



# The Benjamin Graham Value Report

J. Royden Ward, Author

Sound Advice From the Teachings of Benjamin Graham

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## INSIDE THIS ISSUE

### The Classic Benjamin Graham Value Model

Model Update	2
Everest Re Group	2
Honda Motor	3
Performance	3

### The Wise Owl Model

Model Update	4
American International	4
Countrywide Financial	5
Performance	5

### Special Feature

How to Make the Most of The Benjamin Graham Value Report	6
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Highest Ranked Stocks	8
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## MARKET OPINION

The stock market resumed its stellar 2003 performance in October. The market was powered by good economic news and strong earnings reports. The U.S. economy rose at a robust 7.2% annual rate in the 3 months ending 9/30/03, supported by Government refund checks sent out in August. The Standard & Poor's 500 Index surged 5.5% in October, increasing the year to date advance to 19.4%. Bond prices fell again - sending the 10 year Treasury Note yield up to 4.29% from 3.95% at the end of September. Gold closed the month at \$385, unchanged from the previous month. Oil prices were also little changed for the month, closing at \$29.11 per barrel.

The broad market advance that we have experienced this year has left few stones unturned. Often, a market advance is led by a few groups of stocks such as large cap, small cap, growth, value or technology. But it seems that the tide is rising for all segments of the current market which makes it a challenge for us to find reasonable value. As the stock market continues its advance, increasing price-earnings ratios are raising investment risks.

Our research indicates that the best values are now found in the highest quality companies that are industry leaders. Therefore, this month we are taking the opportunity to recommend some leaders that are priced slightly higher than our usual stocks. We believe that slightly higher prices are warranted when buying industry leaders. These kinds of stocks offer exceptional opportunities for our investors. Of course, we've also found some undervalued stocks that we believe are selling at very reasonable prices.

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**“To achieve satisfactory investment results is easier than most people realize; to achieve superior results is harder than it looks.”**

**Benjamin Graham**

Benjamin Graham is known as the father of value investing. He influenced many modern gurus, including Warren Buffett.

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## THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

Benjamin Graham achieved returns of 20% per year over decades. Warren Buffett has used this approach for over 35 years with similar results. We screen the Benjamin Graham Common Stock Database monthly to detect the stocks that meet Benjamin Graham's seven criteria for value. The table below lists the stocks that are this month's recommendations for purchase. All purchases are recommended at or below our Max. Buy Price with additional purchases recommended at 10% and 20% below our Max. Buy Price. Sell any stock that reaches its Min. Sell target.

This Month's Buy Recommendations					Ben Graham's Seven Valuation Criteria						
Company Name	Ticker Symbol	10/31/03 Price	Max Buy Price	Min Sell Price	Debt vs Current Assets	Current Ratio	Earnings Growth	P/E Ratio	P/BV Ratio	Dividend Yield	S&P Earn/Div Rank
Beazer Homes USA	BZH	99.50	94.06	126.57	0.44	15.81	12.4%	8.0	1.45	0.0%	B+
EnCana Corp.	ECA	34.37	33.32	58.32	NA	NA	13.5%	10.2	1.49	0.9%	B+
Everest Re Group Ltd.	RE	82.95	80.37	140.79	NA	NA	12.5%	10.5	1.49	0.4%	B+
Honda Motor ADR	HMC	20.05	18.12	31.70	NA	NA	10.8%	10.0	1.59	0.6%	NR
Lafarge No. America	LAF	36.10	33.05	49.92	0.48	1.96	8.6%	10.8	1.11	1.8%	A-
Lincoln Nat'l Corp.	LNC	39.93	37.01	56.21	0.02	66.14	7.0%	12.1	1.24	3.3%	B+
MBIA Inc.	MBI	59.61	55.71	76.45	0.39	2.57	11.0%	11.6	1.44	1.2%	A
MDU Resources	MDU	22.63	21.30	37.28	1.63	1.78	9.6%	9.6	1.23	4.3%	A
Old Republic	ORI	35.94	33.47	46.76	0.40	2.52	10.5%	10.1	1.26	1.8%	A
Pulte Homes	PHM	86.51	75.20	104.14	0.38	2.85	13.3%	9.7	1.66	0.2%	A-

### MODEL UPDATE

The Classic Benjamin Graham Value Model has eight new stocks this month. It's not that we don't like last month's stocks anymore. It's that some have increased in price and are no longer in our buying range, and others were replaced with more attractive stocks that will outperform in the current market. Coverage of Korea Electric was dropped by Value Line because of the difficulty in obtaining current information about the company. This is disappointing because we also have to drop the company from our data list. We recommend that investors continue to hold Korea Electric until it reaches a price of \$17.75 from its current \$10.85. We are excited about the new stocks in our Model and confident that our performance record will continue to shine.

### FEATURED STOCKS

Everest Re Group Ltd. RE  
 Industry: Property-Casualty Insurance  
 Price: \$82.95  
 Max. Buy Price: \$80.37  
 Min. Sell Price: \$140.79

**Everest Re Group (RE)** underwrites property-casualty reinsurance for insurance and reinsurance companies in the U.S. and abroad. The company also underwrites property-casualty and specialty primary insurance in the U.S. and abroad. Everest has a strong balance sheet and a lucrative cash flow.

Growth has been weak during the past few years, but increasing demand for reinsurance and favorable pricing bode well for future results. Everest's competition has diminished with the exit of property-casualty companies after the 9/11 terrorist attacks. The company's \$8 billion bond portfolio could start to produce substantially more income if and when interest rates move higher. Part of management's business model is to concentrate on insurance areas where rates are favorable and climbing. We conclude that conditions at Everest Re are ideal for the company to grow at a rapid pace well into the future. Our conclusion is supported by the company's performance during the first nine months of this year. Sales have increased 62% and earnings per share have increased 56% compared to last year. Shares sell at a slight premium to Benjamin Graham's valuation guidelines, but the premium is warranted given the

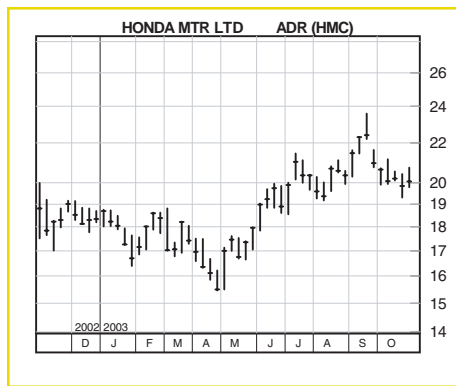
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Honda Motor	HMC
Industry:	Auto Manufacturer
Price:	\$ 20.05
Max. Buy Price:	\$ 18.12
Min. Sell Price:	\$ 31.70

high quality of the company and its growth prospects. We recommend that investors purchase Everest Re at \$80.37 or lower and hold until the price reaches our Minimum Sell Price of \$140.79.

**Honda Motor (HMC)** is Japan's third largest automobile manufacturer and the world's largest motorcycle producer. The company has manufacturing facilities around the world and sells 56% of its goods to the U.S. and Canada, 23% to Japan, and 8% to Europe. Car sales accounted for 81% of total sales and rose by 8.3% in the U.S. during the year ending 3/31/03. Motorcycle worldwide sales rose 33% during the same period, driven by 41% growth in Asia.

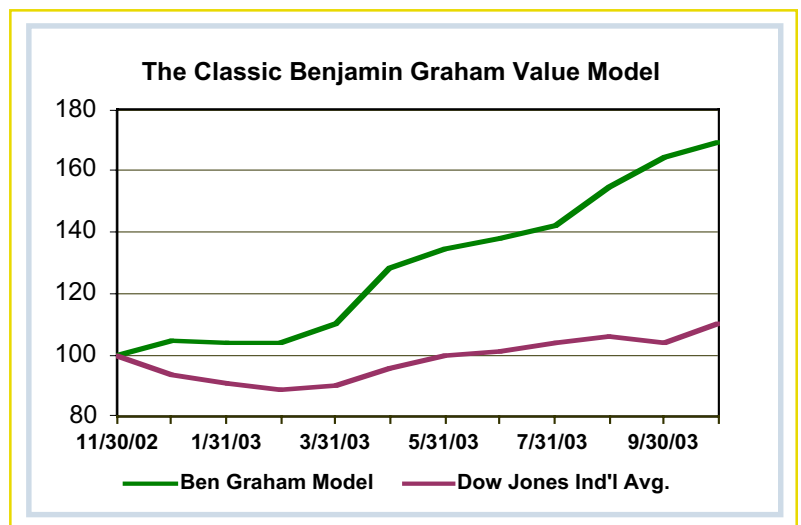


In the most recent quarter ending 9/30/03, Honda surprised forecasters when it posted an earnings increase of 57%. Management's cost saving efforts and strong car sales in the U.S. and Europe fueled the results. Future growth should be enhanced by Honda's Civic, which can be purchased with the newly developed gasoline-electric hybrid engine. We believe that the Civic is the wave of the future. Honda has taken the lead by becoming the first major manufacturer to offer the hybrid engine. Additional impetus for the company will come from its new joint agreement with Dongfeng Motor to manufacture cars in China. This will enable Honda to tap into the rapidly growing Chinese market. Honda's shares are moderately priced at 10 times earnings. We recommend that investors purchase Honda at \$18.12 or lower and hold until the price reaches our Minimum Sell Price of \$31.70.

