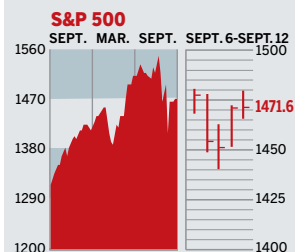


STOCKS



COMMENTARY

The markets ended the week pretty much where they started. Big consumer names did well, with Coca-Cola, Kraft Foods, McDonald's, and Procter & Gamble all up. Campbell Soup was odd man out, falling 7.6% after posting disappointing profits. Falling aluminum prices nicked Alcoa (-8%), while lowered earnings estimates battered Office Depot (-22%).

Data: Bloomberg Financial Markets, Reuters

U.S. MARKETS

	SEPT. 12	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P 500	1471.6	0.0	3.8	12.1
Dow Jones Industrials	13,291.7	-0.1	6.6	15.6
NASDAQ Composite	2592.1	-0.5	7.3	17.0
S&P MidCap 400	856.7	-0.9	6.5	14.1
S&P SmallCap 600	411.2	-1.3	2.8	10.7
DJ Wilshire 5000	14,765.8	-0.3	3.9	12.5

SECTORS

	SEPT. 12	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
BusinessWeek 50*	848.1	0.4	6.2	14.9
BW Info Tech 100**	508.6	-0.5	13.6	28.9
S&P/Citigroup Growth	687.5	0.2	5.4	12.5
S&P/Citigroup Value	781.4	-0.3	2.2	11.7
S&P Energy	552.8	1.1	21.4	39.4
S&P Financials	445.3	-0.6	-10.1	-1.8
S&P REIT	174.9	-1.1	-12.0	-4.6
S&P Transportation	272.4	-1.6	3.3	9.4
S&P Utilities	199.7	1.3	7.0	16.5
S&P GSTI Internet	210.9	-0.9	5.6	21.2
PSE Technology	953.0	0.1	8.8	16.4

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

GLOBAL MARKETS

	SEPT. 12	WEEK	% CHANGE YEAR TO DATE	LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	2141.5	0.9	7.6	22.9
London (FT-SE 100)	6306.2	0.6	1.4	7.0
Paris (CAC 40)	5508.0	-0.8	-0.6	7.5
Frankfurt (DAX)	7473.0	-1.5	13.3	27.2
Tokyo (NIKKEI 225)	15,797.6	-2.2	-8.3	0.5
Hong Kong (Hang Seng)	24,310.1	1.0	21.8	42.4
Toronto (S&P/TSX Composite)	13,756.7	0.5	6.6	17.8
Mexico City (IPC)	30,076.3	-2.4	13.7	42.5

FUNDAMENTALS

	SEPT. 11	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	1.89%	1.82%	1.84%
S&P 500 P/E Ratio (Trailing 12 mos.)	17.0	17.2	17.3
S&P 500 P/E Ratio (Next 12 mos.)*	14.7	14.8	14.4
First Call Earnings Revision*	-1.41%	-1.49%	-1.42%

*First Call Corp.

TECHNICAL INDICATORS

	SEPT. 11	WEEK AGO	YEAR AGO
S&P 500 200-day average	1460.6	1459.4	Positive
Stocks above 200-day average	37.0%	42.0%	Positive
Options: Put/call ratio	0.91	0.89	Positive
Insiders: Vickers NYSE Sell/buy ratio	1.48	1.47	Positive

BEST-PERFORMING GROUPS

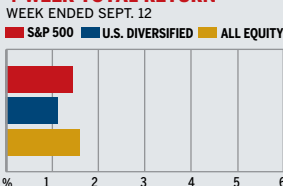
	LAST MONTH %	LAST 12 MONTHS %
Internet Retailers	13.6	106.1
Constr. & Engineering	10.1	104.5
Biotechnology	9.8	68.1
Oil & Gas Equipment	9.6	66.6
Casinos	9.1	62.2
Internet Retailers		106.1
Divsfd. Metals & Mining		104.5
Tires & Rubber		68.1
Constr. & Engineering		66.6
Oil & Gas Equipment		62.2

