

Morningstar Weekly Market Report

U.S. Market Overview: May 12–May 19, 2006

Market Commentary

Markets continued to spiral downward as an unexpected spike in the core consumer price index reignited fears of inflation. A modest rally on Friday was not enough to reverse the broad losses incurred, and the Morningstar US Market Index lost 2.04% during the week ending May 19, 2006.

For the second week in a row, all nine Morningstar style indexes finished with large losses, painting the Morningstar Market Barometer a deep red across board. The Morningstar Small Value Index claimed the dubious distinction of the best performer despite losing 1.44% for the week, while the Morningstar Mid Growth Index was the worst with a 3.6% loss.

The Morningstar Small Value Index got a shot in the arm from NCO Group, a business-process-outsourcing firm that jumped 36.73% after its CEO announced a buy-out offer to take the firm private. Softness in the commodity markets drove several metal producers down, including; Steel Dynamics (11.07%), Carpenter Technology (8.64%), Century Aluminum (15.69%), and Oregon Steel Mills (10.68%).

The weakness in commodities spilled over into the Morningstar Mid Growth Index as mining and drilling companies and their suppliers took a hit. Joy Global, a mining machinery manufacturer, plunged 19.41%. Oil and gas drilling firms Noble Corp and Weatherford International shed 11.21% and 4.89% respectively. And energy producer Southwestern Energy Company dropped 15.10%.

Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
Morningstar Indexes						
US Market	-2.04	-0.91	2.82	10.44	14.95	2.37
Large Cap	-1.77	-1.08	1.86	7.46	12.23	0.11
Mid Cap	-2.80	-0.57	4.52	18.25	21.96	8.18
Small Cap	-2.51	-0.20	7.97	19.65	23.17	9.61
US Value	-1.82	0.62	5.61	13.26	18.77	7.06
US Core	-1.89	-0.10	3.42	9.92	15.29	3.48
US Growth	-2.43	-3.45	-0.80	7.97	10.73	-4.33
Large Value	-1.84	0.62	5.60	12.31	16.93	5.15
Large Core	-1.54	0.17	2.76	7.45	12.94	0.93
Large Growth	-1.95	-4.38	-3.23	2.16	6.63	-6.80
Mid Value	-1.88	0.81	5.11	15.09	23.35	11.60
Mid Core	-2.84	-1.71	3.35	15.35	20.92	10.66
Mid Growth	-3.60	-0.68	5.17	24.33	21.24	1.75
Small Value	-1.44	0.01	7.06	17.91	23.87	14.96
Small Core	-2.60	1.88	10.43	21.46	24.80	12.51
Small Growth	-3.42	-2.56	6.29	19.60	20.69	1.63

Morningstar Market Barometer (% Return)



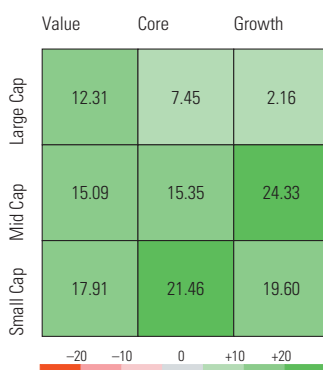
Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
Best Performing Index		
Small Value	-1.44	
Steel Dynamics Inc.	-11.07	-0.10
Trinity Industries Inc.	-7.76	-0.08
Carpenter Technology Corp.	-8.64	-0.08
Century Aluminum Co.	-15.69	-0.06
Oregon Steel Mills Inc.	-10.68	-0.06
Worst Performing Index		
Mid Growth	-3.60	
Joy Global Inc.	-19.41	-0.15
Neurocrine Biosciences Inc.	-62.82	-0.12
Noble Corp.	-11.21	-0.12
American Tower Corp. CI A	-7.82	-0.11
Southwestern Energy Co.	-15.10	-0.09

Year-to-Date



1-Year



3-Year

