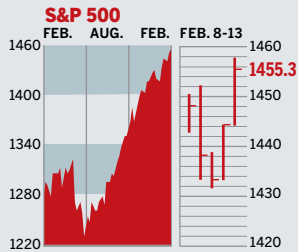


STOCKS



COMMENTARY

After slipping early in the week, the markets finished strong. Soothing testimony by Fed Chairman Bernanke helped, as did other good news from General Motors, via an upgrade by Merrill Lynch. Deere increased its sales and profit forecast, sending shares soaring 8.1%. And the prospect of a takeover of Alcoa sent the stock up 7.5%.

Data: Bloomberg Financial Markets, Reuters

U.S. MARKETS

	FEB. 14	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1455.3	0.4	2.6	14.1
Dow Jones Industrials	12,741.9	0.6	2.2	15.5
NASDAQ Composite	2488.4	-0.1	3.0	10.0
S&P MidCap 400	855.5	0.6	6.4	11.8
S&P SmallCap 600	415.1	-0.3	3.8	11.9
DJ Wilshire 5000	14,659.1	0.2	3.1	14.4

SECTORS

	FEB. 14	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	822.8	0.5	3.0	9.5
BW Info Tech 100**	450.4	0.0	0.7	17.1
S&P/Citigroup Growth	666.1	0.2	2.1	10.2
S&P/Citigroup Value	788.0	0.5	3.1	18.1
S&P Energy	451.8	0.8	-0.8	16.9
S&P Financials	506.5	0.0	2.3	17.3
S&P REIT	219.1	-2.6	10.2	34.7
S&P Transportation	281.6	3.8	6.8	7.4
S&P Utilities	194.5	1.4	4.2	21.3
GSTI Internet	209.7	2.0	5.0	7.4
PSE Technology	906.5	0.2	3.5	4.2

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

GLOBAL MARKETS

	FEB. 14	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	2068.9	1.1	4.0	29.9
London (FT-SE 100)	6421.2	0.8	3.2	10.9
Paris (CAC 40)	5725.8	0.4	3.3	15.4
Frankfurt (DAX)	6961.2	0.7	5.5	20.8
Tokyo (NIKKEI 225)	17,752.6	2.7	3.1	9.7
Hong Kong (Hang Seng)	20,209.9	-2.3	1.2	31.1
Toronto (S&P/TSX Composite)	13,204.5	0.5	2.3	13.7
Mexico City (IPC)	28,539.7	1.5	7.9	58.4

FUNDAMENTALS

	FEB. 13	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.76	1.75%	1.78%
S&P 500 P/E Ratio (Trailing 12 mos.)	17.8	18.0	17.9
S&P 500 P/E Ratio (Next 12 mos.)*	15.3	15.4	14.9
First Call Earnings Surprise*	5.26%	5.11%	3.20%

*First Call Corp.

TECHNICAL INDICATORS

	FEB. 13	WEEK AGO	YEAR AGO
S&P 500 200-day average	1337.0	1333.6	Positive
Stocks above 200-day average	80.0%	80.0%	Negative
Options: Put/call ratio	0.76	0.82	Positive
Insiders: Vickers NYSE Sell/buy ratio	6.27	5.82	Negative

BEST-PERFORMING GROUPS

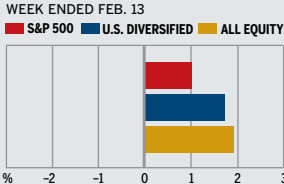
	LAST MONTH %	LAST 12 MONTHS %
Constr. Materials	20.1	65.4
IT Consulting	15.1	64.4
Steel	14.8	47.1
Automobiles	13.7	45.7
Industrial REIT's	13.4	43.2
Steel		47.1
Tires & Rubber		64.4
Divsfd. Metals & Mining		47.1
Department Stores		45.7
Constr. Materials		43.2

