

# Morningstar Weekly Market Report

## U.S. Market Overview: May 05–May 12, 2006

### Market Commentary

Comments from Federal Reserve Chairman Ben Bernanke, weakness in the dollar and rising commodity prices put the brakes on the five-week-long rally in stocks. The Morningstar US Market Index dropped 2.71% for the week ending May 12, 2006, giving back all of last week's gain.

All nine Morningstar Style Indexes finished the week deep in the red, ending the week below where they started. The Morningstar Small Growth Index suffered the worst, shedding 4.98%. Continuing to defy expectations for a rally, the tech-heavy Morningstar Large Growth Index dropped 3.05% for the week. It is now the only style index in the red for the year.

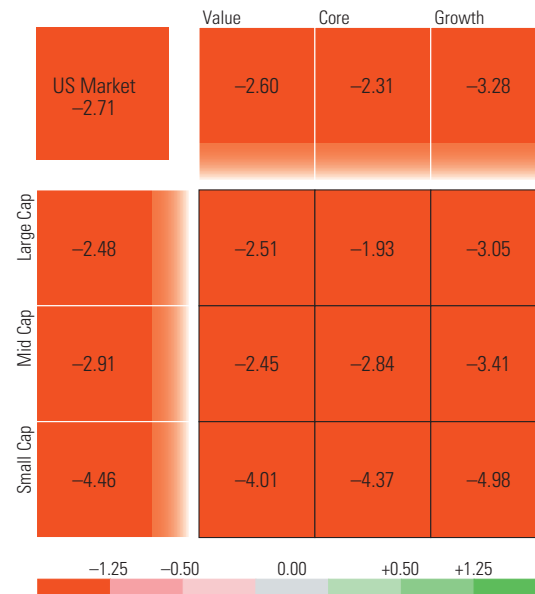
Despite large growth's underperformance, large cap stocks fared the best last week overall. The Morningstar Large Core Index was the best performing among the nine Morningstar style indexes, down just 1.93%. Index component Golden West Financial, a large mortgage lender, was among the few exceptions, gaining 5.32% on news of acquisition by Wachovia Corp. However, several other financial services companies did not fair as well. Lehman Brothers led the decline with a drop of 7.08%, which drove the index lower.

Going from bad to worse, the Morningstar Small Growth Index plummeted 4.98%. A host of semiconductor firms, including Rambus, Silicon Labs, and Cypress Semiconductor, dragged the index down with losses of 14.11%, 9.0%, and 7.56% respectively. Beverage marketing firm Hansen Natural Corporation jumped 16.73%

### Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
<b>Morningstar Indexes</b>						
US Market	-2.71	2.79	4.96	16.06	14.83	3.60
Large Cap	-2.48	2.34	3.70	12.41	11.92	1.21
Mid Cap	-2.91	3.89	7.53	25.53	22.48	9.79
Small Cap	-4.46	4.19	10.75	28.06	23.26	11.13
US Value	-2.60	4.73	7.56	18.19	18.97	8.15
US Core	-2.31	3.59	5.42	15.23	15.21	4.72
US Growth	-3.28	-0.17	1.68	14.74	10.34	-2.96
Large Value	-2.51	4.78	7.58	17.01	17.01	6.22
Large Core	-1.93	3.51	4.37	11.89	12.71	2.06
Large Growth	-3.05	-1.69	-1.31	8.03	5.93	-5.68
Mid Value	-2.45	4.88	7.12	20.43	23.97	12.79
Mid Core	-2.84	2.94	6.38	22.87	21.35	12.18
Mid Growth	-3.41	3.94	9.10	33.42	21.86	3.80
Small Value	-4.01	3.68	8.62	24.29	24.16	16.09
Small Core	-4.37	6.30	13.38	30.49	24.72	14.05
Small Growth	-4.98	2.47	10.05	29.38	20.81	3.45

### Morningstar Market Barometer (% Return)



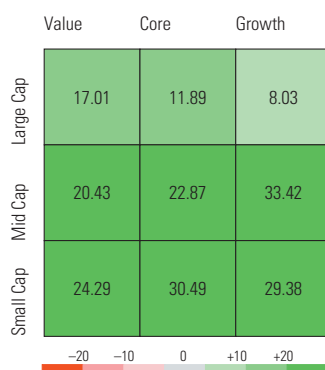
### Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
<b>Best Performing Index</b>		
Large Core	-1.93	
General Electric Co.	-2.50	-0.26
American International Group Inc.	-3.01	-0.13
Goldman Sachs Group Inc.	-5.04	-0.09
Lehman Brothers Holdings Inc.	-7.08	-0.08
Wells Fargo & Co.	-2.48	-0.08
<b>Worst Performing Index</b>		
Small Growth	-4.98	
Rambus Inc.	-14.11	-0.13
Nuance Communications Inc.	-20.21	-0.10
Superior Energy Services Inc.	-8.25	-0.06
Silicon Laboratories Inc.	-9.00	-0.06
Nektar Therapeutics	-10.02	-0.05

### Year-to-Date



### 1-Year



### 3-Year

