



# INVESTMENT QUARTERLY

Prepared by Feldman Securities Group, LLC

---

## FOURTH QUARTER – 2008

### Contents:

The Rambling Rhino	Page 2
Synopsis of Research Wires	Page 4
<small>Dated Aug. 1, 2008 through Oct. 31, 2008</small>	
Model Portfolio	Page 5
Executive Summaries of Recommended Stocks	Page 6

It should not be assumed that recommendations made by the Feldman Securities Group (“FSG”) in the future will be profitable or will equal the performance of the list of securities for which Buy, Hold and Sell ratings are made by FSG. Please see our full disclosures at the end of this publication.

**ATG Trust Company** provides investment analysis and advice, estate planning, and trust administration for individuals, businesses, retirement plans, and institutional accounts through its network of trusted advisers in the legal community. To learn more about ATG Trust Company, contact ATG Trust Company at:

ONE SOUTH WACKER DRIVE, 24TH FLOOR  
CHICAGO, IL 60606-4654  
PHONE 877.674.7878 OR 312.338.7878  
FAX 312.338.1594  
E-MAIL [KBUTTS@ATGTRUST.COM](mailto:KBUTTS@ATGTRUST.COM)  
WEBSITE [WWW.ATGTRUST.COM](http://WWW.ATGTRUST.COM)

## THE RAMBLING RHINO

*“Those who cannot learn from history  
are doomed to repeat it.”*

—George Santayana, Spanish philosopher, 1863–1952

The Panic of 1907 began with Otto Heinze’s scheme to corner the market in the shares of his brother’s copper company. Borrowing money from his brokerage house, he aggressively purchased shares of United Copper on Oct. 14 in an attempt to force those who had shorted the stock to cover their losses at a price Heinze himself would set. The plan ended in disaster: United Copper’s stock price collapsed on Oct. 17 and the dominos began to fall. Heinze defaulted on the loans from his broker, who promptly went bankrupt. Trust companies – the hedge funds of the day – and banks that used United Copper’s stock for collateral were suddenly insolvent. Banks not only stopped lending to each other, they were forced to suspend operations entirely after panicked depositors rushed en masse to withdraw money. The Dow Jones Industrial Average plunged.

There was no central bank in 1907, no Federal Reserve to step in and manage the crisis, so J.P. Morgan gathered the top bankers on Wall Street at his library. Together, they pledged massive amounts of capital and liquidity, which eventually worked, saving most, but not all, of the banks and brokerages. But the damage to the economy could not be undone. The recession that followed would not bottom until June 1908.

The situation today is not dissimilar from the Panic of 1907. The root causes (greed, leverage, and a lax regulatory environment) and the ultimate solution (flood the system with capital to help maintain market liquidity, and stand behind loans) are the same.

Today, we appear to be past the crisis stage. But where are we now in this repeating cycle? Can we identify any silver linings? Have we learned our lesson finally?

### Bankers Gradually Regain Confidence

The initial panic triggered by the near meltdown of the financial system in September has subsided. Global governments rode to the rescue and provided capital and liquidity to help restore confidence in the banking system. The effort appears to have broken the lock on the credit

markets, gradually restoring both trust and lending.

**The LIBOR spread.** The London Interbank Offered Rate, or LIBOR, is the rate of interest at which banks borrow funds from each other denominated in U.S. dollars. It is the most widely used benchmark for short-term interest rates and is released by the British Bankers’ Association (BBA) before noon London time each day. LIBOR is set by a panel of banks maintained by the BBA and its members provide estimates on how much it would cost to borrow in 10 currencies for terms ranging from one day to a year.

We have recommended watching the yield spread between short-term U.S. Treasury securities and the three-month LIBOR as an indication of the willingness of bankers to lend. The Federal Reserve uses a similar but more complicated formula, substituting the overnight index swap rate, or OIS, in its appraisal of credit-market liquidity. The LIBOR-OIS spread fell 14 basis points to 225 basis points on Nov. 3 as the three-month LIBOR fell to 2.86 percent, compared with 364 basis points on Oct. 10, and only 87 basis points on Sept. 12, the last working day before Lehman Brothers filed for bankruptcy. The drop in the three-month dollar LIBOR in the last week of October marked the first monthly decline in that rate since May.

Two factors have helped to bring LIBOR down: (1) \$3 trillion of emergency funds provided by governments to restore the confidence of bankers in the collateral held by other banks, and (2) the lowering of interest rates in Europe.

**Conclusion:** Governments appear to have the tools to solve the credit crisis and rebuild a foundation for economic recovery and growth. At this early date, the application of these tools appears to be working. The massive liquidity and capital infusion may one day be regarded as a massive shot of adrenaline straight into the financial market’s heart, a shot that was all but guaranteed to restore the market’s pulse.

### Recession and Recovery Signals

The financial crisis triggered by the Great Deleveraging is taking its toll on the goods and services segment of the economy, and it will almost certainly result in a contraction of the economies here and abroad. The length

and depth of the recession are difficult to estimate given the severity of the crisis and the unprecedented government response. Our sense is that because the economy stopped so abruptly in September, it may restart just as quickly in the not-too-distant future. Furthermore, given the strong monetary stimulus, the odds favor a moderate rather than a severe recession.

**The housing sector: metrics remain negative.** The inventory of unsold homes stands at 1.8 million units vs. annual demand of about 1.5 million units, suggesting that home prices – already down 18 percent from their peak in 2006 – have further to fall.

The U.S. Census Bureau estimates that there were 127.9 million housing units in the U.S. in 2007. Of these, 75.1 million were owner-occupied, 35.1 million renter-occupied, 4.3 million seasonally vacant (i.e., vacation homes), and 13.2 million vacant year-round. Approximately 24 million homes are owned “free and clear.” Of the remaining that are mortgaged, *Forbes* economist A. Gary Shilling predicts that the collapse in housing prices will ultimately leave 25 million homeowners stuck with homes worth, in aggregate, \$1 trillion less than their mortgages, which amounts to \$40,000 per home owner. Under the assumption that many homes were purchased as the housing market bubble expanded, Shilling believes that one-third of all homeowners will ultimately be “underwater” on their mortgages.

**The effect on consumer demand: negative.** For years, homeowners have relied on tapping the growing equity in their homes to fund consumption beyond that which their incomes would permit. Homeowner equity as a percentage of the aggregate value of household real estate in the U.S. has fallen from 80 percent in 1940 to 70 percent in 1983 to approximately 45 percent today. With home prices falling, the negative wealth effect, in feeling and in reality, is compounded. Americans’ propensity to consume will be severely tested until the housing market recovers. The drag on economic growth is already evident: Consumer spending tumbled by 3.1 percent in September, the largest cutback in spending since the recession in the early 1980s.

**The industrial sector contracts.** The U.S. manufacturing sector contracted in October at the fastest pace since September 1982, as the credit freeze made it more difficult for businesses to obtain credit and as foreign demand for American exports weakened at the fastest pace in two decades.

The Institute for Supply Management’s (ISM) factory index fell to 38.9 from 43.5 in September, while economists had expected a reading of 41; 50 is the dividing line between expansion and contraction, and 38.9 is equivalent to a 0.7-percent decline in GDP. The ISM export index fell to 41, the lowest level since the measure’s inception in 1988. This is problematic because strong export demand had been keeping domestic economic growth in the black for some time now.

**Employment begins to feel the pain.** The ISM Employment Index reflected growing stress on the job market, as it fell from 41.8 in September to 34.6 in October. Businesses have cut more than three-quarters of a million jobs so far in 2008, and economists predict that the Labor Department’s unemployment rate for October will climb to 6.3 percent, the highest rate since 1994.

Corporate investment also declined. Overall, the economy was reported to have contracted by 0.3 percent in the third quarter, while business spending on equipment and software fell at a 5.5-percent rate, the largest decline since 2002, after the technology bubble burst.

**The Fed reacts.** In another effort to stem the recessionary tide, the Federal Reserve recently cut the target federal funds rate by 50 basis points to 1 percent, matching a 50-year low. In its Oct. 29 press release, the Federal Open Market Committee wrote, “Business equipment spending and industrial production have weakened in recent months, and slowing economic activity in many foreign economies is damping the prospects for U.S. exports...Downside risks to growth remain.” The move will modestly cut the cost of adjustable-rate loans and give businesses a boost through a lower prime rate.

## Silver Linings

Recessions are nothing new, and they often come with silver linings.

**Silver lining #1: Inflation and inflation expectations have fallen.** The decline in energy prices has pumped the equivalent of tens of billions of dollars into the domestic economy, while the steep decline in commodity prices will begin to filter through the agricultural, industrial, and consumer sectors over the next two quarters.

**Silver lining #2: Stock prices are lower.** They may yet go lower still as corporate earnings are expected to get hit hard over the next couple of quarters, but significant

price adjustment has already occurred. Earnings ratios and dividend-yield figures provided by Value Line offer a good snapshot. The table below pertains to the 1,700 stocks followed by Value Line.

	Median PE Ratio	Median Est. Dividend Yield	Est. Median Price Appreciation Potential
Now	11.7x	3.2%	145%
26 Weeks Ago	16.3x	2.1%	70%
Market Low	14.1x	2.4%	115%
Market High	19.7x	1.6%	35%

Market low defined as 10/9/02; market high defined as 7/13/07

**Silver lining #3:** *Potential for a level and transparent investment playing field.* Regulatory reform will undoubtedly result in the virtual elimination of the “shadow market” dominated by hedge funds and off-balance-sheet shenanigans.

**Lessons Learned?**

The inability of financial regulation to keep up with the rapid evolution of exotic financial instruments driven by advances in computing power; Congress’s insistence on putting non-qualified borrowers into homes; faulty accounting rules such as “mark-to-market” and other punitive business regulations meted out by Sarbanes-Oxley – each of these created specific economic problems that came together to create one giant problem for the average business, worker, and investor.

The government had the power all along, through pertinent focus and acceptance of underlying economic reality, to address these problems and take action before

events spun out of control. Unfortunately, the government did exactly the opposite and, in effect, poured gasoline on these smoldering problems. An important cause of this recession, in our minds, and the one we identified first when the crisis broke, was the easy money policy of the Federal Reserve following the short recession of 2001–2002.