Note: Many companies reported earnings during the past few weeks. Highlights for our Classic Benjamin Graham Model stocks include: Everest Re easily beat forecasts with earnings up 73%. Lafarge earnings were way above forecasts with a gain of 57%. Lincoln National surprised forecasters with earnings up 118%. MDU Resources met forecasts with earnings up 13%...Old Republic beat forecasts with earnings up 19%. And Pulte Homes easily beat forecast earnings with a gain of 40%.

### PERFORMANCE FOR THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

Model performance for the month of October slowed for the first time this year. The Classic Benjamin Graham Value Model was up 3.01% compared to a gain of 5.67% for the Dow Jones Industrial Average. Since its inception on 11/30/02, The Classic Benjamin Graham Value Model has gained 69.1% compared to a gain of just 10.2% for the Dow Jones Industrial Average. The chart at the right illustrates the Model's performance during the past eleven months. We expect the Model to continue to perform well during the foreseeable future because investors continue to avoid risky growth stocks in favor of sound value.



## THE WISE OWL MODEL

The Wise Owl Model has gained 20.9% compounded annually since its inception on 12/31/95 compared to a gain of 6.4% for the S&P 500 Index. The Owl Quantitative Rating System is a proprietary system developed by J. Royden Ward. By screening stocks in the Benjamin Graham Common Stock Database for quality, value, growth and technical strength, the Wise Owl Model offers you more consistent profits and lower volatility than the basic Benjamin Graham Value Model—with nearly equal long-term performance. It is recommended that you buy at or below the Maximum Buy Price. Sell when the stock reaches the Minimum Sell Price or when the Owl Total Rating falls below 6.0.

This Month's Buy Recommendations											Owl Quantitative Rating System				
Company Name	Ticker Symbol	10/31/03 Price	Max Buy Price	Min Sell Price	Std. Deviation	S&P Earn/Div Rating	IBD Earns Strength	Growth Rate	Current P/E	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating	
															Best = 5
American Int'l Group	AIG	60.83	73.55	108.53	24.6	A+	89	13.5%	17.3	3.54	3.23	2.99	2.90	8.44	
Cardinal Health	CAH	59.34	66.94	111.46	22.6	A+	92	17.1%	19.7	3.83	3.61	4.07	2.86	9.58	
Countrywide Financial	CFC	105.12	101.81	178.96	32.4	A	98	15.2%	9.7	2.43	3.25	3.78	3.10	8.38	
CVS Corp.	CVS	35.18	37.05	56.36	39.7	B	80	14.0%	19.0	2.74	3.65	2.88	4.03	8.86	
Harley-Davidson	HDI	47.41	48.52	87.40	32.4	A+	95	20.1%	21.6	3.64	2.87	4.48	2.50	8.99	
Home Depot	HD	37.07	42.44	70.26	38.1	A+	85	18.3%	22.0	4.46	3.95	4.08	3.29	10.00	
KB Home	KBH	68.49	59.03	100.68	33.6	B+	97	17.7%	8.4	3.02	3.72	3.49	4.12	9.57	
Lincare Holdings	LNCR	38.94	36.08	65.87	42.6	B+	96	21.0%	19.1	2.58	2.74	4.45	3.11	8.59	
MBNA Corp.	KRB	24.75	24.66	42.64	32.5	A+	97	19.3%	15.2	3.58	3.51	3.45	3.63	9.45	
Pfizer Inc.	PFE	31.60	38.23	66.14	18.9	A+	89	19.9%	19.0	4.65	4.14	3.67	2.49	9.97	
<b>Average:</b>		50.87	52.83	88.83	31.7		91.8	17.6%	17.1	3.45	3.47	3.73	3.20	9.18	

### MODEL UPDATE

We have added four new stocks to The Wise Owl Model this month: American International, Cardinal Health, CVS and Pfizer. They are all leaders in their industries and undervalued, which is quite rare. The three stocks they replace (Dollar Tree Stores, SunGard Data Systems, and Toll Brothers) should be held until they reach their Minimum Sell Prices or their Owl Total Ratings fall below 6.00. The fourth stock, WellPoint Health Networks, announced it has agreed to be acquired by Anthem, Inc. WellPoint shares increased to over \$90 on the news after starting the month at \$77. We recommend that investors sell their WellPoint stock now to avoid uncertain risks that might lie ahead.

### FEATURED STOCKS

American International AIG  
Industry: Diversified Financial Services

Price: \$60.83  
Max. Buy Price: \$73.55  
Min. Sell Price: \$108.53

**American International Group (AIG)** is one of the world's leading insurance providers, offering an array of property-casualty, life insurance, asset management, and retirement savings products in the U.S. and 130 other countries. AIG's revenues were generated primarily in the U.S. (57%) and in the Far East including Japan (28%). The company's balance sheet is very strong and earnings and dividends have risen consistently during the past 20 years.



AIG Chairman Maurice Greenberg recently commented, "AIG has a large number of promising growth initiatives underway around the world. In addition to the purchase of GE's Japan life and U.S. personal auto insurance businesses, AIG has entered into cooperative agreements in Russia to identify investment opportunities, improve homeowners insurance, and provide financing alternatives for Russian home buyers. We also entered into a cooperative agreement with the People's Insurance Company of China (PICC) that will enable AIG to market its accident and health products through the PICC's 4,300 branch offices...These initiatives, combined with strong growth in our established businesses...will contribute to our future success." AIG shares offer

continued next page

Featured Stocks Continued.

Countrywide Financial CFC  
 Industry: Diversified Financial Services  
 Price: \$105.12  
 Max. Buy Price: \$101.81  
 Min. Sell Price: \$178.96



investors a unique opportunity to own an outstanding company at a fair price. We advise investors to buy AIG at the current price and sell when the price hits our Minimum Sell Price of \$108.53.

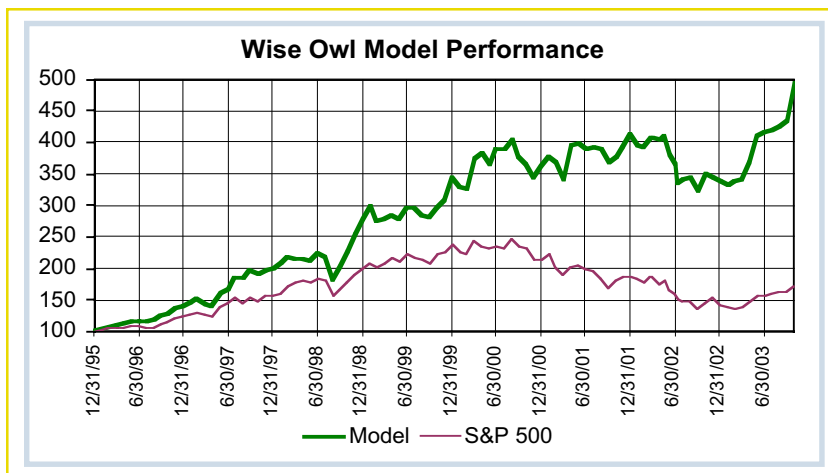
**Countrywide Financial (CFC)** is the nation’s largest independent residential mortgage lender. The company also operates an insurance agency and securities brokerage that contribute 30% of CFC’s earnings. The company has been able to take advantage of the current low interest rate environment and building boom. During the past 5 years, CFC has experienced 14% revenue growth per year and 38% earnings growth. As the building boom wanes and interest rates increase, CFC should grow earnings about 15% per year. The company has successfully diversified operations into product areas that will benefit from rising interest rates. These new products will be counter-cyclical to its mortgage business.

