



Forté Capital's Selected Statistics

U.S. Equity Indexes	08/30/06	YTD Return
S&P 500	1304	4.45%
Dow Jones Industrials	11381	6.19%
NASDAQ Composite	2184	-0.98%
NYSE Composite	8389	8.18%
Wilshire 5000	13063	4.35%
Dow Jones Transports	4283	2.07%
Dow Jones Utilities	443	9.24%

Selected Interest Rates	08/30/06	07/31/06
Fed Funds Rate	5.25%	5.25%
3-Month Libor	5.39%	5.47%
Prime Rate	8.25%	8.25%
15-Year Mortgage	5.66%	5.89%
30-Year Mortgage	5.94%	6.18%
1-Year ARM	5.32%	5.41%
3-Month Treasury Bill	4.92%	4.97%
5-Year Treasury Note	4.70%	4.91%
10-Year Treasury Bond	4.74%	4.99%
10-Year Inflation-Indexed Treas.	2.24%	2.41%

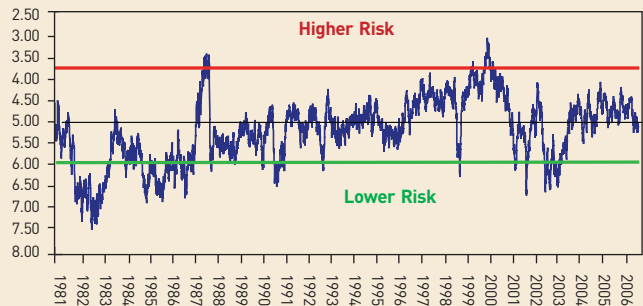
Key Economic Statistics	Most Recent	Prior Month
National		
Producer Price Index (monthly chg)	0.10%	0.50%
Consumer Price Index (monthly chg)	0.40%	0.20%
Unemployment Rate	4.70%	4.80%
ISM Manufacturing Index	54.50	54.70
ISM Services Index	57.00	54.80
Change in Non-Farm Payroll Emp.	128,000	121,000
New York State		
Value of Construction Projects in 000's	2,525,522	2,863,663
Consumer Price Index—NY, NJ, CT	5.60%	4.80%
Unemployment Rate	5.20%	4.50%
NYS Index of Coincident Indicators	1.80%	4.20%

Forté Capital's Proprietary Market Risk Barometer	Bullish	Neutral	Bearish
	10	9	8
	7	6	5
	4	3	2
	1		
Market Valuation	5		
Monetary Environment	4		
Investor Psychology	5		
Internal Market Technicals	5		
Overall Short-term Outlook	4.37%		
Overall Long-term Outlook	5.12%		
	As of 8/30/06		

Equity Market Statistics	8/30/2006	7/31/2006
Dow Jones Industrials		
Dividend Yield	2.36%	2.38%
Price-to-Earnings Ratio (12-Mth Trailing)	16.06	15.87
Price-to-Book Value	3.08	3.05
S&P 500 Index		
Earnings Yield	5.57%	5.69%
Dividend Yield	1.89%	1.92%
Price/Earnings (12-Mth Trailing as Rpt)	17.46	17.57
Price/Earnings (2006 EPS Est as Rpt)	16.19	16.14

Chart of the Month

Composite Long-Term Risk Model



Source: Forté Capital Proprietary Research

Commentary on Significant Economic Data This Month

According to the minutes from the August 8 Federal Open Market Committee (FOMC) meeting, members believe the economy started to slow in the second quarter due to a decline in the housing market. The decision at the meeting to leave rates unchanged was based upon the belief that growth would continue to slow over the next year and inflation would begin to recede. The FOMC members continued to maintain a tightening bias in the statement but remained concerned about growth in the economy.

The National Association of Home Builders (NAHB) reported that homebuilder optimism declined again in August for the tenth time, falling to its lowest level since February 1991. This downtrend has been caused by higher interest rates, affordability concerns, and declining demand from investors and speculators.

According to the New York Empire State Manufacturing Survey, activity in New York State expanded at a slower rate in August. Both shipments and new orders increased, while prices paid, prices received, and unfilled orders declined slightly this month.

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