In late 2002, then-Fed governor Ben Bernanke persuaded Fed Chairman Alan Greenspan that deflation had become the greatest threat to the economy. The Fed reacted by kicking off an extraordinary cycle of easing, which, by July 2003, had pushed the fed funds rate to 1 percent, a level at which it stayed for a full year. This monetary stimulus triggered an unsustainable economic reaction.

The huge monetary stimulus had two unfortunate side effects: (1) a weaker dollar, which contributed directly to the rise in oil prices and other commodities, and (2) rampant and highly leveraged speculation in housing and commodities. Throw in a regulatory environment that allowed mortgages to be taken out without proof of income or common sense, and all the factors were there: greed, leverage and lax regulations.

As the foundation for the next recovery and bull market is laid, we imagine that policy makers are looking to history to help guide their decisions. As interested observers, we follow their efforts closely and take comfort that, over the long term, the stock market has always offered the best investment returns to investors. And that is a history we do not mind repeating. 🐻

**CHRONOLOGICAL SYNOPSIS OF RESEARCH WIRES**

**Aug. 1, 2008 – Oct. 31, 2008**

DATE	COMPANY	RESEARCH WIRE
August 6	Walt Disney Co. Starbucks	Initiate coverage at BUY Downgrade from BUY to SELL
August 20	United Technologies Corp.	Initiate coverage at BUY
August 27	Wm. Wrigley Jr. Co.	Downgrade from HOLD to SELL
September 22	Goldman Sachs Group, Inc.	Downgrade from BUY to HOLD
September 23	eBay SUPERVALU, Inc.	Downgrade from BUY to SELL Initiate coverage at BUY
October 15	Goldman Sachs Group, Inc. Morgan Stanley	Upgrade from HOLD to BUY Downgrade from HOLD to SELL

## FSG MODEL STOCK PORTFOLIO

Oct. 31, 2008

Sector	Rating	FSG Weighting	S&P 500 Weighting
<b>CONSUMER DISCRETIONARY</b>		<b>9.1%</b>	<b>8.1%</b>
Best Buy	Buy	1.4%	
Burger King	Buy	1.7%	
Disney	Buy	1.7%	
Coach	Buy	1.1%	
Kohl's	Buy	1.6%	
Staples	Buy	1.6%	
<b>CONSUMER STAPLES</b>		<b>13.4%</b>	<b>13.0%</b>
CVS Corp.	Buy	2.5%	
Estee Lauder	Buy	1.9%	
Pepsi	Buy	2.3%	
Philip Morris Int'l	Buy	2.4%	
Procter & Gamble	Buy	2.5%	
SUPERVALU	Buy	1.7%	
<b>ENERGY</b>		<b>12.3%</b>	<b>13.3%</b>
Chevron	Buy	3.0%	
ConocoPhillips	Buy	2.2%	
Devon Energy	Buy	2.8%	
Noble Corp.	Buy	2.2%	
Transocean	Buy	2.1%	
<b>FINANCIALS</b>		<b>14.6%</b>	<b>14.4%</b>
Aflac	Buy	1.7%	
Goldman Sachs	Buy	1.8%	
JP Morgan Chase	Buy	2.9%	
Northern Trust	Buy	2.5%	
U.S. Bancorp	Buy	2.6%	
Wells Fargo	Buy	2.9%	
<b>HEALTHCARE</b>		<b>13.9%</b>	<b>13.9%</b>
Abbott Labs	Buy	3.1%	
Johnson & Johnson	Buy	3.1%	
Medtronic	Buy	2.5%	
Stryker Corp.	Buy	3.0%	
Thermo Fisher Sci	Buy	2.2%	
<b>INDUSTRIALS</b>		<b>11.3%</b>	<b>10.9%</b>
Danaher Corp	Buy	2.5%	
Emerson Electric	Buy	1.9%	
Illinois Tool Works	Buy	2.0%	
L-3 Commun.	Buy	2.5%	
United Technologies	Buy	2.5%	
<b>INFORMATION TECHNOLOGY</b>		<b>15.4%</b>	<b>16.0%</b>
Adobe Systems	Buy	1.4%	
Autodesk	Buy	1.2%	
Cisco Systems	Buy	1.5%	
Citrix System	Buy	1.6%	
Hewlett-Packard	Buy	1.7%	
IBM	Buy	2.1%	
Microsoft	Buy	1.8%	
Oracle Corp.	Buy	1.7%	
Texas Instruments	Buy	1.1%	
Visa	Buy	1.2%	
<b>MATERIALS</b>			
Materials SPDR	Buy	3.1%	3.2%
<b>TELECOMMUNICATIONS</b>			
Telecom ETF	Buy	2.9%	3.4%
<b>UTILITIES</b>			
Utilities SPDR	Buy	3.7%	3.9%

ABBOTT LABORATORIES

ABT

Mfrs diversified health care prods

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 55.15	\$ 3.32	16.6	\$ 3.69	15	13%	\$ 1.41	2.5%	17.1%	21%	31%	\$85,016	-2%	-2%	A-

ABBOTT LABORATORIES vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Abbott Laboratories.. discovers, develops, manufactures and sells a broad and diversified line of health care products. The Group operates in four segments: Pharmaceutical segment includes a broad line of adult and pediatric pharmaceuticals. The Nutritional segment includes a broad line of Pediatric and adult nutritional. Diagnostic segment includes systems and tests for blood banks, hospitals, commercial laboratories, alternate-care testing sites and consumers. The Vascular segment includes a broad line of coronary, endovascular and vessel closure devices used in the treatment of vascular disease. It operates in the US, Australia, Belgium, Canada, France, Germany, Ireland, Japan, the Netherlands, South Africa, Spain, Switzerland, and the UK.

ADOBE SYSTEMS

ADBE

Pvds imaging/Design/Document swtware

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 26.64	\$ 2.00	13.3	\$ 2.18	12.2	15%	\$ 0.03	0.0%	29.2%	26%	7%	\$14,131	-36%	-38%	B+

ADOBE SYSTEMS vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



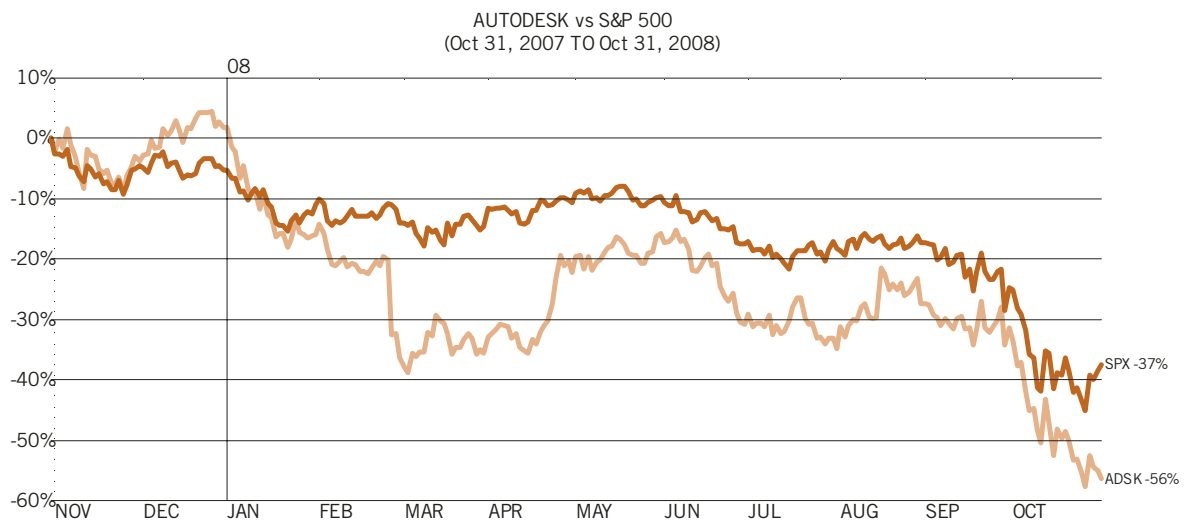
Adobe Systems Inc. provides a line of software & services for consumers, creative Prof'ls & enterprises. It operates through the following segments: The Creative Solutions segment provides Prof'l solutions for Prof'l publishing, Web design, Prof'l photography, video production, animation & motion graphic production. The Knowledge Worker Solutions segment focuses on the needs of knowledge worker customers, providing essential applications & services. Enterprise & Developer Solutions segment provides server-based enterprise interaction solutions that automate people-centric processes. Mobile & Device Solutions segment provides solutions that create compelling experiences through rich content, user interfaces, & data services on mobile & non-PC devices.

AFLAC			AFL										Supplemental health/Life insurance		
Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank	
\$ 44.28	\$ 4.01	11.1	\$ 4.59	9.7	15%	\$ 1.00	2.3%	11.1%	17%	16%	\$21,087	-20%	-29%	A	



Aflac Incorporated.. provides supplemental health & life ins svcs through its subsid American Family Life Assurance Co of Columbus. It also sells care plans, general med expense plans, med/sickness riders to cancer plan, living benefit life plan, accident plan, sickness & plan in addition to the cancer plans. The cancer life ins plans provide a fixed daily indemnity benefit for hospitalization & outpatient svcs related to cancer & a lump-sum benefit upon initial diagnosis of internal cancer. Its hospital indemnity prods provide fixed daily benefits for hospitalization due to accident or sickness. The other types of supplemental health ins are hospital intensive care, accident and disability, hospital indemnity, long-term care, short-term disability and dental plans.

AUTODESK			ADSK										Design software and digital content		
Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank	
\$ 21.31	\$ 2.26	9.4	\$ 2.49	8.6	15%	\$ 0.06	0.0%	19.8%	32%	0%	\$4,794	-33%	-57%	B	



Autodesk, Inc.. provides integrated & interoperable design software, Internet svcs, wireless development platforms & point-of-location applications. The Design Solutions segment markets design software products & services for professionals & consumers, who design, build, manage & own building projects or manufactured goods. It also markets mapping & geographic information systems tech. The Media & Entertainment segment develops, integrates, markets & supports film & TV compositing systems. It is also involved in high definition & standard definition broadcast editorial & finishing systems, digital cinema production sys for color grading, film finishing & animation, visualization & streaming media prods. In Mar 2006, it acquired Constructware.

