

## A Hedge Fund World

by *Walter S. Frank, Chief Investment Officer*

As the global markets' performances last month showed, investors live in a world that can change on a dime. The skies can look blue, and all is serene. Suddenly, it all changes. Before we know it, without any warning, markets tumble and heavily so. Welcome to the new world, where hedge funds now bulk large.

### The performance pressure

A major characteristic of this world is that funds move quickly and in size in response to events both positive and negative. Another characteristic of this world is that it is extremely competitive. Further, errors are costly. Investors in hedge funds pay handsomely for performance, and require it. Managers are under severe pressure to perform monthly, annually (with a few exceptions). If they fail to perform...bye, bye hedge fund.

The result of this pressure to perform is that when markets show evidence of doing well, such as the emerging markets did, hedge funds pile on driving those markets higher and higher. That was certainly the case over the last eighteen months, if not longer. Let there be a hint of difficulty, though, and the hedge funds flee. We have had two examples of that: once last year, when Japan began talking about the end of the zero-interest rate policy, and then again just now as fear of a U.S. economic slowdown sent the funds packing.

We forgot to mention that hedge funds typically use margin to beef up their performance. What margin gives on the upside, it takes on the downside. As any margin player knows, risk assumes a different dimension when it is leveraged. In a world of leverage, one acts first and thinks about it later.

### A bear market?

The point is hedge funds have an extremely short-term time horizon. Within reason they have to follow any inter-

mediate correction. They cannot wait to decide whether this is the beginning of a bear market or not.

Our horizon is longer. We try to look out 6-9 months in making our allocation decisions. Our basic position is that the ultimate decision, on the downside, is to decide whether we are in a bear market or not. By a bear market we mean a market where the fundamentals give little reason to buy. That holds for both domestic and international markets.

Right now we do not believe that we have entered a bear market. But we do have a nasty correction on our hands. The market is extremely wary of what appears to be the more vigorous anti-inflation stance of the Fed. And rightly so. The wariness here has clearly radiated to many markets around the world. World markets are concerned about the effect of a slowdown here, caused by further Fed tightening, on their economies.

### Dutch Uncle Bernanke

The Fed's position was clearly laid out, in our view, by Chairman Bernanke's short talk of June 5. In the talk, Bernanke emphasized the inflation "threat" rather than the slowdown that is obviously occurring in the economy. He did say that the economy is in "transition" to more moderate growth. But the thrust of his talk concerned inflation.

The market shuddered at his talk, while thoughts of a pause in the Fed's rate-raising went out the window. The market probably has it right. We thought the weak May employment report cinched the deal for a pause, but after Bernanke spoke it would be hard for the Fed to stop right here.

But after that? First and foremost, the economy is slowing. There is no reason to expect that the economy will speed up any time soon. Forecasters we follow are telling us that the economy is now running at about 2.5%, below the speed limit of 3-3/4 percent.

We are getting down there in terms of growth. We do not believe the Fed is interested in engineering a recession. In fact, Bernanke stated in a concluding paragraph of his talk that "the Committee will seek a trajectory for the economy that aligns economic activity with underlying productive capacity." That trajectory is ultimately about 3% real growth.

A second observation is that another one-quarter percent rise in interest rates here is not going to affect growth in China or India. Asia is not immune to activity here. But we are no longer the leading player in most of Asia's economies. China's demand for commodities is not going to stop because we are slowing.

None of these observations is meant to deny that Bernanke's talk has raised the risk level for the market. The economy is slowing, and for the Fed to be growling about

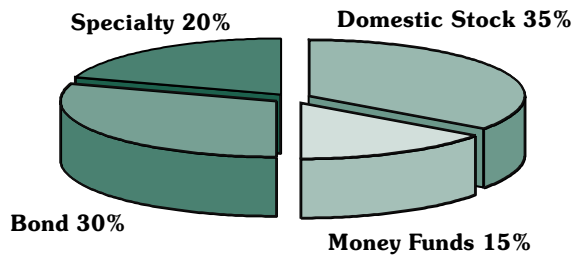
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### Market Trends

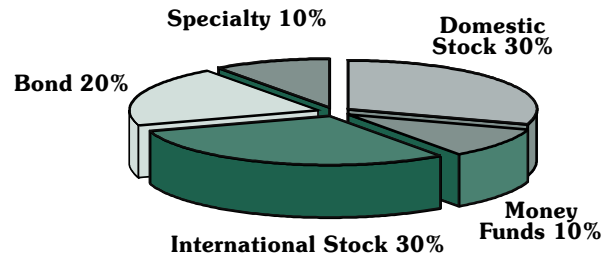
	Trailing 12-Mo Trend	Forward 6-Mo Estimate
Economy	Higher	Higher
Interest Rates	Higher	Higher
Dollar	Lower	Flat/Lower
Inflation	Higher	Flat/Higher
Dow	Higher	Higher
NASDAQ	Higher	Higher
Europe	Higher	Higher
Japan (Nikkei)	Higher	Higher
Hong Kong (Hang Seng)	Higher	Higher

**CONSERVATIVE**

Seeks steady long-term growth of capital with limited short-term volatility

**MODERATE**

Seeks greater long-term growth than the Conservative Portfolio by taking prudent risks

**MONEYLETTER Conservative**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Schwab Money Market	Yield YTD	1.6%	21,469	\$1.00	\$21,469
AmerCent Inflation Adj	02/12/03	14.1	2,320	10.64	24,689
Loomis Sayles Bond Retail	03/17/04	17.1	1,259	13.81	17,390
Gateway Fund	11/27/02	26.7	619	25.86	16,017
Marsico 21st Century	11/30/05	7.1	1,488	13.85	20,610
Bridgeway Small Cap Value	09/19/05	14.4	859	15.99	13,738
Royce Opportunity	04/26/06	-6.1	1,511	13.71	20,713
RS Global Natural Resources	01/11/06	7.9	421	36.99	15,586
<b>TOTAL VALUE</b>					<b>\$150,212</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-2.3%	4.7%	9.6%	41.3%	4.0%

**MONEYLETTER Moderate**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Schwab Money Market	Yield YTD	1.6%	11,950	\$1.00	\$11,950
Loomis Sayles Bond Retail	03/17/04	17.1	1,762	13.81	24,335
Driehaus Emerging Mkts Growth	05/24/06	2.0	804	32.42	26,054
Forward Intl Small Companies	06/01/05	40.9	1,568	17.22	27,006
Bridgeway Small Cap Value	09/19/05	14.4	956	15.99	15,283
Marsico 21st Century	11/30/05	7.1	1,408	13.85	19,494
Janus Orion	11/16/05	9.4	2,495	8.77	21,880
RS Global Natural Resources	01/11/06	7.9	443	36.99	16,391
<b>TOTAL VALUE</b>					<b>\$162,393</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-5.4%	9.0%	17.7%	75.0%	6.9%

**Fidelity Conservative**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	1.8%	15,968	\$1.00	\$15,968
Fidelity Inflation-Protected	09/15/04	3.5	1,142	10.69	12,208
Fidelity Strategic Income	03/17/04	13.7	1,894	10.40	19,701
Fidelity Balanced	11/27/02	58.0	846	19.31	16,336
Fidelity Independence	04/26/06	-5.6	773	20.38	15,744
Fidelity Small Cap Stock	02/22/06	-0.3	691	19.70	13,614
Fidelity Value Discovery	04/26/06	-3.6	975	16.49	16,084
Fidelity Natural Resources	01/11/06	7.3	452	27.48	12,421
<b>TOTAL VALUE</b>					<b>\$122,076</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-2.6%	5.4%	11.1%	37.8%	4.1%

**Fidelity Moderate**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Cash Reserves	Yield YTD	1.8%	11,102	\$1.00	\$11,102
Fidelity Strategic Income	03/17/04	13.7	2,775	10.40	28,856
Fidelity Emerging Markets	05/11/05	53.9	1,499	20.15	30,214
Fidelity Japan	11/16/05	15.8	1,180	17.54	20,697
Fidelity Leveraged Company	04/26/06	-4.4	815	27.94	22,784
Fidelity Small Cap Stock	04/26/06	-6.5	1,114	19.70	21,949
Fidelity Natural Resources	01/11/06	7.3	563	27.48	15,461
<b>TOTAL VALUE</b>					<b>\$151,063</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-5.4%	7.9%	19.1%	62.6%	3.5%

