

Morningstar Weekly Market Report

U.S. Market Overview: October 27–November 03, 2006

Market Commentary

A surprising drop in the unemployment rate renewed concerns about inflation, as wages bid up during tightening labor markets eventually translates into higher prices. At the same time, reports of soft retail sales in October and a decline in manufacturing activity suggest the economy might be slowing too quickly. The Morningstar US Market Index closed down 0.94% for the week ending Nov. 3, 2006.

The Morningstar Market Barometer reflected investors' pessimism as all nine Morningstar style indexes finished in the red for the week. In spite of stellar year-to-date performance, the Morningstar Small Core Index dropped 1.6%, making it the worst performer for the week. Meanwhile, despite shedding 0.7% for the week, the Morningstar Mid Value Index claimed the top spot.

Tenet Healthcare Corp., the second largest hospital chain in the United States, plunged 17.6% after reporting disappointing third-quarter results. Suffering a similar fate was IT consulting firm Computer Sciences Corp., which dropped 6.2% after the firm announced dismal results and delayed a full filing because of a stock options probe.

Entegris Inc., a semiconductor equipment provider, and Technitrol Inc., an electronic component producer—both part of the Morningstar Small Core Index—saw their stocks drop by 12.9% and 13.9% respectively, after disappointing third-quarter earnings reports.

Morningstar Market Barometer (% Return)



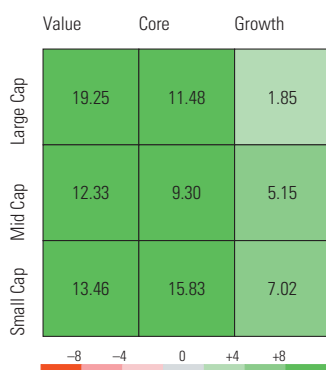
Trailing Returns %

	1-Week	3-Month	YTD	1-Yr	3-Yr	5-Yr
Morningstar Indexes						
US Market	-0.94	6.87	10.77	13.87	11.73	7.55
Large Cap	-0.87	6.98	11.12	13.75	10.38	5.47
Mid Cap	-1.02	6.34	8.88	13.57	15.52	12.91
Small Cap	-1.52	7.15	12.12	15.27	14.25	13.97
US Value	-0.90	5.03	17.58	20.40	16.91	11.85
US Core	-0.96	8.33	11.37	15.43	12.47	7.84
US Growth	-0.98	7.32	2.92	5.27	5.55	2.24
Large Value	-0.91	4.73	19.25	21.66	16.40	10.27
Large Core	-0.90	8.63	11.48	15.05	11.43	5.53
Large Growth	-0.79	7.77	1.85	3.70	2.86	-0.16
Mid Value	-0.66	5.72	12.33	16.43	18.46	15.55
Mid Core	-0.95	7.53	9.30	15.47	14.76	14.21
Mid Growth	-1.45	5.73	5.15	9.02	13.13	8.15
Small Value	-1.47	6.71	13.46	16.76	16.46	17.75
Small Core	-1.59	7.18	15.83	18.95	16.94	16.15
Small Growth	-1.48	7.54	7.02	10.10	9.30	7.81

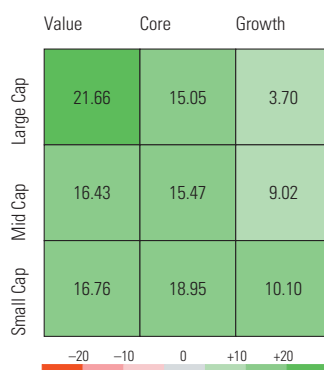
Biggest Influence on Index Performance

	Weekly Return %	Index Contribution %
Best Performing Index		
Mid Value	-0.66	
Tenet Healthcare Corp.	-17.59	-0.07
Computer Sciences Corp.	-6.20	-0.06
United States Steel Corp.	-4.28	-0.04
Energizer Holdings Inc.	-8.44	-0.04
First American Corp.	-9.62	-0.04
Worst Performing Index		
Small Core	-1.59	
AMERIGROUP Corp.	-15.06	-0.08
Brocade Communications Systems Inc.	-9.15	-0.06
General Cable Corp.	-9.44	-0.06
Entegris Inc.	-12.92	-0.05
Technitrol Inc.	-13.93	-0.05

Year-to-Date



1-Year



3-Year