**BEST BUY**

**BBY**

Consumr electronic/Appliance stores

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	Price Change YTD	S&P Rank
\$ 26.88	\$ 3.05	8.8	\$ 3.08	8.7	12%	\$ 0.53	2.0%	3.1%	25%	19%	\$11,073	-32%	-49%	B+

BEST BUY vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Best Buy Co. Inc. is a retail distributor of cnsmr electrns, home-office prods, entmt sftwr, appliances & related services. The Domestic segment consists of its Best Buy, Magnolia Audio Video & U.S. Geek operations. Best Buy stores offer consumer electrns, home-office equipment, entmt sftwr, appliances & related services. Magnolia Audio Video stores offers audio & video products. The International segment consists of Future Shop & Best Buy operations in Canada. Its retail stores include Best Buy, Future Shop, Magnolia Audio Video and Geek Squad & an outlet store on eBay. Prods are sold through websites such as BestBuy.com, BestBuyCanada.ca, FutureShop.ca, MagnoliaAV.com & GeekSquad.com. On 03-Mar-07, it had 868 stores domestically and internationally.

**BURGER KING HOLDINGS**

**BKC**

Fast food hamburger restaurant

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	Price Change YTD	S&P Rank
\$ 19.88	\$ 1.44	13.8	\$ 1.69	11.8	16%	\$ 0.25	1.3%	7.5%	13%	53%	\$2,680	-26%	-30%	NR

BURGER KING HOLDINGS vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Burger King Holdings Inc. The Group's principal activity is to franchise and own and operate fast food hamburger restaurants, principally under the Burger King brand. Its restaurants features flame-broiled hamburgers, chicken and other specialty sandwiches, french fries, soft drinks and other reasonably-priced food items. Its trademarks include Burger King(R), Whopper(R), Have It Your Way(R) and the Burger King Bun Halves and Crescent Logo. As of 31-Dec-2006, the Group owned 11,184 restaurants in 65 countries and United States territories, of which 1,290 restaurants are company-owned and 9,894 restaurants owned by its franchisees. The Group operates in the United States and Canada; Europe, Middle East and Africa and Asia Pacific; and Latin America.



CHEVRON

CVX

Petroleum/chemical/energy business

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 74.60	\$ 11.25	6.6	\$ 9.85	7.6	7%	\$ 2.46	3.3%	8.2%	26%	7%	\$153,264	-12%	-20%	A-

CHEVRON vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Chevron Corp. The Grp provides administrative, financial & mgmt support for fully integrated petroleum, chemicals & coal mining operations. Exploration & production operations consist of exploring & producing crude oil & natural gas & marketing natural gas. Refining, mrktg & transportation operations relate to refining crude oil into finished petroleum prods, marketing crude oil & transporting crude oil, natural gas & petroleum prods. Chemical operations include mfrg & marketing of commodity petrochemicals, plastics for industrial uses, fuel & lubricant oil additives. The Other operations consist of coal mining operations, worldwide cash mgmt & debt financing activities, corporate administrative functions, real estate activities & tech companies.

CISCO SYSTEMS

CSCO

Manufactures networking/comm prods

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 17.77	\$ 1.57	11.3	\$ 1.71	10.4	14%	\$ -	0.0%	23.3%	23%	16%	\$104,970	-19%	-34%	B+

CISCO SYSTEMS vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Cisco Systems Inc.. designs, develops, manufactures, markets and provides technical support of networking and other products and services related to the communications and IT industry. The Group offers its products in 5 categories: Switches, Advanced Technologies, Routers, Service, and Other. These products, primarily integrated by Group's IOS Software, link geographically dispersed local-area networks (LANs) and wide-area networks (WANs). The customers of the Group include large enterprises, public institutions, telecom companies, commercial businesses and personal residences. It operates in the US, Canada, European Markets, Eastern Europe, Latin America, the Middle East and Africa, Russia, Asia Pacific and Japan.

CITRIX SYSTEMS

CTXS

Prvds access infrastructure solutns

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 25.77	\$ 1.62	15.9	\$ 1.79	14.4	15%	\$ -	0.0%	19.2%	16%	0%	\$4,700	-3%	-32%	B+

CITRIX SYSTEMS vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Citrix Systems Inc.. develops markets & licenses access infrastructure sftwr & svcs for enterprise applications. Its prods include the Citrix MetaFrame Access Suite, an integrated set of enterprise access infrastructure prods, which provide access to comprehensive info resources from any location, device or connection. These prods are designed for Microsoft Windows(r) operating systems, UNIX(r) operating systems & Web-based information systems. The trademarks include Citrix(R), ICA(R), MetaFrame(R), MetaFrameXP(R), GoToMyPC(R) & GoToAssist(R). Customers include the US Department of Health & Human Svcs, Deutsche Telecom, Banco Bilbao Vizcaya Argentaris & Swiss Federal Railways. In 2006, it acquired Reflectent Software Inc. & Orbital Data Corp.

COACH

COH

Makes men's/Women's accessories

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 20.60	\$ 2.16	9.6	\$ 2.29	9	15%	\$ -	0.0%	21.6%	44%	0%	\$6,940	-19%	-33%	NR

COACH vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Coach Inc.. designs and markets high-quality, modern American classic accessories. The products include handbags, women's and men's accessories, footwear, outerwear, business cases, sunwear, watches, travel bags, jewelry and fragrance. It has two segments: Direct-to-Consumer segment, which includes Company-operated stores in North America and Japan, its online store and its catalogs. The Indirect segment, which includes department store locations in the US, international department stores, freestanding retail locations and specialty retailers. As on 28-Jun-2008, it operated through 289 retail stores and 102 factory stores in the United States, five retail stores in Canada and 149 department store shop-in-shops, retail stores and factory stores in Japan.

CONOCOPHILLIPS

COP

Integrated oil and gas company

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 52.01	\$ 11.58	4.5	\$ 8.92	5.8	7%	\$ 1.88	3.6%	7.1%	20%	19%	\$79,045	-36%	-41%	B+

CONOCOPHILLIPS vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



ConocoPhillips. The Grp's principal activities are to explore, refine, market & transport crude oil, natural gas & natural gas liquids. The Grp operates in four divisions. The Exploration & Production Segm't conducts the exploration & production of crude oil, natural gas & natural gas liquids. The Midstream Segm't gathers & processes natural gas. The Refining & Marketing Segm't refines, markets & transports crude oil & petroleum products. The Chemicals Segm't mfrs & markets petrochemicals & plastics. The Emerging Businesses Segm't develops new technologies related to natural gas conversion into clean fuels & related products (gas-to-liquids), tech solutions, emerging technologies & power generation. It has operations in the US, Norway, UK & Canada.

CVS/CAREMARK

CVS

Drug store chain

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 30.65	\$ 2.45	12.5	\$ 2.80	10.9	14%	\$ 0.26	0.8%	3.9%	15%	20%	\$43,988	-16%	-23%	A

CVS/CAREMARK vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



CVS Caremark Corporation (pka CVS Corp).. provides prescriptions and related healthcare services. The operations are grouped into two businesses: Retail Pharmacy business sells prescription drugs and a wide assortment of general merchandise, including over-the-counter drugs, beauty products and cosmetics photo finishing, seasonal merchandise, greeting cards & convenience foods through our CVS/pharmacy retail stores and online through CVS.com. Pharmacy Services provides mail order pharmacy services, specialty pharmacy services, plan design and administration, formulary management and claims processing. It operates 6,301 retail and specialty drug stores, 20 specialty mail order pharmacies & 9 mail service pharmacies in 26 states & the District of Columbia.

DANAHER

DHR

Mfrs industrial & consumer products

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 59.24	\$ 4.33	13.7	\$ 4.54	13.1	12%	\$ 0.12	0.2%	10.7%	18%	19%	\$18,894	-26%	-33%	A+

DANAHER vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Danaher Corporation (pka DMG Inc).. designs, manufactures and markets industrial and consumer products. Professional Instrumentation segment includes three strategic lines of business, Environmental, Electronic Test and Medical Technology. The Industrial Technologies manufactures products and sub-systems incorporated by original equipment manufacturers into various end-products and systems, as well by customers and systems integrators into production and packaging lines. It comprises of two strategic lines of business, Motion and Product Identification and three focused niche businesses, Power Quality, Aerospace and Defense and Sensors and Controls. The Tools and Components segment produces general and specialty mechanics. On 14-Oct-2007, it acquired Tektronix Inc

DEVON ENERGY

DVN

Independent oil and gas company

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 80.86	\$ 11.15	7.3	\$ 9.20	8.8	6%	\$ 0.62	0.8%	32.9%	19%	17%	\$35,724	-15%	-9%	A-

DEVON ENERGY vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Devon Energy Corp.. engages in oil & gas exploration, development & production, & the acquisition of producing properties. It operates oil & gas properties in the United States, Canada & various regions located outside North America including Azerbaijan, Brazil, China & West Africa. In addition to its oil & gas operations, it has marketing & midstream operations that include marketing natural gas, crude oil & NGLs, & the construction & operation of pipelines, storage & treating facilities & gas processing plants. The customers of the Group for gas production include pipelines, utilities, gas marketing firms, industrial users & local distribution companies. The principal customers for the crude oil production are refiners & remarketers.

DISNEY (WALT)

DIS

Media production/Resorts/Retail gds

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 25.91	\$ 2.28	11.4	\$ 2.43	10.7	10%	\$ 0.35	1.4%	11.3%	10%	26%	\$48,618	-15%	-20%	A-

DISNEY vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Walt Disney Co New. provides entmt and info. It operates in four business segments. The Media Networks segment comprises of domestic and international broadcast television networks and stations and satellite networks. Parks and resort segment owns and operates The Walt Disney World Resort and Disney Cruise Line, The Disneyland Resort and ESPN Zone facilities. The Studio Entertainment segment produces and acquires live-action and animated pictures and animated video programming. The Consumer Products segment licenses a wide variety of products based on existing and new Disney characters to manufacturers, publishers and retailers. It operates in the United States, Europe, Asia Pacific, Latin America and other countries. On 5-May-06, it acquired PIXAR.