**Vanguard Conservative**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime Port MM	Yield YTD	1.8%	17,428	\$1.00	\$17,428
Vanguard Inflation Protect	02/19/03	15.0	1,173	11.91	13,971
Vanguard GNMA	03/17/04	5.2	1,819	10.01	18,204
Vanguard Balanced Index	11/27/02	35.5	601	19.98	12,008
Vanguard Mid-Cap Index	07/20/05	9.4	1,083	18.45	19,979
Vanguard Extended Market	11/16/05	8.5	436	35.98	15,695
Vanguard Small Cap Value	03/24/04	37.1	537	15.55	8,351
RS Global Natural Resources	01/18/06	7.9	335	36.99	12,394
<b>TOTAL VALUE</b>					<b>\$118,030</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-2.0%	3.5%	7.6%	33.4%	2.8%

**Vanguard Moderate**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Prime Port MM	Yield YTD	1.8%	9,600	\$1.00	\$9,600
Vanguard FI Hi-Yld Corp	01/17/01	34.4	3,857	6.08	23,451
Vanguard Pacific Stk Index	10/05/05	16.4	1,835	11.91	21,860
Vanguard Emg Mkts Stk Index	08/10/05	20.5	1,047	20.28	21,240
Vanguard Small Cap Growth Index	02/22/06	-1.8	1,343	17.50	23,507
Vanguard Mid-Cap Index	03/02/05	17.7	1,217	18.45	22,445
RS Global Natural Resources	01/18/06	7.9	373	37.96	13,815
<b>TOTAL VALUE</b>					<b>\$135,918</b>

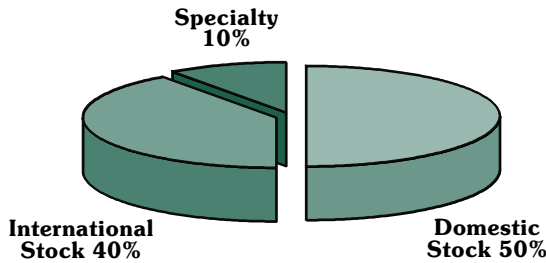
**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-4.6%	6.2%	14.5%	54.3%	3.8%

Note: Asset Allocation Portfolios were indexed to \$100,000 on January 1, 2000. Pie charts show allocations at press time.

**VENTURESOME**

Seeks maximum long-term growth by accepting greater short-term volatility



**MONEYLETTER Venturesome**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Janus Overseas	05/24/06	1.9%	660	\$36.85	\$24,333
Driehaus Intl Discovery	09/07/05	31.5	539	45.74	24,660
Fidelity Japan	01/25/06	-3.2	813	17.54	14,258
Bridgeway Small Cap Value	09/19/05	14.4	1,664	15.99	26,612
Kinetics Paradigm	09/07/05	12.1	510	22.79	11,617
Janus Orion	11/16/05	9.4	2,323	8.77	20,377
Marsico 21st Century	11/30/05	7.1	1,412	13.85	19,561
RS Global Natural Resources	01/11/06	7.9	431	36.99	15,948
<b>TOTAL VALUE</b>					<b>\$157,366</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-7.3%	9.4%	24.1%	86.6%	6.5%

**Fidelity Venturesome**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Fidelity Emerging Markets	05/11/05	53.9%	1,407	\$20.15	\$28,356
Fidelity Japan	11/16/05	15.8	954	17.54	16,736
Fidelity Southeast Asia	08/10/05	25.4	650	23.56	15,310
Fidelity Fifty	04/26/06	-6.6	1,183	23.20	27,438
Fidelity Leveraged Company	04/26/06	-4.4	826	27.94	23,069
Fidelity Value Discovery	03/08/06	1.0	722	16.49	11,898
Fidelity Small Cap Stock	04/26/06	-6.5	1,081	19.70	21,291
Fidelity Natural Resources	01/11/06	7.3	596	27.48	16,383
<b>TOTAL VALUE</b>					<b>\$160,481</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-6.6%	8.1%	22.5%	66.9%	3.7%

**Vanguard Venturesome**

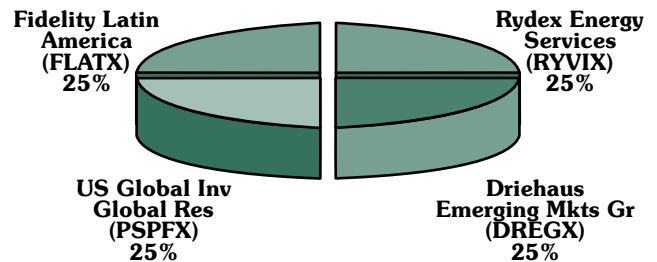
Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Vanguard Emg Mkts Stk Index	02/16/05	35.1%	1,448	\$20.28	\$29,370
Vanguard Pacific Stk Index	10/05/05	16.4	2,394	11.91	28,509
Vanguard Mid-Cap Index	02/16/05	18.4	1,292	18.45	23,840
Vanguard Capital Value	05/03/06	-3.9	1,659	12.23	20,285
Vanguard Small Cap Growth Index	02/22/06	-1.8	1,263	17.50	22,094
RS Global Natural Resources	01/18/06	7.9	388	36.99	14,354
<b>TOTAL VALUE</b>					<b>\$138,452</b>

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-5.8%	7.3%	19.0%	62.7%	4.1%

**SELECT**

Seeks maximum long-term growth by assertively upgrading fund positions



**MONEYLETTER Select**

Fund Name	Buy Date	Return Since Buy	Shares	Share Price	Current Value
Driehaus Emerging Markets Grwth	05/17/06	-5.9%	1,402	\$32.42	\$45,443
US Global Inv Global Resources	05/03/06	-7.6	2,867	17.26	49,483
Rydex Energy Services	05/03/06	-6.8	1,121	46.47	52,102
Fidelity Latin America	12/29/04	70.8	1,328	35.16	46,684
<b>TOTAL VALUE</b>					<b>\$193,712</b>

Inception: 9/30/02

**TOTAL RETURNS (as of 5/31/06)**

1-mo	6-mo	1-yr	3-yr	YTD
-9.8%	8.2%	35.8%	92.2%	5.1%

**MONEYLETTER Select Commentary**

The Hotline of Tuesday, May 2 recommended the sale of Fidelity Japan (FJPNX) to be exchanged for shares of US Global Inv Global Resources (PSPFX) and the sale of Fidelity Air Transportation (FSAIX) to be exchanged for shares of Rydex Energy Services (RYVIX). The recommended trades were executed at the market close May 3, 2006. Details: sold 2,474 shares of (FJPNX) @ \$19.21 per share, purchased 2,546 shares of (PSPFX) @ \$18.67 per share. Sold 1,130 shares of (FSAIX) @ \$46.81 per share, purchased 1,061 shares of (RYVIX) @ \$49.84 per share. Additional re-balancing trades were also completed at this time.

The Hotline of Tuesday, May 16 recommended the sale of T. Rowe Emerging Europe & Med. (TREM) to be exchanged for shares of Driehaus Emerging Markets Growth (DREGX). Details: sold 1,765 shares of (TREM) @ \$27.71 per share, purchased 1,402 shares of (DREGX) @ \$34.89 per share.

The dramatic "sell-off"/correction hit emerging markets investments quite severely during recent weeks. Fortunately, there were significant profits in place to cushion the impact. \$

**Total Returns—May 31, 2006**

	1-mo	6-mo	1-yr	3-yr	YTD
S&P 500	-2.9%	2.6%	8.6%	39.1%	2.5%
Asset Allocation	-2.2	3.6	8.8	33.6	2.6
Funds (Avg) 264 Funds					