WORST-PERFORMING GROUPS

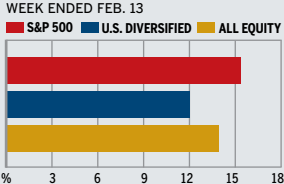
	LAST MONTH %	LAST 12 MONTHS %
Motorcycles	-5.3	-21.9
Systems Software	-5.2	-17.9
Casinos	-4.7	-16.1
Metal & Glass Containers	-3.7	-16.1
Environmental Services	-3.6	-6.6
Education Services		-21.9
Electric Mfg. Svcs.		-17.9
Homebuilding		-16.1
Gold Mining		-16.1
Semiconductors		-6.6

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	%
LAGGARDS		LAGGARDS	
Latin America	7.2	Real Estate	37.9
Natural Resources	7.0	Latin America	34.3
Precious Metals	6.4	Pacific/Asia ex-Japan	33.0
Real Estate	6.2	Europe	28.8
LAGGARDS		LAGGARDS	
Technology	-1.1	Japan	1.4
Large-cap Growth	0.2	Technology	4.8
Health	0.7	Health	5.6
Domestic Hybrid	1.1	Small-cap Growth	7.5

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LAGGARDS		LAGGARDS	
DireXn. Cmnty. Bull 2X	17.4	Dreyfus Prem. Grtr. China A	68.4
DireXn. Lat. Am. Bull 2X Inv.	13.0	Oberweis China Opport.	58.3
ProFunds Oil Equip., Svcs.	12.2	Old Mut. Clay Finlay Ch. A	58.2
ProFunds Precs. Mtls. Inv.	10.6	ProFunds Real Est. Inv.	57.6
LAGGARDS		LAGGARDS	
DireXn. NASDAQ 100 Bl. 2.5X	-8.6	DireXn. Emrg. Mkts. Short	-38.9
ProfDs UltSh. Emrg. Mkts. Inv.	-8.0	DireXn. Dev. Mkts. Bear 2X	-33.8
ProfDs. Sh. Prec. Mtls. Inv.	-6.8	DireXn. Sm. Cap Bear 2.5X	-27.0
Rydex Dynamic OTC H	-6.8	American Heritage Grth.	-25.0

INTEREST RATES

KEY RATES

	FEB. 14	WEEK AGO	YEAR AGO
Money Market Funds	4.86%	4.86%	4.01%
90-Day Treasury Bills	5.15	5.15	4.56
2-Year Treasury Notes	4.87	4.87	4.69
10-Year Treasury Notes	4.74	4.74	4.61
30-Year Treasury Bonds	4.83	4.85	4.59
30-Year Fixed Mortgage†	6.19	6.17	6.19

†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	3.88%	4.22%
Taxable Equivalent	5.54	6.03
Insured Revenue Bonds	4.02	4.51
Taxable Equivalent	5.74	6.44

THE WEEK AHEAD

CONSUMER PRICE INDEX

Wednesday, Feb. 21, 8:30 a.m. EST » Consumer prices are forecast to have edged up by 0.1% in January, after posting an energy-influenced rise of 0.5% for December. That's according to the consensus estimate among economists queried by Action Economics. Excluding energy and food, the prices very likely climbed by 0.2% for a second consecutive month.

LEADING INDICATORS *Wednesday, Feb. 21, 10 a.m. EST*

» The Conference Board's January leading economic indicators index most likely grew an additional 0.2%, following a 0.3% gain in December. The index will get a bounce from brighter consumer expectations, a small increase in stock prices, and fewer initial jobless claims.

FOMC MINUTES *Wednesday, Feb. 21, 2 p.m. EST* » The Federal

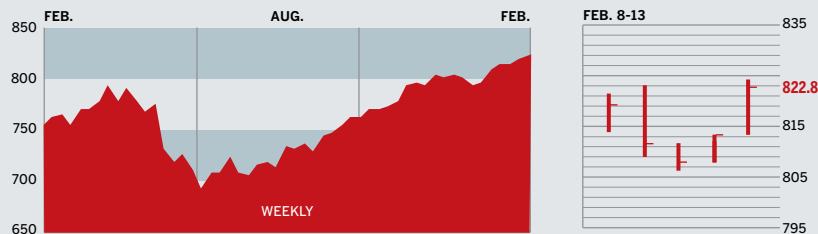
Reserve's Open Market Committee releases the minutes to its two-day monetary policy meeting on Jan. 30-31. Fed watchers will peruse the text for more clues on how hawkish the central bankers are about potential price pressures. The notes may also contain some information on the Fed's conversation about communication issues, which include inflation targeting and economic forecasts.

