

# Cabot Benjamin Graham Value Letter

*Sound Advice from the Teachings of Benjamin Graham*

February 2005

Issue # 127

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## ALL IS WELL

After five straight monthly gains by the Standard & Poor's 500 Index to close out 2004, some profit-taking was overdue. The stock market stumbled out of the gate in 2005 and registered 2.5 to 5.2% losses in the major indices. After a brief rally in the first two weeks of February, we forecast that the market will gain very little further ground or perhaps decline a little before mid-March or so. Earnings reports for the fourth quarter of 2004 have exceeded expectations, but management forecasts for slowing growth in 2005 are holding back investors' enthusiasm.

The US economy continues to grow at a reasonable pace. Gross Domestic Product increased 3.1% in the fourth quarter. We believe that the economy will continue at that pace throughout 2005. We consider the pace to be just right – not too fast and not too slow. The industrial, retail, and homebuilding sectors of the economy continue to be solid. All is well – enabling the stock market to remain healthy. And in this environment, investors can expect undervalued quality stocks to perform well.

In this month's Special Feature, we uncover several stocks whose earnings are accelerating beyond analysts' expectations. We predict that these stocks will perform very well during the next six months or so.

In the Classic Model (page 2), we are recommending the sale of two of our homebuilding stocks that reached their Minimum Sale Prices. We think that we are a bit early in these sales, but we would much rather be a little early than late.



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*“The prudent stock investor is one who buys only at prices amply supported by underlying value.”*

**Benjamin Graham**

Benjamin Graham is known as the father of value investing. He influenced many modern gurus, including Warren Buffett.

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# THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

The stocks in the Classic Model meet Benjamin Graham's seven criteria for value.

Benjamin Graham achieved returns of 20% per year over decades. Warren Buffett has used this approach for over 35 years with similar results. The table below lists the stocks that are this month's recommendations for purchase. All purchases are recommended at or below our Max. Buy Price. Sell any stock that reaches its Min. Sell target.

This Month's Buy Recommendations					Ben Graham's Seven Valuation Criteria						
Company Name	Ticker Symbol	1/31/05 Price	Max Buy Price	Min Sell Price	Max 1.10	Min 1.50	Min 1.0%	Max 9.0	Max 1.20	Min 0.1%	Min B+
					Debt vs Current Assets	Current Ratio	Earnings Growth	P/E Ratio	P/BV Ratio	Dividend Yield	S&P Earn/Div Rank
AEGON Ins. Group	AEG	13.57	13.37	30.40	NR	NR	6.5%	9.1	1.04	3.7%	NR
Devon Energy	DVN	40.67	38.56	71.82	2.41	1.02	11.6%	8.1	1.27	0.5%	B+
Everest Re Group Ltd.	RE	86.90	82.98	154.80	NR	NR	12.0%	7.4	1.12	0.5%	A-
LandAmerica Finl Group	LFG	51.44	56.50	70.70	NR	NR	8.4%	8.1	0.82	0.4%	B+
Magna Int'l 'A'	MGA	75.74	71.74	117.98	0.07	1.51	12.7%	9.1	1.27	2.0%	B+
Old Republic	ORI	23.20	22.86	32.13	NR	NR	10.1%	8.9	1.00	4.0%	A
PMI Group	PMI	39.77	39.91	64.24	NR	NR	12.6%	9.0	1.08	0.4%	A
POSCO ADR	PKX	45.00	45.94	58.41	0.39	1.83	12.3%	4.3	1.02	1.8%	NR
Village Super Market 'A'	VLGEA	39.50	41.63	52.87	0.38	1.47	8.0%	8.5	1.04	0.6%	B+

## MODEL UPDATE

The Classic Benjamin Graham Value Model has one new stock this month: Magna International, plus eight stocks that are holdovers from last month. There are four stocks that are currently selling below our Max Buy Prices. The remaining five stocks in the Model should not be purchased until they decline to our Max Buy Prices. Devon and Village do not meet all of our criteria, but Devon is excused because it is an energy company, and Village's current ratio will exceed our minimum 1.50 ratio very soon.

The current Minimum Sell Prices for previous Classic Value Model stocks are: Ameron \$45.52, Aon \$41.50, Countrywide Financial \$48.41, Fidelity National \$52.06, Furniture Brands \$38.99, Honda Motor \$41.95, Kellwood \$52.92, Korea Electric \$26.98, Lennar \$70.23, MBIA \$80.02, Norsk Hydro \$81.07, and ONEOK \$31.05. These stocks should continue to be held until they reach their Min Sell Prices. There are two sales recommended at this time. Standard Pacific reached its Min Sell Price of \$67.31 in January and is recommended to be **SOLD**. The stock gained 40.2% since we first recommended it in our July 2004 issue. KB Home also reached its Min Sell Price of \$111.83 on Feb. 1 and is recommended to be **SOLD**. KB gained 95.4% since we first recommended it in our Sept. 2003 issue.

Magna International	MGA
Industry: Auto Parts	
Price:	\$ 75.74
Max. Buy Price:	\$ 71.74
Min. Sell Price:	\$117.98

## FEATURED STOCKS

### Magna International 'A' (MGA)



**How Cheap Is It?** Shares of Magna International sell at a very reasonable 9.0 times our 2005 earnings estimate and at 1.2 times book value, based on our Max Buy Price of \$71.74. We believe that Magna presents an excellent buying opportunity in a company with accelerating sales and earnings and a good dividend yield of 2.0%. MGA shares will likely reach our Min Sell Price of \$117.98 within three years.

**Company Profile:** Magna International is a leading global supplier of technologically advanced automotive components and systems to auto manufacturers. The company is based in Canada, but has 210

Note: Maximum Buy Prices are valid for the month of February.

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manufacturing facilities around the world.

**Outlook:** Magna is winning new contracts and increasing market share in North America and Europe. In third world countries, MGA is aggressively expanding its customer base and product lines. Sales advanced more than 30% in 2004, and earnings per share increased 10% to \$6.88 per share. Improving operational efficiencies will boost earnings to \$7.88 in 2005, an increase of 15%.

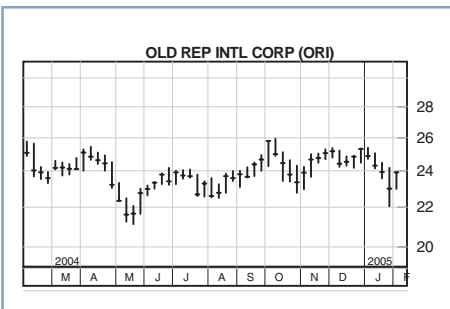
### Old Republic International (ORI)

**How Cheap Is It?** At our Max Buy Price of \$22.86, Old Republic offers excellent value in a solid, medium-sized company. Earnings growth will accelerate this year, and we predict that the stock will break out of its narrow trading range. ORI shares will likely increase to our Min Sell Price of \$32.13 within two to three years.

**Company Profile:** Old Republic markets, underwrites, and manages a wide range of insurance products including property, liability, mortgage guaranty, title, life, and disability insurance. The current insurance environment has allowed ORI to raise prices, add new business, and increase renewal rates. The company has also increased its minimum standards for risk criteria over the past three years, which is lowering costs.

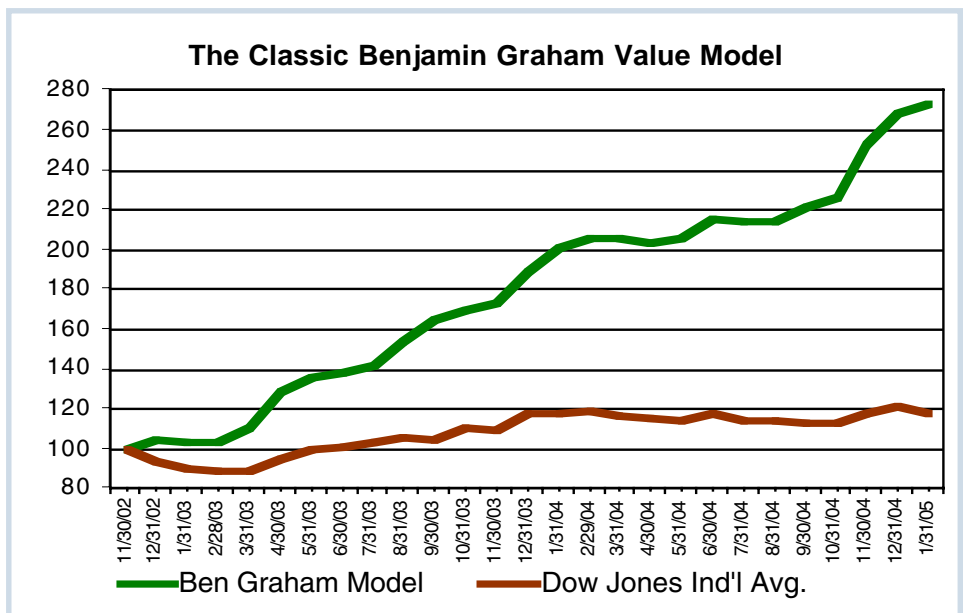
**Outlook:** Old Republic's mortgage guaranty and title insurance businesses are expected to slow this year due to a slowing real estate market and lower mortgage refinancing. But, the company's other insurance divisions are expected to perform very well. We forecast earnings of \$2.57 for 2005, up from \$2.32 in 2004.