## Domestic Stock Funds

RANK	6/5 2006	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE	RISK		NTF/ w/f
										1 mo.	6 mo.	12 mo.	PER SHARE	Std. Dev.	Beta	
1	3	—	HDPMX	Hodges Fund (2%r<90d)	MC	*	B	B	-8.4%	12.9%	34.6%	\$24.45	19.0	1.85	FSA	
2	18	—	HRTVX	Heartland Value	SCVal	*	B	B	-6.3	13.9	26.3	51.10	16.9	1.57	FSA	
<b>3</b>	<b>32</b>	<b>39</b>	<b>WWNPX</b>	<b>Kinetics Paradigm (2%r&lt;30d)</b>	<b>MC</b>	<b>(B)</b>	<b>(B)</b>	<b>(B)</b>	<b>-4.6</b>	<b>12.3</b>	<b>24.9</b>	<b>22.83</b>	<b>10.8</b>	<b>1.05</b>	<b>FSA</b>	
4	9	—	RYVPX	Royce Value Plus (1%r<180d)	SCGro	*	(B)	(B)	-7.2	10.0	33.6	13.16	16.9	1.54	FSA	
5	11	33	RYLPX	Royce Low Priced Stock (closed, 1%r<180d)	SCVal	B	B	B	-7.3	10.8	29.5	17.13	15.4	1.38	fsa	
6	14	135	IZZYX	ICM/Isabelle Small Cap Value	SCVal	B	B	B	-8.1	11.4	25.1	15.72	17.1	1.60	FSA	
7	161	68	FAIRX	Fairholme Fund	MC	H	H	H	-0.4	9.2	19.0	27.45	8.4	0.71	fsa	
8	16	51	CGMFX	CGM Focus	SCVal	B	B	B	-9.1	10.8	26.9	37.24	22.4	1.50	sa	
9	12	10	FMCSX	Fidelity Mid-Cap Stock (closed, .75%r<30d)	MCGro	B	B	B	-7.5	9.4	27.5	28.30	13.8	1.29	Fsa	
<b>10</b>	<b>1</b>	<b>13</b>	<b>BRSVX</b>	<b>Bridgeway Small Cap Value</b>	<b>SCVal</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-9.7</b>	<b>9.5</b>	<b>29.6</b>	<b>15.93</b>	<b>—</b>	<b>—</b>	<b>fsa</b>	
11	5	1	TWHIX	American Century Heritage	MCGro	B	B	B	-9.1	9.0	29.1	15.67	13.4	1.31	FSA	
12	7	42	MNSCX	WellsFargo Montgomery Small Cap (closed)	SCGro	B	B	B	-8.7	9.3	27.5	13.38	17.1	1.53	fs	
13	37	11	NEEGX	Needham Growth Fund (.75%r<30d)	SCGro	(B)	(B)	(B)	-4.9	7.2	26.5	38.55	25.7	1.19	FSA	
14	13	—	ATASX	ABN AMRO/TAMRO Small Cap N	SC	*	B	B	-8.4	10.5	21.7	18.28	15.8	1.52	FSA	
15	6	22	FMILX	Fidelity New Millennium (closed)	MCGro	B	B	B	-9.7	8.9	27.6	37.22	15.8	1.46	Fsa	
16	48	16	SSMVX	Wells Fargo Adv SC Value CIZ (closed)	SC	(B)	(B)	(B)	-5.0	6.6	26.1	32.35	16.3	1.44	FSA	
17	127	139	SMCDX	Wells Fargo Advantage MC Disciplined	MCVal	H	H	H	-1.9	8.1	17.6	22.12	10.0	0.96	FSA	
18	67	248	SCOVX	Wells Fargo Advantage SC Disciplined	SCVal	*	B	B	-5.2	10.1	17.3	17.41	16.0	1.41	FSA	
19	71	188	WMCVX	Wasatch Small Cap Value (closed, 2%r<60d)	SCVal	*	B	B	-4.4	8.7	19.2	5.45	14.0	1.47	FSA	
<b>20</b>	<b>10</b>	<b>159</b>	<b>RYPNX</b>	<b>Royce Opportunity (1%r&lt;180d)</b>	<b>SCVal</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-8.8</b>	<b>9.6</b>	<b>23.3</b>	<b>13.59</b>	<b>18.4</b>	<b>1.74</b>	<b>fsa</b>	
21	107	76	LSGIX	Loomis Sayles Value	LCVal	H	H	H	-3.5	7.9	19.5	19.74	8.7	0.93	fsA	
22	26	12	JSVAX	Janus Contrarian	MC	*	B	B	-8.1	8.0	24.8	15.88	13.6	1.29	SA	
23	50	5	RYPRX	Royce Premier (closed, 1%r<180d)	SC	H	H	H	-6.0	5.7	26.9	17.71	12.6	1.13	fsa	
24	136	94	VCV SX	Vanguard Convertible Securities (closed)	Convrt	H	H	H	-3.2	7.3	18.0	14.09	7.8	1.02	fsa	
25	19	19	TGSCX	TCW Galileo Small Cap Growth	MCGro	*	(H)	(H)	-8.8	7.4	25.3	18.93	18.6	1.71	FSA	
26	17	7	RIMSX	Rainier Small/Mid Cap Equity (closed)	MCGro	*	B	B	-9.2	7.5	25.6	35.67	15.2	1.42	FSA	
27	146	119	MQIFX	Mutual Qualified (1%) CIZ	MCVal	H	H	H	-3.4	7.7	15.9	21.05	8.0	0.82	sa	
28	24	—	RYVFX	Royce Value	SC	(B)	(B)	(B)	-7.6	6.8	24.5	10.28	13.1	1.18	FSA	
29	62	156	LSCRX	Loomis Sayles Small Cap Value Ret	SC	H	H	H	-5.8	7.8	19.2	27.30	12.1	1.18	FSA	
30	22	98	USCGX	USAA Capital Growth	MCGro	*	B	B	-8.2	9.0	19.6	8.50	15.0	1.52	fsa	
31	33	61	BPTRX	Baron Partners	MCGro	H	H	H	-6.3	6.7	21.9	19.90	13.3	1.15	FSA	
32	124	257	AVALX	Aegis Value Fund	SCVal	H	H	H	-3.2	9.4	10.3	17.99	11.6	1.01	fa	
33	155	164	BEGRX	Mutual Beacon (1%) CIZ	MCVal	H	H	H	-2.8	7.6	14.2	16.58	7.6	0.76	sa	
34	150	202	LLPFX	Longleaf Partners	MCVal	H	H	H	-3.5	8.3	13.5	33.71	9.9	0.95	fa	
35	90	84	RSPFX	RS Partners (closed)	SC	H	H	H	-4.7	6.2	20.5	35.16	13.0	1.16	FSA	
36	55	247	FBRVX	FBR Small Cap (closed, 1%r<90d)	SCGro	H	H	H	-6.6	9.5	14.7	46.34	12.4	1.11	FSA	
37	73	113	FCV SX	Fidelity Convertible Securities	Convrt	H	H	H	-4.9	7.4	17.4	23.87	8.9	1.14	Fsa	
38	15	29	BOGLX	Bogle Small Cap Growth (closed)	SCGro	B	B	B	-9.7	7.0	24.4	28.96	16.2	1.47	a	
39	29	82	FIDYX	AIM Dynamics Inv (closed)	MCGro	*	H	H	-7.8	7.7	19.5	19.57	13.1	1.26	Fsa	
40	2	9	BRSGX	Bridgeway Small Cap Growth	SCGro	B	B	B	-10.6	5.9	27.7	14.89	—	—	fsa	
<b>41</b>	<b>53</b>	<b>—</b>	<b>FVDFX</b>	<b>Fidelity Value Discovery</b>	<b>MC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-6.0</b>	<b>5.9</b>	<b>20.8</b>	<b>16.45</b>	<b>11.6</b>	<b>1.19</b>	<b>F</b>	
<b>42</b>	<b>31</b>	<b>2</b>	<b>JORNX</b>	<b>Janus Orion</b>	<b>MC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-8.1</b>	<b>6.3</b>	<b>22.9</b>	<b>8.82</b>	<b>13.3</b>	<b>1.37</b>	<b>FSA</b>	
43	—	—	IWS	Russell MidCap Value (fS)	MCVal	H	H	H	-3.8	6.4	16.1	131.80	10.0	1.18	—	
44	137	136	DODGX	Dodge & Cox Stock (closed)	LCVal	H	H	H	-3.8	6.6	15.4	144.60	9.5	1.02	sa	
45	86	140	SLSSX	Selected Special Shares	MCGro	H	H	H	-5.2	7.3	15.6	13.28	12.3	1.28	sa	
46	138	220	GABAX	Gabelli Asset	MC	H	H	H	-3.8	7.6	12.5	44.26	10.2	1.09	FSA	
47	—	—	DSV	DJ WI US SmallCap Value (stTr)	SCVal	*	H	H	-6.0	6.1	19.5	64.87	13.5	1.53	—	
48	49	83	BRSIX	Bridgeway Ultra Small Co Mkt	SC	*	H	H	-7.2	5.9	21.8	19.22	16.9	1.60	fsa	
49	141	144	HOVLX	Homestead Value	LCVal	H	H	H	-4.0	6.3	15.8	34.89	9.2	0.96	A	
50	42	107	PRSVX	T. Rowe Price S-C Value (closed, 1%r<1yr)	SCVal	H	H	H	-8.0	6.6	21.0	40.05	12.0	1.13	fsa	
51	4	127	HENLX	Hennessy Cornerstone Gwth II (1.5%r<90d)	SCGro	H	H	H	-11.2	8.7	20.4	31.92	30.9	1.19	FSA	
52	166	129	MUTHX	Mutual Shares (1%) CIZ	MCVal	H	H	H	-3.2	6.5	13.7	25.20	6.9	0.71	sa	
53	119	92	SAOPX	Salomon Brothers Opportunity	MCVal	H	H	H	-4.5	5.8	17.3	54.01	0.9	9.14	sa	
54	130	124	RSVAX	RS Value	MC	H	H	H	-3.8	5.7	16.3	25.87	12.0	1.01	FSA	
<b>55</b>	<b>60</b>	<b>69</b>	<b>MXIX</b>	<b>Marsico 21st Century (2%r&lt;30d)</b>	<b>LC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-6.5</b>	<b>5.6</b>	<b>20.3</b>	<b>13.77</b>	<b>14.2</b>	<b>1.36</b>	<b>fsa</b>	
56	54	57	PENNX	Royce Penn Mutual (1%r<180d)	SCVal	H	H	H	-6.9	5.8	20.4	11.49	12.9	1.18	fsa	
57	21	195	GSETX	Columbia Small Company Equity CIZ	SCGro	(H)	(H)	(H)	-10.0	8.1	18.8	19.92	16.6	1.56	fa	
58	82	63	CRMSX	CRM Small Cap Value Inv (closed)	SCVal	H	H	H	-5.5	5.2	19.2	26.97	13.6	1.32	Fsa	
<b>59</b>	<b>25</b>	<b>14</b>	<b>FLVCX</b>	<b>Fidelity Leveraged Co (\$10k, 1.5%r&lt;90d)</b>	<b>MC</b>	<b>*</b>	<b>H</b>	<b>H</b>	<b>-8.0</b>	<b>6.4</b>	<b>19.9</b>	<b>27.74</b>	<b>18.1</b>	<b>1.75</b>	<b>Fa</b>	
60	—	—	NYC	NYSE Composite (fS)	LC	H	H	H	-5.2	6.3	16.0	74.98	—	—	—	
61	72	72	STCSX	Wells Fargo Adv Common Stock Z (closed)	MC	H	H	H	-6.1	6.0	17.8	22.94	12.2	1.24	FSA	
62	—	—	JKJ	Morningstar Small Core (fS)	SC	H	H	H	-8.0	7.1	18.1	78.34	—	—	—	
63	234	163	OAKBX	Oakmark Equity&Income (2%r<90d)	Bal	H	H	H	-0.7	4.9	12.0	26.02	6.6	0.78	FSA	
64	68	—	IOLIX	ICON Long/Short	LngShrt	*	H	H	-6.7	6.2	17.7	17.41	12.9	1.57	FSA	
65	108	240	CBMDX	C&B Mid Cap Value	MCVal	H	H	H	-4.8	6.4	14.2	21.69	13.0	1.32	FSA	
66	36	217	JAVTX	Janus Venture (closed)	SCGro	*	H	H	-9.0	7.7	16.8	61.14	16.7	1.55	FSA	
67	102	169	CRMMX	CRM Mid Cap Value Inv	MCVal	S	S	S	-5.4	6.8	13.5	28.18	10.0	1.04	Fsa	
68	—	—	IWN	Russell 2000 Value (fS)	SCVal	*	H	H	-6.9	6.4	16.6	71.45	13.6	1.50	—	