EMERSON ELECTRIC

EMR

Mfrs electric/electronic products

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 32.73	\$ 3.20	10.2	-	-	14%	\$ 1.20	3.7%	9.7%	21%	25%	\$25,397	-33%	-42%	A

EMERSON ELECTRIC vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Emerson Electric Co. designs, manufactures & sells electrical, electromechanical & electronic products & services. The Process Mgmt Segm't includes systems & software, measurement & analytical instrumentation, valves, actuators & regulators. The Industrial Automation Segm't includes industrial motors & drives, power transmission equipment, alternators, materials joining & precision cleaning. The Network Power Segm't consists of uninterruptible power supplies, power conditioning & electrical switching equipment. The Climate Technologies Segm't consists of compressors, temperature sensors and controls, thermostats and flow controls. The Appliance & Tools Segment includes general & special purpomotors. In May 2006, it acquired Artesyn, Knurr & Bristol.

LAUDER (ESTEE)

EL

Makes skin care, fragrance products

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 36.04	\$ 2.35	15.4	\$ 2.43	14.8	11%	\$ 0.55	1.5%	5.9%	26%	39%	\$7,014	-18%	-17%	A-

LAUDER vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



The Estee Lauder Companies Inc.. manufactures, markets and sells skin care, makeup, fragrance and hair care products. Its products include moisturizers, lotions, sun screens and self tanning products, lipsticks, mascaras, foundations, nail polishes and powders. It also offers eau de parfum sprays, colognes, soaps, shampoos, conditioners and finishing sprays. Its brand names include Estee Lauder, Clinique, Aramis, Prescriptives, Origins, M.A.C, Bobbi Brown, jane, Aveda, Jo Malone and Bumble and bumble, Darphin and Rodan and Fields. It is a global licensee for fragrances and cosmetics of the brands Tommy Hilfiger, Donna Karan and Kate Spade. It markets its products in Europe, the Americas, the Middle East, Africa and Asia Pacific.

GOLDMAN SACHS GROUP

GS

Invstmnt bank/securities/asset mgmt

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 92.50	\$ 12.03	7.7	\$ 13.01	7.1	13%	\$ 1.40	1.5%	21.1%	23%	79%	\$40,187	-50%	-57%	A-

GOLDMAN SACHS GROUP vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Goldman Sachs Group Inc.. provides global invstmnt banking, asset mgmt & securities svcs worldwide to diversified client base that includes corporations, fin'l institutions, govts & high net worth individuals. Investing Banking segment underwrites equity & debt instr & provides fin'l advisory svcs for acquisitions & mergers. Trading & Principal Invstmnts & Asset Mgmt sgmnt facilitates customer transactions & trading of fixed income & equity products, currencies, commodities & derivatives. Asset Management and Securities Services segment provides investment strategies, advice and planning across all major asset classes and provides prime brokerage, financing and securities lending services. It operates offices in over 25 countries.

HEWLETT-PACKARD

HPQ

Computer/IT/peripheral solutions

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 38.28	\$ 3.71	10.3	\$ 4.13	9.3	12%	\$ 0.32	0.8%	7.5%	12%	15%	\$93,752	-15%	-24%	B+

HEWLETT-PACKARD vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Hewlett-Packard Co. The Group's principal activity is to provide products, technologies, solutions and services to individual consumers and businesses. The Group operates in seven segments. Enterprise Storage and Servers (ESSI), HP Services (HPS), HP Software, the Personal Systems Group (PSG), Imaging and Printing Group (IPG), HP Financial Services (HPFS) and Corporate Investments. During the year 2007, the Group acquired Mercury Interactive Corporation, MacDermid ColorSpan Inc, Atos Origin Middle East Group and Opsware Inc.

INT'L BUSINESS MACH

IBM

Provides business & info tech svcs

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 92.97	\$ 8.73	10.6	\$ 9.24	10.1	11%	\$ 1.80	1.9%	10.9%	30%	40%	\$125,959	-27%	-14%	A

INT'L BUSINESS MACH vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



International Business Machines Corporation.. provides business & info tech svcs. It operates through 5 segm'ts: Global Tech Svcs segm't reflects infrastructure svcs, delivering value through the its global scale, standardization & automation. Global Business Svcs segm't primarily reflects prof'l svcs, delivering business value & innovation to clients through solutions, which leverage indus & business process expertise. Systems & Tech Grp provides IBM's clients with business sol't'n requiring advanced computing power & storage capabilities. Software consists primarily of middleware & operating sys software. Global Financing segm't includes customer fin, comm'l fin & remktg. It operates in the U.S, Japan & other. In July 2008, it acquired Platform Solutions Inc.

ILLINOIS TOOL WORKS

ITW

Engineered prods/specialty systems

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 33.39	\$ 3.28	10.2	\$ 3.22	10.4	11%	\$ 1.15	3.4%	10.6%	18%	13%	\$17,342	-29%	-38%	A+

ILLINOIS TOOL WORKS vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Illinois Tool Works Inc. is a manufacturer of engineered products and specialty systems. The Group has approximately 650 operations in 45 countries. The Group's operations are carried out through five segments: The Engineered Products - North America and The Engineered Products - Int'l segment manufactures a variety of short-time plastic and metal components and fasteners. The Specialty Systems-North America and Specialty systems-Int'l segments manufacture longer lead-time machinery and related consumables and specialty equipment. The Leasing and Investment segment invests in mortgage entities, leases of telecommunications, aircraft, housing and a venture capital fund. The Group operates in the US and other 44 countries.

JOHNSON & JOHNSON

JNJ

Mfrs and sells health care products

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 61.34	\$ 4.53	13.5	\$ 4.68	13.1	7%	\$ 1.80	2.9%	19.4%	28%	16%	\$171,414	-10%	-8%	A+

JOHNSON & JOHNSON vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Johnson & Johnson. mfrs and mkts a range of prods in the health care field. The Pharm segment provides worldwide franchises in the antifungal, anti-infective, cardiovascular, contraceptive, dermatology, gastrointestinal, hematology, immunology, neurology, oncology, pa in management, psychotropic and urology fields. Medical devices and diagnostics segment includes a vast range of prods used by or under the direction of physicians, nurses, therapists, hospitals, diagnostic laboratories and clinics. Consumer segment mfrs and mkts a broad range of prods used in the baby and child care, skin care, oral and wound care and women's health care fields. In 2006, it acquired Animas Corp, Hand Innovations LLC, Vascular Control Syst Inc, Groupe Vendome & Ensure Medical Inc.



JPMORGAN CHASE & CO

JPM

Diversified Financial Services Co.

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 41.25	\$ 1.85	22.3	\$ 3.16	13.1	10%	\$ 1.52	3.7%	11.4%	11%	66%	\$151,963	2%	-6%	B

JPMORGAN CHASE & CO vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



JP Morgan Chase & Co. provides global financial services. It operates in six divisions. Investment Banking provides advisory and risk mgmt services. Retail Financial Services provides Home Finance, Consumer and Small Business Banking and Insurance. Card Services provides general purpose credit cards in the United States. Commercial Banking provides infrastructure for corporations, municipalities, financial institutions and not-for-profit entities. Treasury and Securities Services provide cash mgmt service. Asset and Wealth Management provides investment mgmt to retail and institutional investors, financial intermediaries, high-net-worth families and individuals globally. It acquired Collegiate Funding Services on 01-Mar-2006.

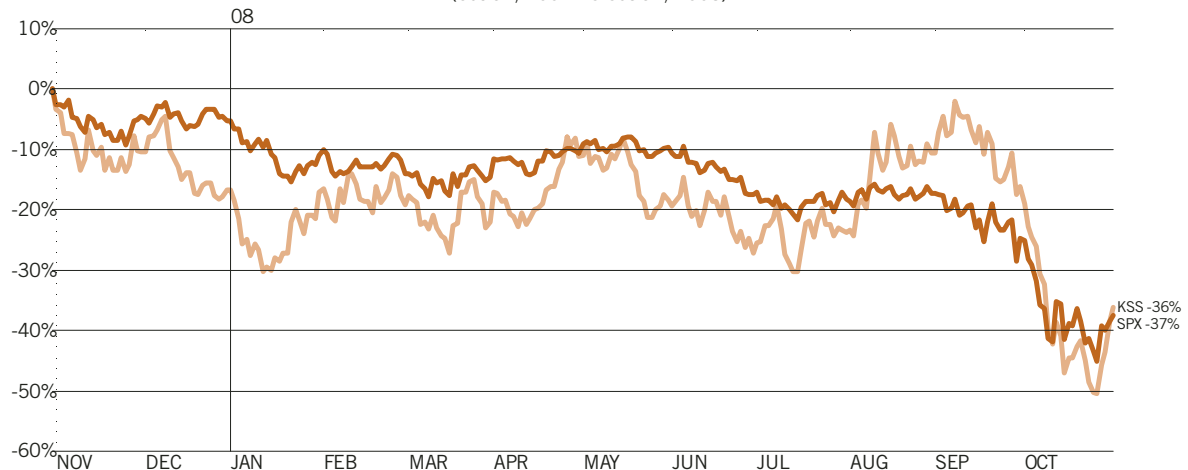
KOHL'S

KSS

Operates department stores

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 35.13	\$ 3.01	11.7	\$ 3.13	11.2	15%	\$ -	0.0%	5.8%	17%	25%	\$10,699	-16%	-23%	B+

KOHL'S vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Kohl's Corp.. operates department stores. It sells moderately priced apparel, shoes, accessories and home products targeted to middle-income customers through its stores. The national brand merchandise also includes soft home products, such as towels, sheets and pillows and house wares to suit regional preferences. The distribution is made to the stores from its centers in Menomonee Falls, Wisconsin, Findlay, Ohio, Winchester, Virginia, Blue Springs, Missouri, Mamakating, New York and San Bernardino, California. It also operates a fulfillment center in Monroe that services its e-commerce business. As of 02-Feb-2008 the Group operates 929 stores in 47 states. In 2007, it opened 112 additional stores across the United States.