Old Republic International ORI  
 Industry: Property & Casualty Insurance  
 Price: \$ 23.20  
 Max. Buy Price: \$ 22.86  
 Min. Sell Price: \$ 32.13



### PERFORMANCE FOR THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

The Classic Benjamin Graham Value Model gained 1.98% last month compared to a loss of 2.72% for the Dow Jones Industrial Average. During the 26 months since inception, the Classic Value Model has beaten the Dow 24 times. The Model is up 173.3% during that span compared to a gain of just 17.9% for the Dow. The chart to the right illustrates the Model's performance during the past 26 months.



## THE WISE OWL MODEL

The Owl Quantitative Rating System is a proprietary system developed by J. Royden Ward.

By screening stocks in the Benjamin Graham Common Stock Database for quality, value, growth and technical strength, the Wise Owl Model offers you more consistent profits and lower volatility than the basic Benjamin Graham Value Model—with nearly equal long-term performance. It is recommended that you buy at or below the Maximum Buy Price. Sell when the stock reaches the Minimum Sell Price or when the Owl Total Rating falls below 6.0.

This Month's Buy Recommendations										Owl Quantitative Rating System				
										Best = 5	Best = 5	Best = 5	Best = 5	Best = 10
Company Name	Ticker Symbol	1/31/05 Price	Max Buy Price	Min Sell Price	S&P	IBD	Growth Rate	Current P/E	Industry Rating	Owl	Owl	Owl	Owl	Owl
					Earn/Div Rating	Earns Strength				Quality Rating	Value Rating	Growth Rating	Technical Rating	Total Rating
Affiliated Computer	ACS	54.19	52.29	89.19	B+	90	13.5%	15.8	4.27	3.50	3.31	3.62	3.60	9.15
AFLAC Inc.	AFL	39.51	39.26	60.34	A	91	14.0%	13.5	2.50	4.23	3.29	3.22	2.51	8.64
Bed Bath & Beyond	BBBY	40.29	47.85	88.16	A-	94	20.9%	18.7	2.19	4.69	3.50	4.28	3.36	10.00
Fiserv Inc.	FISV	38.25	40.88	65.97	B+	92	13.5%	15.4	4.27	3.95	3.00	3.58	3.70	9.28
Harley-Davidson	HDI	60.11	59.01	109.25	A+	93	18.2%	16.2	1.59	4.45	2.74	4.23	2.77	9.26
Home Depot	HD	41.26	50.84	84.71	A+	91	14.3%	15.2	4.40	4.98	3.71	3.94	3.79	10.00
Illinois Tool Works	ITW	86.98	84.40	130.49	A+	82	14.9%	15.2	2.18	4.37	3.30	2.67	2.43	8.31
Johnson & Johnson	JNJ	64.70	65.13	95.57	A+	87	15.3%	17.8	3.07	5.00	2.61	3.29	3.88	9.65
Total ADR	TOT	107.55	113.27	138.62	NR	94	9.5%	11.4	3.62	3.45	2.66	2.81	4.27	8.59
Wal-Mart Stores	WMT	52.40	58.13	94.83	A+	86	15.7%	17.3	2.75	4.94	2.77	3.20	3.11	9.15
<b>Average:</b>		58.52	61.11	95.71		90.0	15.0%	15.6	3.09	4.36	3.09	3.49	3.34	9.20

### MODEL UPDATE

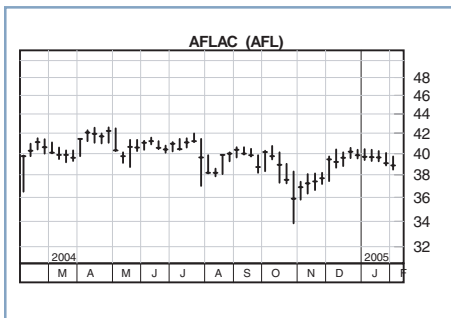
We have added seven new stocks to The Wise Owl Model this month: Several of the new stocks have been recommended recently and now reappear. AFLAC, Illinois Tool, and Wal-Mart have not appeared in prior issues. The replaced stocks are still excellent companies and should continue to be held until they reach their Minimum Sell Prices or their Owl Total Ratings fall below 6.00. Min Sell Prices for all stocks previously recommended in the Wise Owl Model can be found on pages 9 to 12. News updates for each of these stocks can be found in our Mid-Month Update Report.

### FEATURED STOCKS

AFLAC, Inc.	AFL
Industry: Insurance (Life)	
Price:	\$ 39.51
Max. Buy Price:	\$ 39.26
Min. Sell Price:	\$ 60.34

#### AFLAC, Inc. (AFL)

**How Cheap Is It?** AFLAC provides an excellent opportunity to buy a high quality specialty insurer that has produced steady earnings and dividend growth for many years. We strongly recommend purchase of AFLAC shares at our Max Buy Price of \$39.26 in anticipation of achieving our Min Sell Price of \$60.34 within two to three years.



**Company Profile:** AFLAC provides supplemental health and life insurance in the U.S. and Japan. The company is the leading global supplemental cancer insurance underwriter and derives 75% of its revenue and profits from Japan. AFLAC also sells other insurance products. The company has produced an excellent record of steady earnings and dividend growth of more than 15% during the past 15 years.

**Outlook:** AFLAC is launching several new products in Japan this year that will boost revenue growth. Further weakness in the US dollar will enhance the company's profit growth. We forecast earnings of \$2.61 for 2005 compared to \$2.30 in 2004. Earnings should then jump to \$3.00 in 2006.

Note: Maximum Buy Prices are valid for the month of February.

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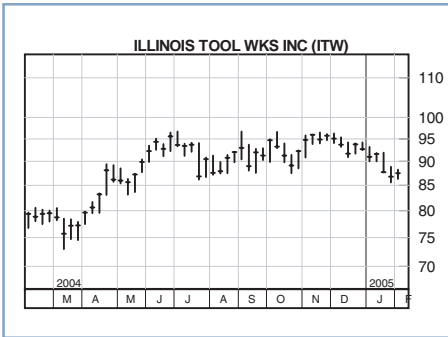
Illinois Tool Works	ITW
Industry: Diversified Industrial	
Price:	\$ 86.98
Max. Buy Price:	\$ 84.40
Min. Sell Price:	\$130.49

### Illinois Tool Works (ITW)

**How Cheap Is It?** Illinois Tool is undervalued after taking into consideration its steady 15% growth during the past 10 years and its P/E ratio of 15 times earnings. We equate the company to a “mini” General Electric and anticipate a steady rise in the shares. We highly recommend that you purchase ITW with the goal of reaching our Min Sell Price of \$130.49 within three years.

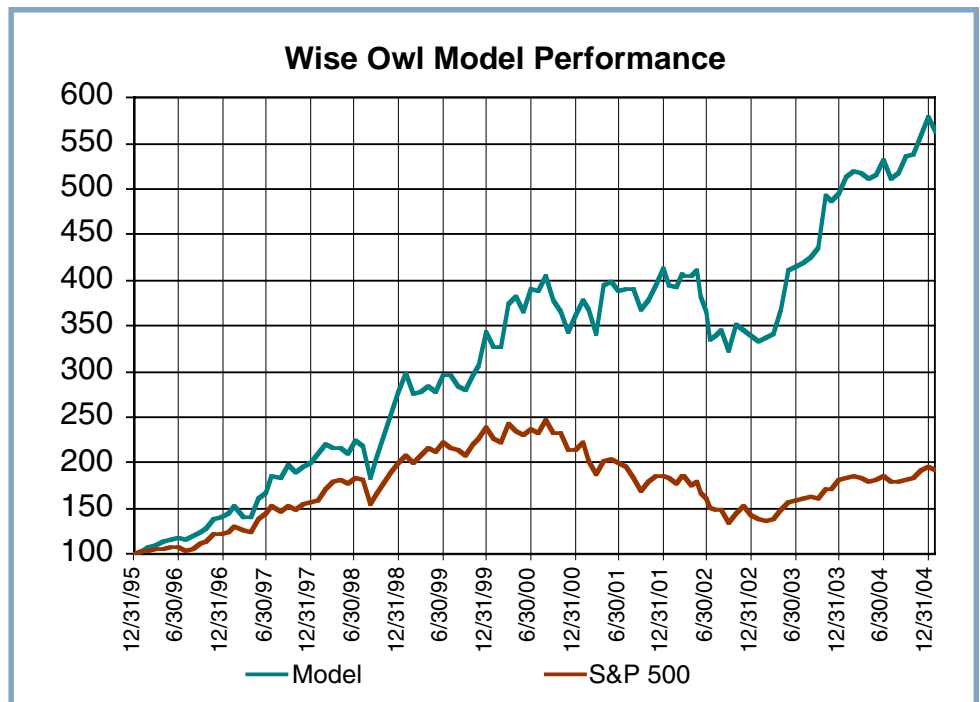
**Company Profile:** Illinois Tool Works is a large diversified manufacturer that operates more than 600 industrial and consumer businesses throughout the world. Products designed for the construction and industrial sectors have led recent increased growth.