**Bold funds are currently held in MONEYLETTER model portfolios.**  
**Advice:** B=Buy, H=Hold, S=Sell, (B), (H), (S) = advice new this issue,  
 \* = not for this portfolio.

**Std. Dev.:** Standard Deviation based on trailing 3-yr. returns.

**Beta:** fund's correlation to the market (S&P 500 = 1.0). A fund with a beta greater than 1.0 is more volatile than the S&P 500.  
**NTF/wtf:** NO TRANSACTION FEE/with transaction fee (F/f) for Fidelity, (S/s) for Schwab and (A/a) for TD Ameritrade.

Domestic Stock Funds (continued)

RANK	6/5	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/wff
										1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
69	—	—	—	IYJ	DJ US Industrial (iS)	LC	H	H	H	-6.2	6.8	14.4	62.15	9.9	1.08	—
70	—	—	—	IJJ	S&P 400 MidCap Value (iS)	MCVal	* S	S	S	-6.1	5.7	16.3	74.80	11.7	1.37	—
71	134	130	—	TRMCX	T. Rowe Price Mid Cap Value	MCVal	S	S	S	-4.0	5.3	14.0	24.52	11.1	1.19	fSa
72	27	8	—	CLSPX	Columbia Mid Cap Growth Clz	MCGro	H	H	H	-8.6	4.8	22.1	24.98	14.7	1.32	Sa
<b>73</b>	<b>23</b>	<b>93</b>	—	<b>FSLCX</b>	<b>Fidelity Small Cap Stock (2%r&lt;90d)</b>	<b>SCGro</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-9.5</b>	<b>6.1</b>	<b>19.8</b>	<b>18.31</b>	<b>12.8</b>	<b>1.20</b>	<b>Fa</b>
74	84	125	—	FLPSX	Fidelity L P Stock (closed,1.5%r<90d)	SCVal	H	H	H	-6.2	5.8	15.6	43.14	11.9	1.20	Fsa
75	66	251	—	NBSSX	Neuberger Berman Focus	LCVal	* S	S	S	-6.9	8.5	9.8	35.09	18.8	1.68	fSa
76	154	171	—	ICSLX	ICAP Select Equity	LCVal	S	S	S	-4.8	5.6	13.9	38.38	9.1	0.94	fSa
77	—	—	—	PWV	Powershares Dynamic LargeCap Va	LCVal	S	S	S	-3.9	4.4	15.4	16.97	—	—	—
<b>99</b>	<b>99</b>	<b>186</b>	—	<b>VISVX</b>	<b>Vanguard Small-Cap Value Index</b>	<b>SCVal</b>	<b>H</b>	<b>S</b>	<b>S</b>	<b>-6.0</b>	<b>5.1</b>	<b>14.5</b>	<b>15.49</b>	<b>12.0</b>	<b>1.34</b>	<b>fSa</b>
101	28	4	—	SSMGX	Sit Small Cap Growth (2%r<30d)	MCGro	* (H)	(H)	(H)	-8.9	2.8	24.3	33.29	15.6	1.40	FSA
102	45	30	—	NMANX	Neuberger Berman Manhattan	MCGro	* (S)	(S)	(S)	-7.8	4.2	19.2	8.27	13.8	1.28	f
<b>104</b>	<b>89</b>	<b>43</b>	—	<b>VIMSX</b>	<b>Vanguard Mid-Cap Index</b>	<b>MC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-6.1</b>	<b>4.2</b>	<b>16.4</b>	<b>18.34</b>	<b>11.2</b>	<b>1.31</b>	<b>fSa</b>
111	8	6	—	BRAIX	Bridgeway Aggressive Investors 2	MCGro	* (H)	(H)	(H)	-11.1	4.1	23.4	17.26	19.9	1.74	fSa
114	44	48	—	PRNHX	T. Rowe Price New Horizons	SCGro	* (S)	(S)	(S)	-8.4	4.5	18.0	32.75	14.5	1.39	fSa
<b>123</b>	<b>88</b>	<b>91</b>	—	<b>VEXMX</b>	<b>Vanguard Extended Market Index</b>	<b>MC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-6.8</b>	<b>3.9</b>	<b>15.8</b>	<b>35.83</b>	<b>12.1</b>	<b>1.38</b>	<b>fSa</b>
<b>129</b>	<b>40</b>	<b>101</b>	—	<b>VISGX</b>	<b>Vanguard Small Cap Growth Index</b>	<b>SCGro</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-8.8</b>	<b>4.2</b>	<b>17.6</b>	<b>17.33</b>	<b>14.9</b>	<b>1.60</b>	<b>fSa</b>
<b>138</b>	<b>79</b>	<b>36</b>	—	<b>FDFFX</b>	<b>Fidelity Independence</b>	<b>LCGro</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-7.0</b>	<b>3.4</b>	<b>16.0</b>	<b>20.34</b>	<b>12.2</b>	<b>1.25</b>	<b>Fsa</b>
<b>139</b>	<b>104</b>	<b>216</b>	—	<b>VCVLX</b>	<b>Vanguard Capital Value</b>	<b>LCVal</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-6.3</b>	<b>5.3</b>	<b>10.0</b>	<b>12.14</b>	<b>10.1</b>	<b>1.19</b>	<b>fSa</b>
<b>176</b>	<b>96</b>	<b>24</b>	—	<b>FFTYX</b>	<b>Fidelity Fifty (.75%r&lt;30d)</b>	<b>LC</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-7.2</b>	<b>2.0</b>	<b>15.7</b>	<b>23.19</b>	<b>12.5</b>	<b>1.28</b>	<b>Fsa</b>
188	56	47	—	TMGFX	Turner Mid Cap Growth	MCGro	* (S)	(S)	(S)	-9.4	2.2	16.7	28.45	15.7	1.45	FSA
239	30	—	—	USRAX	Undiscovered SC Growth A LW (closed)	SCGro	* (S)	(S)	(S)	-11.5	2.2	14.7	10.36	—	—	f