L-3 COMM TITAN

LLL

Provides comm & aviation products

Price	2008 Estimated EPS	Estimated P/E	2009 Estimated EPS	Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 81.17	\$ 7.32	11.1	\$ 7.50	10.8	11%	\$ 1.20	1.5%	5.4%	12%	42%	\$9,856	-18%	-23%	A-

L-3 COMM TITAN vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



L-3 Communications Holdings Inc. provides communication systems, aviation products and support services. It operates through four segments: The Secure Communications segment provides surveillance and communications intelligence systems to military and government departments. The Training, Simulation and Support segment provides aircrew training services and software support. The Aircraft Modernization segment provides airborne traffic, collision avoidance systems. The customers include the Department of Defense, state and local government agencies of the United States. The Specialized Products segment provides components for military and commercial applications. In 2007, it acquired Geneva Aerospace Inc, Global Comm Solutions Inc, APSS S.r.l and MKI Systems Inc.

SPDR MATERIALS SELCT

XLB

Open-end mgmt investment company

Price	2008 Estimated EPS	Estimated P/E	2009 Estimated EPS	Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 25.92	\$ 2.54	10.2	\$ 2.36	11	18%	\$ 0.93	3.6%	0.6%	-	-	\$1,159	-36%	-38%	NR

SPDR MATERIALS SELCT vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



The fund invests in industries such as chemicals, construction materials, containers and packaging, metals and mining, and paper and forest products.

MEDTRONIC

MDT

Medical technology company

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 40.33	\$ 2.94	13.7	\$ 3.23	12.5	13%	\$ 0.69	1.7%	21.7%	23%	31%	\$45,504	-24%	-20%	A-

MEDTRONIC vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Medtronic Inc.. manufacturing, developing and marketing Med technology and providing device-based Med therapies. It operates in 8 segments: Cardiac Rhythm Disease Mgmt (CRDM), Spinal, CardioVascular, Neuromodulation, Diabetes, Surgical Technologies, Physio-Control. It provides lifelong solutions for people with chronic diseases. It also offers therapeutic and diagnostic devices used for the treatment of diabetes, neurological, gastroenterological, urological, and movement disorders, spinal and neurosurgery, neurodegenerative disorders and ear, nose and throat (ENT) surgery. It performs its operations in the US, Europe, the Asia Pacific and other foreign countries. In 2008, it completed the acquisition of Kyphon Inc (Kyphon).

MICROSOFT

MSFT

Develops/Mfrs software products

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 22.33	\$ 1.93	11.6	\$ 2.17	10.3	12%	\$ 0.46	2.1%	28.3%	31%	0%	\$203,879	-13%	-37%	B+

MICROSOFT vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Microsoft Corporation.. develops, mfrs, licenses & supports a wide range of software products for a multitude of computing devices. It's operates in six segments: Client; Server & Tools; Online Services Business; Microsoft Business Division; Entertainment & Devices Division; Unallocated & other. The software products include scalable operating systems for servers, personal computers & intelligent devices; server applications for client or server environments; information worker productivity applications; business solt'ns applications & software dvlpmnt tools. It also provides consulting & product support svcs. It trains & certifies system integrators & developers. It sells the Xbox video game console & games. It acquired Softricity Inc & TellMe Networks Inc in the year 07.

NOBLE				NE				Contract oil and gas drilling						
Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 32.21	\$ 5.68	5.7	\$ 7.19	4.5	20%	\$ 0.16	0.5%	44.6%	17%	12%	\$8,669	-38%	-43%	B

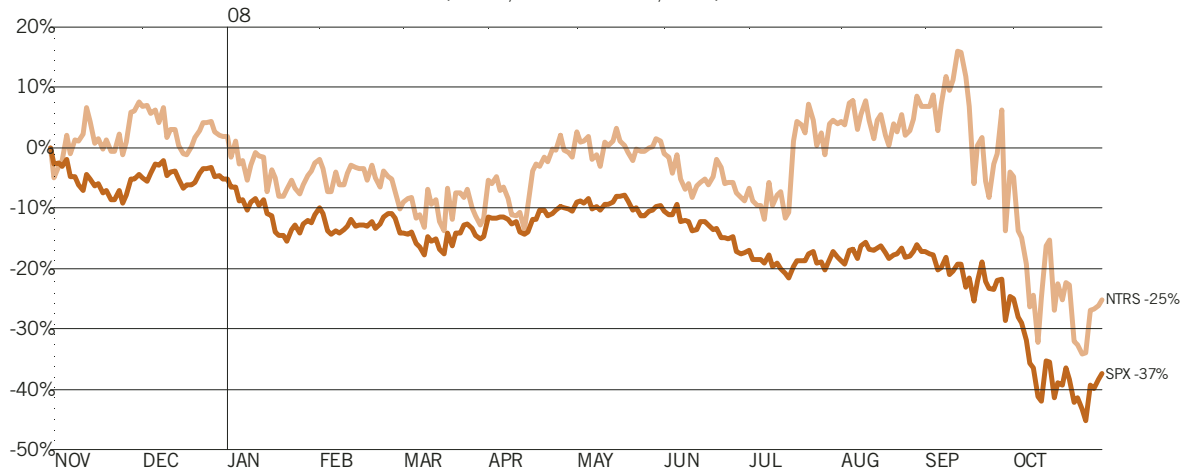
NOBLE vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Noble Corp. provides diversified services for the oil and gas industry. The contract drilling services are performed with a fleet of 63 offshore drilling units located in markets worldwide. The fleet consists of 13 semisubmersibles (including 5Noble EVA-4000TM semisubmersibles and 4 ultra-deepwater hulls), 3 dynamically positioned drillships, 44 jackup rigs and 3 submersibles. The technology initiative of the Group focuses on the design and development of drilling products, drilling-related software programs, technical solutions to enhance drilling efficiency, and applications that allow drilling in deeper water depths with less capital investment. It operates in Middle East, U.S, Mexico, North Sea, Brazil, West Africa & others.

NORTHERN TRUST				NTRS				Multibank holding company						
Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 56.31	\$ 4.21	13.4	\$ 4.37	12.9	12%	\$ 1.12	2.0%	23.5%	16%	49%	\$12,447	-28%	-27%	A-

NORTHERN TRUST vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Northern Trust Corp. The Group's principal activities are the provision of trust, commercial banking and investment management services to domestic and international institutional clients. It provides services through two units. Corporate and Institutional Services unit provides trust, commercial banking and treasury management services to corporate and institutional clients. The services provided include master trust, asset servicing, fund administration, settlement and reporting; cash management; and investment risk and performance analytical services. Personal Financial Services unit provides personal trust, investment management, estate administration and residential real estate mortgage lending services to individuals and businesses.

ORACLE

ORCL

Pvds enterprise management software

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 18.29	\$ 1.41	13	\$ 1.58	11.6	15%	\$ -	0.0%	30.2%	30%	30%	\$94,300	-15%	-19%	B

ORACLE vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Oracle Corporation.. dvlp, mfrs, mkts, distributes & svcs computer sftwr. It operates in 5 business segments: Sftwr Licenses, License Updates & Prod Support, Consulting, On Demand & Education. Sftwr Licenses include the licensing of database tech sftwr & applications sftwr. Sftwr License Updates provide customers with rights to unspecified sftwr prod upgrades & maintenance releases. Consulting include business strategy & analysis. On Demand, assist customers in configuration & perf analysis, personalized support & annual on-site technical svcs. Education segment provides media based, instructor-led & Internet based training to customers to use the prods. In 2008, it acquired BEA Systems Inc.

PEPSICO

PEP

Soft-drink producer

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 57.01	\$ 3.67	15.5	\$ 3.96	14.4	10%	\$ 1.60	2.8%	13.1%	34%	29%	\$89,250	-14%	-25%	A+

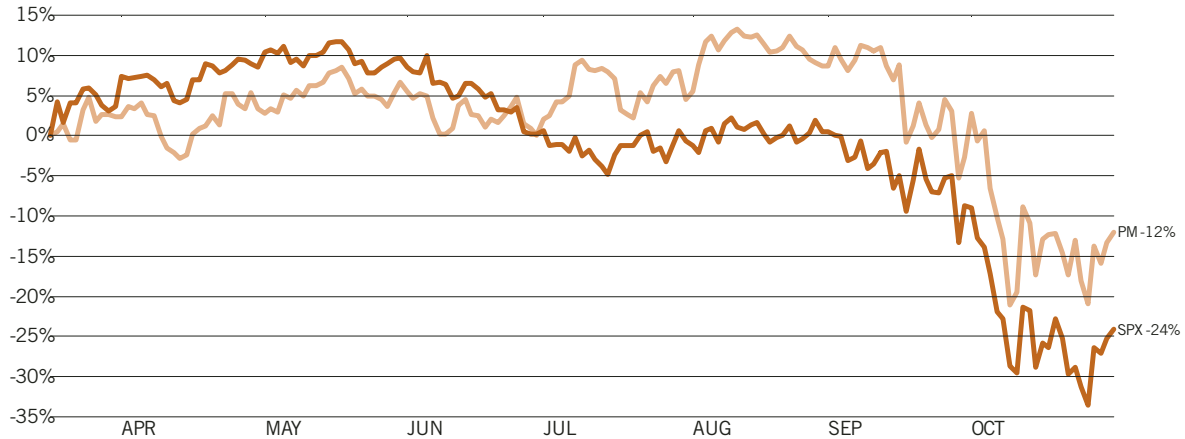
PEPSICO vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



PepsiCo Inc. The Grp mfrs, mkts & sells salty, sweet & grain-based snacks, carbonated & non-carbonated beverages & foods. The Grp operates in four divisions: Frito-Lay North America mfrs, mkts & sells branded snacks, which includes Lay's potato chips, Doritos flavored tortilla chips & Cheetos cheese flavored snacks. PepsiCo Beverages North America mfrs beverage concentrates, fountain syrups & finished goods for Pepsi, Diet Pepsi, Pepsi One, Mountain Dew, Mug etc. PepsiCo Int'l mfrs salty & sweet snack brands such as Sabritas, Gamesa & Alegro. Quaker Foods North America mfrs, mkts & sells cereals, rice, pasta & other branded products. It operates in the US, the UK, France, Australia, Germany, Netherlands, Argentina & Asia Pacific.