**Outlook:** Illinois Tool manufactures a broad array of industrial products that mirror the US industrial economy. Prospects for further growth in the industrial sector augur well for the company. We forecast that earnings growth will accelerate this year to \$5.08 from \$4.39 in 2004. Our forecast for 2006 is \$5.73.



### MODEL PERFORMANCE FOR THE WISE OWL MODEL

The Wise Owl Model lost 2.94% last month, compared to a loss of 2.53% for the Standard & Poor’s 500 Index. The chart on the right illustrates the Model’s steady performance since inception on 12/31/95. The Model has achieved a compound annual return of 20.9% compared to a 7.4% return for the S&P 500. The Wise Owl Model has outperformed the S&P 500 Index every year for the past 9 years. And we predict more of the same in 2005.



## SPECIAL FEATURE

### Companies with Accelerating Earnings and Excellent Appreciation Potential

Companies that maintain a steady rate of growth of revenues, earnings, and dividends fare quite well in the stock market. Their stock prices tend to advance at a pace greater than the growth rate of earnings. Their price-to-earnings (P/E) ratios also rise as investors recognize the superior performance of steady earnings growth by the company. But, to find stocks that can really advance quickly, earnings acceleration is essential.

This month, we screened our Benjamin Graham Common Stock Database to find companies whose earnings are accelerating and whose earnings estimates are being increased by analysts. We follow a large number of independent research services that rate stocks using various criteria. Zacks and Investors Business Daily (IBD) offer ratings that measure earnings acceleration, analyst upgrades, and estimate increases. We found nine companies that are ranked above 85 by IBD and 7 that are ranked 1 (highest) by Zacks.

We believe that the nine stocks recommended below offer excellent appreciation potential. During the next six months, you should check to make sure that earnings are continuing to accelerate. When earnings start to decelerate, a company's stock price will usually start to decline. This is especially true when a company has a high price-to-earnings ratio, such as Cognizant. If you would like an update on a company's progress, please email me at [roy@benjamingraham.com](mailto:roy@benjamingraham.com) to receive my current opinion.

Company Name	Symbol	Industry Name	1/31/05 Price	Size	S&P Earns/Div Rating	IBD Earns Strength	Proj. 5 yr. EPS Growth	Proj. 1 yr. EPS Growth	P/E Ratio
Chico's FAS	CHS	Retail (Apparel)	52.68	Mid	B+	98	22.5%	24.4%	26.5
Cognizant Technology	CTSH	Computer Software/Svcs	37.90	Mid	NR	99	31.0%	34.8%	40.8
Commercial Metals	CMC	Steel	28.90	Small	B+	92	24.5%	81.0%	9.1
Horton D.R.	DHI	Homebuilding	39.78	Large	A+	97	12.5%	23.4%	7.8
Legg Mason	LM	Securities Brokerage	77.23	Mid	A	91	16.0%	21.2%	18.0
Lennar Corp.	LEN	Homebuilding	56.47	Large	A-	94	14.5%	19.6%	8.3
Overseas Shipholding	OSG	Maritime	55.81	Mid	B	89	20.5%	25.7%	5.2
XTO Energy	XTO	Energy	35.91	Large	B	99	15.0%	32.2%	11.8
Yellow Roadway	YELL	Trucking	56.62	Mid	B-	86	26.5%	30.2%	11.0

**Chico's FAS (CHS)** is a specialty retailer of exclusively designed fine apparel for women. Successful marketing strategies (including a unique club for its customers) and a recent acquisition are enabling the company to continue its rapid growth. We forecast earnings per share (EPS) of \$1.60 for the fiscal year ending 1/31/05, up sharply from \$1.14 a year ago. Our EPS estimate for 1/31/06 is \$2.00.

**Cognizant Technology (CTSH)** provides complex software solutions to businesses that are transitioning to e-commerce. Demand for Cognizant's services is thriving in the US and Europe. The

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company is now offering additional services to deepen its customer relationships. Earnings were \$.69 in 2004 compared to \$.44 in 2003. Our forecast for 2005 is \$.93.

**Commercial Metals (CMC)** recycles metals and manufactures steel from its recycling business. The company has benefited from high scrap metal prices and from increased demand for steel. Earnings are forecast at \$4.00 for the fiscal year ending 8/31/05 compared to \$2.21 a year ago. Earnings in 2006 will depend on the level of demand from China and its impact on steel prices.

**D.R. Horton (DHI)** is a leading homebuilder that operates in all of the faster growing areas of the US. The company has a superior materials purchasing program that enables it to build its homes at lower cost. We forecast earnings of \$5.07 for the fiscal year ending 9/30/05 compared to \$4.11 for 2004. Earnings will likely advance further to \$5.40 in 2006.

**Legg Mason (LM)** is a regional asset management and securities brokerage firm operating in the mid-Atlantic and Southeastern regions of the US. Strong demand for its management and brokerage services has created rapid growth for the company. We estimate that EPS for the fiscal year ending 3/31/05 will be \$3.54 compared to \$2.64 last year. Our estimate for 2006 is \$4.30.

**Lennar Corp. (LEN)** is a Florida based homebuilder that builds single and multi-family homes throughout most of the US. Pent-up demand caused by hurricanes in FL last year will boost growth in 2005. Our forecast for EPS for the fiscal year ending 11/30/05 is \$6.82 compared to \$5.70 last year. We estimate that LEN will earn \$7.50 in 2006.

**Overseas Shipholding (OSG)** is a leading international petroleum shipping company with 62 tankers and 4 jointly owned ultra-large tankers. Shipping rates have increased significantly and have doubled for the services of the ultra-large tankers during the past year. Earnings skyrocketed from \$3.54 in 2003 to an estimated \$8.59 in 2004. Our estimate for 2005 EPS is \$10.80.

**XTO Energy (XTO)** acquires, explores for, produces, and transports oil and natural gas. The company's successful acquisition and drilling programs coupled with high energy prices are fueling rapid growth. We forecast earnings of \$2.30 for 2004, up sharply from \$1.26 in 2003. We forecast another jump in EPS in 2005 to \$3.05.

**Yellow Roadway (YELL)** is the nation's third largest ground transportation company. The acquisition of Roadway Express by Yellow in 12/03 is creating larger-than-expected cost savings and rapid earnings growth. Earnings climbed from \$2.19 to \$3.97 in 2004. We estimate that EPS will jump to \$5.17 in 2005 and then to \$5.75 in 2006.