WORST-PERFORMING GROUPS

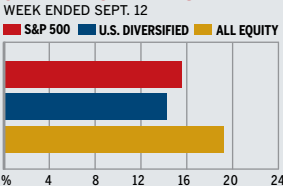
	LAST MONTH %	LAST 12 MONTHS %
Homebuilding	-27.0	-46.5
Real Estate Mgt. & Dvpt.	-17.5	-22.9
Motorcycles	-17.2	-22.3
IT Consulting	-14.8	-21.3
Constr. Materials	-10.8	-20.5
Homebuilding		-46.5
Motorcycles		-22.9
Home Furnishings		-22.3
Electric Mfg. Svcs.		-21.3
Computer Retailers		-20.5

MUTUAL FUNDS

4-WEEK TOTAL RETURN



52-WEEK TOTAL RETURN



Data: Morningstar Inc.

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Pacific/Asia ex-Japan Stk.	8.7	Pacific/Asia ex-Japan Stk.	68.0
Long Government	5.6	Latin America Stock	57.7
Specialty-Precious Metals	5.0	Diversified Emerging Mkts.	45.6
Diversified Emerging Mkts.	3.7	Specialty-Natural Res.	31.3
LAGGARDS			
Japan Stock	-3.0	Bear Market	-13.8
Bear Market	-2.5	Japan Stock	-2.5
Small Value	-1.0	Specialty-Real Estate	1.6
Small Blend	-0.3	High Yield Muni	1.8

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
iShares FTSE/Xha. China 25	15.9	AIM China I	123.7
Columbia Greater China Z	15.1	AIM China A	122.9
Columbia Greater China A	15.1	AIM China C	121.3
Columbia Greater China B	15.0	AIM China B	121.2
LAGGARDS			
iShares DJ U.S. Home Constr.	-21.4	ProFds. UltSh. Emrg. Mkts. Svc.	-61.4
ProFds. UltSh. Emrg. Mkts. Svc.	-16.0	ProFds. UltSh. Emrg. Mkts. Inv.	-61.0
ProFds. UltSh. Emrg. Mkts. Inv.	-16.0	DireXn. Emrg. Mkts. Bear 2X	-55.7
SPDR S&P Homebuilders ETF	-15.0	DireXn. NASDAQ 100 Bear 2.5X	-41.3

INTEREST RATES

KEY RATES

	SEPT. 12	WEEK AGO	YEAR AGO
Money Market Funds	4.98%	4.97%	4.84%
90-Day Treasury Bills	4.02	4.34	4.90
2-Year Treasury Notes	3.95	4.01	4.81
10-Year Treasury Notes	4.41	4.47	4.77
30-Year Treasury Bonds	4.68	4.78	4.90
30-Year Fixed Mortgage †	6.09	6.41	6.20

†Barr's Mortgage

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	3.74%	4.35%
Taxable Equivalent	5.34	6.21
Insured Revenue Bonds	4.02	4.61
Taxable Equivalent	5.74	6.59

THE WEEK AHEAD

PRODUCER PRICE INDEX Tuesday, Sept. 18, 8:30 a.m. EDT » August producer prices are expected to have eased 0.1% on lower energy prices. That's the consensus of economists surveyed by Action Economics. In July prices rose 0.6%. Minus food and energy, the index probably edged up 0.1% for a second straight month.

FOMC MEETING Tuesday, Sept. 18, 9 a.m. EDT » The Federal Open Market Committee meets

to discuss monetary policy. Economists polled by Action Economics fully expect the Fed to lower interest rates to 5% from 5.25%.

CONSUMER PRICE INDEX Wednesday, Sept. 19, 8:30 a.m. EDT » Prices most likely held steady in August after ticking up by 0.1% in July. Excluding food and energy, prices probably notched a third straight monthly increase of 0.2%.

RESIDENTIAL CONSTRUCTION Wednesday, Sept. 19, 8:30 a.m. EDT » Housing starts are forecast to have fallen again, to an annual pace of 1.33 million units in August. Starts in July sank to a rate of 1.38 million.

LEADING INDICATORS Thursday, Sept. 20, 10 a.m. EDT » The Conference Board's leading economic indicators index most likely held steady for August, after a 0.4% bounce in July.