“The three months ended September 30, 2003 mark our tenth consecutive quarter of record earnings,” said Angelo R. Mozilo, Chairman, CEO, and President. “This was by far the most successful quarter in the Company’s history, as earnings for the three-month period exceeded 2002’s full year results. The strength of our business model and our operational execution during a rapidly changing interest rate environment were clearly demonstrated, as were the skill and dedication of Countrywide’s outstanding employees.” The shares are under-valued, selling at only 9.7 times earnings. Investors should consider purchases at the current price of \$101.81, paying a small premium for the company’s industry leadership, with an expectation that the shares will reach our Minimum Sell Price of \$178.96 within 3 years.

Note: Companies in our Wise Owl Model that reported earnings include: American International and Cardinal Health reported slightly disappointing earnings, but we think that current weakness provides an opportune time to buy. Harley-Davidson, MBNA and Pfizer beat forecasts with earnings gains of 15%, 19%, and 24% respectively. CVS easily beat forecasts with a gain of 15%. And Countrywide blew away forecasts with its quarterly earnings report of \$7.70 compared to year ago earnings of \$1.74 per share.

**PERFORMANCE FOR THE WISE OWL MODEL**

The Wise Owl Model experienced one of its best months ever last month led by Countrywide Financial and Toll Brothers. The Model gained 13.60% compared to a gain of 5.50% for the S&P500 Index. For the year to date, The Wise Owl Model has gained 45.5% compared to a 19.4% gain for the S&P 500. The chart to the right illustrates the Model’s performance since inception on 12/31/95 and shows how \$100 invested at the beginning would have grown to \$493 at the end of October - a compound annual return of 22.6% compared to a 7.1% return for the S&P 500.



## SPECIAL FEATURE

### How to Make the Most of The Benjamin Graham Value Report

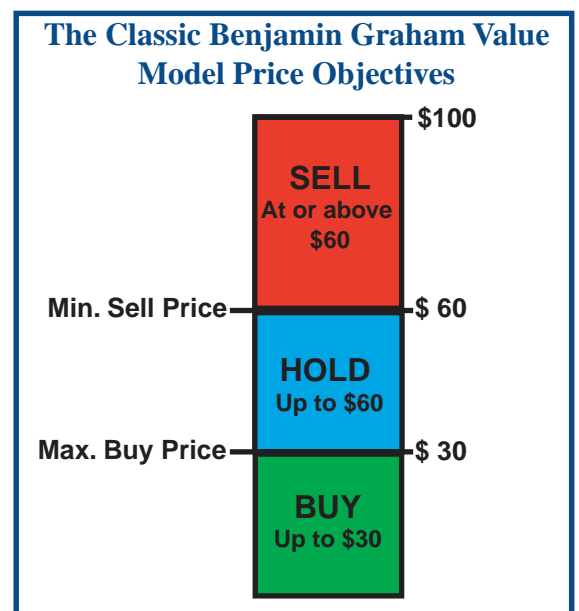
**Objective** - The Benjamin Graham Value Report (The Report) is written for investors who are seeking steady, above-average returns without incurring a lot of risk. To accomplish our goal, we present two diversified models each month containing up to ten stocks each. We refer to our first model as The Classic Benjamin Graham Value Model which appears on pages 2 and 3 of The Report each month. We call our second model The Wise Owl Model which appears on pages 4 and 5.

**Market Strategy** - Buying value stocks is quite different than buying stocks using price charts or ‘story stocks’. We strongly advise investors to pay little attention to what the market is doing. Our strategy is to concentrate on stocks that are under-valued at the current time. We ignore market timing. If a stock is under-valued, then it is time to buy, irrespective of the ups and downs of the overall market. We also take little notice of industry group rotation for the same reason.

**The Benjamin Graham Common Stock Database** - Our database is screened from the Value Line database of 1,700 stocks. We find the companies with the strongest balance sheets and the most consistent earnings growth. Companies with any earnings deficits during the past 5 years are eliminated. Our exclusive database of 500 stocks consists of quality companies that have demonstrated consistent performance during the past 10 years. Our process reduces your risk noticeably. We derive all of our recommendations for The Classic Benjamin Graham Value Model, The Wise Owl Model, and Special Features Section from The Benjamin Graham Common Stock Database.

**The Classic Benjamin Graham Value Model** - The Classic Benjamin Graham Model contains our buy recommendations for quality companies whose stocks are clearly unappreciated and undervalued. Oftentimes, the company’s management team is under-performing and is not taking advantage of opportunities. We advise investors to buy these companies and to patiently hold until positive developments begin to appear. There is no specific time frame. However, most stocks will reach their Minimum Sell Price within two to three years.

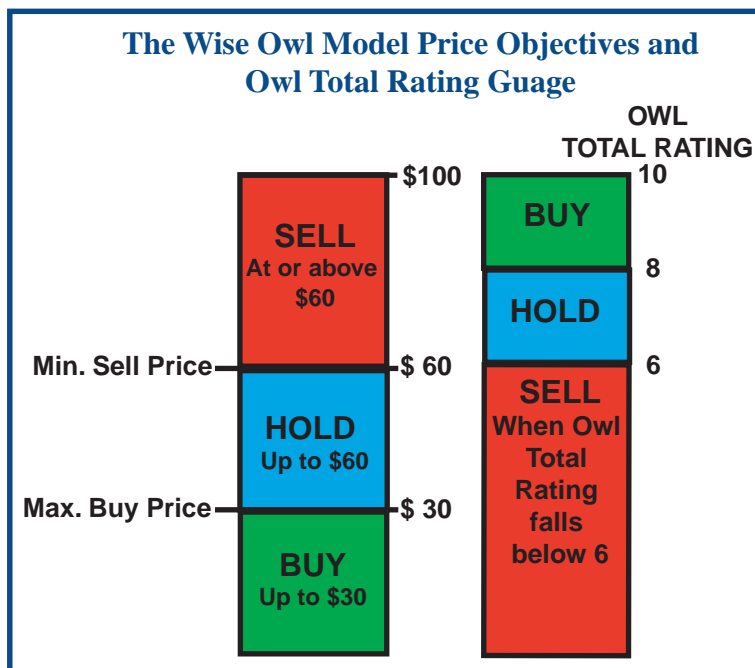
An important feature of our evaluation system is the Maximum (or Max) Buy Price and Minimum (Min) Sell Price that we calculate for each stock. The chart at right illustrates how to use our Maximum Buy and Minimum Sell Prices. In the example, the buy range is \$30 or below. After purchase, the stock should be held while it is between its Max Buy Price (\$30) and its Min Sell Price (\$60). The stock should then be sold when it reaches its Min Sell Price of \$60. It is best to invest in as many of the stocks in the Model as is practical for diversification purposes. We recommend that you buy the stocks that are selling at or below our Maximum Buy Price. If a stock is selling above its Maximum Buy Price, you should consider placing a limit order with your broker to buy the stock at a limit equal to our Maximum Buy Price. A limit order is placed to buy a stock at a specified price, and is not executed until the stock trades at the buy price limit or below. Limit orders can also be used when selling the stock at our Minimum Sell Price. After purchasing a stock, if the price falls 10% or more below the price that you paid, don’t be alarmed. We recommend that you buy additional shares at the lower price.



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**The Wise Owl Model** - The Wise Owl Model contains our buy recommendations for quality companies that have demonstrated strong steady earnings growth. In addition to high quality and strong growth, we seek stocks that are also under-valued, that have demonstrated strong price and earnings momentum, and that are recommended by the leading independent research services. We have quantified these attributes into four categories for you: Owl Quality Rating, Owl Value Rating, Owl Growth Rating, and Owl Technical Rating. We have further simplified our analytic process by consolidating these four categories into one Owl Total Rating. The Owl Total Rating is our measure of each stock's appreciation potential (10.00 is best). We advise investors to buy stocks with Owl Total Ratings between 8.00 and 10.00 that are selling at or near their Maximum Buy Price. There is no specific time frame, however most stocks will reach their Minimum Sell Price within two to three years. It is best to invest in as many of the stocks in the Model as is practical for diversification purposes.