## CHANGES HIGHEST RANKED STOCKS LISTING

### Wise Owl Stocks added to the Highest Ranked Stocks listing.

Company Name	Symbol
Allergan Inc.	AGN
Amer. Eagle Outfitters	AEOS
Amer. Express	AXP
Amer. Healthways	AMHC
Ametek Inc.	AME
AptarGroup	ATR
Assoc. Banc-Corp	ASBC
Avery Dennison	AVY
Bank of America	BAC
Bemis Co.	BMS
Boston Scientific	BSX
Burlington Resources	BR
CEC Entertainment	CEC
Cheesecake Factory	CAKE
Citigroup Inc.	C
City National Corp.	CYN
Coca-Cola	KO
ConocoPhillips	COP
Cooper Cos.	COO
Curtiss-Wright	CW
Deere & Co.	DE
Eaton Vance Corp.	EV
Energen Corp.	EGN
Forward Air	FWRD
Franklin Resources	BEN
Golden West Fin'l	GDW
Int'l Speedway 'A'	ISCA
ITT Industries	ITT
Jefferson-Pilot Corp.	JP
Kinder Morgan Energy	KMP
Lehman Bros. Holdings	LEH
Lilly (Eli)	LLY
Masco Corp.	MAS
MBIA Inc.	MBI
Microchip Technology	MCHP
Murphy Oil Corp.	MUR
Nuveen Investments Inc	JNC
Overseas Shipholding	OSG
Progressive (Ohio)	PGR
Quanex Corp.	NX
RadioShack Corp.	RSH
Respironics Inc.	RESP
Roper Inds.	ROP
Ross Stores	ROST
Sara Lee Corp.	SLE
3M Company	MMM
Werner Enterprises	WERN
Winnebago	WGO
XTO Energy	XTO

### Wise Owl Stocks removed from the Highest Ranked Stocks listing.

Company Name	Symbol
Aaron Rents Inc. 'A'	RNT
Albany Molecular	AMRI
American Cap Strategies	ACAS
Anchor BanCorp WI	ABCW
Arden Group 'A'	ARDNA
Bank of Nova Scotia	BNS.TO
Catalina Marketing	POS
Cendant Corp.	CD
Check Point Software	CHKP
CorVel Corp.	CRVL
Costco Wholesale	COST
CVB Financial	CVBF
First BanCorp PR	FBP
First South Bancorp	FSBK
Franklin Electric	FELE
Health Net Inc	HNT
Houston Expl Co	THX
II-VI Inc.	IIVI
Imperial Oil Ltd.	IMO
Int'l Game Tech.	IGT
Investors Title Co	ITIC
Jones Apparel Group	JNY
Kenneth Cole 'A'	KCP
Kyocera Corp. ADR	KYO
LandAmerica Finl Group	LFG
Matthews Int'l	MATW
McCormick & Co.	MKC
Merck & Co.	MRK
Mylan Labs.	MYL
Nordstrom Inc.	JWN
Old Second Bancorp	OSBC
Pre-Paid Legal Services	PPD
Questar Corp.	STR
Radian Group Inc	RDN
Simpson Mfg Inc	SSD
Suffolk Bancorp	SUBK
Symantec Corp.	SYMC
Texas Pacif. Land Tr	TPL
Toro Co.	TTC
UGI Corp.	UGI
United Capital Corp.	AFP
United Mobile Homes	UMH
Utah Medical Prods.	UTMD
Valero Energy	VLO
Vornado Realty Trust	VNO
Wendy's Int'l	WEN
Weyco Group	WEYS
Wiley (John) & Sons	JW.A
Wyeth	WYE

The above column lists the 51 stocks that became new members of our 250 Highest Ranked Stocks listing on pages 9 through 12 of this issue. Owl Total Ratings for the 51 stocks fall in the range of 7.13 to 8.81. None of the new stocks is recommended for purchase at this time.

The above column lists the 51 stocks that were removed from our 250 Highest Ranked Stocks. Whenever a Wise Owl Model stock falls out of the 250 Highest Ranked Stocks list, it should be sold. There are no Wise Owl stocks recommended to be sold this month. LandAmerica fell from the Wise Owl list, but is a buy recommendation in the Classic Benjamin Graham Value Model.

The ranking changes discussed above apply only to the Wise Owl Model stocks. Changes in recommendations for The Classic Benjamin Graham Value Model appear in the Model Update on page 2.



## THE 250 HIGHEST RANKED WISE OWL STOCKS FROM THE BENJAMIN GRAHAM DATA BASE

The Highest Ranked Stocks listing relates to the Wise Owl stocks only. After buying a Wise Owl stock, you can monitor its progress by checking the stock's Min Sell Price and Owl Total Rating. If a Wise Owl stock reaches its Min Sell Price, or if the stock's Owl Total Rating has gone below 6.00, or if it no longer appears in the listing, you should sell. We hope that you will find the listing also useful in looking up stocks that you already own or have an interest in.

Company Name	Ticker Symbol	Industry Name	1/31/05 Price	Max Buy Price	Min Sell Price	Growth Rate	Current P/E	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating
Abbott Labs.	ABT	Medical Supplies	45.02	45.16	64.20	13.5%	17.1	4.57	3.26	1.96	2.88	8.25
Adobe Systems	ADBE	Computer Software/Svcs	56.90	34.95	57.90	17.8%	25.4	3.31	1.99	3.60	3.47	8.05
Adv. Neuromodulation	ANSI	Medical Supplies	39.51	24.43	45.00	11.1%	27.4	2.50	2.07	4.99	3.07	8.22
Affiliated Computer	ACS	Computer Software/Svcs	54.19	52.29	89.19	13.5%	15.8	3.50	3.31	3.62	3.60	9.15
AFLAC Inc.	AFL	Insurance (Life)	39.51	39.26	60.34	14.0%	13.5	4.23	3.29	3.22	2.51	8.64
Alberto Culver	ACV	Toiletries/Cosmetics	54.25	41.90	62.57	12.8%	20.8	5.00	2.40	2.96	3.66	9.15
Allergan Inc.	AGN	Drug	75.95	60.91	109.42	19.6%	21.1	3.44	2.71	3.04	2.04	7.29
