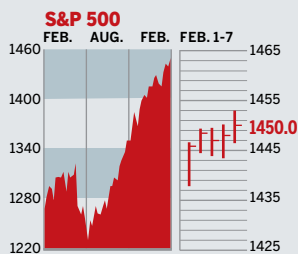


## STOCKS



### COMMENTARY

Earnings season continues to chug along. Shares of Cisco Systems rose after the networking giant revealed a sunny forecast. That good news rubbed off on another techie, Intel, which was up 2.6%. Vornado Realty Trust surged 11% after pulling its bid for Equity Office Properties Trust. Disappointing fourth-quarter sales pushed MedImmune shares down 10.5%.

Data: Bloomberg Financial Markets, Reuters

## U.S. MARKETS

	FEB. 7	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
<b>S&amp;P 500</b>	1450.0	0.8	2.2	15.6
<b>Dow Jones Industrials</b>	12,666.9	0.4	1.6	17.8
<b>NASDAQ Composite</b>	2490.5	1.1	3.1	10.9
<b>S&amp;P MidCap 400</b>	850.6	2.1	5.7	11.1
<b>S&amp;P SmallCap 600</b>	416.5	2.1	4.1	12.3
<b>DJ Wilshire 5000</b>	14,622.6	1.0	2.9	15.5

## SECTORS

	FEB. 7	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
<b>BusinessWeek 50*</b>	819.0	0.8	2.6	9.6
<b>BW Info Tech 100**</b>	450.5	-0.5	0.7	18.7
<b>S&amp;P/Citigroup Growth</b>	664.8	0.7	1.9	11.5
<b>S&amp;P/Citigroup Value</b>	783.9	1.0	2.6	19.8
<b>S&amp;P Energy</b>	448.1	0.2	-1.6	11.9
<b>S&amp;P Financials</b>	506.5	1.6	2.3	20.0
<b>S&amp;P REIT</b>	225.0	4.3	13.1	39.4
<b>S&amp;P Transportation</b>	271.3	1.3	2.9	8.0
<b>S&amp;P Utilities</b>	191.9	3.2	2.8	19.6
<b>GSTI Internet</b>	205.7	1.7	3.0	4.2
<b>PSE Technology</b>	904.3	1.4	3.3	4.8

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

## GLOBAL MARKETS

	FEB. 7	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
<b>S&amp;P Euro Plus (U.S. Dollar)</b>	2046.4	2.0	2.8	29.0
<b>London (FT-SE 100)</b>	6369.5	2.7	2.4	10.8
<b>Paris (CAC 40)</b>	5703.0	1.7	2.9	15.6
<b>Frankfurt (DAX)</b>	6915.6	1.9	4.8	21.9
<b>Tokyo (NIKKEI 225)</b>	17,292.3	-0.5	0.4	3.4
<b>Hong Kong (Hang Seng)</b>	20,679.7	2.9	3.6	33.3
<b>Toronto (S&amp;P/TSX Composite)</b>	13,142.3	0.8	1.8	11.2
<b>Mexico City (IPC)</b>	28,123.8	2.0	6.3	50.7

## FUNDAMENTALS

	FEB. 6	WEEK AGO	YEAR AGO
<b>S&amp;P 500 Dividend Yield</b>	1.75%	1.77%	1.81%
<b>S&amp;P 500 P/E Ratio (Trailing 12 mos.)</b>	18.0	17.8	17.6
<b>S&amp;P 500 P/E Ratio (Next 12 mos.)*</b>	15.4	15.1	14.6
<b>First Call Earnings Surprise*</b>	5.11%	4.36%	3.20%

\*First Call Corp.

## TECHNICAL INDICATORS

	FEB. 6	WEEK AGO	YEAR AGO
<b>S&amp;P 500 200-day average</b>	1333.6	1330.0	Positive
<b>Stocks above 200-day average</b>	80.0%	77.0%	Negative
<b>Options: Put/call ratio</b>	0.82	0.90	Positive
<b>Insiders: Vickers NYSE Sell/buy ratio</b>	5.82	5.89	Negative

## BEST-PERFORMING GROUPS

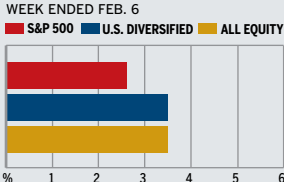
	LAST MONTH %		LAST 12 MONTHS %
<b>Retail REIT's</b>	22.8	<b>Tires &amp; Rubber</b>	69.1
<b>Constr. Materials</b>	21.3	<b>Steel</b>	63.6
<b>IT Consulting</b>	21.2	<b>Department Stores</b>	46.4
<b>Industrial REIT's</b>	19.9	<b>Broadcasting</b>	43.4
<b>Steel</b>	19.5	<b>Motorcycles</b>	39.0