Dow Jones  
NASDAQ  
S&P 500

-4.6% 2.0% 5.6%  
-7.4 -3.9 4.7  
-4.6 0.3 5.8

indexes do not  
include dividends

International Stock Funds

<b>1</b>	<b>9</b>	<b>—</b>	<b>ICSEX</b>	<b>ICON Europe</b>	<b>Europe</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-8.1%</b>	<b>27.9%</b>	<b>46.1%</b>	<b>\$18.48</b>	<b>13.9</b>	<b>—</b>	<b>FSA</b>
<b>2</b>	<b>8</b>	<b>18</b>	<b>JAOSX</b>	<b>Janus Overseas (2%r&lt;90d)</b>	<b>Int'l</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-11.5</b>	<b>21.0</b>	<b>53.3</b>	<b>36.91</b>	<b>15.1</b>	<b>—</b>	<b>FSA</b>
<b>3</b>	<b>2</b>	<b>10</b>	<b>DREGX</b>	<b>Driehaus Emerging Mkts Gr (2%r&lt;60d)</b>	<b>Int'l</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-13.4</b>	<b>18.8</b>	<b>60.1</b>	<b>32.36</b>	<b>17.9</b>	<b>—</b>	<b>FSA</b>
<b>4</b>	<b>20</b>	<b>25</b>	<b>PISRX</b>	<b>Forward Intl Small Companies (2%r&lt;180d)</b>	<b>Int'l</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-7.2</b>	<b>21.7</b>	<b>42.1</b>	<b>17.43</b>	<b>13.6</b>	<b>—</b>	<b>FSA</b>
<b>5</b>	<b>25</b>	<b>62</b>	<b>FECAX</b>	<b>Fidelity Europe Capital App. (1%r&lt;30d)</b>	<b>Europe</b>	<b>*</b>	<b>(B)</b>	<b>(B)</b>	<b>(B)</b>	<b>-6.7</b>	<b>22.4</b>	<b>38.4</b>	<b>26.20</b>	<b>13.3</b>	<b>—</b>	<b>Fa</b>
<b>6</b>	<b>7</b>	<b>8</b>	<b>DRIDX</b>	<b>Driehaus Intl Discovery (2%r&lt;60d)</b>	<b>Int'l</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-10.6</b>	<b>18.2</b>	<b>54.0</b>	<b>45.81</b>	<b>16.3</b>	<b>—</b>	<b>FSA</b>
7	15	24	ARTJX	Artisan Intl Small Cap (closed,2%r<90d)	Int'l	*	B	B	B	-9.1	20.3	41.3	22.54	12.6	—	SA
8	10	14	AIOIX	Amer.Cent.Intl Opp. (closed,2%r<180d)	Int'l	*	(B)	(B)	(B)	-10.4	18.8	47.0	11.42	14.9	—	—
9	19	34	ACINX	Columbia Acorn Intl Z (2%r<60d)	Int'l	*	(B)	(B)	(B)	-8.8	20.4	40.1	38.86	11.6	—	Sa
10	21	19	PRIDX	T. Rowe Price Intl Disc. (2%r<90d)	Int'l	*	B	B	B	-9.0	17.5	43.0	46.56	12.9	—	fSa
11	35	51	ACFFX	Columbia Acorn Intl Select Z	Int'l	*	B	B	B	-6.7	19.1	34.7	23.65	11.5	—	Sa
12	66	71	OAKIX	Oakmark International (2%r<90d)	Int'l	*	H	H	H	-2.1	17.7	30.4	26.23	9.2	—	FSA
13	33	60	QFVOX	Quant Foreign Value (1%r<30d)	Int'l	*	H	H	H	-5.9	18.7	32.7	20.16	12.2	—	FSA
14	26	38	VINEX	Vanguard Intl Expl (closed,\$25k,2%r<60d)	Int'l	*	(B)	(B)	(B)	-8.3	18.9	34.8	20.42	11.4	—	fSa
<b>15</b>	<b>6</b>	<b>11</b>	<b>FEMIX</b>	<b>Fidelity Emerging Mkts (1.5%r&lt;90d)</b>	<b>Int'l</b>	<b>*</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-14.1</b>	<b>15.4</b>	<b>52.0</b>	<b>20.28</b>	<b>17.8</b>	<b>—</b>	<b>Fsa</b>
16	16	22	FISMX	Fidelity Intl Small Cap (closed,2%r<90d)	Int'l	*	B	B	B	-10.8	17.5	40.8	30.05	14.2	—	Fa
17	36	63	SCGEX	DWS Europe Equity S (closed,2%r<30d)	Europe	*	H	H	H	-7.2	18.8	31.8	34.49	11.3	—	FSA
18	48	68	ARTKX	Artisan Intl Value (2%r<90d)	Int'l	*	H	H	H	-6.4	18.4	31.3	25.56	10.5	—	FSA
19	24	42	WAIGX	Wasatch Intl Growth (closed,2%r<60d)	Int'l	*	H	H	H	-9.3	17.6	37.3	22.32	11.5	—	FSA
20	34	35	OAKEX	Oakmark Intl Small Cap (closed,2%r<90d)	Int'l	*	H	H	H	-7.1	16.6	35.1	22.43	10.5	—	FSA
21	29	41	BJBIX	Julius Baer Intl Equity A (closed,2%r<90d)	Int'l	*	H	H	H	-8.0	16.9	34.8	40.35	11.9	—	FS
22	1	2	PRLAX	T. Rowe Price Latin America (2%r<90d)	LatinA	*	H	H	H	-16.4	11.3	60.6	28.84	20.5	—	fSa
23	31	26	NBISX	Neuberger Berman Intl (2%r<60d)	Int'l	*	S	S	S	-8.3	15.3	36.0	24.19	11.4	—	fSa
<b>24</b>	<b>14</b>	<b>23</b>	<b>FSEAX</b>	<b>Fidelity SE Asia (1.5%r&lt;90d)</b>	<b>Pacific</b>	<b>*</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-10.2</b>	<b>15.6</b>	<b>37.8</b>	<b>23.32</b>	<b>17.2</b>	<b>—</b>	<b>Fsa</b>
25	32	30	SCOBX	DWS Global Thematic S (closed,2%r<30d)	Global	*	H	H	H	-7.7	14.5	36.4	33.87	11.1	—	FSA
26	18	50	SCOPX	DWS Pacific Opp Eq. S (closed,2%r<30d)	Pacific	*	H	H	H	-10.2	16.7	33.7	17.79	14.9	—	FSA
27	4	4	EUROX	US Global Eastern Europe (2%r<180d)	Europe	*	H	H	H	-17.0	10.5	57.7	43.26	22.0	—	FSA
<b>28</b>	<b>38</b>	<b>40</b>	<b>VTRIX</b>	<b>Vanguard International Value (2%r&lt;60d)</b>	<b>Int'l</b>	<b>*</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-7.5</b>	<b>14.9</b>	<b>31.7</b>	<b>38.77</b>	<b>11.1</b>	<b>—</b>	<b>fSa</b>
<b>29</b>	<b>3</b>	<b>3</b>	<b>FLATX</b>	<b>Fidelity Latin Amer. (1.5%r&lt;90d)</b>	<b>LatinA</b>	<b>*</b>	<b>H</b>	<b>H</b>	<b>H</b>	<b>-16.3</b>	<b>9.6</b>	<b>57.3</b>	<b>35.50</b>	<b>19.8</b>	<b>—</b>	<b>Fs</b>
30	—	—	—	MSCI EMU (iS)	Europe	*	H	H	H	-6.5	15.7	27.0	87.45	12.1	—	—
31	28	33	HAINX	Harbor International (2%r<60d)	Int'l	*	H	H	H	-9.5	13.8	35.6	55.02	11.2	—	fSa
32	63	73	VEURX	Vanguard European Stock Index (2%r<60d)	Europe	*	H	H	H	-5.5	15.4	25.6	31.42	10.7	—	fSa
33	43	59	DODFX	Dodge & Cox Intl Stock	Int'l	*	H	H	H	-7.3	14.4	29.6	39.22	11.2	—	fSa
34	50	48	FIEUX	Fidelity Europe (1%r<30d)	Europe	*	H	H	H	-7.4	14.4	29.1	39.81	12.4	—	fSa
35	55	32	ICEUX	ICAP Euro Select Equity (2%r<30d)	Int'l	*	S	S	S	-7.1	13.2	31.3	36.10	10.9	—	fSa
36	—	—	—	Vanguard European (VIPER)	Europe	*	S	S	S	-5.9	14.5	25.4	59.25	—	—	—
37	65	66	USIFX	USAA International	Int'l	*	S	S	S	-6.3	13.3	27.8	25.88	9.4	—	a
46	11	—	SSEMXX	SSgA Emerging Markets	Int'l	*	(S)	(S)	(S)	-13.9	13.4	36.0	20.62	17.1	—	FA
56	23	6	TREMX	T. Rowe Price Emg Europe & Med (2%r<90d)	Europe	*	(S)	(S)	(S)	-13.6	6.8	47.7	26.99	19.4	—	fa
58	17	28	DRFMX	Dreyfus Premier Emerging Market (1%r)	Int'l	*	(S)	(S)	(S)	-13.1	11.8	33.7	23.22	14.9	—	fSa
59	13	12	HLEMX	Harding Loevner Emerg Mkt (2%r<90d)	Int'l	*	(S)	(S)	(S)	-14.1	9.4	41.1	36.54	16.1	—	FSA
70	12	20	VEIEX	Vanguard Emerging Mkts Stk Index (.5%r)	Int'l	*	(S)	(S)	(S)	-14.2	10.0	35.9	20.25	16.7	—	fSa
77	22	16	PRMSX	T. Rowe Price Emerging Mkts Stk	Int'l	*	(S)	(S)	(S)	-14.5	7.2	37.8	26.83	16.5	—	fSa
79	37	1	FJPNX	Fidelity Japan (1.5%r<90d)	Japan	*	(S)	(S)	(S)	-11.8	3.6	40.9	17.31	19.0	—	Fa
84	70	45	PRITX	T. Rowe Price Intl Stock (2%r<90d)	Int'l	*	(S)	(S)	(S)	-8.8	7.8	24.8	15.48	10.2	—	fSa