We recommend that you sell a stock when one of three conditions are met: (1) if the stock reaches its Minimum Sell Target, sell; (2) if a stock's Owl Total Rating falls below 6.00, sell; (3) if a stock disappears from the Highest Ranked Stocks on pages 8 through 11, sell. As an example, in the chart to the right, the stock should be purchased when: (1) its price is \$30 or below, and (2) its Owl Total Rating is between 8.00 and 10.00. A stock should be held while it is in between its Max Buy Price (\$30) and its Min Sell Price (\$60), and its Owl Total Rating is 6.00 or higher. A stock should then be sold: (1) when it reaches its Min Sell Price (\$60), or (2) its Owl Total Rating falls below 6.00, or (3) the stock disappears from the Highest Ranked Stocks pages.



**Special Feature** - Each month we run a special feature section to bring current topics and additional stock screens to your attention. The stock screens are designed to find special stocks that will supplement our two Models. Some of the screens will find large and small capitalization value and growth stocks, stocks paying large dividends, and higher risk stocks that offer quick appreciation potential.

**Portfolio Strategy** - For your common stock value portfolio strategy, we recommend that you adhere to the following guidelines:

- Buy as many of the stocks recommended in The Classic Benjamin Graham Value Model and The Wise Owl Model as is practical for you.
- Choose stocks from each of the Models.
- Buy stocks that represent as many different industries as possible.
- Pay attention and adhere to Maximum Buy Prices, Minimum Sell Prices, and Owl Total Ratings (for Wise Owl Model stocks).
- Have fun, but keep in mind that this is your hard-earned money!

Whenever you have a question concerning The Benjamin Graham Value Report, please don't hesitate to send an email to [roy@benjamingraham.net](mailto:roy@benjamingraham.net). We are here to help you to become a better investor. We enjoy corresponding with our subscribers!

## HIGHEST RANKED STOCKS FROM THE BENJAMIN GRAHAM MODEL DATA BASE

The following pages present pertinent stock data for 250 of the highest rated stocks from the Benjamin Graham Model Data Base of 500 stocks. The listing includes the current Maximum Buy Prices and Minimum Sell Prices together with our exclusive Owl Ratings. We hope that you will find the data useful in looking up stocks that you already own or have an interest in.

Company Name	Ticker Symbol	Industry Name	10/31/03 Price	Max Buy Price	Min Sell Price	Growth Rate	Current P/E	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating
Abbott Labs.	ABT	Medical Supplies	42.62	39.07	59.47	10.5%	19.8	4.12	2.89	2.68	2.63	8.21
Adv. Neuromodulation	ANSI	Medical Supplies	41.00	14.73	29.96	24.3%	78.3	1.65	0.65	4.09	4.08	6.99
Affiliated Computer	ACS	Computer Software/Svcs	48.93	43.00	72.39	23.0%	23.8	2.71	2.78	4.68	2.71	8.58
AFLAC Inc.	AFL	Insurance (Life)	36.48	35.14	53.52	15.3%	20.6	3.48	2.27	3.07	2.26	7.38
Alberto Culver 'B'	ACV	Toiletries/Cosmetics	63.40	46.69	68.02	11.5%	24.8	4.45	1.66	2.91	3.80	8.55
Albertson's Inc.	ABS	Grocery	20.29	31.68	41.64	7.1%	9.8	2.57	5.22	1.25	1.31	6.90
ALLTEL Corp.	AT	Telecom. Services	47.27	50.49	69.62	7.5%	15.5	2.87	3.01	1.81	2.93	7.08
Altria Group	MO	Tobacco	46.50	49.28	70.43	8.5%	10.2	2.32	3.68	2.34	2.67	7.34
Ambac Fin'l Group	ABK	Financial Svcs. (Div.)	70.74	65.87	90.45	13.5%	13.7	3.02	2.62	2.78	3.44	7.91
Amer. Eagle Outfitters	AEOS	Retail (Special Lines)	15.99	22.21	35.09	15.8%	11.8	1.68	4.40	2.90	1.32	6.87
Amer. Int'l Group	AIG	Financial Svcs. (Div.)	60.83	73.55	108.53	13.5%	17.3	3.54	3.23	2.99	2.90	8.44
AmerisourceBergen	ABC	Medical Supplies	56.77	71.32	121.70	18.5%	15.2	1.96	4.13	3.89	2.14	8.07
Anheuser-Busch	BUD	Beverage (Alcoholic)	49.26	37.54	60.76	8.5%	20.5	4.30	1.66	2.83	2.43	7.48