Ambac Fin'l Group	ABK	Financial Svcs. (Div.)	76.88	69.90	94.82	11.7%	10.8	4.33	2.71	2.62	2.61	7.98
Amer. Eagle Outfitters	AEOS	Retail (Special Lines)	50.80	33.22	59.53	16.3%	16.2	2.04	2.50	3.66	4.03	7.95
Amer. Express	AXP	Financial Svcs. (Div.)	53.35	44.01	64.78	14.4%	15.7	4.14	2.80	2.30	2.91	7.89
Amer. Healthways	AMHC	Medical Services	31.18	14.50	26.34	13.7%	26.5	1.59	1.58	5.00	2.93	7.20
Amer. Int'l Group	AIG	Financial Svcs. (Div.)	66.29	84.34	145.15	14.0%	11.9	4.07	3.95	2.69	2.84	8.83
Amer. Woodmark	AMWD	Building Materials	41.48	29.50	45.32	13.7%	13.8	2.66	2.47	3.17	2.91	7.27
AmerisourceBergen	ABC	Medical Supplies	58.28	69.02	109.49	11.0%	12.6	3.37	3.01	2.78	2.22	7.38
Ametek Inc.	AME	Diversified Co.	38.20	24.73	34.91	16.5%	18.7	3.12	1.77	2.46	3.66	7.14
Amgen	AMGN	Biotechnology	62.24	57.17	111.94	22.1%	19.7	4.34	3.08	3.56	3.40	9.39
Anadarko Petroleum	APC	Petroleum (Producing)	66.21	92.38	104.53	7.7%	9.6	1.61	4.60	3.29	3.12	8.21
Anheuser-Busch	BUD	Beverage (Alcoholic)	49.18	51.46	72.22	14.6%	15.4	4.85	2.64	2.60	2.38	8.12
Apache Corp.	APA	Petroleum (Producing)	54.42	48.70	63.35	9.0%	9.2	2.05	2.98	3.54	3.92	8.13
Apollo Group `A'	APOL	Educational Services	78.18	48.65	102.37	22.1%	29.6	3.84	1.81	4.83	3.09	8.85
Applebee's Int'l	APPB	Restaurant	27.86	21.65	32.82	14.9%	17.1	3.78	2.08	3.14	2.91	7.74
AptarGroup	ATR	Packaging & Container	48.49	43.12	59.72	10.4%	16.6	3.62	2.78	2.20	2.56	7.24
Archer Daniels Mid'l'd	ADM	Food Processing	24.20	19.19	25.03	7.3%	15.9	2.23	2.66	2.61	3.76	7.30
Assoc. Banc-Corp	ASBC	Bank (Midwest)	33.03	28.56	38.78	11.0%	12.9	3.52	2.79	1.96	3.16	7.42
Automatic Data Proc.	ADP	Computer Software/Svcs	43.48	33.67	51.85	12.9%	22.3	4.63	2.73	2.04	3.55	8.43
Avery Dennison	AVY	Chemical (Specialty)	60.09	55.53	79.03	13.1%	17.2	3.42	2.91	2.27	2.57	7.25
Avon Products	AVP	Toiletries/Cosmetics	42.22	30.63	53.23	18.0%	19.3	3.74	2.08	3.09	2.86	7.65
Ball Corp.	BLL	Packaging & Container	42.72	26.02	43.09	13.5%	13.6	2.82	2.38	2.81	3.50	7.47
Bank of America	BAC	Bank	46.37	43.80	59.58	11.0%	10.9	3.81	2.69	1.86	2.78	7.22
Bard (C.R.)	BCR	Medical Supplies	67.80	42.28	63.95	14.9%	22.1	4.06	1.62	2.72	4.14	8.16
Bear Stearns	BSC	Securities Brokerage	101.06	75.30	109.84	12.8%	9.7	3.66	2.49	2.21	3.78	7.90
Beazer Homes USA	BZH	Homebuilding	148.50	108.33	159.56	14.4%	7.0	3.11	2.99	4.19	3.93	9.28
Becton Dickinson	BDX	Medical Supplies	56.65	44.86	68.32	13.8%	19.1	4.46	2.55	2.81	3.77	8.86
Bed Bath & Beyond	BBBY	Retail (Special Lines)	40.29	47.85	88.16	20.9%	18.7	4.69	3.50	4.28	3.36	10.00
Bemis Co.	BMS	Packaging & Container	29.00	27.11	33.91	9.3%	15.6	4.19	2.56	1.79	3.10	7.56
Berry Petroleum `A'	BRY	Petroleum (Producing)	54.14	32.99	40.14	13.3%	15.2	2.17	1.91	3.55	3.61	7.29
Best Buy Co.	BBY	Retail (Special Lines)	53.79	51.43	82.37	17.2%	14.7	2.95	3.47	4.17	3.01	8.87
Biomet	BMET	Medical Supplies	42.48	29.89	50.66	17.0%	24.7	4.27	1.43	3.45	2.60	7.63
Biovail Corp.	BVF	Drug	16.25	25.44	43.88	16.5%	10.3	1.51	4.96	3.02	2.19	7.58
Block (H&R)	HRB	Financial Svcs. (Div.)	48.31	56.51	88.40	16.3%	9.9	3.45	4.25	2.94	2.26	8.40
Boston Scientific	BSX	Medical Supplies	33.06	32.66	55.73	21.3%	12.8	2.25	3.93	3.74	2.54	8.10
BP PLC ADR	BP	Petroleum (Integrated)	59.62	59.12	77.74	11.0%	12.8	3.60	3.20	2.31	3.08	7.93
Brinker Int'l	EAT	Restaurant	37.61	35.47	55.60	14.0%	15.4	3.25	3.23	2.46	2.45	7.39
Brown & Brown	BRO	Financial Svcs. (Div.)	43.26	36.83	56.13	18.3%	18.6	4.25	2.52	3.72	2.53	8.48
Brown-Forman 'B'	BFB	Beverage (Alcoholic)	48.23	40.86	55.70	11.9%	17.5	4.54	2.73	2.30	2.97	8.17
Burlington Resources	BR	Petroleum (Producing)	43.71	42.59	47.19	8.4%	10.6	2.13	3.36	2.86	3.58	7.75
CACI Int'l 'A'	CAI	Computer Software/Svcs	52.15	35.89	61.62	14.4%	17.8	3.08	1.97	3.68	3.79	8.14
Canon Inc. ADR	CAJ	Foreign Electronics	52.58	49.15	69.48	10.7%	14.5	3.31	3.27	2.55	3.83	8.44
Cardinal Health	CAH	Medical Supplies	56.32	71.42	108.71	14.0%	14.1	4.39	3.98	2.85	2.47	8.93
Caremark RX	CMX	Pharmacy Services	39.10	27.66	54.28	9.5%	16.9	2.28	2.45	3.44	3.66	7.69
CDW Corp.	CDWC	Retail (Special Lines)	58.50	60.95	98.75	17.2%	16.2	3.62	2.77	3.77	1.86	7.82
CEC Entertainment	CEC	Restaurant	39.14	31.08	53.37	14.9%	14.2	2.23	2.99	3.07	3.17	7.44
Centex Corp.	CTX	Homebuilding	61.31	45.14	66.72	16.6%	6.9	3.98	2.97	3.75	3.46	9.24
CenturyTel Inc.	CTL	Telecom. Services	32.60	39.42	52.34	8.5%	12.7	2.40	3.70	2.20	3.07	7.38
Cheesecake Factory	CAKE	Restaurant	32.37	22.52	39.58	13.4%	26.5	3.73	1.85	3.75	2.81	7.89

