio	0.71	0.78	Positive
Insiders: Vickers NYSE Sell/buy ratio	6.10	6.41	Negative

BEST-PERFORMING GROUPS

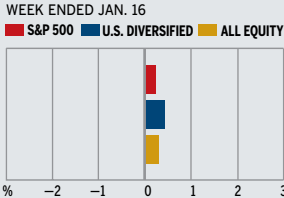
	LAST MONTH %	LAST 12 MONTHS %
Tires & Rubber	25.7	64.3
Real Estate Mgt. & Dvpt.	12.3	40.9
Automobiles	9.1	40.8
Health-Care Services	7.2	40.4
Office REIT's	7.1	39.9
Steel		64.3
Broadcasting		40.9
Constr. Materials		40.8
Investmt. Bnkg. & Brkrge.		40.4
Motorcycles		39.9

WORST-PERFORMING GROUPS

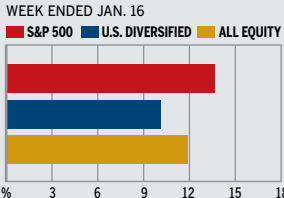
	LAST MONTH %	LAST 12 MONTHS %
Oil & Gas Equipment	-13.9	-27.6
Oil & Gas Drilling	-10.8	-27.1
Coal	-10.3	-26.1
Gold Mining	-9.9	-20.0
Gas Utilities	-9.2	-17.0
Gold Mining		-27.6
Homebuilding		-27.1
Education Services		-26.1
Oil & Gas Refining		-20.0
Internet Software		-17.0

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Standard & Poor's

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Pacific/Asia ex-Japan	4.8	Pacific/Asia ex-Japan	34.1
Real Estate	4.7	Real Estate	32.1
Diversified Pacific/Asia	2.8	Latin America	30.8
Technology	2.8	Europe	27.2
LAGGARDS			
Natural Resources	-7.3	Japan	-2.9
Precious Metals	-3.8	Natural Resources	-0.5
Utilities	-1.8	Health	4.8
International Hybrid	0.1	Technology	4.8

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Dreyfus Prem. Grtr. China A	11.9	Dreyfus Prem. Grtr. China A	76.2
Frontier MicroCap	11.8	Oberweis China Opport.	66.6
Matthews China	11.2	Old Mut. Clay Finlay Ch. A	66.1
iShares MSCI Malaysia Idx.	10.2	iShares FTSE Xha. Ch. 25 Idx.	62.3
LAGGARDS			
ProFunds Oil Equip., Svcs.	-16.3	Ameritor Investment	-85.7
Dunham Real Estate Stock C	-15.2	DireXn. Enrg. Mkts. Short	-43.3
Dunham Small Cap Value C	-14.9	BlackRock Real Invest. C	-28.1
BlackRock Real Invest. C	-14.5	Rydex Commodities H	-27.6

INTEREST RATES

KEY RATES

	JAN. 17	WEEK AGO	YEAR AGO
Money Market Funds	4.86%	4.86%	3.85
90-Day Treasury Bills	5.11	5.09	4.33
2-Year Treasury Notes	4.90	4.81	4.34
10-Year Treasury Notes	4.78	4.69	4.34
30-Year Treasury Bonds	4.87	4.77	4.51
30-Year Fixed Mortgage†	6.11	6.02	6.06

† 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	3.86%	4.23%
Taxable Equivalent	5.51	6.04
Insured Revenue Bonds	3.99	4.49
Taxable Equivalent	5.70	6.41

THE WEEK AHEAD

LEADING INDICATORS *Monday, Jan. 22, 10 a.m. EST* » The Conference Board's December leading economic indicators index is forecast to have increased by 0.1% for a third straight period as stock prices continued to rally and weekly jobless claims slowed. That's according to the consensus forecast among economists surveyed by Action Economics.

EXISTING HOME SALES *Thursday, Jan. 25, 10 a.m. EST* » Existing

home sales in December very likely cooled to an annual rate of 6.25 million units. Sales in November had accelerated to an annual rate of 6.28 million. Mortgage rates kept drifting lower in November but reversed course during December.

DURABLE GOODS ORDERS *Friday, Jan. 26, 8:30 a.m., EST* » In December, durable goods orders are expected to have jumped 1.2%. Orders in November

rebounded with a 1.6% gain. The November increase was driven by a 53.4% turnaround in orders for computers.