Apollo Group 'A'	APOL	Educational Services	63.53	32.17	67.46	30.0%	55.9	3.37	1.52	5.13	3.32	8.90
Applebee's Int'l	APPB	Restaurant	37.51	26.65	42.86	18.0%	23.0	3.13	2.21	3.54	3.18	8.04
Armor Holdings	AH	Aerospace/Defense	19.50	17.02	24.87	15.5%	21.4	1.28	2.89	3.33	2.70	6.80
Automatic Data Proc.	ADP	Computer Software/Svcs	37.74	32.39	48.55	12.5%	21.9	4.87	2.80	2.57	2.93	8.78
AutoZone Inc.	AZO	Retail (Special Lines)	96.10	67.88	125.07	20.8%	20.2	2.53	2.64	4.29	3.99	8.97
Avon Products	AVP	Toiletries/Cosmetics	67.96	25.40	56.98	10.3%	27.1	2.95	1.03	2.91	3.57	6.97
Bank of Montreal	BMO.TO	Bank (Canadian)	49.33	36.43	52.12	8.0%	15.8	3.31	1.77	1.95	3.37	6.94
Bank of Nova Scotia	BNS.TO	Bank (Canadian)	65.47	53.11	75.06	11.5%	14.3	3.64	2.06	2.44	2.43	7.04
Bard (C.R.)	BCR	Medical Supplies	80.05	55.27	84.69	9.5%	22.1	3.12	2.11	2.69	2.99	7.28
Barr Labs.	BRL	Drug	76.77	44.96	74.80	23.5%	26.8	2.52	1.61	4.54	3.32	7.99
BARRA Inc.	BARZ	Computer Software/Svcs	38.00	29.27	47.52	16.7%	21.5	2.42	2.63	3.03	2.65	7.15
Baxter Int'l Inc.	BAX	Medical Supplies	26.58	27.34	40.79	7.0%	14.3	3.17	3.68	2.13	2.02	7.33
BB&T Corp.	BBT	Bank	38.67	45.03	70.52	12.0%	13.7	3.31	2.85	2.36	2.29	7.21
Bear Stearns	BSC	Securities Brokerage	76.25	73.66	108.39	13.0%	10.8	2.14	2.45	2.90	2.95	6.96
Beazer Homes USA	BZH	Homebuilding	99.50	81.79	126.57	16.1%	8.4	2.37	2.56	3.74	3.37	8.03
Beckman Coulter	BEC	Medical Supplies	49.65	37.20	59.48	10.0%	18.5	1.85	2.70	2.68	3.72	7.30
Becton Dickinson	BDX	Medical Supplies	36.56	35.65	52.11	9.5%	18.0	3.74	3.03	2.56	2.32	7.77
Bed Bath & Beyond	BBBY	Retail (Special Lines)	42.24	34.37	67.63	26.0%	37.3	4.00	2.50	4.90	3.11	9.68
Bemis Co.	BMS	Packaging & Container	46.24	48.57	67.69	9.0%	15.3	4.01	3.35	1.81	1.72	7.26
Best Buy Co.	BBY	Retail (Special Lines)	58.31	37.38	66.27	26.2%	26.9	1.63	1.88	4.21	3.66	7.58
Biogen Inc.	BGEN	Biotechnology	40.47	38.50	59.79	20.8%	21.9	2.25	3.72	3.49	2.07	7.69
Biomet	BMET	Medical Supplies	35.86	22.89	38.05	16.5%	34.9	4.32	1.67	3.78	2.80	8.38
BISYS Group	BSG	Financial Svcs. (Div.)	14.30	20.01	33.03	17.3%	14.6	2.05	4.19	3.47	1.05	7.17
BJ's Wholesale Club	BJ	Retail Store	25.69	30.47	47.44	12.5%	13.2	2.94	4.21	1.92	3.28	8.23
Block (H&R)	HRB	Financial Svcs. (Div.)	47.09	51.35	77.85	12.5%	13.9	2.98	3.54	3.50	2.25	8.18
Blyth Inc.	BTH	Household Products	27.98	30.35	44.31	10.0%	13.6	2.37	4.08	2.83	1.83	7.41
Borders Group	BGP	Retail (Special Lines)	22.65	23.09	35.31	11.2%	16.3	2.14	3.38	2.37	2.89	7.19
Bristol-Myers Squibb	BMJ	Drug	25.37	29.95	39.42	6.0%	11.9	2.31	4.26	1.69	2.15	6.95
Brown-Forman 'B'	BF/B	Beverage (Alcoholic)	84.38	63.76	89.14	7.0%	21.0	3.76	2.01	2.14	2.35	6.84
CACI Int'l 'A'	CAI	Computer Software/Svcs	49.53	25.36	49.17	19.4%	34.7	3.07	1.20	3.69	3.43	7.60
Cardinal Health	CAH	Medical Supplies	59.34	66.94	111.46	17.5%	19.7	3.83	3.61	4.07	2.86	9.58
Carlisle Cos.	CSL	Tire & Rubber	57.35	39.88	62.60	11.0%	21.9	2.90	2.30	2.62	3.13	7.30
CDW Corp.	CDWC	Retail (Special Lines)	60.05	46.41	81.51	20.0%	28.1	3.21	2.30	3.76	2.49	7.84
CEC Entertainment	CEC	Restaurant	48.90	39.87	62.34	15.1%	19.2	1.56	2.66	3.29	3.67	7.45
Centex Corp.	CTX	Homebuilding	97.50	72.73	118.19	15.7%	9.8	2.93	3.04	3.85	4.58	9.61
CenturyTel Inc.	CTL	Telecom. Services	35.75	37.59	56.49	12.5%	15.6	2.10	3.46	3.11	2.54	7.47
Charter One Fin'l	CF	Bank	31.96	33.01	46.96	11.5%	12.2	3.38	2.78	2.60	2.00	7.17
Cheesecake Factory	CAKE	Restaurant	39.94	23.93	40.66	21.3%	36.8	3.04	1.41	4.40	1.93	7.19
Chico's FAS	CHS	Retail (Special Lines)	37.54	19.23	38.15	32.8%	42.0	2.15	1.00	5.13	4.25	8.36
Chiron Corp.	CHIR	Drug	54.63	27.35	39.34	16.0%	37.3	2.27	1.36	3.57	3.24	6.96
Church & Dwight	CHD	Household Products	37.27	27.82	39.03	9.5%	21.5	2.99	2.01	2.91	3.05	7.31
Cintas Corp.	CTAS	Industrial Services	42.66	31.10	49.86	16.5%	30.0	3.20	2.52	3.20	2.15	7.38