## WORST-PERFORMING GROUPS

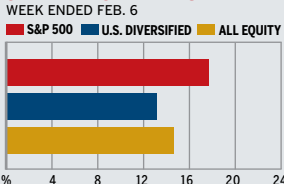
	LAST MONTH %		LAST 12 MONTHS %
<b>Home Entmnt. Sftwre.</b>	-5.6	<b>Gold Mining</b>	-20.1
<b>Wireless Services</b>	-4.4	<b>Electric Mfg. Svcs.</b>	-17.1
<b>Food Wholesalers</b>	-4.3	<b>Education Services</b>	-16.6
<b>Instrumentation</b>	-3.9	<b>Homebuilding</b>	-12.3
<b>Comptr. Stge. &amp; Perphs.</b>	-3.6	<b>Oil &amp; Gas Drilling</b>	-8.0

## 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	%
<b>LEADERS</b>			
Latin America	10.4	Real Estate	38.8
Real Estate	9.9	Latin America	33.9
Precious Metals	7.3	Pacific/Asia ex-Japan	33.4
Natural Resources	7.0	Europe	29.4
<b>LAGGARDS</b>			
Technology	1.0	Japan	-3.0
Japan	1.7	Technology	5.7
Domestic Hybrid	2.0	Natural Resources	6.8
International Hybrid	2.5	Health	6.9

## EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
<b>LEADERS</b>			
DireXn. Lat. Am. Bull 2X Inv.	20.3	Dreyfus Prem. Grtr. China A	64.1
ProFunds Real Est. Inv.	17.0	ProFunds Real Est. Inv.	60.6
DireXn. Cmnty. Bull 2X	16.1	Old Mut. Clay Finlay Ch. A	58.0
ProFunds UltraEmrg. Mkts.	15.7	Oberweis China Opport.	57.4
<b>LAGGARDS</b>			
ProFds USSh. Emrg. Mkts. Inv.	-14.4	DireXn. Emrg. Mkts. Short	-40.9
DireXn. Emrg. Mkts. Short	-13.2	DireXn. Dev. Mkts. Bear 2X	-35.3
ProFds. Short Real Estate	-9.7	DireXn. Sm. Cap Bear 2.5X	-27.2
ProFds. USH. Mid Cap Inv.	-9.6	ProFds. Short Real Estate	-25.6

## INTEREST RATES

### KEY RATES

	WEEK AGO	YEAR AGO	
<b>Money Market Funds</b>	4.86%	4.87%	3.99%
<b>90-Day Treasury Bills</b>	5.15	5.11	4.50
<b>2-Year Treasury Notes</b>	4.87	4.92	4.60
<b>10-Year Treasury Notes</b>	4.74	4.81	4.57
<b>30-Year Treasury Bonds</b>	4.85	4.92	4.66
<b>30-Year Fixed Mortgage†</b>	6.17	6.30	6.14

† 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
<b>General Obligations</b>	3.91%	4.24%
<b>Taxable Equivalent</b>	5.59	6.06
<b>Insured Revenue Bonds</b>	4.00	4.51
<b>Taxable Equivalent</b>	5.71	6.44

## THE WEEK AHEAD

**INTERNATIONAL TRADE** *Tuesday, Feb. 13, 8:30 a.m. EST* » The December trade deficit will have widened to \$59 billion; that's the consensus forecast among economists surveyed by Action Economics. The November deficit narrowed to \$58.2 billion.

**RETAIL SALES** *Wednesday, Feb. 14, 8:30 a.m. EST* » Retail sales most likely improved 0.4% in January, after a solid 0.9% rise in December. Excluding vehicles,

December sales very likely grew 0.5% following a solid 1% gain.

**EXPORT-IMPORT PRICES** *Thursday, Feb. 15, 8:30 a.m. EST* » January import prices probably dropped 1.8%. Export prices likely rose 0.3%.

**INDUSTRIAL PRODUCTION** *Thursday, Feb. 15, 9:15 a.m. EST* » Monthly factory output probably held steady in January, after a 0.4% rise. The utilization rate likely eased to 81.6%, from 81.8%.

**PRODUCER PRICE INDEX** *Friday, Feb. 16, 8:30 a.m. EST* » January producer prices are expected to have fallen 0.5%, after posting a 0.9% gain in December. Less food and energy, prices likely rose 0.1%, after a 0.2% December rise.