The *BusinessWeek* production index grew to 293.3 for the week ended Feb. 3, an 8.6% gain from a year ago. Before calculation of the four-week moving average, the index jumped to 294.4.

BusinessWeek .com

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

THE BUSINESSWEEK FIFTY



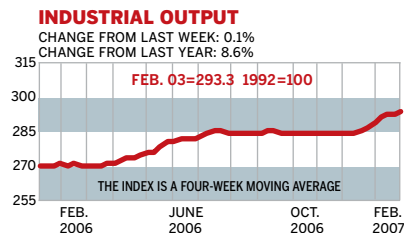
The BW50 climbed 0.5% this week, as the tech, transportation, and energy sectors heated up. Tech was moved by an 8.1% rise at EMC, as well as smaller jumps at Qualcomm and Jabil Circuit. Railroads Norfolk Southern and Burlington Northern Santa Fe drove transportation, while Marathon Oil and Halliburton electrified energy.

COMPANY PERFORMANCE

RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06	RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/06
1	Apple Computer	-1.0	24.5	26	D. R. Horton	-4.9	-17.4
2	WellPoint	-1.0	5.5	27	National Oilwell Varco	4.3	13.2
3	Caremark Rx	2.8	27.2	28	JPMorgan Chase	0.4	25.0
4	UnitedHealth Group	0.8	-11.3	29	Merrill Lynch	-0.8	21.5
5	Schlumberger	0.3	12.5	30	Valero Energy	1.2	3.9
6	Occidental Petroleum	3.2	5.1	31	ConocoPhillips	1.9	10.7
7	Halliburton	3.6	-9.7	32	Marathon Oil	4.0	31.4
8	Qualcomm	5.5	-15.9	33	Prudential Financial	2.4	20.1
9	Amgen	-1.7	-8.9	34	Microsoft	0.1	9.4
10	Aetna	-0.8	-14.4	35	Freeport-McMoRan	4.9	11.9
11	Lowe's	-1.8	-1.9	36	Weatherford International	0.7	-6.6
12	Burlington Northern Santa Fe	4.7	6.4	37	eBay	0.3	-16.5
13	Motorola	-3.5	-10.2	38	Coventry Health Care	2.4	-8.3
14	Yahoo	2.6	-4.4	39	CVS	-1.6	15.5
15	Goldman Sachs Group	1.8	53.9	40	FedEx	2.0	9.6
16	Lehman Brothers Holdings	-2.4	14.6	41	Franklin Resources	1.8	22.3
17	Gilead Sciences	-0.7	15.2	42	Lennar	-4.2	-11.9
18	Jabil Circuit	3.4	-30.3	43	Coach	4.1	38.2
19	Best Buy	-1.4	-7.0	44	Staples	3.0	11.0
20	EMC	8.1	4.9	45	NVIDIA	-3.7	42.4
21	Baker Hughes	3.1	5.9	46	Norfolk Southern	5.2	2.1
22	Texas Instruments	-0.3	3.7	47	Caterpillar	0.8	-9.5
23	Cisco Systems	-2.2	35.7	48	McKesson	1.3	4.0
24	Starbucks	-1.0	-8.2	49	Hartford Financial Services	0.9	17.5
25	Intel	-1.7	2.6	50	Home Depot	0.9	-1.0

Data: Reuters

BW PRODUCTION INDEX



The Production Index kept on climbing higher. Before calculation of the four-week moving average, the index stood at 294.4, from 293.2 the prior week. On a seasonally adjusted basis, decent increases were posted among steel output, truck assemblies, electric power production, and crude-oil refining. Autos and lumber were off sharply, while rail-freight traffic and coal were down slightly. For the month of January, the index average rallied to 293.4, from 286.2 in December.

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.

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