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Chico's FAS	CHS	Retail (Special Lines)	52.68	32.22	57.32	24.0%	24.6	3.12	1.85	4.81	3.91	8.92
Church & Dwight	CHD	Household Products	34.43	28.03	42.72	13.7%	15.8	3.90	2.82	3.10	3.54	8.70
Cintas Corp.	CTAS	Industrial Services	43.50	39.84	59.29	13.4%	22.9	3.92	3.18	2.68	2.56	8.03
Cisco Systems	CSCO	Telecom. Equipment	18.04	17.91	34.45	16.3%	18.1	3.51	2.88	3.21	2.72	8.01
Citigroup Inc.	C	Financial Svcs. (Div.)	49.05	48.74	74.35	13.3%	10.2	3.88	3.71	2.61	3.31	8.81
Citrix Sys.	CTXS	Computer Software/Svcs	21.45	20.52	33.93	14.5%	18.9	2.12	3.71	3.41	3.80	8.49
City National Corp.	CYN	Bank	69.79	52.94	76.17	12.1%	14.3	3.91	2.44	1.98	2.91	7.29
Claire's Stores	CLE	Retail (Special Lines)	20.63	20.41	29.83	15.6%	10.8	2.97	2.85	2.95	2.20	7.11
CLARCOR Inc.	CLC	Packaging & Container	54.47	34.61	49.65	11.3%	19.5	4.24	1.48	2.29	3.73	7.63
Coca-Cola	KO	Beverage (Soft Drink)	41.49	40.22	55.43	13.1%	18.8	4.10	3.52	1.92	1.89	7.42
Cognizant Technology	CTSH	Computer Software/Svcs	37.90	20.87	43.94	24.9%	33.4	3.00	1.33	5.00	4.16	8.79
Cognos Inc.	COGN	Computer Software/Svcs	41.37	29.05	52.90	18.4%	23.3	2.47	2.30	3.35	3.78	7.73
Colgate-Palmolive	CL	Household Products	52.54	46.02	67.87	13.5%	19.1	4.57	2.27	2.31	2.98	7.89
Commerce Bancorp NJ	CBH	Bank	57.54	55.73	94.00	16.1%	13.5	4.05	2.36	3.73	2.80	8.43
Commercial Metals	CMC	Steel (General)	28.90	17.18	33.84	12.0%	10.1	1.91	1.86	3.23	4.71	7.61
Computer Sciences	CSC	Computer Software/Svcs	51.52	65.50	91.93	10.8%	13.7	2.77	3.44	2.00	3.14	7.37
ConocoPhillips	COP	Petroleum (Integrated)	92.79	107.71	119.46	8.4%	8.8	1.93	3.62	2.82	3.50	7.72
Cooper Cos.	COO	Medical Supplies	76.70	37.96	59.72	15.8%	23.2	2.93	1.20	4.28	3.81	7.95
Copart Inc.	CPRT	Retail Automotive	22.98	16.30	28.36	11.6%	19.7	3.03	2.25	4.01	3.37	8.24
Corporate Executive	EXBD	Information Services	63.90	42.43	75.04	18.6%	32.6	3.50	2.16	4.61	2.58	8.36
Countrywide Financial	CFC	Financial Svcs. (Div.)	37.00	32.94	48.41	13.9%	7.9	2.83	3.18	3.55	2.56	7.88
Curtiss-Wright	CW	Machinery	51.19	37.15	60.75	12.2%	14.0	3.36	2.80	2.64	2.38	7.25
CVS Corp.	CVS	Pharmacy Services	46.35	46.52	77.99	13.3%	16.3	3.27	3.33	2.04	3.31	7.77
Danaher Corp.	DHR	Diversified Co.	54.88	45.89	69.19	14.8%	18.3	3.85	2.53	3.44	3.30	8.55
Darden Restaurants	DRI	Restaurant	29.56	21.20	33.51	12.4%	16.3	3.07	2.23	2.54	3.66	7.47
Deere & Co.	DE	Machinery	69.43	67.83	110.19	13.9%	10.1	2.84	3.24	2.97	2.99	7.83
Dell Inc.	DELL	Computers/Peripherals	41.76	31.69	54.72	20.6%	25.0	3.89	2.28	4.11	4.26	9.49
Dentsply Int'l	XRAY	Medical Supplies	56.07	42.56	60.70	13.4%	19.9	3.84	1.44	2.93	4.09	8.00
Devon Energy	DVN	Natural Gas (Div.)	40.67	48.17	71.26	11.6%	8.5	1.49	4.80	3.33	4.15	8.98
Diagnostic Products	DP	Medical Supplies	50.77	43.05	63.98	12.3%	17.6	3.56	2.72	2.81	3.05	7.89
Dollar Tree Stores	DLTR	Retail Store	27.23	38.39	64.92	18.2%	13.1	3.63	4.40	2.96	1.76	8.30
Donaldson Co.	DCI	Machinery	31.18	19.59	30.78	14.1%	21.4	4.42	2.18	2.50	2.45	7.50
Doral Fin'l Corp	DRL	Financial Svcs. (Div.)	43.25	25.15	39.28	20.0%	19.8	3.53	1.10	3.63	3.13	7.39
DST Systems	DST	Computer Software/Svcs	48.48	41.12	60.52	10.4%	16.6	2.72	3.07	3.47	3.17	8.08
Eaton Vance Corp.	EV	Financial Svcs. (Div.)	25.03	16.17	26.63	15.5%	20.3	3.21	2.63	3.25	3.22	8.01
Ecolab Inc.	ECL	Chemical (Specialty)	33.65	25.76	38.37	14.8%	22.8	3.79	1.93	2.82	3.12	7.58
Education Mgmt.	EDMC	Educational Services	31.94	27.20	47.81	18.3%	22.3	2.81	2.29	4.27	2.98	8.04
ENDESA ADR	ELE	Utility (Foreign)	22.73	22.26	29.97	9.4%	11.2	1.94	2.97	2.26	3.80	7.12
Energen Corp.	EGN	Natural Gas (Div.)	58.64	33.56	44.70	7.8%	13.6	2.86	1.41	2.55	4.34	7.24
Engineered Support	EASI	Aerospace/Defense	58.01	36.29	66.89	17.6%	15.9	3.71	1.94	5.00	3.21	9.04
Everest Re Group Ltd.	RE	Insurance (Prop/Cas.)	86.90	84.37	154.80	12.0%	6.7	3.47	3.54	2.54	1.83	7.39
Expeditors Int'l	EXPD	Industrial Services	56.14	35.92	59.58	17.0%	30.6	4.45	1.94	4.09	3.11	8.86
Express Scripts 'A'	ESRX	Pharmacy Services	74.19	83.29	133.95	17.5%	14.4	3.49	3.80	4.29	2.33	9.08
Exxon Mobil Corp.	XOM	Petroleum (Integrated)	51.60	46.02	61.45	10.4%	13.0	3.85	2.18	2.47	3.78	7.99
FactSet Research	FDS	Information Services	53.40	38.58	66.43	17.3%	23.5	3.67	1.61	4.34	3.57	8.60
Fair Isaac	FIC	Computer Software/Svcs	34.55	34.49	55.47	14.9%	18.2	3.19	2.76	3.14	2.91	7.80
Family Dollar Stores	FDO	Retail Store	33.45	30.14	44.35	13.7%	19.3	4.33	3.00	2.33	2.19	7.69
Fastenal Co.	FAST	Retail Building Supply	60.13	46.61	81.73	20.8%	25.5	4.11	2.53	3.92	3.45	9.14
FedEx Corp.	FDX	Air Transport	95.65	61.11	97.67	12.4%	19.1	2.97	2.32	2.63	3.86	7.65
Fifth Third Bancorp	FITB	Bank (Midwest)	46.47	56.52	82.95	11.9%	13.8	4.56	3.72	2.14	1.82	7.97
First Data Corp.	FDC	Computer Software/Svcs	40.74	43.81	62.10	13.7%	15.8	4.75	2.91	2.86	2.62	8.55
Fiserv Inc.	FISV	Computer Software/Svcs	38.25	40.88	65.97	13.5%	15.4	3.95	3.00	3.58	3.70	9.28
Forest Labs.	FRX	Drug	41.53	47.33	72.73	14.6%	14.0	3.87	3.55	4.20	2.21	9.02
Fortune Brands	FO	Diversified Co.	83.98	58.78	84.33	12.0%	15.6	3.55	1.74	2.24	4.32	7.70
Forward Air	FWRD	Trucking	42.62	28.35	50.46	15.2%	20.9	2.82	2.30	2.76	3.65	7.49
Franklin Resources	BEN	Financial Svcs. (Div.)	67.86	46.78	64.91	13.0%	18.0	3.18	1.94	2.46	4.19	7.65
Gallagher (Arthur J.)	AJG	Financial Svcs. (Div.)	29.65	33.12	48.05	15.5%	12.6	4.74	3.61	2.98	1.99	8.68
Gannett Co.	GCI	Newspaper	80.04	84.67	117.95	11.8%	13.6	4.25	3.02	2.17	2.29	7.62
Gen'l Dynamics	GD	Aerospace/Defense	103.25	90.41	117.29	10.6%	14.7	4.19	2.71	2.63	2.88	8.07
Gen'l Electric	GE	Electrical Equipment	36.13	35.59	54.88	13.8%	19.4	4.58	3.28	2.43	3.32	8.87
Gen'l Mills	GIS	Food Processing	52.99	47.99	67.51	13.7%	17.1	3.39	2.68	1.71	3.21	7.14
Golden West Fin'l	GDW	Thrift	64.62	43.37	77.03	13.5%	12.9	4.30	2.60	3.17	2.53	8.20
Goldman Sachs	GS	Securities Brokerage	107.85	107.18	155.87	13.4%	11.0	3.10	3.40	2.79	3.76	8.50
Graco Inc.	GGG	Machinery	35.65	19.33	30.70	17.6%	18.7	3.87	1.46	3.43	3.37	7.89
Grainger (W.W.)	GWW	Electrical Equipment	61.21	52.10	68.86	10.3%	17.5	3.90	2.62	1.90	3.70	7.88

