

# Morningstar Weekly Market Report

## U.S. Market Overview: June 08–June 15, 2007

### Market Commentary

Markets rebounded impressively last week after suffering sharp losses the week before. The Morningstar US Market Index gained 1.7% for the week ending June 15, 2007. The sharp spike in long-term interest rates was the chief cause of the equities slide earlier, and also played the lead role in last week's recovery. Long-term yields stabilized, both due to the return of bargain-hunting bond investors as well as a benign inflation report for the month of May. Markets also cheered signs of continued merger and acquisition activity, despite earlier fears that the recent escalation in interest rates could threaten deals.

The Morningstar Mid Growth Index was the best performer among all nine style indexes with a 2.6% gain. The Morningstar Small Value Index's 1.16% advance was the slimmest.

Oil prices rose last week, benefiting energy services stocks the most. Drilling equipment supplier National Oilwell Varco Inc. led the way with an 11% gain, while Smith International Inc. and Noble Corp. also contributed strongly. Also supporting the Morningstar Mid Growth Index was legal gambling operator Penn National Gaming Inc., which jumped 20% after receiving a buyout offer from two prominent private equity groups.

USEC Inc., which enriches uranium fuel for nuclear power generators, lost 10% due to concerns over cost overruns in new projects and expensive severance payments made to executives. The stock contributed significantly to the Morningstar Small Value Index's relatively weak performance.

### Morningstar Market Barometer (% Return)



### Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
<b>Morningstar Indexes</b>						
US Market	1.71	10.47	9.65	24.71	13.95	11.81
Large Cap	1.71	10.63	8.76	24.42	12.33	10.22
Mid Cap	1.73	10.19	12.92	26.45	18.82	15.99
Small Cap	1.54	9.59	9.84	22.48	16.45	15.98
US Value	1.67	10.27	8.84	28.18	18.32	13.98
US Core	1.64	10.56	9.07	23.81	13.85	12.07
US Growth	1.82	10.59	11.25	21.82	9.34	8.84
Large Value	1.84	11.31	8.80	29.56	17.93	12.96
Large Core	1.69	10.64	7.92	22.59	12.38	10.64
Large Growth	1.59	9.82	9.73	20.66	6.12	6.37
Mid Value	1.16	7.47	9.73	25.01	19.63	16.36
Mid Core	1.45	10.39	13.28	28.68	17.85	15.85
Mid Growth	2.57	12.72	15.78	25.52	18.79	15.24
Small Value	1.16	6.93	6.62	21.38	17.43	16.73
Small Core	1.64	10.05	10.14	23.98	18.72	17.09
Small Growth	1.78	11.64	12.64	21.79	12.93	13.90

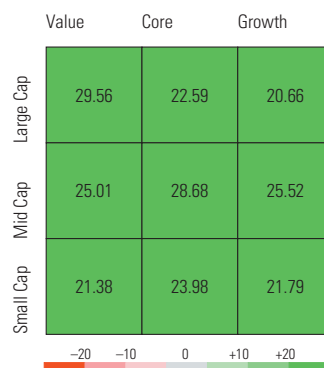
### Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
<b>Best Performing Index</b>		
Mid Growth	2.57	
National Oilwell Varco Inc.	11.13	0.17
MasterCard Inc. Cl A	9.80	0.08
Smith International Inc.	7.77	0.08
Noble Corp.	6.45	0.07
Penn National Gaming Inc.	19.60	0.07
<b>Worst Performing Index</b>		
Small Value	1.16	
CF Industries Holdings Inc.	14.81	0.11
EMCOR Group Inc.	14.16	0.09
Terra Industries Inc.	8.70	0.05
H.B. Fuller Co.	7.32	0.04
GrafTech International Ltd.	7.40	0.03

### Year-to-Date



### 1-Year



### 3-Year

