

Morningstar Weekly Market Report

U.S. Market Overview: September 22–September 29, 2006

Market Commentary

Despite a host of worrying economic data--rising inflation, a softening housing market, and rebounding energy prices--investors remained optimistic. The Morningstar US Market Index finished up 1.6% for the week ending September 29, and posted a robust 4.61% for the quarter.

The Morningstar Market Barometer brimmed with shades of green, as even the worst-performing index--the Morningstar Small Core Index--managed to post returns of 0.8% for the week. And the much-awaited large-growth rally might be around the corner. The Morningstar Large Growth Index surged 2.1% for the week, pushing it into the black for the year, making it the best performer among the nine Morningstar style indexes last week. The Morningstar Large Value Index still leads the pack with a gain of 16% for the year to date.

Intel Corp., the second largest holding in the Morningstar Large Growth Index, saw its shares jump 7.9% last week after evidence it is gaining ground on its chief competitor Advanced Micro Devices. Intel announced the introduction of its "quad core" chips, and got a boost when a federal judge dismissed key aspects of an AMD anti-trust lawsuit. eBay Inc. rose by 8.7% after its PayPal division reached a preliminary agreement in a class action suit regarding its user agreement.

The Morningstar Small Core Index got a boost from one of its largest holdings, Conexant Systems Inc, when it jumped 12.4%. The stock rose on news that it will receive \$100 million in cash from the sale of Jazz Semiconductor Inc., a privately held wafer foundry.

Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
Morningstar Indexes						
US Market	1.59	4.61	8.10	10.75	12.92	8.05
Large Cap	1.73	5.71	8.67	11.08	11.31	5.87
Mid Cap	1.25	1.65	5.83	9.50	17.28	13.65
Small Cap	1.00	1.15	8.10	10.18	16.29	15.13
US Value	1.18	6.16	14.66	15.42	18.27	11.44
US Core	1.68	5.34	8.42	11.82	13.44	7.94
US Growth	1.96	1.98	0.81	4.51	6.84	4.38
Large Value	1.26	7.24	16.46	16.84	17.67	9.81
Large Core	1.89	6.32	8.75	12.22	12.07	5.60
Large Growth	2.10	3.15	0.10	3.40	3.85	1.84
Mid Value	0.94	2.95	9.10	11.07	19.86	15.25
Mid Core	1.15	2.85	5.95	9.29	16.58	14.34
Mid Growth	1.67	-0.89	2.56	8.04	15.11	10.62
Small Value	0.89	2.99	10.16	11.11	18.45	17.78
Small Core	0.78	1.51	11.50	14.12	18.92	16.94
Small Growth	1.35	-1.01	2.66	5.33	11.42	10.37

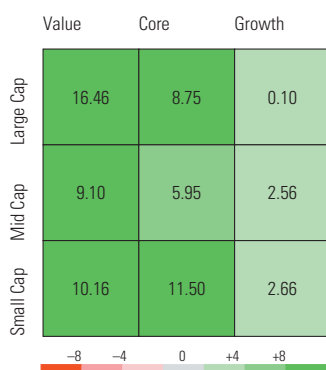
Morningstar Market Barometer (% Return)



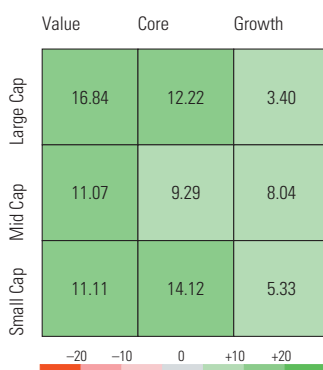
Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
Best Performing Index		
Large Growth	2.10	
Intel Corp.	7.87	0.29
Schlumberger Ltd.	8.63	0.19
Apple Computer Inc.	5.45	0.11
Dell Inc.	6.53	0.09
eBay Inc.	8.66	0.08
Worst Performing Index		
Small Core	0.78	
Technitrol Inc.	11.34	0.04
Granite Construction Inc.	7.03	0.04
Nektar Therapeutics	10.00	0.03
Conexant Systems Inc.	12.36	0.03
Oceaneering International Inc.	6.65	0.03

Year-to-Date



1-Year



3-Year