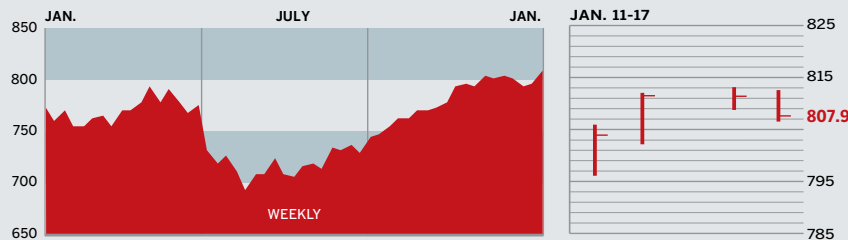
NEW HOME SALES *Friday, Jan. 26, 8:30 a.m. EST* » New home sales probably stayed virtually unchanged at an annual rate of 1.05 million in December. During November, the pace of sales improved, pulling down the number of unsold new homes for a fourth straight month.

The *BusinessWeek* production index jumped to 288.9 for the week ended Jan. 6, a 6.5% increase from a year ago. Before calculation of the four-week moving average, the index surged to 293.9.

BusinessWeek .com

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

THE BUSINESSWEEK FIFTY



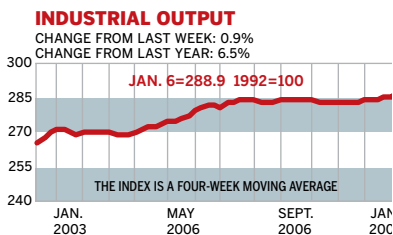
The BW50 rose 1.5% for the week. Shares of Caremark Rx and CVS rose as they tried to finalize a merger. Homebuilders D.R. Horton and Lennar were boosted by the prospect of improved earnings in 2007. Bad news came from the tech sector, as Cisco Systems, Intel and EMC all fell. Apple shares fell 2.1%, but that was before the it released strong quarterly results,

COMPANY PERFORMANCE

RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06	RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06
1	Apple Computer	-2.1	38.6	26	D. R. Horton	6.1	-20.9
2	WellPoint	3.2	2.6	27	National Oilwell Varco	3.6	-6.2
3	Caremark Rx	5.1	17.4	28	JPMorgan Chase	0.7	17.7
4	UnitedHealth Group	5.3	-4.4	29	Merrill Lynch	2.5	25.4
5	Schlumberger	2.5	1.7	30	Valero Energy	5.1	-5.8
6	Occidental Petroleum	2.0	-3.8	31	ConocoPhillips	-1.5	4.2
7	Halliburton	2.5	-14.5	32	Marathon Oil	1.3	21.8
8	Qualcomm	1.7	-16.9	33	Prudential Financial	1.2	14.2
9	Amgen	4.1	-2.1	34	Microsoft	4.9	15.7
10	Aetna	3.1	-17.1	35	Freeport-McMoRan	0.6	5.6
11	Lowe's	2.2	-2.6	36	Weatherford International	2.2	-10.8
12	Burlington Northern Santa Fe	4.2	-3.1	37	eBay	2.2	-25.2
13	Motorola	1.7	-13.7	38	Coventry Health Care	2.1	-13.5
14	Yahoo	1.2	-9.4	39	CVS	3.7	14.6
15	Goldman Sachs Group	2.5	50.9	40	FedEx	3.4	3.7
16	Lehman Brothers Holdings	4.7	14.2	41	Franklin Resources	1.7	17.1
17	Gilead Sciences	2.6	6.6	42	Lennar	6.0	-13.2
18	Jabil Circuit	1.3	-34.5	43	Coach	3.2	28.4
19	Best Buy	-1.5	-9.7	44	Staples	2.0	9.8
20	EMC	-2.2	0.1	45	NVIDIA	-1.0	46.6
21	Baker Hughes	0.4	-1.2	46	Norfolk Southern	6.7	0.4
22	Texas Instruments	-0.7	-2.4	47	Caterpillar	-0.7	-18.0
23	Cisco Systems	-5.9	33.3	48	McKesson	6.7	2.2
24	Starbucks	4.4	-0.1	49	Hartford Financial Services	1.6	12.1
25	Intel	-2.2	2.1	50	Home Depot	1.3	-4.4

Data: Reuters

BW PRODUCTION INDEX



The production index accelerated during the latest period. Before calculation of the four-week moving average, the index rallied to 293.9, from 289.3. On a seasonally adjusted basis, lumber output registered a large rebound. Auto and truck assemblies also managed significant gains. Elsewhere, steel and electric power production were up modestly. Crude oil refining and coal output slipped a bit. Rail freight traffic was also down on fewer carloads of coal and motor vehicles.

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.

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