## Specialty Funds (next issue on page 6: Bond Funds)

RANK	6/5 2006	1 Mo Ago	6 Mo Ago	Ticker Symbol	FUND NAME (Max. Load)	Fund Type	Conservative	Moderate	Venturesome	TOTAL RETURN			PRICE PER SHARE	RISK		NTF/ wif
										1 mo.	6 mo.	12 mo.		Std. Dev.	Beta	
1	1	10	USERX	U.S.Global Gold Shares (.25%r<30d)	NatRes	*	*	*	-12.5%	57.5%	112.5%	\$15.17	35.30	2.08	fSa	
2	2	12	BGEIX	Amer. Cent. Global Gold (1%r<60d)	NatRes	*	*	*	-13.3	34.8	77.2	18.73	32.60	1.85	FSA	
3	4	3	VGPMMX	Vang Precious Metal (closed,\$10k,1%r<1yr)	NatRes	*	*	*	-10.6	30.6	77.7	28.98	24.20	1.63	fSa	
4	3	15	SCGDIX	DWS Gold & Precious Metals S (closed)	NatRes	*	*	*	-14.2	27.5	64.8	22.76	33.50	1.92	sa	
5	6	1	FSAGX	Fidelity Gold (.75%r<30d)	NatRes	*	*	*	-9.5	19.6	73.8	35.18	29.60	1.63	Fsa	
<b>6</b>	<b>7</b>	<b>—</b>	<b>PSPFX</b>	<b>U.S.Global Inv Global Res (.25%r&lt;30d)</b>	<b>NatRes</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-9.4</b>	<b>23.7</b>	<b>56.6</b>	<b>17.22</b>	<b>24.40</b>	<b>1.70</b>	<b>FSA</b>	
7	—	—	IAU	Comex Gold Trust (iS)	NatRes	*	*	*	-6.9	24.8	50.0	63.38	—	—	—	
8	—	—	GLD	Gold (stTr)	NatRes	*	*	*	-6.9	24.6	50.1	63.29	—	—	—	
9	—	—	PBW	Power Shares WilderH Clean Energy	NatRes	B	B	B	-12.2	25.1	53.4	20.72	—	—	—	
10	5	14	RYPMMX	Rydex Precious Metals (\$25k)	NatRes	*	*	*	-14.2	21.2	57.1	52.14	33.10	1.78	Fsa	
<b>11</b>	<b>8</b>	<b>5</b>	<b>RVIX</b>	<b>Rydex Energy Services (\$25k)</b>	<b>NatRes</b>	<b>*</b>	<b>*</b>	<b>*</b>	<b>-9.6</b>	<b>14.6</b>	<b>54.6</b>	<b>45.87</b>	<b>25.60</b>	<b>1.46</b>	<b>Fsa</b>	
12	9	2	FYESX	Fidelity Energy Services (.75%r<30d)	NatRes	*	*	*	-9.2	13.7	54.6	73.82	25.50	1.34	Fsa	
<b>13</b>	<b>13</b>	<b>4</b>	<b>RSNRX</b>	<b>RS Global Natural Resources (\$5k)</b>	<b>NatRes</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-6.8</b>	<b>12.9</b>	<b>51.6</b>	<b>36.74</b>	<b>19.70</b>	<b>1.29</b>	<b>FSA</b>	
<b>14</b>	<b>10</b>	<b>7</b>	<b>FNARX</b>	<b>Fidelity Natrl Resources (.75%r&lt;30d)</b>	<b>NatRes</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-8.3</b>	<b>13.2</b>	<b>47.9</b>	<b>27.24</b>	<b>20.00</b>	<b>1.23</b>	<b>Fsa</b>	
<b>15</b>	<b>14</b>	<b>13</b>	<b>VGENX</b>	<b>Vanguard Enrg (\$25k,1%r&lt;1yr)</b>	<b>NatRes</b>	<b>B</b>	<b>B</b>	<b>B</b>	<b>-7.4</b>	<b>13.4</b>	<b>42.8</b>	<b>63.90</b>	<b>18.70</b>	<b>1.07</b>	<b>Fsa</b>	
16	17	22	FSDPX	Fidelity Indust Matrsl (.75%r<30d)	Cycls	*	*	*	-5.7	14.6	35.3	48.81	17.10	1.58	Fsa	
17	36	37	TRREX	T. Rowe Price Real Estate (1%r<180d)	RealEs	*	*	*	0.1	13.6	26.7	21.81	15.30	0.85	fSa	
18	37	33	CSRSX	Cohen & Steers Realty (\$10k,1%r<180d)	RealEs	*	*	*	0.0	12.4	26.9	81.09	15.60	0.91	FSA	
19	—	—	RWR	DJ Wilshire REIT (stTr)	RealEs	*	*	*	0.2	12.1	26.9	75.41	16.10	0.92	—	
20	18	18	CGMRX	CGM Realty	RealEs	*	*	*	-6.1	12.2	35.1	29.95	21.40	1.58	sa	
21	15	17	PRNEX	T. Rowe Price New Era	NatRes	B	B	B	-7.8	12.4	37.2	46.05	16.90	1.29	fSa	
22	—	—	ICF	Cohen & Steers Realty Major (iS)	RealEs	*	*	*	0.4	12.0	24.7	83.20	16.60	0.92	—	
23	11	9	ICENX	ICON Energy	NatRes	*	*	*	-10.5	10.2	43.5	35.66	23.00	1.44	FSA	
24	39	34	FRESX	Fidelity Real Estate (.75%r<90d)	RealEs	*	*	*	0.0	11.6	23.9	34.49	15.20	0.89	Fsa	
25	12	26	ICBMX	ICON Materials	Cycls	*	*	*	-10.9	13.4	34.4	12.30	18.40	1.73	FSA	
26	87	91	BEARX	Prudent Bear (1%r<30d)	Altern	*	*	*	2.9	12.3	16.2	6.01	8.54	-0.58	FSA	
27	—	—	YT	DJ Transportation Average (iS)	Cycls	*	*	*	-6.6	13.0	27.8	83.13	—	—	—	
28	—	—	VNQ	Vanguard REIT (VIPER)	RealEs	*	*	*	0.1	11.0	22.1	66.08	—	—	—	
29	19	6	FSENX	Fidelity Energy (.75%r<30d)	NatRes	*	*	*	-7.5	8.2	40.4	50.35	20.70	1.07	Fsa	
30	42	54	VGSIX	Vanguard REIT Index (1%r<1yr)	RealEs	*	*	*	-0.1	11.0	22.0	21.91	15.70	0.91	fSa	
31	—	—	IGE	GS Natural Resour (iS)	NatRes	B	B	B	-7.3	9.6	36.0	97.57	19.40	1.26	—	
32	16	19	FSAIX	Fidelity Air Transport (.75%r<30d)	Cycls	*	*	*	-9.4	12.6	29.6	43.62	13.60	1.14	Fsa	
33	—	—	IYR	DJ US Real Estate (iS)	RealEs	*	*	*	-0.8	10.6	19.4	71.05	16.00	0.98	—	
34	29	27	RYPX	Rydex Transportation (\$25k)	Cycls	*	*	*	-7.1	11.0	26.6	28.04	14.20	1.21	Fsa	
35	—	—	IXG	S&P Global Financial (iS)	FinServ	*	*	*	-5.9	9.1	25.4	79.03	9.32	0.99	—	
36	28	—	VDE	Vanguard Energy VIPER	NatRes	B	B	B	-7.0	7.3	31.3	79.39	—	—	—	
37	—	—	IXC	S&P Global Energy (iS)	NatRes	*	*	*	-6.3	8.0	27.9	103.90	18.70	1.10	—	
