

Morningstar Weekly Market Report

U.S. Market Overview: February 24–March 03, 2006

Market Commentary

Partly blamed on cooler temperatures and a northeast blizzard, February retail sales softened. While continued concerns about the security of foreign energy supplies and deliveries, drove utilities down by more than 1%. The bright spot came from hardware bellwether stocks Cisco and HP who led the sector up by nearly 2%, despite modest declines from top components Intel, IBM and Apple. Overall, the US Market Index barely slipped into the red, losing 0.03% for the week, but still up by 4.10% for the year.

A quick look at the Market Barometer tells the story for the week as Growth stocks took command and Value retreated. The US Growth Index packed on a hefty 0.55% for the week, while the Value Index shaved off 0.44%. The aforementioned Cisco Systems moved up 6% after completing its \$6.9 billion acquisition of Scientific-Atlanta. Small-cap firm Valeant Pharmaceuticals rose 12.6% after announcing an increase in 2005 revenue.

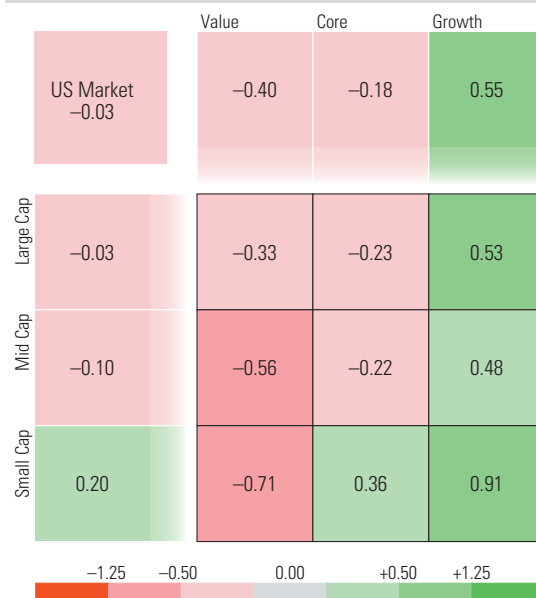
In the Value camp, the American automotive industry experienced another major setback, as auto parts supplier Dana Corporation plunged 56.3% after filing for Chapter 11 bankruptcy. While the settlement of class action lawsuit concerning overtime wages by financial services firm Morgan Stanley prompted UBS and Merrill Lynch to do the same with others likely to follow suit.

Thinking small - the best and worst performing style indexes for the week come from the bottom of the Style Box. Small Growth led with a 0.91% gain and Small Value pulled up the rear with 0.71% loss.

Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
Morningstar Indexes						
US Market	-0.03	2.83	4.10	10.67	19.53	3.64
Large Cap	-0.03	1.78	3.17	8.02	16.45	1.25
Mid Cap	-0.10	5.37	5.78	18.22	27.24	9.77
Small Cap	0.20	6.64	9.10	16.90	29.59	11.43
US Value	-0.40	4.15	5.16	10.41	22.28	8.12
US Core	-0.18	3.06	3.60	9.25	19.70	4.31
US Growth	0.55	1.17	3.52	12.64	16.45	-2.48
Large Value	-0.33	4.10	5.19	8.99	19.97	6.12
Large Core	-0.23	1.99	2.44	6.86	17.04	1.47
Large Growth	0.53	-1.05	1.73	8.43	12.05	-4.94
Mid Value	-0.56	3.92	4.45	14.28	27.63	12.90
Mid Core	-0.22	5.42	5.57	15.73	26.24	12.29
Mid Growth	0.48	6.74	7.26	24.52	27.43	3.46
Small Value	-0.71	5.29	6.92	14.35	30.46	16.41
Small Core	0.36	7.07	9.72	16.26	29.88	14.41
Small Growth	0.91	7.44	10.57	20.23	28.43	3.69

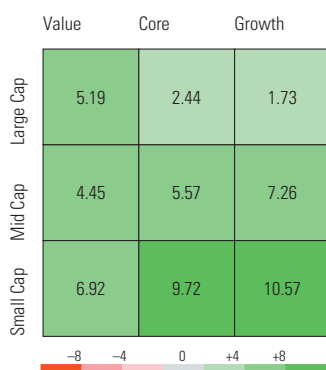
Morningstar Market Barometer (% Return)



Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
Best Performing Index		
Small Growth	0.91	
PMC-Sierra Inc.	11.60	0.06
Valeant Pharmaceuticals International	12.62	0.06
Cypress Semiconductor Corp.	7.49	0.05
Foundry Networks Inc.	9.49	0.05
Alkermes Inc.	7.25	0.05
Worst Performing Index		
Small Value	-0.71	
Houston Exploration Co.	-11.10	-0.06
PHH Corp.	-10.79	-0.05
Friedman Billings Ramsey Group Inc. CI A	-9.70	-0.05
Whiting Petroleum Corp.	-8.58	-0.04
Dana Corp.	-56.29	-0.04

Year-to-Date



1-Year



3-Year

