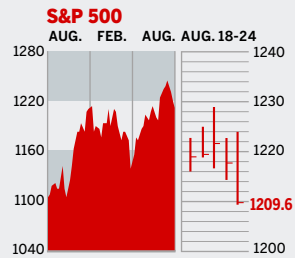


STOCKS

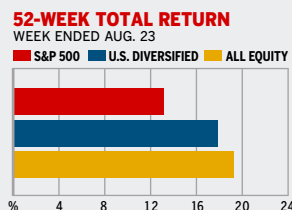
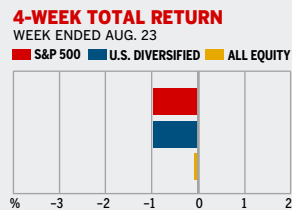


COMMENTARY

Oil prices soared to a new high of \$67 a barrel on Aug. 24, rocking the markets and prolonging a week-long slide. The Dow and the S&P 500 were down about 1% for the week. The Commerce Dept.'s report that orders for durable goods were lower than expected in July didn't help. At least the housing market was still robust, with July new-home sales hitting a new record.

Data: Bloomberg Financial Markets, Reuters

MUTUAL FUNDS



Data: Standard & Poor's

U.S. MARKETS

	AUG. 24	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P 500	1209.6	-0.9	-0.2	10.3
Dow Jones Industrials	10,434.9	-1.1	-3.2	3.3
NASDAQ Composite	2128.9	-0.8	-2.1	15.9
S&P MidCap 400	702.4	-0.1	5.9	23.1
S&P SmallCap 600	341.1	-0.3	3.7	23.2
DJ Wilshire 5000	12,074.3	-0.7	1.0	13.4

SECTORS

	AUG. 24	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
BusinessWeek 50*	720.1	-0.6	2.2	15.1
BW Info Tech 100**	361.4	-1.5	-3.2	12.8
S&P/BARRA Growth	579.2	-0.9	-0.5	8.1
S&P/BARRA Value	626.2	-0.9	0.1	12.5
S&P Energy	368.0	2.0	27.5	48.6
S&P Financials	393.6	-1.1	-4.2	2.8
S&P REIT	150.9	0.0	4.5	19.0
S&P Transportation	217.3	-1.0	-10.0	8.6
S&P Utilities	161.2	1.9	13.8	29.4
GSTI Internet	170.9	-2.5	-4.2	24.5
PSE Technology	794.7	-0.6	2.0	21.6

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

GLOBAL MARKETS

	AUG. 24	WEEK	% CHANGE YEAR TO DATE	% CHANGE LAST 12 MONTHS
S&P Euro Plus (U.S. Dollar)	1417.6	-0.7	1.5	26.2
London (FT-SE 100)	5275.2	-0.3	9.6	19.7
Paris (CAC 40)	4424.4	-0.3	15.8	23.1
Frankfurt (DAX)	4916.0	0.9	15.5	30.4
Tokyo (NIKKEI 225)	12,502.3	1.9	8.8	13.8
Hong Kong (Hang Seng)	14,873.9	-3.7	4.5	17.6
Toronto (S&P/TSX Composite)	10,509.7	0.1	13.7	26.4
Mexico City (IPC)	14,603.0	0.3	13.0	42.8

FUNDAMENTALS

	AUG. 23	WEEK AGO	YEAR AGO
S&P 500 Dividend Yield	2.05%	2.04%	1.73%
S&P 500 P/E Ratio (Trailing 12 mos.)	19.0	19.2	19.5
S&P 500 P/E Ratio (Next 12 mos.)*	15.2	15.3	16.0
First Call Earnings Revision*	0.50%	-0.10%	0.06%

*First Call Corp.

TECHNICAL INDICATORS

	AUG. 23	WEEK AGO	READING
S&P 500 200-day average	1194.4	1192.6	Positive
Stocks above 200-day average	62.0%	64.0%	Neutral
Options: Put/call ratio	0.83	0.79	Positive
Insiders: Vickers NYSE Sell/buy ratio	5.35	5.56	Negative

BEST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Instrumentation	7.8	Oil & Gas Refining 102.0
Oil & Gas Refining	7.1	Oil & Gas Drilling 78.8
Educational Services	6.8	Oil & Gas Exploration 76.0
Oil & Gas Equipment	4.5	Fertilizers & Ag. Chems. 71.0
IT Consulting	4.5	Managed Health Care 68.9