PHILIP MORRIS INTL		PM										Tobacco Company		
Price	2008 Estimated EPS	Estimated P/E	2009 Estimated EPS	Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 43.47	\$ 3.34	13	\$ 3.57	12.2	12%	\$ 1.00	2.3%	-	48%	44%	\$89,601	-16%	-12%	NR

PHILIP MORRIS INTL vs S&P 500  
(Mar 17, 2008 TO Oct 31, 2008)



Philip Morris International Inc. sells cigarettes and other tobacco products.

PROCTER & GAMBLE		PG										Hshld/Personal care/Food prods		
Price	2008 Estimated EPS	Estimated P/E	2009 Estimated EPS	Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 64.54	\$ 4.12	15.7	\$ 3.93	16.4	10%	\$ 1.55	2.4%	12.9%	27%	22%	\$195,834	-1%	-12%	A+

PROCTER & GAMBLE vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Procter & Gamble Co.. mfrs & mkts consumer prods. It operates in seven business segments: Beauty; Health Care; Fabric Care & Home Care; Pet Health, Snacks & Coffee; Baby Care & Family Care; Blades & Razors & Duracell & Braun. Fabric & home care includes laundry care, dish care, fabric enhancers & hard surface cleaners. Beauty care includes cosmetics, hair care, skin care, deodorants, fragrances, & other prods. Baby & family care segment includes products such as tissues, towel, diapers, wipes. Health care includes personal health care, oral care, pharma & pet health & nutrition. Snacks & beverage includes coffee, snacks, commercial services, juice, peanut butter and shortening and oil. The products are sold in more than 180 countries around the world.

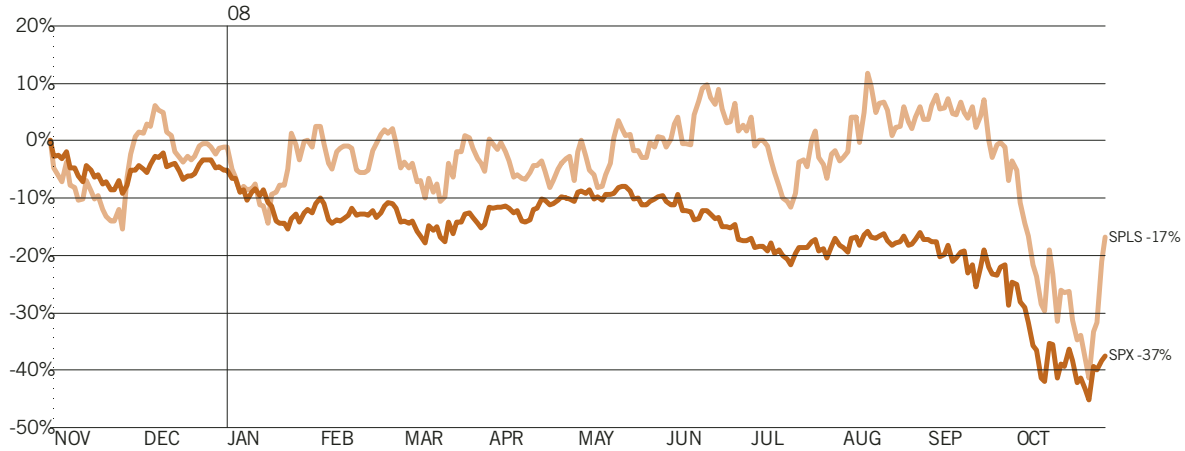
STAPLES

SPLS

Operates office supply superstores

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 19.43	\$ 1.39	13.9	\$ 1.56	12.5	14%	\$ 0.33	1.7%	4.9%	19%	13%	\$13,816	-14%	-16%	B+

STAPLES vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Staples Inc. sells a wide range of office products, including supplies, technology, furniture & business services. It conducts operations through three business segments; The North American Retail operations serve customers in the consumer, home office & small business segments of the office products market. The North American Delivery segment consists of United States & Canadian contract, catalog & Internet business units that sell & deliver office products, supplies & services. The International Operations segment operates retail stores, catalog & internet businesses. The Group serves consumers in 27 countries throughout North & South America, Europe, Asia & Australia. As on 02-Aug-2008, it operates 2,171 stores. In July 2008, it acquired Corporate Express.

STRYKER

SYK

Dvlps specialty medical devices

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 53.46	\$ 2.88	18.6	\$ 3.36	15.9	18%	\$ 0.33	0.6%	17.0%	22%	0%	\$22,042	-17%	-29%	A+

STRYKER vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Stryker Corp. The Group's principal activities are to develop, manufacture and market surgical and medical products. The Group operates in two segments: Orthopaedic Implants and MedSurg Equipment. The Orthopaedic Implants segment sells orthopaedic reconstructive, trauma and spinal implants and bone cement. The MedSurg Equipment segment sells powered surgical instruments, endoscopic products, medical video imaging equipment, craniomaxillofacial implants, image-guided surgical systems, hospital beds and stretchers. In 2007, it completed the sale of its outpatient physical therapy business. The Group has operations in the United States, Europe, Japan and other foreign countries.

SUPERVALU

SVU

Supermarket retailer/Food distrib

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 14.24	\$ 2.78	5.1	\$ 2.89	4.9	8%	\$ 0.69	4.8%	1.4%	12%	57%	\$3,025	-44%	-62%	A-

SUPERVALU vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Supervalu Inc. operates wholesale grocery stores in the US. The Group operates in two segments: Retail Food Segment and Food Distribution Segment. Retail food operations include extreme value food stores, regional price superstores and regional supermarkets. Food distribution operations include sales to affiliated food stores, mass merchants, other customers and other logistics arrangements. It provides support services including procurement, category management, promotional programs, internet marketing solutions. As on 28-Feb-2007, the Group operates 2200 stores in 40 states and as a secondary supplier to approximately 480 stores. Trade marks includes CUB FOODS, SAVE-A-LOT, SENTRY, FESTIVAL FOODS, COUNTY MARKET, IGA, FOODLAND and JUBILEE.

VANGUARD TELECOM ETF

VOX

Vanguard Telecommunication Services

Price	2008 Estimated EPS	P/E	2009 Estimated EPS	Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 45.39	\$ 1.33	34.1	\$ 2.37	19.1	10%	\$ 2.00	4.4%	0.0%	-	-	\$104	-25%	-40%	NR

VANGUARD TELECOM ETF vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



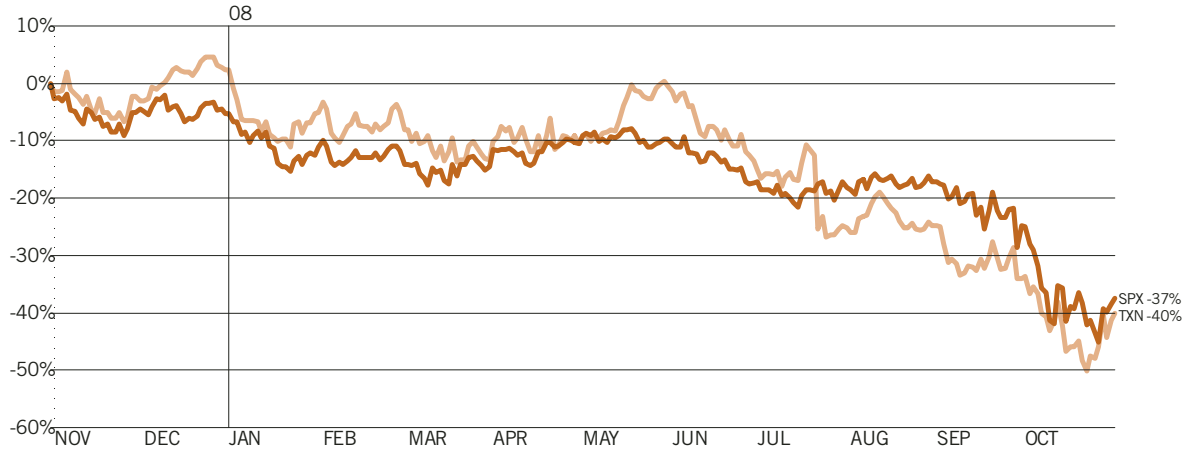
The fund seeks to track the performance of the Morgan Stanley Capital Int'l'r (MSCI) US Investable Market Telecommunication Services Index an index of stocks of large medium-size and small U.S. companies in the telecommunication services sector as classified under the Global Industry Classification Standard (GICS). This GICS sector is made up of companies that provide communications services primarily through a fixed-line cellular wireless high bandwidth and/or fiber-optic cable network.



TEXAS INSTRUMENTS TXN Semiconductors/Electronic equipment

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	Price Change YTD	S&P Rank
\$ 19.56	\$ 1.68	11.7	\$ 1.36	14.4	15%	\$ 0.41	2.1%	17.6%	18%	0%	\$25,641	-20%	-41%	B+

TEXAS INSTRUMENTS vs S&P 500 (Oct 31, 2007 TO Oct 31, 2008)



Texas Instruments Inc.. develops, manufactures and markets a variety of semiconductor products used in the commercial electronic and electrical equipment industry. It operates through two segments: The Semiconductor segment consists of digital signal processors, analog integrated circuits, standard logic devices, reduced instruction-set computing microprocessors, microcontrollers and digital imaging devices. The Educational Technology segment includes graphing and educational calculators. It also provides its customers with business and scientific calculators and a wide range of advanced classroom tools and professional development resources to help students and teachers interactively explore math and science. It operates in the Americas, Asia, Japan and Europe.