continued next page

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Citigroup Inc.	C	Financial Svcs. (Div.)	47.40	42.40	62.89	12.0%	14.8	2.78	2.42	2.79	3.46	7.64
City National Corp.	CYN	Bank	60.21	49.97	75.52	13.3%	16.6	3.01	2.24	2.94	3.59	7.85
Claire's Stores	CLE	Retail (Special Lines)	38.70	26.44	42.53	13.8%	20.8	2.03	2.27	3.17	3.52	7.33
Coca-Cola	KO	Beverage (Soft Drink)	46.40	35.33	51.60	9.0%	25.4	3.25	2.35	2.78	2.82	7.46
Colgate-Palmolive	CL	Household Products	53.19	13.47	64.98	10.0%	22.5	4.10	1.77	2.87	1.56	6.86
Columbia Sportswear	COLM	Apparel	58.24	42.21	72.50	16.8%	20.9	2.31	1.84	3.57	2.75	6.99
Commerce Bancorp NJ	CBH	Bank	48.34	44.30	74.54	18.5%	20.3	3.01	2.51	3.54	3.08	8.10
Commerce Bancshs.	CBSH	Bank (Midwest)	47.88	40.85	58.50	9.5%	16.3	3.72	2.04	2.03	3.00	7.19
Computer Sciences	CSC	Computer Software/Svcs	39.62	51.05	72.81	12.0%	14.6	1.86	4.45	2.40	2.54	7.50
Concord EFS	CE	Financial Svcs. (Div.)	10.69	16.91	30.71	33.5%	14.3	2.91	5.00	4.33	2.65	9.93
Conmed Corp.	CNMD	Medical Supplies	20.35	22.87	32.65	13.8%	14.3	1.73	3.52	2.42	3.18	7.23
Convergys Corp.	CVG	Industrial Services	16.06	21.41	31.29	12.6%	12.3	2.18	4.46	2.69	1.74	7.38
Cooper Cos.	COO	Medical Supplies	43.45	27.46	44.62	16.5%	23.0	1.66	2.06	3.60	3.59	7.28
Coors (Adolph) 'B'	RKY	Beverage (Alcoholic)	56.05	59.33	87.65	9.3%	12.7	2.26	3.16	2.64	2.44	6.99
Copart Inc.	CPRT	Industrial Services	12.47	10.56	13.97	15.3%	19.8	2.81	3.07	2.88	2.66	7.62
Countrywide Financial	CFC	Financial Svcs. (Div.)	105.12	101.81	178.96	16.0%	9.7	2.43	3.25	3.78	3.10	8.38
CVS Corp.	CVS	Pharmacy Services	35.18	37.05	56.36	13.0%	19.0	2.74	3.65	2.88	4.03	8.86
Dean Foods	DF	Food Processing	30.25	29.39	46.32	17.5%	15.0	2.14	2.95	3.59	2.14	7.21
Dell Inc.	DELL	Computers/Peripherals	36.12	27.18	54.30	31.3%	38.7	3.05	1.99	4.44	2.66	8.10
Dentsply Int'l	XRAY	Medical Supplies	44.19	35.58	55.40	13.8%	21.9	3.06	2.02	3.37	3.07	7.68
Diagnostic Products	DP	Medical Supplies	40.82	30.55	44.74	10.3%	21.9	2.93	1.90	3.00	2.37	6.80
Diebold Inc.	DBD	Office Equip/Supplies	57.06	37.31	54.94	9.0%	24.5	3.41	1.73	2.30	2.72	6.78
Dollar Tree Stores	DLTR	Retail Store	38.18	33.68	62.26	20.0%	25.7	2.62	3.05	4.57	3.60	9.23
Donaldson Co.	DCI	Machinery	57.22	32.65	53.38	13.2%	28.1	3.65	1.38	3.08	3.02	7.42
DST Systems	DST	Computer Software/Svcs	37.82	34.37	47.68	13.8%	20.7	2.31	2.94	3.11	2.23	7.05
Ecolab Inc.	ECL	Chemical (Specialty)	26.89	19.33	28.68	11.5%	27.6	3.11	2.03	3.02	2.34	7.00
EnCana Corp.	ECA.TO	Canadian Energy	45.27	54.14	91.46	15.8%	9.6	2.11	4.39	2.32	1.91	7.15
Engineered Support	EASI	Aerospace/Defense	67.61	31.38	63.69	25.5%	29.8	2.89	0.87	4.63	4.29	8.45
Everest Re Group Ltd.	RE	Insurance (Prop/Cas.)	82.95	82.36	140.79	16.9%	11.6	2.31	3.42	3.30	3.15	8.12
Expeditors Int'l	EXPD	Industrial Services	37.54	24.77	45.45	20.8%	33.2	3.86	1.31	4.45	1.52	7.42
Exxon Mobil Corp.	XOM	Petroleum (Integrated)	36.58	31.91	44.02	5.5%	15.5	3.08	2.65	1.73	3.07	7.03
Fair Isaac	FIC	Computer Software/Svcs	63.78	44.47	77.99	21.0%	32.3	2.77	1.69	4.07	3.86	8.26
Family Dollar Stores	FDO	Retail Store	43.61	25.25	40.44	15.5%	31.8	3.94	0.98	3.60	2.99	7.68
Fannie Mae	FNM	Financial Svcs. (Div.)	71.69	85.66	124.59	12.0%	10.4	3.41	3.59	3.20	2.77	8.65
Fastenal Co.	FAST	Retail Building Supply	44.47	24.11	46.57	22.0%	42.6	3.54	1.82	4.24	2.88	8.32
Fifth Third Bancorp	FITB	Bank (Midwest)	57.96	57.50	88.21	16.0%	19.8	4.04	2.71	3.01	2.11	7.91
First Data Corp.	FDC	Computer Software/Svcs	35.70	33.40	48.76	12.5%	19.6	3.99	2.86	3.12	2.38	8.23
First Tenn. National	FTN	Bank (Midwest)	45.36	43.15	62.83	11.5%	13.6	3.02	2.51	2.96	2.32	7.21
Fiserv Inc.	FISV	Computer Software/Svcs	35.32	32.65	50.01	18.5%	23.2	3.11	2.69	3.83	2.23	7.91
Florida Rock	FRK	Cement & Aggregates	57.25	34.40	52.21	11.0%	23.0	3.13	1.34	2.67	3.25	6.93
Forest Labs.	FRX	Drug	50.01	32.98	51.63	21.5%	28.0	3.08	1.64	4.80	2.19	7.81
Fossil Inc.	FOSL	Retail (Special Lines)	27.00	19.58	32.69	17.1%	21.2	2.31	1.64	3.78	2.52	6.83
Freddie Mac	FRE	Financial Svcs. (Div.)	56.13	7.78	0.00	18.0%	11.6	3.36	3.13	2.65	2.39	7.69
Fred's Inc. 'A'	FRED	Retail Store	37.68	13.55	24.53	17.3%	46.0	3.20	0.71	3.82	3.20	7.28
Gallagher (Arthur J.)	AJG	Financial Svcs. (Div.)	29.19	27.52	43.26	13.0%	17.8	4.28	2.59	3.46	2.33	8.44
Gannett Co.	GCI	Newspaper	84.11	74.56	107.10	10.2%	18.7	3.76	2.59	2.47	3.08	7.93
Gap (The) Inc.	GPS	Retail (Special Lines)	19.08	14.83	24.81	14.0%	23.5	1.79	3.16	3.24	2.28	6.98
Gen'l Dynamics	GD	Aerospace/Defense	83.70	78.76	108.51	10.3%	16.5	3.43	2.86	2.24	2.44	7.31
Gen'l Electric	GE	Electrical Equipment	29.01	30.55	46.39	10.5%	18.8	4.34	3.59	2.30	1.84	8.04
Gentex Corp.	GNTX	Auto Parts	39.05	26.57	46.05	19.0%	30.7	3.15	1.45	4.20	2.71	7.67
GlaxoSmithKline ADR	GSK	Drug	43.29	30.82	39.26	6.3%	18.1	2.69	2.29	2.28	3.12	6.92
Golden West Fin'l	GDW	Thrift	100.43	76.18	110.19	14.0%	15.0	3.34	1.92	2.99	2.77	7.35
Harley-Davidson	HDI	Recreation	47.41	48.52	87.40	19.3%	21.6	3.64	2.87	4.48	2.50	8.99
Harman Int'l	HAR	Electronics	128.20	40.03	70.67	13.2%	47.7	1.79	1.01	3.24	4.30	6.90
Health Mgmt. Assoc.	HMA	Medical Services	22.15	22.09	37.78	17.6%	20.4	2.37	3.07	3.99	2.65	8.06
Heartland Express	HTLD	Trucking	24.84	15.08	22.03	12.6%	26.1	3.05	1.71	2.97	2.97	7.13
Helen of Troy Ltd.	HELE	Toiletries/Cosmetics	22.43	19.34	29.99	14.0%	14.0	1.86	2.30	3.05	4.18	7.59
Henry (Jack) & Assoc.	JKHY	Computer Software/Svcs	19.98	15.78	27.74	19.6%	32.4	3.03	2.55	3.76	3.28	8.41
Hershey Foods	HSY	Food Processing	77.10	56.08	86.79	8.5%	22.5	3.46	1.85	2.71	2.61	7.08
Home Depot	HD	Retail Building Supply	37.07	42.44	70.26	22.5%	22.0	4.46	3.95	4.08	3.29	10.00
Honda Motor ADR	HMC	Auto & Truck	20.05	25.57	37.69	9.8%	10.1	2.48	4.16	2.68	2.60	7.94
Horton D.R.	DHI	Homebuilding	39.80	28.68	45.52	20.5%	11.1	3.00	2.98	4.53	4.64	10.00
Illinois Tool Works	ITW	Metal Fabricating	73.55	55.42	85.22	12.0%	23.2	3.47	2.40	2.36	2.36	7.06
Intel Corp.	INTC	Semiconductor	33.05	14.52	26.57	11.8%	48.8	2.79	1.35	3.04	3.84	7.35
Investment Techn.	ITG	Financial Svcs. (Div.)	19.86	27.48	52.10	15.7%	12.5	2.23	4.20	2.87	1.39	7.12

