



Forté Capital's Selected Statistics

U.S. Equity Indexes	12/30/05	YTD Return
S&P 500	1248	3.10%
Dow Jones Industrials	10718	-0.61%
NASDAQ Composite	2205	1.37%
NYSE Composite	7754	6.95%
Wilshire 5000	12518	4.57%
Dow Jones Transports	4196	10.48%
Dow Jones Utilities	405	20.95%

Selected Interest Rates	12/30/05	11/30/05
Fed Funds Rate	4.25%	4.00%
3-Month Libor	4.54%	4.42%
Prime Rate	7.25%	7.00%
15-Year Mortgage	5.27%	5.34%
30-Year Mortgage	5.70%	5.77%
1-Year ARM	4.53%	4.48%
3-Month Treasury Bill	3.99%	3.86%
5-Year Treasury Note	4.35%	4.42%
10-Year Treasury Bond	4.39%	4.49%
10-Year Inflation-Indexed Treas.	2.06%	2.12%

Key Economic Statistics	Most Recent	Prior Month
National		
Producer Price Index (monthly chg)	-0.70%	0.70%
Consumer Price Index (monthly chg)	-0.60%	0.20%
Unemployment Rate	4.90%	5.00%
ISM Manufacturing Index	54.20	58.10
ISM Services Index	59.80	58.50
Change in Non-Farm Payroll Emp.	108,000	305,000
New York State		
Value of Construction Projects in 000's	1,844,764	2,300,077
Consumer Price Index-NY, NJ, CT	3.90%	4.50%
Unemployment Rate	5.30%	4.60%
NYS Index of Coincident Indicators	1.00%	1.90%

Forté Capital's Proprietary Market Risk Barometer	Bullish	Neutral	Bearish
	10	9	8
	7	6	5
	4	3	2
	1		
Market Valuation	4		
Monetary Environment	4		
Investor Psychology	4		
Internal Market Technicals	4		
Overall Short-term Outlook	4.78		
Overall Long-term Outlook	4.60		

As of 12/30/05

Equity Market Statistics	12/30/2005	11/30/2005
Dow Jones Industrials		
Dividend Yield	2.39%	2.33%
Price-to-Earnings Ratio (12-Mth Trailing)	16.42	16.52
Price to Book Value	2.93	2.96
S&P 500 Index		
Earnings Yield	5.33%	5.36%
Dividend Yield	1.86%	1.84%
Price/Earnings (12-Mth Trailing as Rpt)	18.70	18.72
Price/Earnings (2005 EPS Est as Rpt)	17.91	17.88

Chart of the Month

Business Inventories, Percentage Change, 12 Months



Source: Federal Reserve

Commentary on Significant Economic Data This Month

According to the Empire State manufacturing survey, manufacturing activity in New York State improved for the second consecutive month in December, after bottoming out in October 2005. Both prices-paid and prices-received indexes moderated in December compared to the prior month. Both shipments and unfilled orders declined from the prior month.

The Federal Reserve raised the benchmark fed funds rate another 25 basis points following the Federal Open Market Committee (FOMC) meeting in December. The minutes from that meeting suggest that the members were pleased both with the growth in the economy and the fact that inflation remained under control. There was some disagreement as to how many future rate increases would be needed, but most members agreed the number would likely be small.

The housing market appears to be softening as higher interest rates and stricter lending standards imposed by bank regulators are beginning to have an effect. The inventory of unsold homes for sale reached 500,000 units in November 2005, the highest level since 1963. Home price appreciation has leveled off and some markets are experiencing declines in housing prices.

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