THERMO FISHER SCIENT TMO High-tech scientific instruments

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	Price Change YTD	S&P Rank
\$ 40.60	\$ 3.13	13	\$ 3.48	11.7	15%	\$ -	0.0%	12.2%	6%	12%	\$17,012	-33%	-30%	B-

THERMO FISHER SCIENT vs S&P 500 (Oct 31, 2007 TO Oct 31, 2008)



Thermo Fisher Scientific Inc (pka Thermo Electron Corp).. provides analytical instruments that enable customers to make the world a healthier, cleaner & safer place. It operates through 2 segments: Life & Lab Sciences and Measurement & Control. The Life and Lab segment provides analytical instruments, scientific equip, svcs and software solutions for life science, drug discovery, clinical environmental & industrial laboratories. The Measurement and Control segment provides analytical instruments that are used in a variety of manufacturing processes & in-the-field applications, including those associated with safety & homeland security. In 2006, it acquired Cohesive Technologies Inc, GV Instruments Limited & EGS Gauging, Inc.

TRANSOCEAN				RIG				Pvds contract oil/gas drilling svcs						
Price	2008 Estimated EPS	2009 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 82.33	\$ 14.43	5.7	\$ 16.13	5.1	11%	\$ 0.12	0.0%	41.5%	13%	47%	\$26,266	-40%	-43%	NR

TRANSOCEAN vs S&P 500 (Oct 31, 2007 TO Oct 31, 2008)



Transocean Inc.. provides offshore contract drilling svcs for oil and gas wells. As of 02-Feb-2007, it owned and operated 82 mobile offshore and barge drilling units, fleet consisting of 33 high specification semisubmersibles and drillships floaters, 20 other floaters, 25 jackup rigs and 4 other rigs. It provides the drilling rigs, related equip and work crews to its customers primarily on a dayrate basis to drill offshore wells. It also provides svcs in technically demanding sectors of the offshore drilling business with particular focus on deepwater and harsh environment drilling svcs. It operates in the U.S. Gulf of Mexico, Trinidad, Canada, Brazil, North Europe, the Mediterranean and Middle East, the Caspian Sea, West Africa, India and Australia.

U.S. BANCORP				USB				Bank holding company						
Price	2008 Estimated EPS	2009 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt/ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 29.81	\$ 2.00	14.9	\$ 2.20	13.6	7%	\$ 1.70	5.7%	23.3%	22%	65%	\$51,931	-3%	-6%	A-

U.S. BANCORP vs S&P 500 (Oct 31, 2007 TO Oct 31, 2008)



US Bancorp De. Its activities are to provide fin'l svcs. The fin'l svcs include lending & depository svcs, cash mgmt, foreign exchange & trust & investment mgmt svcs. It also provides credit card svcs, merchant & ATM processing, mortgage banking, ins, brokerage, leasing & investment banking. The lending svcs include traditional comm'l credit prods as well as credit card svcs, financing & import/export trade, asset-backed lending, agri fin & other prods. Depository svcs include checking a/c, savings a/c & time certificate contracts. As on 31-Dec-2006, it operates through 2,472 full svc branch offices in 24 states & provides services to individuals, institutions and public sector clients. It also operates a network of 4,841 branded ATMs and provides 24-hour, seven day a week phone customer service.

UNITED TECHNOLOGIES

UTX

Diversified manufacturer

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 54.96	\$ 4.94	11.1	\$ 5.25	10.5	10%	\$ 1.35	2.4%	7.8%	22%	28%	\$53,001	-14%	-28%	A+

TRANSOCEAN vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



United Technologies Corp.. The Grp provides high technology prods & svcs to the building systems & aerospace industries worldwide. The Grp operates in six segm'ts. Otis designs, mfrs, sells & installs a wide range of passenger & freight elevators, broad line of escalators & moving walkways. Carrier mfrs & distributes heating, ventilating, air-conditioning systems, refrigeration & food service equip. UTC Fire & Security provides security & fire safety products. Pratt & Whitney provides spare parts & aftermarket & fleet mgmt svcs. Hamilton Sundstrand supplies technologically advanced aerospace & industrial prods & aftermarket svcs. Sikorsky mfrs military & commercial Helicopters. In 2007, the Group acquired Initial Electronic Security Group and Marioff Corporation.

SPDR UTILITIES INDEX

XLU

SPDR Utilities Index

Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 28.91	\$ 2.51	11.5	\$ 2.72	10.6	9%	\$ 1.20	4.2%	1.2%	-	-	\$1,840	-24%	-32%	NR

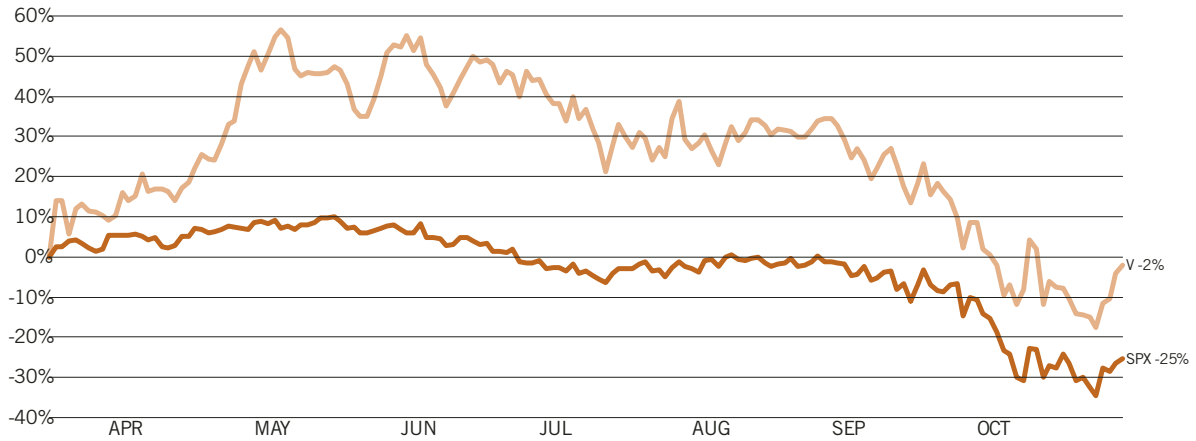
U.S. BANCORP vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



The fund invests in companies involved in water and electrical power and natural gas distribution industries.

VISA		V										Credit and Debit cards Payment ntwk		
Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 55.35	\$ 2.36	23.5	\$ 2.81	19.7	20%	\$ 0.32	0.6%	-	-	0%	\$59,996	-24%	-2%	NR

VISA vs S&P 500  
(Mar 19, 2008 TO Oct 31, 2008)



Visa Inc. The Group's principal activities are to operate electronic payments network and manage recognized global financial services brand. The Group facilitates global commerce through the transfer of value and information among financial institutions, merchants, consumers, businesses and government entities.

WELLS FARGO		WFC										Diversified financial services		
Price	2008 Estimated EPS	2008 Estimated P/E	2009 Estimated EPS	2009 Estimated P/E	5-yr Est. EPS Growth	Div	Yield	Profit Margin	5-YR ROE	Debt\ Cap'l	Mkt Cap (\$Mil)	Price Change 12-wk	YTD	S&P Rank
\$ 34.05	\$ 2.06	16.5	\$ 2.08	16.4	8%	\$ 1.30	3.8%	16.8%	19%	70%	\$112,670	13%	13%	A

WELLS FARGO vs S&P 500  
(Oct 31, 2007 TO Oct 31, 2008)



Wells Fargo & Company.. provides banking, insurance, investment, mortgage banking and consumer financing services. The Group operates in three segments: Community banking, Wholesale banking and Wells Fargo financial. Community banking segment provides diversified financial products and services. The Group also provides investment mgmt, insurance, securities brokerage and venture capital financing. Wholesale banking segment provides commercial, corporate and real estate banking products and services. Wells Fargo financial segment provides consumer finances and auto finances. The Group acquired Greater Bay Bancorp on 01-Oct-2007.

## CURRENT DISCLOSURES

It should not be assumed that recommendations made by the Feldman Securities Group, LLC (“FSG”) in the future will be profitable or will equal the performance of the list of securities for which Buy, Hold and Sell ratings are made by FSG.

FSG reserves the right to change a stock rating at any time.

The Feldman Securities Stock Rating System is a relative ranking system based on valuation - the more attractive a stock in terms of total return potential, the higher the rating. Once a stock has qualified under our Financial Strength and Earning Power criteria, Valuation is the primary determining factor, meaning that the stock price is of critical importance. Significant changes in estimated valuation can trigger a change in our rating. Feldman Securities Group, LLC’s Stock Ratings are defined as:

**BUY** – The current price suggests that the stock is likely to produce a total return that is greater than the relevant benchmark over the next 12 to 24 months.

**HOLD** – The current price suggests that the stock is likely to produce a total return that is about the same as the relevant benchmark over the next 12 to 24 months.

**SELL** – The current price suggests that the stock is likely to produce a total return that is less than the relevant benchmark over the next 12 to 24 months.

Over the past calendar quarter, the ratings breakdowns of stocks actively followed by FSG were:

BUY: 62.5%  
HOLD: 30.0%  
SELL: 7.5%

Research Analyst Bradley W. Young and Household invest in common stocks, some of which are on FSG’s approved list of stocks.

FSG does not make a market in nor underwrite any security. FSG does not take proprietary ownership in any stock covered in this report.

Factual materials obtained from sources believed to be reliable but cannot be guaranteed. Part II of Form ADV is available upon request. For further information please contact FSG at (800) 676-1755 or [research@fsgrhino.com](mailto:research@fsgrhino.com).