continued next page

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ITT Educational	ESI	Educational Services	49.80	22.85	38.04	18.3%	44.7	2.57	1.14	3.90	4.13	7.82
Jacobs Engineering	JEC	Building Materials	46.32	36.62	51.42	15.0%	21.4	3.19	1.61	3.02	2.89	7.14
Jefferson-Pilot Corp.	JP	Insurance (Life)	47.74	48.53	68.58	9.5%	14.1	3.77	2.61	2.32	2.54	7.49
Johnson & Johnson	JNJ	Medical Supplies	50.33	47.99	73.55	13.0%	20.3	4.80	2.95	3.25	2.48	8.99
Johnson Controls	JCI	Auto Parts	107.53	90.28	137.03	12.1%	15.7	3.62	2.59	3.03	3.12	8.24
Jones Apparel Group	JNY	Apparel	34.50	38.11	60.42	22.5%	12.7	2.25	3.84	2.98	2.19	7.50
KB Home	KBH	Homebuilding	68.49	59.03	100.68	19.5%	8.4	3.02	3.72	3.49	4.12	9.57
Kenneth Cole 'A'	KCP	Shoe	29.60	25.74	41.40	14.0%	19.8	2.33	2.41	3.50	2.47	7.13
Kohl's Corp.	KSS	Retail Store	56.07	43.45	79.72	26.3%	29.2	3.32	2.52	4.64	2.26	8.49
K-Swiss Inc.	KSWS	Shoe	43.94	25.00	43.54	16.5%	22.5	2.23	1.62	4.07	4.50	8.28
Lancaster Colony	LANC	Household Products	39.71	34.47	49.64	9.5%	16.4	3.69	3.12	1.88	1.47	6.77
Landry's Restaurants	LNY	Restaurant	25.03	25.15	40.45	13.5%	15.0	1.45	4.02	2.93	2.30	7.13
Legg Mason	LM	Securities Brokerage	83.25	50.08	74.81	12.5%	25.8	2.35	1.15	2.94	4.24	7.12
Lehman Bros. Holdings	LEH	Securities Brokerage	72.00	61.10	102.00	12.0%	14.3	1.61	2.20	2.82	3.77	6.93
Lennar Corp.	LEN	Homebuilding	91.87	75.23	162.54	21.0%	11.1	2.66	3.26	4.03	4.58	9.69
Lincare Holdings	LNCR	Medical Services	38.94	36.08	65.87	20.8%	19.1	2.58	2.74	4.45	3.11	8.59
Linear Technology	LLTC	Semiconductor	42.61	25.96	48.25	17.3%	38.5	3.05	1.71	3.43	2.54	7.16
Liz Claiborne	LIZ	Apparel	36.89	34.20	51.57	9.5%	15.4	3.88	2.77	2.56	3.19	8.27
Lowe's Cos.	LOW	Retail Building Supply	58.93	44.87	79.20	20.5%	27.6	3.66	2.21	4.54	3.42	9.22
Luxtottica Group ADR	LUX	Retail (Special Lines)	15.97	10.72	16.55	16.0%	20.9	2.50	2.37	3.19	2.57	7.08
M&T Bank Corp.	MTB	Bank	93.90	82.53	115.81	14.0%	18.0	3.68	1.84	2.64	2.39	7.03
M.D.C. Holdings	MDC	Homebuilding	67.32	47.45	71.91	17.0%	10.6	2.67	2.60	3.90	4.57	9.16
Madden (Steven) Ltd.	SHOO	Shoe	21.43	20.62	32.80	21.0%	13.8	2.27	3.31	3.87	1.74	7.45
Marsh & McLennan	MMC	Financial Svcs. (Div.)	42.75	43.89	68.33	12.0%	16.1	3.41	3.01	3.12	1.34	7.25
Marshall & Ilsley	MI	Bank (Midwest)	35.82	33.95	47.37	10.0%	15.6	3.52	2.32	2.52	2.80	7.44
Masco Corp.	MAS	Building Materials	27.50	25.95	40.37	9.5%	16.4	2.13	3.08	2.36	2.72	6.86
MBIA Inc.	MBI	Financial Svcs. (Div.)	59.61	60.08	76.45	10.5%	12.1	3.25	3.22	2.12	3.49	8.05
MBNA Corp.	KRB	Financial Svcs. (Div.)	24.75	24.66	42.64	17.0%	15.2	3.58	3.51	3.45	3.63	9.45
McCormick & Co.	MKC	Food Processing	29.64	20.23	29.35	8.0%	21.9	3.20	1.79	2.76	2.84	7.07
McDonald's Corp.	MCD	Restaurant	25.00	21.79	30.10	7.8%	18.4	3.24	3.10	1.81	2.95	7.40
McGraw-Hill	MHP	Publishing	66.95	54.91	80.45	9.0%	21.5	3.56	2.32	2.53	2.28	7.13
MDU Resources	MDU	Electric Utility (West)	22.63	30.85	40.04	8.5%	9.7	3.23	4.05	1.81	1.87	7.31
MedQuist Inc.	MEDQ	Healthcare Information	16.67	20.64	29.09	12.3%	14.5	2.14	3.54	2.70	1.80	6.78
Medtronic Inc.	MDT	Medical Supplies	45.57	36.02	60.96	17.5%	29.3	3.80	2.61	3.85	2.41	8.45
Mentor Corp.	MNT	Medical Supplies	20.25	19.40	30.10	12.5%	16.2	2.53	2.95	3.24	2.35	7.38
Merck & Co.	MRK	Drug	44.25	53.64	84.07	13.0%	13.8	4.20	4.17	2.59	1.61	8.38
Merrill Lynch & Co.	MER	Securities Brokerage	59.20	45.82	73.06	11.5%	19.2	2.70	1.99	2.31	3.61	7.07
MGIC Investment	MTG	Financial Svcs. (Div.)	51.31	70.78	113.85	13.5%	8.7	2.54	4.19	2.18	1.29	6.80
Michaels Stores	MIK	Retail (Special Lines)	47.47	32.56	55.87	13.8%	20.7	1.97	1.98	3.12	3.08	6.77
Microsoft Corp.	MSFT	Computer Software/Svcs	26.15	24.36	39.52	19.0%	27.2	3.62	2.59	3.29	2.59	8.06
Mohawk Inds.	MHK	Furn/Home Furnishings	74.12	58.85	100.38	15.7%	16.6	2.15	2.72	3.04	2.45	6.90
Mylan Labs.	MYL	Drug	24.15	17.28	25.08	15.5%	22.9	3.20	1.77	3.45	3.80	8.15
National City Corp.	NCC	Bank (Midwest)	32.66	35.53	49.09	7.0%	11.4	3.74	3.15	1.95	2.29	7.42
National Commerce Fin'l	NCF	Bank	27.47	28.03	43.53	16.0%	17.7	3.01	2.60	2.69	3.00	7.54
NBTY Inc.	NTY	Retail (Special Lines)	27.25	18.31	30.88	23.8%	19.8	1.34	2.30	4.54	3.37	7.70
New York Community	NYB	Thrift	36.20	25.87	46.07	22.3%	18.5	2.70	2.39	4.06	3.42	8.38
NIKE Inc. 'B'	NKE	Shoe	63.90	45.85	68.63	10.5%	24.0	3.39	2.31	2.66	3.15	7.68
Nokia Corp. ADR	NOK	Foreign Telecom.	16.99	15.87	24.05	13.1%	18.9	2.68	3.25	3.78	2.69	8.26
North Fork Bancorp	NFB	Bank	38.98	33.70	53.73	12.3%	15.0	2.90	2.33	2.89	2.42	7.03
Novo Nordisk ADR	NVO	Drug	35.67	32.75	50.57	11.8%	18.0	2.66	2.54	2.90	3.02	7.42
NVR Inc.	NVR	Homebuilding	489.40	326.90	675.89	31.3%	11.6	2.98	2.34	4.61	3.26	8.80
Ocular Sciences	OCLR	Medical Supplies	27.93	24.77	38.05	13.5%	17.8	2.22	2.51	2.57	2.85	6.77
Old Republic	ORI	Insurance (Prop/Cas.)	35.94	36.51	46.76	10.0%	10.4	2.81	3.00	2.26	2.78	7.24
Omnicare Inc.	OCR	Pharmacy Services	38.34	30.25	47.29	15.5%	21.0	2.05	2.81	3.65	3.67	8.12
Omnicom Group	OMC	Advertising	79.80	67.75	106.34	14.5%	22.7	3.09	2.77	3.19	2.67	7.81
Oracle Corp.	ORCL	Computer Software/Svcs	11.96	9.86	17.18	20.6%	26.6	2.66	2.68	3.84	2.00	7.45
O'Reilly Automotive	ORLY	Retail (Special Lines)	43.29	30.04	48.77	20.1%	24.8	2.76	2.08	4.37	3.77	8.66
Outback Steakhouse	OSI	Restaurant	42.00	37.83	57.67	15.0%	18.8	2.92	3.37	3.62	2.27	8.12
Pacific Sunwear	PSUN	Retail (Special Lines)	23.09	13.09	21.96	19.6%	29.4	1.75	1.78	4.48	3.89	7.94
Patterson Dental	PDCO	Medical Supplies	63.98	36.84	61.42	18.9%	33.7	3.74	1.54	3.87	4.08	8.82
Paychex Inc.	PAYX	Computer Software/Svcs	38.92	26.17	49.31	21.5%	51.0	3.76	1.58	4.46	3.26	8.71
PepsiCo Inc.	PEP	Beverage (Soft Drink)	47.82	39.56	58.76	8.0%	22.6	4.04	2.44	2.55	3.50	8.36
Performance Food	PFGC	Food Wholesalers	37.25	33.03	50.04	18.8%	22.2	2.30	1.99	3.72	3.23	7.50
Pfizer Inc.	PFE	Drug	31.60	38.23	66.14	16.5%	19.0	4.65	4.14	3.67	2.49	9.97
Pharmac. Product	PPDI	Drug	30.07	23.71	37.64	22.5%	22.9	1.58	2.93	3.91	2.23	7.11