WORST-PERFORMING GROUPS

	LAST MONTH %	LAST 12 MONTHS %
Homebuilding	-13.4	IT Consulting -34.7
Specialty Appar. Retailers	-10.8	Insurance Brokers -23.9
Comptr. Stge. & Perphs.	-9.8	Automobiles -23.3
Airlines	-8.8	Paper Products -19.2
Food Wholesalers	-8.6	Motorcycles -17.5

EQUITY FUND CATEGORIES

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Japan	9.2	Latin America	62.1
Latin America	7.3	Natural Resources	53.4
Precious Metals	5.0	Diversified Emerg. Mkts.	43.3
Diversified Pacific/Asia	4.9	Europe	33.1
LAGGARDS			
Real Estate	-3.3	Domestic Hybrid	10.7
Small-cap Value	-1.7	Financial	11.5
Small-cap Blend	-1.6	Precious Metals	12.9
Small-cap Growth	-1.6	Large-cap Blend	13.2

EQUITY FUNDS

4-WEEK TOTAL RETURN	%	52-WEEK TOTAL RETURN	%
LEADERS			
Fidelity Japan	12.2	Guinness Atkn. Gl. Energy	84.8
Scudder Japanese Equity S	12.1	ProFunds Oil & Gas Inv.	78.9
ProFunds Ultra Japan Inv.	12.0	U.S. Gbl. Invs. Gl. Rscs.	75.9
Rydex Large Cap Japan	11.8	BlackRock Gl. Res. Inv. A	74.4
LAGGARDS			
Frontier MicroCap	-8.7	Ameritor Investment	-56.0
Alpine U.S. RI. Est. Eq. Y	-7.8	ProFds. USh. Mid Cap Inv.	-35.3
Grand Prix Super Core A	-7.8	ProFds. USh. Sm. Cap Inv.	-34.0
ProFunds. Real Est. Inv.	-7.4	Rydex Dyn. Vent. 100 H	-25.4

INTEREST RATES

KEY RATES

	AUG. 24	WEEK AGO	YEAR AGO
Money Market Funds	3.00%	2.97%	0.99%
90-Day Treasury Bills	3.49	3.51	1.53
2-Year Treasury Notes	3.98	4.05	2.45
10-Year Treasury Notes	4.17	4.27	4.27
30-Year Treasury Bonds	4.39	4.48	5.06
30-Year Fixed Mortgage †	5.71	5.79	5.76

†BarxQuote, 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	3.68%	4.33%
Taxable Equivalent	5.26	6.19
Insured Revenue Bonds	3.84	4.50
Taxable Equivalent	5.49	6.43

THE WEEK AHEAD

FACTORY INVENTORIES Tuesday, Aug. 30, 10 a.m. EDT » Manufacturing inventories most likely rose slightly in July, after June inventories dipped 0.1%.

GROSS DOMESTIC PRODUCT (REVISED) Wednesday, Aug. 31, 8:30 a.m., EDT » Even with revisions, growth in real gross domestic product is forecast to have held at the initially reported annual rate of 3.4% for the second quarter. That's the median forecast

of economists surveyed by Action Economics.

PERSONAL INCOME Thursday, Sept. 1, 8:30 a.m. EDT » In July, personal income probably posted a second straight monthly gain of 0.5%. At the same time, consumer expenditures most likely grew 0.9%, after a 0.8% jump in June.

PURCHASING MANAGERS' INDEX Thursday, Sept. 1, 10 a.m. EDT » The Institute for Supply

Management's factory activity index is expected to have edged up to 56.9% for August. For July, the index jumped up to 56.6%.

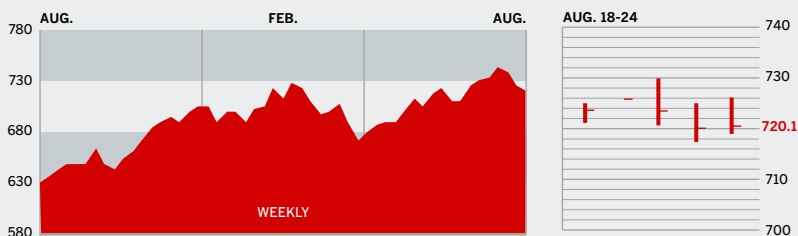
EMPLOYMENT Friday, Sept. 2, 8:30 a.m. EDT » August nonfarm payrolls most likely increased by 188,000, after a better-than-expected gain of 207,000 in July. Factories probably cut 4,000 jobs for a second straight month. The jobless rate very likely held at 5.0%.