The S&P Quality Ranking System assesses in a single symbol the growth and stability of a company's earnings and dividends history. Rankings are generated using a computerized system based on earnings per share and dividend records over the past 10 years. The following is a list of Quality Rankings with letter classifications and a brief description:

<u>Letter</u>	<u>Description</u>
A+	Highest
A	High
A-	Above Average
B+	Average
B	Below Average
B-	Lower
C	Lowest
D	In Reorganization
LIQ	Liquidation

The following is a list of fundamental research metrics listed on the stock profile and their definitions:

<u>Metric</u>	<u>Definition</u>
2008e EPS	Mean estimated earnings for the company's current fiscal year 2008.
2008e P/E	Price to Estimated Earnings ratio for Fiscal 2008. Formula: Current Price / Sum of quarterly earnings and earnings estimates for fiscal year 2008.
2009e EPS	Mean estimated earnings for the company's next fiscal year 2009.
2009e P/E	Price to Estimated Earnings ratio for Fiscal 2008. Formula: Current Price / Sum of quarterly earnings and earnings estimates for fiscal year 2009.
5-Year Est EPS Growth	The Long Term Secular Growth Rate estimated for a period of five years.
Div.	The sum of regular dividends paid for the last four quarters.
Yield	The dollar amount of the latest 12 months of dividends / closing price shown.
Market Cap (\$ mil.)	The dollar amount at which the public values all the shares outstanding of a publicly traded company. Formula: Shares Outstanding x Price.
Profit Margin	A measure of profitability; it answers the question of how much a company retains from each dollar of revenue after deducting all operating, interest, & tax expenses. Formula: Net Income / Revenue.
5-Year ROE	Avg. of last 5 yrs ROE. ROE = after tax profits earned for all the shareholders expressed as a percentage. Formula: Latest 4 Quarter EPS / (((Latest quarterly total Stockholders Equity from the Balance Sheet + Stockholders Equity 4 quarters ago from the Balance Sheet) / 2) / Shares Outstanding).
Debt/ Capital	Debt with a maturity of a 1 year or greater expressed as a percent of total capitalization. Formula: LT Debt / (LT Debt + Stockholders Equity).

**Historical company rating changes by the Feldman Securities Group** The last rating change is provided for all stocks that have been on FSG's Approved List over the last 12 months. Also, if a company's rating changed more than once in the previous 12 months, all ratings over the last 12 months are shown.

COMPANY	TICKER	RATING	DATE OF RATING CHANGE	PRICE AT RATING CHANGE	PRICE ON 10/31/08
ABBOTT LABORATORIES	ABT	Buy	1/10/06	39.46	55.15
ACCENTURE	ACN	Hold	9/18/06	28.64	33.05
ADOBE SYSTEMS	ADBE	Hold	2/2/07	38.97	26.64
ADOBE SYSTEMS	ADBE	Buy	5/12/08	40.44	26.64
AUTODESK	ADSK	Buy	1/19/07	42.23	21.31
AFLAC	AFL	Hold	10/26/06	44.00	44.28
AFLAC	AFL	Buy	7/9/08	61.08	44.28
AMER INT'L GROUP	AIG	Buy	3/28/05	57.02	1.91
AMER INT'L GROUP	AIG	Hold	2/12/08	44.74	1.91
AMER INT'L GROUP	AIG	Sell	3/17/08	39.80	1.91
AMGEN	AMGN	Hold	10/26/06	75.98	59.89
BED BATH & BEYOND	BBBY	Buy	7/24/02	31.39	25.77
BED BATH & BEYOND	BBBY	Hold	5/19/08	32.68	25.77
BEST BUY	BBY	Buy	6/15/05	45.08	26.88
BURGER KING HOLDINGS	BKC	Buy	5/19/08	30.23	19.88
ANHEUSER-BUSCH	BUD	Hold	10/26/06	48.22	62.03
ANHEUSER-BUSCH	BUD	Sell	12/11/07	52.58	62.03
CAPITAL ONE FIN'L	COF	Buy	1/19/07	77.62	39.12
CAPITAL ONE FIN'L	COF	Hold	7/22/08	42.08	39.12
CAPITAL ONE FIN'L	COF	Sell	7/25/08	39.27	39.12
COACH	COH	Buy	5/19/08	36.44	20.60
CONOCOPHILLIPS	COP	Buy	11/17/00	25.81	52.01
CISCO SYSTEMS	CSCO	Buy	7/17/07	29.73	17.77
CITRIX SYSTEMS	CTXS	Buy	2/2/07	31.90	25.77
CVS/CAREMARK	CVS	Buy	10/26/06	31.05	30.65
CHEVRON	CVX	Buy	5/3/06	57.96	74.60
DANAHER	DHR	Buy	5/8/01	28.66	59.24
DISNEY	DIS	Buy	8/6/08	31.31	25.91
DEVON ENERGY	DVN	Buy	5/3/06	62.19	80.86
EBAY	EBAY	Buy	10/6/06	29.36	15.27
EBAY	EBAY	SELL	9/23/08	21.48	15.27
LAUDER (ESTEE)	EL	Buy	11/10/05	32.63	36.04
EMERSON ELECTRIC	EMR	Buy	6/13/07	47.15	32.73
EATON	ETN	Buy	11/15/07	87.42	44.96
FISERV	FISV	Buy	5/19/04	37.13	33.36
FISERV	FISV	Hold	11/14/07	52.88	33.36
GENERAL ELECTRIC	GE	Hold	10/26/06	33.97	19.64
GOLDMAN SACHS GROUP	GS	Hold	10/26/06	193.38	92.50
GOLDMAN SACHS GROUP	GS	Buy	5/2/08	200.27	92.50
GOLDMAN SACHS GROUP	GS	Hold	9/22/08	120.78	92.50
GOLDMAN SACHS GROUP	GS	Buy	10/15/08	113.15	92.50
HEWLETT-PACKARD	HPQ	Buy	11/14/07	48.91	38.28
INT'L BUSINESS MACH	IBM	Buy	11/14/07	102.63	92.97
ILLINOIS TOOL WORKS	ITW	Buy	10/5/05	38.22	33.39
JOHNSON & JOHNSON	JNJ	Buy	2/16/00	34.38	61.34
JPMORGAN CHASE & CO	JPM	Buy	10/3/07	46.21	41.25
COCA-COLA	KO	Hold	10/26/06	45.36	44.06
KOHL'S	KSS	Buy	3/17/08	39.97	35.13
L-3 COMM TITAN	LLL	Buy	3/21/05	68.19	81.17
LINEAR TECHNOLOGY	LLTC	Buy	2/1/06	37.51	22.68
LINEAR TECHNOLOGY	LLTC	Hold	11/19/07	30.35	22.68
LINEAR TECHNOLOGY	LLTC	Sell	7/24/08	30.63	22.68

*Continued on next page*

**Historical company rating changes by the Feldman Securities Group (continued)** The last rating change is provided for all stocks that have been on FSG's Approved List over the last 12 months. Also, if a company's rating changed more than once in the previous 12 months, all ratings over the last 12 months are shown.

COMPANY	TICKER	RATING	DATE OF RATING CHANGE	PRICE AT RATING CHANGE	PRICE ON 10/31/08
LOWE'S COMPANIES	LOW	Buy	2/20/04	29.19	21.70
LOWE'S COMPANIES	LOW	Hold	5/19/08	24.25	21.70
MCDONALD'S	MCD	Hold	10/26/06	39.78	57.93
MEDTRONIC	MDT	Buy	9/18/06	45.77	40.33
ALTRIA GROUP	MO	Hold	4/2/07	21.04	19.19
ALTRIA GROUP	MO	Buy	3/17/08	21.58	19.19
ALTRIA GROUP	MO	Hold	5/2/08	20.43	19.19
MORGAN STANLEY	MS	Buy	5/3/06	52.65	17.47
MORGAN STANLEY	MS	Hold	3/17/08	36.17	17.47
MORGAN STANLEY	MS	Sell	10/15/08	18.13	17.47
MICROSOFT	MSFT	Buy	9/15/06	26.20	22.33
NOBLE	NE	Buy	6/6/07	46.15	32.21
NORTHERN TRUST CORP.	NTRS	Buy	7/25/08	77.07	56.31
ORACLE	ORCL	Buy	7/17/07	20.38	18.29
PEPSICO	PEP	Buy	7/1/02	44.31	57.01
PFIZER	PFE	Hold	10/26/06	25.07	17.71
PROCTER & GAMBLE	PG	Buy	10/26/06	61.53	64.54
PHILIP MORRIS INTL	PM	Buy	4/4/08	51.37	43.47
TRANSOCEAN	RIG	Buy	5/23/08	152.01	82.33
STARBUCKS	SBUX	Buy	3/31/06	37.63	13.13
STARBUCKS	SBUX	Sell	8/6/08	14.52	13.13
SLM	SLM	Hold	1/19/07	45.17	10.67
SLM	SLM	Sell	7/9/08	16.33	10.67
STAPLES	SPLS	Buy	3/17/08	20.77	19.43
SUPERVALU	SVU	Buy	9/23/08	22.52	14.24
STRYKER	SYK	Buy	2/3/05	50.84	53.46
TARGET	TGT	Hold	10/26/06	58.32	40.12
THERMO FISHER SCI.	TMO	Buy	5/20/08	58.35	40.60
TEXAS INSTRUMENTS	TXN	Buy	10/3/07	35.76	19.56
U.S. BANCORP	USB	Buy	8/5/04	24.14	29.81
UNITED TECHNOLOGIES	UTX	Buy	8/20/08	75.63	54.96
VISA	V	Buy	4/28/08	75.63	55.35
VANGUARD TELECOM ETF	VOX	Buy	4/16/07	76.68	45.39
WALGREEN	WAG	Hold	9/18/06	48.68	25.46
WELLS FARGO	WFC	Buy	7/24/02	18.75	34.05
WELLPOINT	WLP	Buy	1/24/07	76.00	38.87
WELLPOINT	WLP	Hold	3/11/08	47.26	38.87
WAL-MART STORES	WMT	Hold	10/26/06	50.14	55.81
WILLIAMS-SONOMA	WSM	Buy	12/26/06	32.07	8.28
WILLIAMS-SONOMA	WSM	Hold	3/17/08	22.91	8.28
WESTERN UNION	WU	Buy	10/26/06	22.34	15.26
WESTERN UNION	WU	Hold	10/2/07	20.97	15.26
WRIGLEY (WM) JR	WWY	Buy	12/31/99	33.18	79.97
WRIGLEY (WM) JR	WWY	Hold	4/29/08	76.91	79.97
WRIGLEY (WM) JR	WWY	Sell	8/27/08	76.91	79.97
SPDR MATERIALS SELCT	XLB	Buy	4/16/07	38.56	25.92
SPDR UTILITIES INDEX	XLU	Buy	4/16/07	39.80	28.91
EXXON MOBIL	XOM	Hold	5/3/06	61.32	74.12