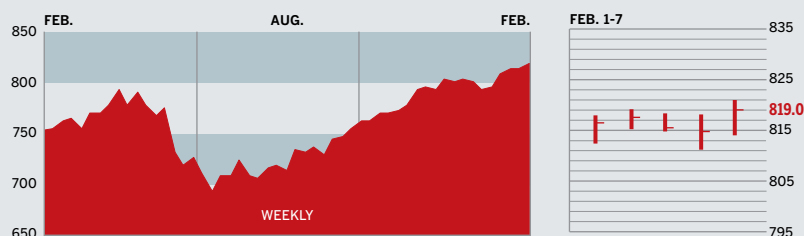
**RESIDENTIAL CONSTRUCTION** *Friday, Feb. 16, 8:30 a.m. EST* » Housing starts probably edged up to an annualized rate of 1.65 million in January, from 1.64 million during December.

The *BusinessWeek* production index improved to 293.1 for the week ended Jan. 27, an 8.8% gain from a year ago. Before calculation of the four-week moving average, the index rose to 293.2.

**BusinessWeek** .com

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



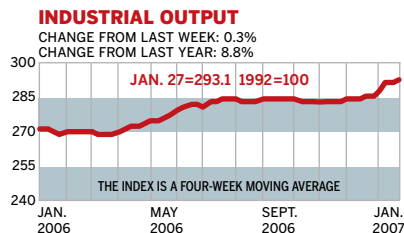
The BW50 inched up 0.8% as good news from tech companies soothed investors. Graphic-chip maker NVIDIA jumped almost 14% after analysts bumped up their profit estimates, while biotech drugmaker Gilead Sciences beat predictions. The bottom of the barrel: The dip in oil prices hurt Marathon Oil and ConocoPhillips, which both reported lower quarterly earnings.

### COMPANY PERFORMANCE

RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06	RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06
1	Apple Computer	0.5	25.8	26	D. R. Horton	2.0	-13.1
2	WellPoint	4.4	6.5	27	National Oilwell Varco	9.0	8.6
3	Caremark Rx	0.6	23.8	28	JPMorgan Chase	0.5	24.5
4	UnitedHealth Group	-1.9	-12.0	29	Merrill Lynch	1.0	22.4
5	Schlumberger	1.5	12.1	30	Valero Energy	1.8	2.7
6	Occidental Petroleum	0.6	1.9	31	ConocoPhillips	-0.3	8.6
7	Halliburton	0.3	-12.8	32	Marathon Oil	-1.2	26.4
8	Qualcomm	-0.2	-20.3	33	Prudential Financial	1.4	17.3
9	Amgen	-0.5	-7.3	34	Microsoft	-4.8	9.3
10	Aetna	4.4	-13.7	35	Freeport-McMoRan	-6.2	6.6
11	Lowe's	1.1	-0.1	36	Weatherford International	-1.0	-7.3
12	Burlington Northern Santa Fe	-0.6	1.6	37	eBay	3.0	-16.7
13	Motorola	0.3	-7.0	38	Coventry Health Care	3.6	-10.4
14	Yahoo	5.6	-6.8	39	CVS	-1.2	17.3
15	Goldman Sachs Group	0.7	51.1	40	FedEx	4.4	7.5
16	Lehman Brothers Holdings	4.2	17.4	41	Franklin Resources	3.6	20.2
17	Gilead Sciences	12.3	16.0	42	Lennar	1.3	-8.0
18	Jabil Circuit	6.3	-32.6	43	Coach	3.4	32.8
19	Best Buy	0.8	-5.7	44	Staples	2.8	7.8
20	EMC	-2.8	-3.0	45	NVIDIA	13.6	47.8
21	Baker Hughes	1.1	2.7	46	Norfolk Southern	0.1	-2.9
22	Texas Instruments	-0.5	4.0	47	Caterpillar	2.5	-10.2
23	Cisco Systems	5.5	38.8	48	McKesson	-0.3	2.7
24	Starbucks	-3.6	-7.3	49	Hartford Financial Services	1.0	16.4
25	Intel	2.6	4.4	50	Home Depot	1.5	-1.9

Data: Reuters

## BW PRODUCTION INDEX



The production index climbed for a sixth straight week. Before calculation of the four-week moving average, the index bounced back to 293.2, after falling to 291.2. On a seasonally adjusted basis, the biggest increase came in truck assemblies. Coal and lumber posted decent gains, while crude-oil refining and autos edged just higher. Rail-freight traffic also increased, although winter storms continued to hamper service. Steel and electric-power production were down modestly.

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.com](http://BusinessWeek.com)

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