



# Forté Capital's Selected Statistics

U.S. Equity Indexes	07/31/06	YTD Return
S&P 500	1277	2.27%
Dow Jones Industrials	11186	4.37%
NASDAQ Composite	2091	-5.16%
NYSE Composite	8242	6.30%
Wilshire 5000	12790	2.17%
Dow Jones Transports	4382	4.43%
Dow Jones Utilities	433	6.99%

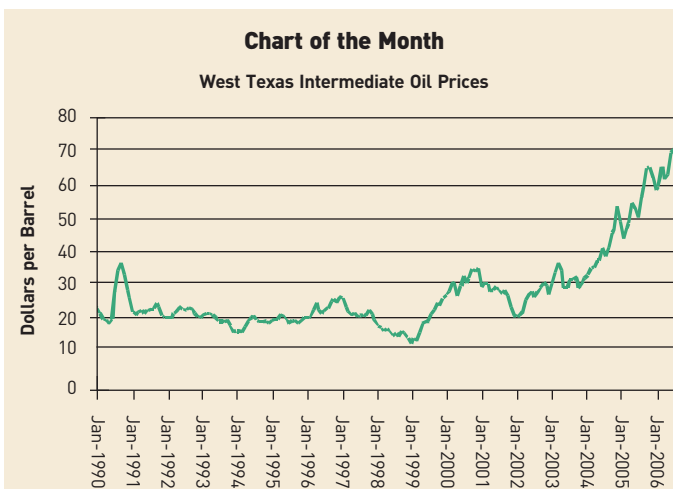
Selected Interest Rates	07/31/06	06/30/06
Fed Funds Rate	5.25%	5.25%
3-Month Libor	5.47%	5.48%
Prime Rate	8.25%	8.25%
15-Year Mortgage	5.89%	6.09%
30-Year Mortgage	6.18%	6.40%
1-Year ARM	5.41%	5.48%
3-Month Treasury Bill	4.97%	4.87%
5-Year Treasury Note	4.91%	5.10%
10-Year Treasury Bond	4.99%	5.15%
10-Year Inflation-Indexed Treas.	2.41%	2.54%

Key Economic Statistics	Most Recent	Prior Month
<b>National</b>		
Producer Price Index (monthly chg)	0.50%	0.20%
Consumer Price Index (monthly chg)	0.20%	0.40%
Unemployment Rate	4.80%	4.60%
ISM Manufacturing Index	54.70	53.80
ISM Services Index	54.80	57.00
Change in Non-Farm Payroll Emp.	113,000	124,000
<b>New York State</b>		
Value of Construction Projects in 000's	2,837,045	2,223,513
Consumer Price Index—NY, NJ, CT	5.60%	4.80%
Unemployment Rate	4.50%	4.40%
NYS Index of Coincident Indicators	4.90%	3.40%

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	3									
Investor Psychology	6									
Internal Market Technicals	5									
Overall Short-term Outlook	5.57%									
Overall Long-term Outlook	5.22%									

As of 7/31/06

Equity Market Statistics	7/31/2006	6/30/2006
<b>Dow Jones Industrials</b>		
Dividend Yield	2.38%	2.29%
Price-to-Earnings Ratio (12-Mth Trailing)	15.87	16.27
Price-to-Book Value	3.05	3.32
<b>S&amp;P 500 Index</b>		
Earnings Yield	5.69%	5.71%
Dividend Yield	1.92%	1.92%
Price/Earnings (12-Mth Trailing as Rpt)	17.57	17.49
Price/Earnings (2006 EPS Est as Rpt)	16.14	16.09



### Commentary on Significant Economic Data This Month

According to the preliminary estimate, Gross Domestic Product (GDP) grew by 2.5% in the second quarter of 2006. Weak areas of the economy included consumption, residential construction, capital spending, inventory growth, and government spending. The core personal consumption expenditures (PCE) deflator rose to 2.9%, up from 2.3% a year ago. This report was weaker than the 3.1% consensus estimate.

The Federal Reserve left the federal funds rate unchanged at the August Federal Open Market Committee (FOMC) meeting, citing slowing growth, a weaker housing market, and the lagging impact of previous rate hikes and higher oil prices. The current rate hike cycle has resulted in 17 consecutive rate increases, from a low of 1% in June 2003 to the current 5.25% level. In its statement accompanying the decision, the Federal Reserve noted a recent acceleration in core inflation and inflationary pressures due to a tight labor market and higher commodity prices. A tightening bias was maintained.

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