

# Morningstar Weekly Market Report

## U.S. Market Overview: June 15–June 22, 2007

### Market Commentary

Markets lost significant ground last week, in what has proved to be a volatile month thus far. The Morningstar US Market Index lost 1.9% for the week ending June 22, 2007. Long-term bond yields neared their recent highs, renewing investors' concern about equity valuations. The high cost of borrowing also sparked worries that financial services companies face additional losses from soaring debt in subprime mortgage and other areas. Merger and acquisition activity continued to be a bright spot in the market, however.

All nine Morningstar style indexes finished in the red, with more moderate losses for mid-cap and growth stocks. The Morningstar Mid Growth Index fared the best among all style indexes with a 1.2% loss. The Morningstar Large Value Index's 2.8% loss was the worst.

The Morningstar Mid Growth Index got strong support from investment manager Nuveen Investments Inc., which rose 15% after announcing an agreement to be taken private. Jabil Circuit Inc., a provider of design and other services to electronics manufacturers, also chipped in with a 12% surge. Jabil reported a surprising improvement in profitability in its latest earnings report.

Interest rate-sensitive sectors such as financial services and utilities were among the Morningstar Large Value Index's worst detractors. Prominent contributors included Citigroup Inc., which lost 2.9%, and JPMorgan Chase & Co., which slid 3.6%, as investors discounted loans made by large financial companies to hedge funds operating in the subprime arena.

### Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
<b>Morningstar Indexes</b>						
US Market	-1.86	5.19	7.61	23.46	13.12	11.80
Large Cap	-1.98	5.16	6.60	22.94	11.53	10.27
Mid Cap	-1.41	5.55	11.33	25.66	18.00	15.89
Small Cap	-1.83	4.33	7.84	22.36	15.30	15.63
US Value	-2.54	4.04	6.07	25.82	16.92	13.42
US Core	-1.63	5.85	7.29	22.65	13.03	12.02
US Growth	-1.38	5.68	9.72	21.62	9.04	9.64
Large Value	-2.83	4.51	5.72	26.71	16.53	12.39
Large Core	-1.69	5.88	6.10	21.25	11.57	10.70
Large Growth	-1.38	5.03	8.22	20.47	5.89	7.26
Mid Value	-1.60	2.94	7.97	23.78	18.31	15.89
Mid Core	-1.45	5.92	11.63	27.73	17.09	15.50
Mid Growth	-1.18	7.79	14.42	25.33	18.43	15.94
Small Value	-2.00	1.88	4.49	21.08	15.93	15.95
Small Core	-1.52	5.31	8.46	24.24	17.64	16.69
Small Growth	-1.96	5.62	10.44	21.48	12.08	14.11

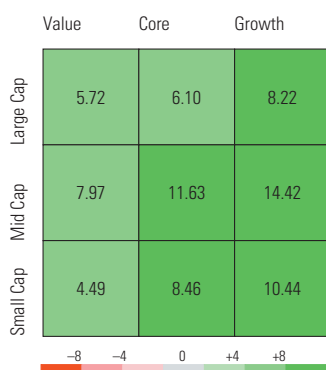
### Morningstar Market Barometer (% Return)



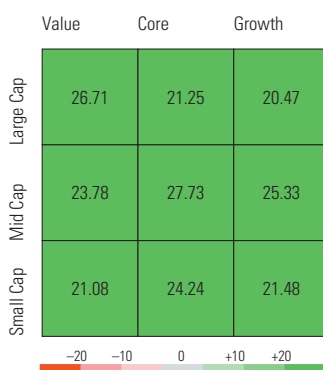
### Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
<b>Best Performing Index</b>		
Mid Growth	-1.18	
<b>Worst Performing Index</b>		
Large Value	-2.83	
Exxon Mobil Corp.	-3.98	-0.47
AT&T Inc.	-3.55	-0.21
Citigroup Inc.	-2.91	-0.19
Pfizer Inc.	-4.12	-0.19
JPMorgan Chase & Co.	-3.64	-0.15
Microchip Technology Inc.	-10.13	-0.08
NRG Energy Inc.	-7.20	-0.07
SL Green Realty Corp.	-8.30	-0.06
Arch Coal Inc.	-9.14	-0.05
Salesforce.com Inc.	-11.06	-0.04

### Year-to-Date



### 1-Year



### 3-Year