The BusinessWeek production index edged down to 250.9 for the week ended Aug. 13, but stood 11.8% above the previous-year level. Before calculation of the four-week moving average, the index rose to 252.7

BusinessWeek online

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

THE BUSINESSWEEK FIFTY



The BW 50 fell 0.6% for the week, but it held up much better than the overall stock market. Predictably, given surging oil prices, the energy companies on the list were the best performers. Apache was up 4.9%, Devon Energy jumped 5.3%, and Valero Energy rose 4.6%. Steel outfits United States Steel and Nucor were losers, down 6.5% and 5.6%, respectively.

COMPANY PERFORMANCE

RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/05
1	Nucor	-5.6	-14.2
2	ConocoPhillips	2.5	14.0
3	ChevronTexaco	0.3	-3.6
4	Valero Energy	4.6	27.0
5	UnitedHealth Group	-1.2	11.1
6	Occidental Petroleum	1.0	13.2
7	Exxon Mobil	1.2	-7.0
8	Yahoo	-2.7	3.7
9	Nextel Communications	0.0	13.2
10	Apache	4.9	12.5
11	Devon Energy	5.3	25.5
12	Pulte Homes	-0.5	8.7
13	Qualcomm	-1.2	9.9
14	Apple Computer	-2.9	2.0
15	Dell	-4.2	-11.7
16	Paccar	-0.8	-8.1
17	Coach	1.0	22.4
18	Sunoco	4.3	28.9
19	eBay	-3.7	-9.1
20	Burlington Resources	4.4	35.3
21	Progressive	0.5	10.9
22	Caremark Rx	0.2	20.7
23	Caterpillar	-0.5	12.0
24	Phelps Dodge	-3.9	-3.8
25	Autodesk	8.8	38.3

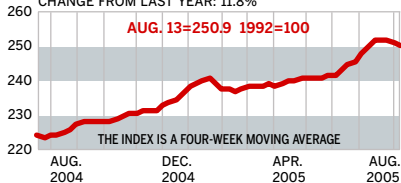
RANK	COMPANY	% CHANGE	
		WEEK	SINCE 3/1/05
26	Johnson & Johnson	-2.0	-5.1
27	Carnival	1.1	-7.4
28	Adobe Systems	4.5	-9.2
29	Cummins	-0.2	14.3
30	Boston Scientific	-4.1	-19.2
31	EOG Resources	3.2	35.4
32	Symantec	-6.7	-8.5
33	Starbucks	-3.7	-4.6
34	Electronic Arts	-3.8	-9.7
35	WellPoint	-0.9	18.8
36	Deere	-1.9	-10.9
37	United States Steel	-6.5	-36.4
38	Zimmer Holdings	0.1	-4.5
39	FedEx	-2.2	-15.7
40	Chubb	-0.6	9.3
41	XTO Energy	4.6	8.1
42	Microsoft	-0.5	6.6
43	Danaher	-2.6	-1.2
44	Unocal	0.0	22.2
45	Dow Chemical	-3.9	-17.2
46	Cisco Systems	-1.8	0.6
47	Gilead Sciences	-1.9	19.0
48	Nike	-0.3	-8.3
49	Anadarko Petroleum	3.2	14.6
50	Bank of America	-1.9	-8.0

Data: Reuters

BW PRODUCTION INDEX

INDUSTRIAL OUTPUT

CHANGE FROM LAST WEEK: -0.1%
CHANGE FROM LAST YEAR: 11.8%



The production index slipped for a third straight week. Before calculation of the four-week moving average, however, the index increased to 252.7, from 251.4. On a seasonally adjusted basis, only two components finished lower: electric power production because of some easing of the summer heat and truck assemblies. Autos zoomed higher, followed by steel, lumber, rail-freight traffic, and crude-oil refining. Coal output was virtually unchanged during the period.

Information on each of the index components is at www.businessweek.com.
BW production index Copyright 2005 by The McGraw-Hill Companies

ONLINE RESOURCES

BW50 Track the index and the companies in it all day long. Plus: our exclusive Info Tech 100 index.

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BusinessWeek online

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