38	22	16	RYEIX	Rydex Energy (\$25k)	NatRes	*	*	*	-7.7	7.0	32.2	21.96	20.40	1.16	Fsa	
39	20	31	FSLEX	Fidelity Environmental Ser (.75%r<30d)	Cycls	*	*	*	-8.9	11.3	22.7	17.44	13.00	1.27	Fsa	
40	21	51	ICTRX	ICON Industrials	Cycls	*	*	*	-9.5	10.9	24.5	14.22	13.10	1.24	FSA	
41	26	23	FSRFX	Fidelity Transportation (.75%r<30d)	Cycls	*	*	*	-8.7	8.9	28.1	49.68	13.80	1.28	Fsa	
42	—	—	XLE	Energy (SPDR)	NatRes	*	*	*	-7.0	6.9	29.9	54.75	20.50	1.14	—	
43	57	71	CSEIX	Cohen & Steers Realty Income (1%r<180d)	RealEs	*	*	*	-0.3	7.9	16.7	16.42	14.30	0.88	fSa	
44	25	50	FSCGX	Fidelity Industrial Equip (.75%r<30d)	Cycls	*	*	*	-7.6	9.9	22.7	29.56	14.20	1.55	Fsa	
45	77	94	RYJUX	Rydex Juno (\$25k)	Altern	*	*	*	-1.2	8.2	15.9	20.38	13.50	0.16	FSA	
46	31	38	FCYIX	Fidelity Cyclical Ind (.75%r<30d)	Cycls	*	*	*	-7.1	9.0	21.4	20.89	12.20	1.34	Fa	
47	—	—	IYE	DJ US Energy (iS)	NatRes	*	*	*	-6.8	6.7	26.4	92.95	20.10	1.15	—	
48	32	21	PRMTX	T. Rowe Price Media & Telecommunications	Utility	*	*	*	-6.9	7.2	24.4	35.90	12.50	1.46	fSa	
49	61	44	FSUTX	Fidelity Utilities Growth (.75%r<30d)	Utility	*	*	*	-0.5	6.7	15.6	46.73	9.78	0.81	Fsa	
50	—	—	VOX	Vanguard Telecom Service (VIPER)	Utility	*	*	*	-4.0	7.6	17.8	60.48	—	—	—	
51	23	72	RYBIX	Rydex Basic Materials (\$25k)	Cycls	*	*	*	-8.6	8.5	20.4	34.15	16.10	1.66	Fsa	
52	—	—	IYM	DJ US Basic Materials (iS)	LCVal	*	*	*	-8.7	8.8	19.4	55.70	15.90	1.50	—	
53	65	84	STMDX	Stratton Mthly Div REIT (1.5%r<120d)	RealEs	*	*	*	-1.2	7.1	12.2	36.37	15.10	0.88	fSa	
54	34	74	RYTVX	Royce Technology Value (2%r<180d)	Tech	*	*	*	-7.8	8.1	19.6	6.71	22.20	2.04	FSA	
55	—	—	VIS	Vanguard Industrials (VIPER)	LC	*	*	*	-6.6	8.4	16.4	62.14	—	—	—	
56	47	36	FSTCX	Fidelity Telecomm (.75%r<30d)	Utility	*	*	*	-4.9	6.9	17.4	41.88	14.10	1.45	Fsa	
57	27	11	FSLBX	Fidelity Brokerage (.75%r<30d)	FinServ	*	*	*	-9.2	2.2	34.2	68.90	14.70	1.45	Fsa	
58	33	48	FSDAX	Fidelity Defense & Aero (.75%r<30d)	Cycls	*	*	*	-8.6	8.8	16.0	76.80	12.00	1.15	Fsa	
59	59	40	FPHAX	Fidelity Pharmaceuticals (.75%r<30d)	Health	*	*	*	-4.1	5.5	17.5	10.15	11.60	0.68	Fa	
60	48	86	FSCHX	Fidelity Chemicals (.75%r<30d)	Cycls	*	*	*	-4.4	8.0	11.4	68.07	15.40	1.28	Fsa	
61	—	—	IYZ	DJ US Telecom (iS)	Tech	*	*	*	-2.5	6.8	11.1	25.04	11.00	0.88	—	
62	—	—	IXP	S&P Global Telecommunication (iS)	Tech	*	*	*	-2.4	7.3	9.4	52.45	10.20	0.94	—	
63	—	—	XLI	Industrial (SPDR)	LC	*	*	*	-5.8	7.6	13.0	33.60	10.00	1.06	—	
64	50	39	FBSOX	Fidelity Bus Services (.75%r<30d)	Tech	*	*	*	-4.5	4.5	18.3	16.62	11.00	1.16	Fsa	
65	—	—	VAW	Vanguard Materials (VIPER)	NatRes	*	*	*	-8.5	7.1	17.1	63.95	—	—	—	
66	49	42	PRISX	T. Rowe Price Financial Services	FinServ	*	*	*	-5.3	4.6	17.5	22.20	10.30	1.10	fSa	
70	91	95	MERFX	Merger Fund (closed,2%r<30d)	Altern	*	*	*	0.5	5.3	5.5	15.43	3.50	0.29	FSA	
<b>76</b>	<b>58</b>	<b>53</b>	<b>FBALX</b>	<b>Fidelity Balanced</b>	<b>Hybrid</b>	<b>B</b>	<b>*</b>	<b>*</b>	<b>-3.9</b>	<b>4.0</b>	<b>13.4</b>	<b>19.31</b>	<b>7.99</b>	<b>1.18</b>	<b>Fsa</b>	
<b>86</b>	<b>89</b>	<b>85</b>	<b>GATEX</b>	<b>Gateway Fund</b>	<b>Altern</b>	<b>B</b>	<b>*</b>	<b>*</b>	<b>-1.6</b>	<b>3.2</b>	<b>6.0</b>	<b>25.83</b>	<b>2.80</b>	<b>0.30</b>	<b>Fsa</b>	
<b>100</b>	<b>85</b>	<b>77</b>	<b>VBINX</b>	<b>Vanguard Balanced Index</b>	<b>Hybrid</b>	<b>B</b>	<b>*</b>	<b>*</b>	<b>-2.7</b>	<b>1.4</b>	<b>5.6</b>	<b>19.98</b>	<b>5.24</b>	<b>0.78</b>	<b>fSa</b>	

(continued from page 1)

inflation while slowing is occurring is not reassuring. The Fed has overdone in the past, and it could well do so again. We do not believe that is the case now, but we are listening carefully.

For the moment, we are standing pat.

#### Fund changes

The Hotline of Tuesday May 2 recommended the sale of Vanguard Growth Equities in the Vanguard Venturesome Portfolio and the purchase of Vanguard Capital Value. Here are the details as of Wednesday, May 3: sold 1,904 shares of Growth Equities @ \$11.09 per share, purchased 1,659 shares of Capital Value @ \$12.73 per share.

The Hotline of Tuesday, May 23 recommended the sale of T. Rowe Price Emerging Markets in the **MONEYLETTER Moderate** Portfolio and the purchase of Driehaus Emerging Markets Growth. Here are the details as of Wednesday, May 24: sold 973 shares of T. Rowe Price Emerging Markets @ \$26.27 per share, purchased 804 shares of Driehaus Emerging Markets Growth @ \$31.80 per share.