continued next page

Company Name	Ticker Symbol	Industry Name	10/31/03 Price	Max Buy Price	Min Sell Price	Growth Rate	Current P/E	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating
Pier 1 Imports	PIR	Retail (Special Lines)	23.10	20.00	31.50	14.5%	16.3	2.55	2.81	3.03	1.97	6.91
PMI Group	PMI	Insurance (Prop/Cas.)	38.23	40.29	64.05	14.9%	10.3	3.79	3.67	2.73	2.92	8.74
Polaris Inds.	PII	Recreation	85.60	61.18	99.48	11.5%	18.2	3.43	2.35	3.05	3.34	8.11
Popular Inc.	BPOP	Bank	45.00	42.02	57.37	11.5%	15.0	3.04	2.23	2.77	3.10	7.43
Price (T. Rowe) Group	TROW	Financial Svcs. (Div.)	41.15	29.72	48.34	15.0%	26.2	3.30	2.16	3.03	2.47	7.31
Procter & Gamble	PG	Household Products	98.29	70.68	104.84	8.0%	25.1	4.02	1.68	2.65	2.97	7.55
Pulte Homes	PHM	Homebuilding	86.51	63.44	104.14	16.5%	10.1	2.79	2.93	3.64	3.99	8.90
QLogic Corp.	QLGC	Semiconductor	56.05	29.03	49.55	24.0%	41.3	2.39	1.49	4.79	2.89	7.70
Regis Corp.	RGS	Toiletries/Cosmetics	38.02	26.16	46.17	15.8%	21.0	1.78	2.67	3.37	4.12	7.96
Renaissance Learning	RLRN	Educational Services	25.16	19.98	35.65	19.5%	25.7	2.27	2.75	4.33	2.76	8.07
ResMed Inc.	RMD	Medical Supplies	41.77	28.52	51.00	26.5%	33.3	2.25	1.87	4.79	2.86	7.85
Roper Inds.	ROP	Machinery	49.42	35.74	53.77	12.8%	23.5	2.54	2.52	3.03	2.53	7.08
Ross Stores	ROST	Retail (Special Lines)	50.01	41.23	72.27	15.5%	18.3	3.43	2.37	3.89	3.11	8.54
Royal Bank of Canada	RY.TO	Bank (Canadian)	63.48	57.45	84.83	11.8%	15.0	2.79	2.29	2.65	3.29	7.35
Ruby Tuesday	RI	Restaurant	27.35	19.56	33.65	16.5%	21.2	2.39	2.41	3.13	3.20	7.42
Ryan's Family	RYAN	Restaurant	13.94	12.68	18.49	11.5%	12.4	2.27	3.23	2.33	2.33	6.78
Ryland Group	RYL	Homebuilding	88.90	50.13	83.04	14.0%	11.5	2.51	2.05	3.64	4.02	8.15
Safeway Inc.	SWY	Grocery	21.10	37.32	57.04	10.5%	7.8	2.36	5.40	1.91	1.36	7.35
Schein (Henry)	HSIC	Medical Supplies	62.05	49.36	72.64	14.5%	21.3	2.08	2.49	2.81	3.10	6.99
Schering-Plough	SGP	Drug	15.27	19.25	32.75	12.0%	10.2	3.50	4.46	1.54	0.85	6.90
Sears Roebuck	S	Retail Store	52.63	53.21	75.25	5.3%	10.8	2.27	3.50	1.92	3.14	7.22
SEI Investments	SEIC	Computer Software/Svcs	29.12	28.26	51.26	19.0%	22.1	3.22	2.32	4.45	1.39	7.59
Sherwin-Williams	SHW	Chemical (Specialty)	33.54	28.44	41.56	9.0%	15.6	3.05	2.43	2.35	2.48	6.87
SLM Corporation	SLM	Financial Svcs. (Div.)	39.16	31.06	50.34	14.1%	23.4	3.43	1.48	3.50	2.59	7.33
Sonic Corp.	SONC	Restaurant	27.81	21.56	36.67	19.3%	22.4	2.21	2.29	3.98	1.70	6.79
SouthTrust Corp.	SOTR	Bank	31.85	27.38	40.05	13.0%	16.1	3.42	2.04	2.54	3.37	7.58
Standard Pacific Corp.	SPF	Homebuilding	47.85	37.63	57.89	16.0%	9.5	2.05	2.91	3.55	4.39	8.60
Staples Inc.	SPLS	Office Equip/Supplies	26.82	18.95	30.22	18.3%	26.0	2.42	2.38	3.83	3.16	7.86
Starbucks Corp.	SBUX	Restaurant	31.60	15.22	25.17	21.0%	50.2	3.06	1.54	4.72	2.40	7.82
State Street Corp.	STT	Bank	52.36	46.61	70.20	15.5%	24.2	3.32	1.97	2.64	3.58	7.67
Stryker Corp.	SYK	Medical Supplies	81.11	50.30	92.57	20.8%	39.7	3.24	1.68	4.60	3.48	8.66
SunGard Data Sys.	SDS	Computer Software/Svcs	28.05	27.22	46.76	16.5%	22.4	2.99	3.07	3.58	2.79	8.29
Synovus Financial	SNV	Bank	27.60	24.73	40.10	14.0%	21.7	3.36	2.44	2.73	2.90	7.62
Sysco Corp.	SYI	Food Wholesalers	33.66	22.75	36.58	15.0%	30.0	4.50	1.83	3.67	3.40	8.93
Taiwan Semic. ADR	TSM	Semiconductor	11.06	5.89	10.51	17.0%	39.0	1.55	2.04	3.33	3.59	7.01
Target Corp.	TGT	Retail Store	39.74	33.73	50.30	12.5%	20.5	3.34	2.23	2.85	2.73	7.42
Techne Corp.	TECH	Biotechnology	34.83	22.70	39.23	22.3%	34.0	3.13	1.81	4.26	3.38	8.39
Teleflex Inc.	TFX	Diversified Co.	46.01	51.56	74.94	12.5%	15.3	3.26	3.78	2.16	0.98	6.79
Telefonos de Mexico ADR	TMX	Foreign Telecom.	32.15	35.97	58.77	14.5%	8.7	1.68	3.79	2.98	2.26	7.14
Tetra Tech	TTEK	Environmental	22.48	16.83	24.82	14.1%	25.2	1.62	2.40	3.32	2.88	6.80
Thor Inds.	THO	Manuf. Housing/RV	64.12	28.84	51.10	16.8%	25.7	2.61	1.09	3.84	4.57	8.08
Tiffany & Co.	TIF	Retail (Special Lines)	47.45	22.13	34.61	16.6%	36.2	2.49	1.30	3.54	3.21	7.03
Timberland Co. 'A'	TBL	Shoe	51.95	38.06	65.82	16.3%	17.8	2.00	2.29	3.50	2.39	6.79
TJX Companies	TJX	Retail (Special Lines)	20.99	19.46	33.88	15.2%	17.6	3.14	2.68	3.55	2.52	7.93
Toll Brothers	TOL	Homebuilding	36.84	30.52	47.42	22.5%	11.4	2.51	3.24	3.73	4.02	9.01
Torchmark Corp.	TMK	Insurance (Life)	43.88	42.21	63.15	9.0%	11.7	3.39	2.69	2.22	2.52	7.21
Total System Svcs.	TSS	Financial Svcs. (Div.)	27.58	16.96	28.72	19.0%	40.6	3.62	1.88	4.03	3.62	8.76
Toyota Motor ADR	TM	Auto & Truck	58.02	62.07	78.87	6.3%	15.2	2.80	3.29	1.96	2.28	6.90
U.S. Bancorp	USB	Bank (Midwest)	27.22	26.66	42.52	14.5%	14.0	2.01	3.12	2.38	3.28	7.19
Unilever NV (NY Shs)	UN	Food Processing	58.65	50.24	71.71	6.3%	14.1	3.76	2.38	2.60	2.02	7.17
Unilever PLC ADR	UL	Food Processing	34.20	29.69	44.08	7.3%	13.8	3.64	2.43	2.46	2.43	7.31
United Technologies	UTX	Diversified Co.	84.69	65.44	98.68	10.0%	18.5	3.72	2.09	2.52	2.28	7.09
UnitedHealth Group	UNH	Medical Services	50.88	43.81	80.70	24.0%	19.5	3.65	2.33	4.89	3.35	9.48
Urban Outfitters	URBN	Retail (Special Lines)	33.36	13.53	19.80	15.0%	42.8	1.90	1.07	3.24	4.44	7.11
Walgreen Co.	WAG	Pharmacy Services	34.82	26.56	43.53	15.5%	32.4	4.84	1.86	3.53	2.93	8.78
Wal-Mart Stores	WMT	Retail Store	58.95	48.60	78.43	16.0%	29.9	4.25	2.26	3.74	2.72	8.64
Washington Mutual	WM	Thrift	43.75	43.85	70.84	16.0%	10.2	2.91	3.43	3.42	2.81	8.38
Watson Pharmac.	WPI	Drug	39.27	32.81	48.37	12.3%	22.1	2.31	3.36	2.71	2.73	7.41
WellPoint Health Ntwks	WLP	Medical Services	88.90	92.62	153.31	19.0%	17.0	2.65	2.84	4.13	3.39	8.67
Wells Fargo	WFC	Bank	56.32	53.72	82.27	13.5%	15.9	3.20	2.44	2.71	2.21	7.05
Wendy's Int'l	WEN	Restaurant	37.05	30.59	47.14	10.0%	19.1	2.97	2.71	2.40	3.35	7.63
Williams-Sonoma	WSM	Retail (Special Lines)	35.33	23.01	38.51	19.9%	29.9	1.93	2.29	3.97	3.32	7.67
Wolverine World Wide	WWW	Shoe	20.20	18.63	26.61	10.0%	16.6	2.59	3.12	2.34	2.35	6.93
Wrigley (Wm.) Jr.	WWY	Food Processing	56.40	45.62	67.70	10.0%	29.3	4.90	1.71	2.76	2.42	7.86
Zions Bancorp.	ZION	Bank	61.29	63.03	91.38	13.5%	15.8	2.96	3.05	2.70	2.76	7.65