



# Forté Capital's Selected Statistics

U.S. Equity Indexes	07/31/07	YTD Return
S&P 500	1455	2.60%
Dow Jones Industrials	13212	6.00%
NASDAQ Composite	2546	5.40%
NYSE Composite	9555	4.50%
Wilshire 5000	14683	3.00%
Dow Jones Transports	5030	10.30%
Dow Jones Utilities	479	4.90%

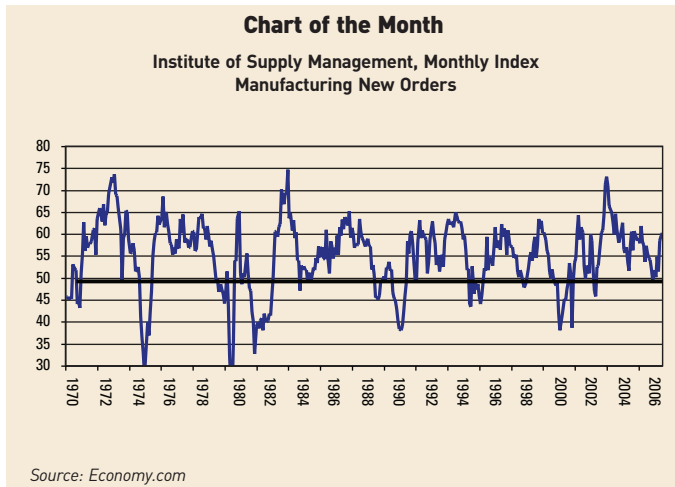
Forté Capital's Proprietary Market Risk Barometer	Bullish	Neutral	Bearish
	10 9 8 7 6 5 4 3 2 1		
Market Valuation	6		
Monetary Environment	4		
Investor Psychology	6		
Internal Market Technicals	5		
Overall Short-Term Outlook	6.90		
Overall Long-Term Outlook	5.35		

As of 07/31/07

Selected Interest Rates	07/31/07	06/29/07
Fed Funds Rate	5.25%	5.25%
3-Month Libor	5.36%	5.36%
Prime Rate	8.25%	8.25%
15-Year Mortgage	5.94%	5.99%
30-Year Mortgage	6.27%	6.29%
1-Year ARM	5.52%	5.55%
3-Month Treasury Bill	4.82%	4.68%
5-Year Treasury Note	4.60%	4.92%
10-Year Treasury Bond	4.78%	5.03%
10-Year Inflation-Indexed Treas.	2.44%	2.65%

Equity Market Statistics	07/31/07	06/29/07
<b>Dow Jones Industrials</b>		
Dividend Yield	2.25%	2.22%
Price-to-Earnings Ratio (12-Mth Trailing)	15.72	16.36
Price-to-Book Value	3.66	3.82
<b>S&amp;P 500 Index</b>		
Earnings Yield	5.71%	5.42%
Dividend Yield	1.90%	1.82%
Price/Earnings (12-Mth Trailing as Rpt)	17.50	18.03
Price/Earnings (2007 EPS Est as Rpt)	16.44	16.81

Key Economic Statistics	Most Recent	Prior Month
<b>National</b>		
Producer Price Index (monthly chg)	-0.20%	0.90%
Consumer Price Index (monthly chg)	0.20%	0.70%
Unemployment Rate	4.60%	4.50%
ISM Manufacturing Index	53.80	56.00
ISM Services Index	55.80	60.70
Change in Non-Farm Payroll Emp.	92,000	126,000
<b>New York State</b>		
Value of Construction Projects, in 000's	2,373,318	1,756,316
Consumer Price Index-NY, NJ, CT	2.50%	2.50%
Unemployment Rate	4.50%	4.10%
NYS Index of Coincident Indicators	2.10%	1.40%



### Commentary on Significant Economic Data This Month

The Federal Reserve held the target federal funds rate steady at 5.25% following the Federal Open Market Committee (FOMC) meeting on August 7. This is the ninth consecutive meeting in which the Federal Reserve has taken no action on short-term rates. The statement accompanying the meeting acknowledged financial market volatility and credit problems along with the ongoing correction in the housing market. With regard to inflation concerns, the Federal Reserve said: "A sustained moderation in inflation pressures has yet to be convincingly demonstrated ... The high level of resource utilization has the potential to sustain those pressures." The Federal Reserve is somewhat constrained in lowering interest rates in response to the current sub-prime credit crisis, due to weakness in the U.S. dollar, as well as concerns about creating a potential moral hazard in the mortgage market.

Vehicle sales for the month of July declined for the seventh consecutive month, to a seasonally adjusted rate of 15.5 million units. Weakening credit quality, moderating employment, and higher energy prices are taking a toll on the consumer. It is also worth noting that U.S.-brand auto manufacturers' market share dropped below 50% in July for the first time ever, as foreign-brand auto makers continue to gain market share in the United States.

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