The same Hotline recommended the sale of T. Rowe Price Emerging Europe & Mediterranean in the **MONEYLETTER Venturesome** Portfolio and the purchase of Janus Overseas. Here are the details as of Wednesday, May 24: sold 960 shares of Emerging Europe @ \$24.88 per share, purchased 660 shares of Janus Overseas @ \$36.17 per share. \$

(Fund Profiles, continued from page 8)

Communications have been particularly good performers for the fund this year. \$

Vanguard Funds (VDIGX, VPCCX)  
P.O. Box 2600, Valley Forge, PA 19482  
(800) 662-2739

Minimum Investment & IRA:  
\$3,000 Dividend Growth; \$10,000 PRIMECAP Core

### MONEY MANAGEMENT

PRI Financial Advisors Inc. is the exclusive provider of the "MONEYLETTER Managed Account Program."<sup>1</sup>

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<sup>1</sup>As an independent Registered Investment Advisor, PRI Financial Advisors will exercise discretion with regard to asset allocation and fund selection and may make investment decisions for client accounts that differ from recommendations found in MONEYLETTER.

#### 100% U.S. TREASURY FUNDS

	7-Day	30-Day	1-Year
Gabelli US Treasury MMF	4.76%	4.71%	3.45%
Vanguard Treasury MMF	4.57	4.51	3.42
Amer Century Capital Presv Fund/Inv	4.35	4.31	3.21
JPMorgan 100% US Treas MMF/Morgan	4.27	4.23	3.07
T. Rowe Price US Treasury MF	4.21	4.16	3.12
US Treasury MF of America/CI A	4.17	4.13	3.03
RMK Select Treas MMF/CI A	4.15	4.10	3.04
Wells Fargo Adv 100% Treas MMF/CI A	4.15	4.10	2.98
Schwab US Treasury Money Fund	4.13	4.08	3.02
HSBC Investor US Treas MM/CI D	4.11	4.01	2.97

#### GENERAL PURPOSE TAXABLE FUNDS

	7-Day	30-Day	1-Year
Vanguard Prime MMF/Retail	4.87%	4.80%	3.69%
TIAA-CREF Money Market Fund	4.86	4.81	3.70
PayPal Money Market Fund	4.84	4.79	3.90
MFS Money Market Fund	4.81	4.73	3.65
AIG Money Market Fund/CI B	4.79	4.69	3.55
Harbor Money Market Fund	4.79	4.72	3.60
IXIS Cash Mgmt Tr/MM Series/A	4.78	4.74	3.16
Flex-fund Money Market Fund	4.76	4.68	3.53
TCW Money Market Fund	4.76	4.69	3.60
Neuberger Berman Cash Reserves	4.75	4.65	3.53
SSgA MMF/CI A	4.75	4.68	3.61

#### TAX-FREE GENERAL PURPOSE FUNDS

	7-Day	30-Day	1-Year
Alpine Municipal MMF/Investor	3.47%	3.54%	2.82%
Vanguard Tax-Exempt MMF	3.37	3.44	2.73
Fidelity AMT Tax-Free Money Fund	3.28	3.33	2.57
Fidelity Municipal MMF	3.15	3.23	2.47
Fidelity Tax Free Money Market	3.09	3.19	2.45
Amer Century T-F MMF/Inv Class	3.07	3.19	2.45
DWS Tax-Exempt Money Fund	3.07	3.14	2.48
Dreyfus BASIC Muni MMF	3.07	3.14	2.44
T-E Portfolio/Managed Shares	3.07	3.10	2.41
USAA Tax Exempt MMF	3.07	3.15	2.44

#### TAX-FREE STATE-SPECIFIC FUNDS

	7-Day	30-Day	1-Year
Vanguard OH Tax-Exempt MMF	3.36%	3.43%	2.71%
Vanguard PA Tax-Exempt MMF	3.36	3.44	2.71
Vanguard NY Tax-Exempt MMF	3.34	3.40	2.69
Vanguard NJ Tax-Exempt MMF	3.31	3.35	2.67
Vanguard CA Tax-Exempt MMF	3.29	3.34	2.66
Fidelity AZ Municipal MMF	3.10	3.18	2.41
Fidelity OH Municipal MMF	3.10	3.12	2.37
Fidelity FL Municipal MMF	3.09	3.24	2.43
Fidelity MI Municipal MMF	3.05	3.15	2.37
Fidelity PA Municipal MMF	3.04	3.17	2.41

**Taxable equivalent yield = yield / (1—total effective tax bracket).** Funds are ranked by 7-day yield; 7-day and 30-day yields are compound yields as of 5/30/06. Third column refers to 1-year total return. Criteria for inclusion include: top-yielding unrestricted retail funds only, with minimum initial investment <\$25,000 and assets >\$100 million.

Source: iMoneynet's Money Fund Report (800) 343-5413

### ATTENTION SUBSCRIBERS

Next Issue: Volume 27, No. 12

Mails: June 23, 2006

Internet: June 21, 2006, 12:00pm (ET)

## Beefing Up Our Vanguard Coverage

We are always looking at our Fidelity and Vanguard-only portfolios in an effort to identify funds that might be missing from our coverage. In this issue we introduce two Vanguard funds not previously in our domestic stock funds list: Vanguard Dividend Growth, a large-cap value fund, and Vanguard PRIMECAP Core, which falls into Morningstar's large-cap blend category.

### Vanguard Dividend Growth (VDIGX)

In December 2002, this fund changed its stripes from a utilities fund to one with a broader mandate, focused on dividend-paying stocks. At that time, Minerva Butler of Wellington Management was at the helm of the fund. She described her investment approach as starting with a universe of large-cap dividend-paying stocks from the Russell 1000, a universe that starts at about 300 stocks. From there, she applies a number of qualitative and quantitative screens to further narrow that number to about 250. These screens include qualitative assessments on industry strength, competitive position, and secular trends. Quantitative factors are used to assess the financial health of a company—free cash flow, earnings and sales growth, and balance sheet condition. The Wellington analyst team gets to know these names intimately, so that if a stock sells off, the team is ready with identifiable attractive price entry points.

But the factor that sets this fund apart from other equity-income funds is its emphasis on growing dividends. A company must be generating sufficient free cash flow to be able to increase payouts. The fund is able to invest up to 10% of assets in non-dividend paying stocks, as long as fund management believes the company may pay dividends in the reasonable future. Portfolio turnover is low—only 16% in the most recent fiscal year.

#### Top Five Sectors & Holdings (% of Assets)

Industrials	17.6	Microsoft Corp.	3.6
Consumer Discretionary	16.5	General Electric	3.4
Financials	14.5	Nokia Corp.	2.8
Information Technology	13.3	Citigroup	2.8
Health Care	13.1	Bank of America	2.7

As of March 31, 2006

The resulting portfolio is loaded with dividend-paying blue chips across industry sectors. Unfortunately, the types of stocks the fund has focused on have been out of favor

recently. The fund has generally not outperformed its typical large value peer, in part owing to an underweighting in energy stocks, but it does stack up well against other funds which concentrate on dividend paying stocks. In February of this year, Donald Kilbride became the fund's portfolio manager. He is employing the same investment strategy, but has pared down the number of stocks in the portfolio, from the 75–80 that Butler typically held to 63 recently.

### Vanguard PRIMECAP Core (VPCCX)

Like Dividend Growth, above, Vanguard hires an outside management firm to manage PRIMECAP Core. In this case, that firm is PRIMECAP Management, which also manages the successful, but closed, Vanguard PRIMECAP and Vanguard Capital Opportunity funds.

When this fund was launched in December 2004, Vanguard stated that like the other two funds managed by PRIMECAP, the Core portfolio would have a flexible investing strategy, able to buy in the large-, mid-, and small-capitalization ranges. Where this fund would differ, however, was in its investment style. At that time, the two closed funds had most of their assets in growth stocks, but Vanguard stated the Core's management team would invest in a combination of growth and value stocks. Still, the Core fund would be managed using the same contrarian growth strategy as the other two funds. The managers particularly stress unit growth when analyzing investments.

#### Top Five Sectors & Holdings (% of Assets)

Information Technology	28.0	Eli Lilly & Co.	3.0
Health Care	23.6	Novartis	3.0
Consumer Discretionary	15.6	Medtronic	2.5
Industrials	9.2	Southwest Airlines	2.4
Materials	8.4	Intuit	2.3

As of March 31, 2006

Today, the Core portfolio shares a similar sector weight profile with the original PRIMECAP, and is also predominately large-cap. A number of the same stocks are also in both portfolios. Both funds share a low turnover profile (6% for Core last year). However, many individual holdings are different, as Core's initial investments were made at a different point in time, when different stocks were attractive. In addition, the Core fund holds fewer names (99 vs. 126 for the original) and has a much smaller asset base (\$2 billion vs. \$31 billion). Corning, Schlumberger, and Univision

(continued on page 7)

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