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Guidant Corp.	GDT	Medical Supplies	72.49	50.32	81.85	17.8%	25.6	3.42	2.20	2.96	3.07	7.57
Harley-Davidson	HDI	Recreation	60.11	59.01	109.25	18.2%	16.2	4.45	2.74	4.23	2.77	9.26
Health Mgmt. Assoc.	HMA	Medical Services	22.08	27.04	46.03	15.2%	12.9	3.24	4.27	3.57	2.45	8.82
Heartland Express	HTLD	Trucking	21.24	15.17	21.33	14.4%	20.8	3.74	1.94	2.79	3.74	7.95
Henry (Jack) & Assoc.	JKHY	Computer Software/Svcs	20.79	17.00	30.31	17.0%	23.6	3.17	2.78	3.37	3.36	8.25
Hershey Foods	HSY	Food Processing	58.49	36.84	57.10	15.0%	23.6	4.36	1.37	2.63	3.45	7.67
Home Depot	HD	Retail Building Supply	41.26	50.84	84.71	14.3%	15.2	4.98	3.71	3.94	3.79	10.00
Honda Motor ADR	HMC	Auto & Truck	26.25	29.98	41.95	8.6%	10.4	2.48	3.79	2.08	3.17	7.47
Horton D.R.	DHI	Homebuilding	39.78	28.17	41.73	16.3%	8.1	3.99	2.90	4.38	4.39	10.00
Illinois Tool Works	ITW	Metal Fabricating	86.98	84.40	130.49	14.9%	15.2	4.37	3.30	2.67	2.43	8.31
Int'l Business Mach.	IBM	Computers/Peripherals	93.42	90.25	142.99	15.4%	15.7	3.90	2.64	2.10	3.32	7.77
Int'l Speedway 'A'	ISCA	Recreation	54.92	45.40	65.55	12.0%	18.8	2.41	2.65	2.97	3.77	7.67
ITT Industries	ITT	Diversified Co.	85.29	65.36	93.69	13.6%	15.6	3.50	2.39	2.10	3.27	7.31
Jefferson-Pilot Corp.	JP	Insurance (Life)	49.90	49.08	69.72	10.2%	11.4	4.66	3.18	1.59	2.17	7.53
Johnson & Johnson	JNJ	Medical Supplies	64.70	65.13	95.57	15.3%	17.8	5.00	2.61	3.29	3.88	9.65
Johnson Controls	JCI	Auto Parts	59.16	52.77	78.71	13.5%	11.3	4.34	2.51	2.62	2.02	7.46
KB Home	KBH	Homebuilding	108.65	80.42	120.30	16.2%	7.2	4.04	3.31	4.42	4.48	10.00
Kinder Morgan Energy	KMP	Natural Gas (Div.)	46.26	38.47	53.30	9.3%	18.0	2.57	2.24	3.06	3.41	7.32
Knight Transportation Inc	KNX	Trucking	24.60	11.26	15.51	17.7%	50.0	3.40	1.00	2.88	4.03	7.34
Kohl's Corp.	KSS	Retail Store	47.01	50.04	91.24	16.8%	16.8	3.34	3.87	3.96	3.45	9.55
K-Swiss Inc.	KSWS	Shoe	30.25	18.78	28.37	16.4%	15.2	3.16	2.28	4.48	2.38	8.00
Lauder (Estee)	EL	Toiletries/Cosmetics	45.14	37.69	54.14	14.8%	21.4	3.79	2.99	2.64	2.46	7.72
Legg Mason	LM	Securities Brokerage	77.23	50.43	83.74	14.7%	17.8	3.21	2.01	3.33	4.21	8.30
Lehman Bros. Holdings	LEH	Securities Brokerage	91.19	78.62	111.51	12.6%	10.7	2.69	2.90	2.20	4.12	7.74
Lennar Corp.	LEN	Homebuilding	56.47	45.44	70.23	16.3%	7.6	3.35	3.07	4.10	4.14	9.57
Lilly (Eli)	LLY	Drug	54.24	55.54	84.20	14.6%	16.5	3.61	3.60	2.16	1.96	7.36
Lincare Holdings	LNCR	Medical Services	41.50	36.45	55.54	15.9%	14.3	3.39	2.76	3.57	3.58	8.66
Linear Technology	LLTC	Semiconductor	37.74	30.82	63.77	20.3%	24.1	3.74	2.72	3.58	3.11	8.56
Liz Claiborne	LIZ	Apparel	41.94	39.42	52.14	12.8%	12.3	4.74	2.47	2.47	3.05	8.28
Lowe's Cos.	LOW	Retail Building Supply	56.99	56.11	99.99	15.8%	15.2	4.33	3.41	4.36	3.13	9.95
M&T Bank Corp.	MTB	Bank	102.36	93.12	134.32	11.9%	14.4	4.60	2.32	2.43	2.59	7.76
M.D.C. Holdings	MDC	Homebuilding	72.80	48.89	71.92	17.7%	7.4	3.71	2.35	4.76	3.41	9.30
M/I Homes	MHO	Homebuilding	56.80	36.26	46.79	10.4%	15.5	3.57	1.93	3.27	2.71	7.45
Magna Int'l 'A'	MGA	Auto Parts	75.74	76.65	117.98	12.7%	8.7	3.46	3.85	2.62	1.54	7.44
Marshall & Ilsley	MI	Bank (Midwest)	42.81	37.60	54.23	12.4%	13.2	4.42	2.93	2.35	2.50	7.93
Masco Corp.	MAS	Building Materials	36.80	33.93	52.83	14.3%	12.5	3.07	2.89	2.15	3.64	7.64
Maxim Integrated	MXIM	Semiconductor	39.01	34.94	71.03	20.6%	21.1	3.26	3.25	4.09	2.77	8.72
MBIA Inc.	MBI	Financial Svcs. (Div.)	59.74	60.02	80.02	9.5%	9.7	4.12	3.26	1.95	1.74	7.18
MBNA Corp.	KRB	Financial Svcs. (Div.)	26.58	27.40	44.97	16.7%	10.4	4.56	3.64	3.72	3.02	9.76
McDonald's Corp.	MCD	Restaurant	32.39	32.63	43.16	11.0%	15.0	3.82	3.44	2.22	3.14	8.22
McGraw-Hill	MHP	Publishing	90.50	66.55	96.29	13.3%	20.7	4.39	2.44	2.64	2.42	7.73
MDU Resources	MDU	Electric Utility (West)	26.74	23.49	29.18	8.8%	13.6	3.95	2.69	1.98	2.59	7.27
Medtronic Inc.	MDT	Medical Supplies	52.49	48.76	81.29	17.2%	22.0	4.60	3.28	3.56	3.10	9.50
Microchip Technology	MCHP	Semiconductor	26.05	23.63	39.53	16.7%	19.2	2.78	3.30	3.06	2.44	7.52
Microsoft Corp.	MSFT	Computer Software/Svcs	26.28	24.70	37.22	14.4%	22.2	4.08	2.65	2.01	3.36	7.86
Mohawk Inds.	MHK	Furn/Home Furnishings	88.51	70.30	106.76	13.5%	13.3	2.87	2.18	2.97	2.96	7.13
Murphy Oil Corp.	MUR	Petroleum (Integrated)	89.28	62.35	84.36	10.9%	15.9	2.50	2.16	3.03	3.59	7.32
National City Corp.	NCC	Bank (Midwest)	35.55	36.27	51.18	10.0%	9.8	3.82	3.18	1.65	2.48	7.22
Newfield Exploration	NFX	Natural Gas (Div.)	61.20	68.94	107.25	13.2%	8.9	2.02	4.40	4.01	2.77	8.60
NIKE Inc. 'B'	NKE	Shoe	86.63	66.19	104.72	14.5%	19.0	4.22	2.76	2.94	3.27	8.60
Nokia Corp. ADR	NOK	Foreign Telecom.	15.28	15.57	23.96	14.0%	14.1	2.90	3.18	2.49	2.80	7.38
North Fork Bancorp	NFB	Bank	28.70	27.24	48.65	13.5%	11.8	3.71	2.77	2.50	2.53	7.48
Nuveen Investments Inc	JNC	Financial Svcs. (Div.)	37.10	18.11	24.52	15.2%	33.1	4.52	0.78	2.10	3.59	7.13
NVR Inc.	NVR	Homebuilding	791.25	376.44	713.99	21.2%	9.0	3.85	2.43	4.52	3.37	9.25
Occidental Petroleum	OXY	Petroleum (Integrated)	58.38	51.22	58.79	9.3%	8.9	2.26	2.61	2.44	3.84	7.23
Omnicare Inc.	OCR	Pharmacy Services	30.75	37.20	51.48	10.2%	10.9	2.72	3.49	3.18	1.69	7.19
Omnicom Group	OMC	Advertising	84.89	81.95	129.58	14.3%	18.0	3.63	3.11	2.95	2.92	8.21
Oracle Corp.	ORCL	Computer Software/Svcs	13.77	11.25	19.83	16.6%	22.1	3.38	2.49	3.33	3.90	8.53
O'Reilly Automotive	ORLY	Retail Automotive	45.73	38.64	62.87	13.5%	15.8	3.86	2.14	3.54	2.59	7.89
Overseas Shipholding	OSG	Maritime	55.81	50.31	80.10	7.1%	4.7	1.56	2.75	3.41	3.81	7.49
PACCAR Inc.	PCAR	Auto & Truck	70.66	45.65	77.63	15.7%	9.4	3.01	2.26	3.21	4.06	8.16
Pacific Sunwear	PSUN	Retail (Special Lines)	24.49	20.58	37.42	17.5%	13.5	3.27	3.21	4.26	3.11	9.04
Patterson Cos.	PDCO	Medical Supplies	46.58	34.07	54.64	18.4%	25.7	3.92	1.60	3.80	4.17	8.79
Paychex Inc.	PAYX	Computer Software/Svcs	30.49	27.11	47.39	18.3%	29.8	4.03	2.73	3.62	2.39	8.31
PepsiCo Inc.	PEP	Beverage (Soft Drink)	53.70	49.31	74.00	15.0%	19.7	4.95	2.60	2.38	3.18	8.54