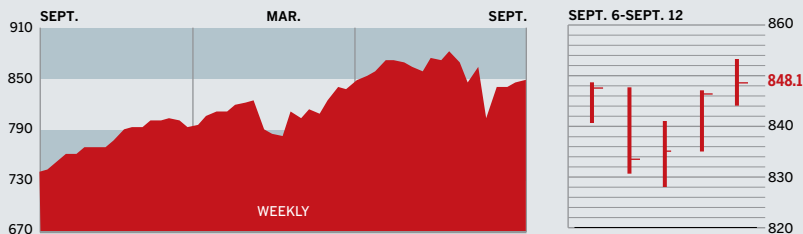
The *BusinessWeek* production index came in at 311 for the week ended Sept. 1, but stood 9.4% above the previous-year level. Before calculation of the four-week moving average, the index eased to 310.5.

BusinessWeek.com

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

THE BUSINESSWEEK FIFTY



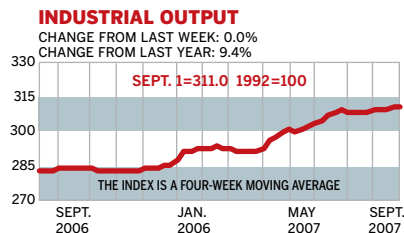
The BW50 rose 0.4%, split between winners and losers. As oil jumped to nearly \$80 a barrel, shares of XTO Energy and EOG Resources rode its coattails. Shares of Coventry Health Care rose 5% after it upped its profit forecast. CB Richard Ellis fell 9.5% after an analyst downgrade. Steelmakers Allegheny Technologies (-6.1%) and U.S. Steel (-4.8%) also slumped.

COMPANY PERFORMANCE

RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/07	RANK	COMPANY	WEEK	% CHANGE SINCE 3/1/07
1	Google	-1.0	16.3	26	Allegheny Technologies	-6.1	-10.8
2	Coach	0.4	-2.5	27	Oracle	-0.9	25.0
3	Gilead Sciences	4.9	6.9	28	Starbucks	-0.4	-11.6
4	Nucor	1.0	-12.2	29	Moody's	-1.5	-31.6
5	Questar	1.2	21.3	30	PepsiCo	2.4	10.2
6	Sunoco	-3.7	12.6	31	Stryker	3.4	11.0
7	Verizon Communications	-0.2	12.0	32	Best Buy	-0.8	-7.6
8	Colgate-Palmolive	4.3	1.1	33	United Parcel Service	-1.6	5.7
9	Goldman Sachs Group	2.7	-9.5	34	Apple	0.1	61.7
10	Paccar	-1.6	20.7	35	T. Rowe Price Group	2.0	9.9
11	Amazon.com	4.2	123.0	36	Valero Energy	-6.0	16.0
12	Cognizant Technology Solutions	-2.2	-22.5	37	Constellation Energy Group	0.5	7.4
13	Avon Products	0.0	-9.7	38	TJX	1.7	9.1
14	Varian Medical Systems	-2.3	-13.5	39	Morgan Stanley	1.4	2.0
15	Bed Bath & Beyond	-3.0	-17.8	40	Paychex	-2.2	7.8
16	CB Richard Ellis Group	-9.5	-26.1	41	Coventry Health Care	5.0	10.2
17	Robert Half International	-1.1	-22.9	42	United States Steel	-4.8	0.7
18	CME Group	-3.8	0.8	43	United Technologies	1.9	14.0
19	Adobe Systems	0.1	11.5	44	Hershey	-0.3	-13.7
20	EOG Resources	4.5	7.1	45	Black & Decker	-1.5	-1.8
21	Sempra Energy	2.9	-6.6	46	Synovus Financial	0.5	-15.0
22	Sherwin-Williams	-3.8	-0.3	47	Linear Technology	0.3	3.9
23	Lehman Brothers Holdings	5.0	-22.1	48	AT&T	0.3	8.3
24	Rockwell Collins	1.7	4.5	49	XTO Energy	6.6	15.9
25	IMS Health	-0.7	1.2	50	PNC Financial Services Group	-0.6	-6.6

Data: Reuters

BW PRODUCTION INDEX



The Production Index held steady. Before calculation of the four-week moving average, the index pulled back to 310.5 from 311.4. On a seasonally adjusted basis, autos fell off sharply while truck assemblies eased a little. Steel, coal, and lumber output, along with electric power production, declined modestly. Only rail freight traffic and crude oil refining managed to improve. For the month of August the index average rebounded to 311 after slipping to 308.2 in July.

Information on each of the index components is at 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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