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Company Name	Ticker Symbol	Industry Name	1/31/05 Price	Max Buy Price	Min Sell Price	Growth Rate	Current P/E	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating
Petro-Canada	PCZ	Canadian Energy	51.64	51.89	62.94	7.6%	9.8	3.21	2.72	2.98	2.44	7.36
Pfizer Inc.	PFE	Drug	24.16	44.51	62.59	15.6%	9.9	5.00	4.90	3.36	1.61	9.71
Pharmac. Product	PPDI	Drug	41.45	32.78	51.08	14.1%	19.0	2.23	2.86	3.65	3.08	7.68
PMI Group	PMI	Insurance (Prop/Cas.)	39.77	42.18	64.24	12.6%	8.6	3.68	3.06	2.28	2.78	7.67
Polaris Inds.	PII	Recreation	67.50	39.17	54.81	16.4%	18.8	4.43	1.28	2.91	2.55	7.25
POSCO ADR	PKX	Steel (Integrated)	45.00	45.24	58.41	12.3%	4.7	1.65	3.56	2.88	4.09	7.92
Price (T. Rowe) Group	TROW	Financial Svcs. (Div.)	59.85	47.06	72.07	15.9%	19.7	4.10	1.70	2.94	3.24	7.79
Procter & Gamble	PG	Household Products	53.23	47.00	67.01	14.6%	19.4	4.59	2.54	2.96	3.33	8.75
Progressive (Ohio)	PGR	Insurance (Prop/Cas.)	83.65	76.35	123.85	12.9%	10.9	3.00	2.47	3.26	2.49	7.28
Pulte Homes	PHM	Homebuilding	66.08	44.31	79.93	16.8%	6.7	3.95	3.19	4.26	3.83	9.96
QLogic Corp.	QLGC	Semiconductor	38.28	32.26	52.51	13.3%	21.0	3.19	2.42	3.55	4.13	8.66
Qualcomm Inc.	QCOM	Telecom. Equipment	37.24	24.91	43.62	14.4%	27.1	2.92	2.47	4.36	2.98	8.28
Quanex Corp.	NX	Steel (General)	52.72	28.44	47.66	12.0%	16.5	2.27	2.08	2.21	4.88	7.42
RadioShack Corp.	RSH	Retail (Special Lines)	33.12	30.61	48.34	15.8%	13.0	2.81	3.21	2.32	2.70	7.16
Reebok Int'l	RBK	Shoe	44.53	39.35	59.72	14.0%	12.3	3.19	2.95	2.27	3.78	7.92
RenaissanceRe Hldgs Ltd	RNR	Insurance (Prop/Cas.)	50.21	51.84	85.21	12.6%	8.1	3.93	2.96	2.78	2.11	7.65
Renal Care Group	RCI	Medical Services	38.16	31.19	53.06	15.8%	16.8	2.82	2.89	3.77	4.04	8.81
ResMed Inc.	RMD	Medical Supplies	51.30	40.40	70.77	17.6%	24.1	3.22	2.08	4.14	3.28	8.28
Respironics Inc.	RESP	Medical Supplies	57.90	39.29	63.58	13.9%	21.8	2.81	1.53	3.25	3.41	7.13
Robert Half Int'l	RHI	Human Resources	30.34	19.70	36.87	18.2%	23.7	2.65	2.03	4.48	2.56	7.62
Roper Inds.	ROP	Machinery	58.06	54.48	82.99	16.2%	17.0	2.82	3.11	2.88	2.89	7.60
Ross Stores	ROST	Retail (Special Lines)	28.62	19.85	39.74	18.8%	16.4	3.79	2.58	2.85	1.89	7.20
Royal Dutch Petr.	RD	Petroleum (Integrated)	58.47	51.14	68.79	8.6%	10.3	3.71	3.35	2.13	4.09	8.66
Ryland Group	RYL	Homebuilding	64.87	36.28	72.71	15.4%	7.8	3.28	2.38	4.55	4.53	9.63
Sara Lee Corp.	SLE	Food Processing	23.48	23.61	31.86	12.3%	13.6	3.67	3.14	2.01	2.20	7.15
SCP Pool Corp	POOL	Recreation	29.72	10.97	15.24	16.6%	42.6	3.83	1.02	3.48	2.97	7.33
SEI Investments	SEIC	Computer Software/Svcs	37.36	34.69	60.50	20.2%	20.3	3.95	2.99	4.04	3.70	9.59
Shell Transport	SC	Petroleum (Integrated)	52.78	37.31	58.51	6.2%	10.8	3.68	2.98	2.09	3.52	7.98
Sherwin-Williams	SHW	Chemical (Specialty)	43.20	36.58	53.78	12.6%	13.5	3.88	2.76	2.17	3.49	8.00
Sigma-Aldrich	SIAL	Chemical (Specialty)	62.85	54.39	71.63	11.5%	17.0	4.23	2.81	2.32	2.77	7.88
SLM Corporation	SLM	Financial Svcs. (Div.)	50.19	42.90	65.63	18.5%	18.7	4.71	2.52	3.23	3.64	9.20
Sonic Corp.	SONC	Restaurant	31.84	18.47	32.13	17.1%	23.9	2.85	1.52	3.48	4.00	7.70
Standard Pacific Corp.	SPF	Homebuilding	66.53	51.09	76.74	15.6%	5.9	2.78	2.91	4.20	4.43	9.34
Staples Inc.	SPLS	Office Equip/Supplies	32.74	28.81	45.28	15.1%	17.5	3.40	2.78	3.36	3.50	8.49
Starbucks Corp.	SBUX	Restaurant	54.00	27.08	46.31	13.2%	40.4	3.75	1.26	4.38	3.79	8.59
Stryker Corp.	SYK	Medical Supplies	49.14	39.72	67.59	20.2%	24.9	4.19	1.64	4.22	3.17	8.61
Student Loan Corp.	STU	Financial Svcs. (Div.)	180.66	171.97	268.73	19.9%	13.0	3.71	1.82	3.36	3.14	7.82
SunGard Data Sys.	SDS	Computer Software/Svcs	26.89	31.30	51.21	14.0%	15.0	3.60	3.60	2.96	3.02	8.58
Swift Transportation	SWFT	Trucking	22.30	21.97	36.94	13.5%	15.1	1.86	3.10	2.87	3.93	7.64
Synovus Financial	SNV	Bank	27.13	27.97	42.68	13.1%	15.5	4.12	2.91	2.45	2.42	7.73
Sysco Corp.	SYU	Food Wholesalers	34.97	29.51	50.13	16.8%	20.5	5.00	1.69	3.37	2.04	7.87
Taiwan Semic. ADR	TSM	Semiconductor	8.75	11.57	20.50	19.6%	11.2	2.23	4.35	3.87	2.19	8.22
Target Corp.	TGT	Retail Store	50.77	41.70	69.26	14.4%	18.3	3.93	2.03	2.68	2.43	7.18
Techne Corp.	TECH	Biotechnology	34.87	29.60	47.78	14.0%	21.0	4.06	1.74	3.51	1.97	7.33
Thor Inds.	THO	Manuf. Housing/RV	34.55	20.61	35.90	16.1%	14.3	3.14	1.49	4.16	3.58	8.05
3M Company	MMM	Chemical (Diversified)	84.36	61.77	96.10	15.2%	19.2	4.45	2.22	2.31	2.82	7.67
Timberland Co. 'A'	TBL	Shoe	65.74	53.90	99.41	17.3%	12.0	2.83	2.16	3.31	3.53	7.68
TJX Companies	TJX	Retail (Special Lines)	25.04	22.43	40.05	18.8%	14.3	4.21	2.25	3.40	2.35	7.94
Toll Brothers	TOL	Homebuilding	78.07	44.21	70.45	17.1%	10.4	3.46	1.64	4.55	4.56	9.27
Total ADR	TOT	Petroleum (Integrated)	107.55	113.27	138.62	9.5%	11.4	3.45	2.66	2.81	4.27	8.59
Total System Svcs.	TSS	Financial Svcs. (Div.)	23.61	23.00	37.98	15.5%	24.0	4.13	2.67	3.29	2.76	8.37
Toyota Motor ADR	TM	Auto & Truck	78.19	91.25	121.80	7.9%	10.3	2.88	3.51	2.67	2.61	7.58
United Technologies	UTX	Diversified Co.	100.68	90.05	125.21	13.5%	15.3	4.66	2.00	2.88	2.83	8.05
UnitedHealth Group	UNH	Medical Services	88.90	62.54	110.35	15.1%	16.3	4.46	1.50	4.72	4.25	9.75
Urban Outfitters	URBN	Retail (Special Lines)	42.07	14.35	35.43	17.6%	25.2	2.88	0.55	4.74	3.68	7.70
Walgreen Co.	WAG	Pharmacy Services	42.61	34.98	60.07	15.8%	25.3	5.00	1.72	3.35	4.83	9.73
Wal-Mart Stores	WMT	Retail Store	52.40	58.13	94.83	15.7%	17.3	4.94	2.77	3.20	3.11	9.15
Waters Corp.	WAT	Precision Instrument	49.08	36.22	65.54	19.3%	21.4	2.74	1.46	3.35	3.68	7.29
Wells Fargo	WFC	Bank	61.30	61.81	95.93	13.8%	12.2	4.23	2.41	2.43	2.50	7.51
Werner Enterprises	WERN	Trucking	21.32	17.91	27.01	12.2%	15.0	3.33	2.31	2.70	2.78	7.22
Williams-Sonoma	WSM	Retail (Special Lines)	34.60	32.55	55.51	16.5%	16.8	2.92	2.62	3.77	2.32	7.56
Winnebago	WGO	Manuf. Housing/RV	34.49	20.80	38.90	15.9%	13.4	2.41	1.52	3.94	3.19	7.17
Wrigley (Wm.) Jr.	WWY	Food Processing	70.39	55.10	77.01	14.3%	27.0	5.00	1.48	2.29	3.58	8.04
XTO Energy	XTO	Natural Gas (Div.)	35.91	25.06	40.67	16.9%	12.6	1.20	1.99	4.86	3.41	7.44
Yahoo! Inc.	YHOO	Internet	35.21	19.01	41.75	13.6%	54.7	1.95	1.68	5.00	3.50	7.89