



# The Benjamin Graham Value Report

J. Royden Ward, Author

Sound Advice From the Teachings of Benjamin Graham

APRIL 2004

ISSUE # 117

## STOCK PRICES RISE IN ELECTION YEARS

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The stock market declined for the first time in a year during the first three weeks of March. Investors sold stocks that had become overvalued and then waited for better economic news. However, they didn't have to wait long. Lower oil prices and then a very bullish jobs report on April 2<sup>nd</sup> sparked a rebound in stocks. Most industry sectors participated in the latest rally with the noted exception of the homebuilders and mortgage lenders. We believe the weakness in these two sectors is temporary, and that they will participate in future rallies.

We predict that the U.S. economy will continue to strengthen during the remainder of the year. Investors will now focus more intently on job creation and gasoline prices. The news on jobs should be good, on average, during the next two years or so. Gas prices, on the other hand, will probably keep rising through the summer. Hopefully, we will be wrong, but unfortunately the trend is clear.

Election years often have a large impact on the stock market. Congress and the President will spend more money. The incumbents will paint a rosy picture of the U.S. economy and the world political situation. These and other factors add up to a bright outlook for the stock market for the next six to nine months. In addition, the second year of a bull market is usually strong, with leadership coming from higher quality, large company stocks. We feel confident that the stocks in The Classic Benjamin Graham Value Model and The Wise Owl Model are precisely the stocks that will do very well in the months ahead.

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“It is logical to expect that [the market] will undervalue – relatively, at least – companies that are out of favor because of unsatisfactory developments of a temporary nature.”

**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

The stocks in the Classic Model meet Benjamin Graham's seven criteria for value.

Benjamin Graham achieved returns of 20% per year over decades. Warren Buffett has used this approach for over 35 years with similar results. 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. Sell any stock that reaches its Min. Sell target.

This Month's Buy Recommendations					Ben Graham's Seven Valuation Criteria						
Company Name	Ticker Symbol	3/31/04 Price	Max Buy Price	Min Sell Price	Max 1.10	Min 1.50	Min 1.0%	Max 9.0	Max 1.20	Min 0.1%	Min B+
					Debt vs Current Assets	Current Ratio	Earnings Growth	P/E Ratio	P/BV Ratio	Dividend Yield	S&P Rank
Ameron Int'l	AMN	33.73	35.79	50.23	0.35	2.55	5.8%	8.48	0.94	2.3%	NR
Countrywide Financial	CFC	95.90	102.94	148.09	0.41	1.61	15.9%	6.61	1.12	0.8%	A
Devon Energy	DVN	58.15	64.17	103.57	3.63	1.14	13.8%	7.25	1.09	0.6%	B+
Everest Re Group Ltd.	RE	85.44	88.39	154.33	0.18	5.51	14.5%	7.22	1.12	0.5%	A-
Fidelity National	FNF	39.60	37.93	56.15	0.09	2.14	20.3%	7.18	1.25	1.8%	A-
Old Republic	ORI	24.56	24.98	35.16	0.01	1.60	10.2%	8.85	1.06	3.7%	A
ONEOK Inc.	OKE	22.55	20.93	32.27	1.41	1.03	8.3%	9.70	1.11	3.3%	A-
PMI Group	PMI	37.36	37.99	70.52	0.12	2.88	14.8%	8.85	1.00	0.4%	A
Superior Inds. Int'l	SUP	35.44	31.27	59.92	0.00	3.90	11.2%	9.92	1.36	1.6%	B+

## MODEL UPDATE

The Classic Benjamin Graham Value Model has two new stocks this month, Fidelity and Old Republic, plus seven stocks that are holdovers from last month. Holdovers Devon and ONEOK do not meet our criteria for Debt vs Current Assets or Current Ratio. The stocks are allowed to become exceptions because they are energy and utility companies. KB Home no longer qualifies for our Model because its price has increased. Investors should continue to hold KB until it reaches our Min Sell Price of \$109.12. We advise investors to take advantage of recent market weakness to buy stocks that are selling at or below our Maximum Buy Prices.

## FEATURED STOCKS

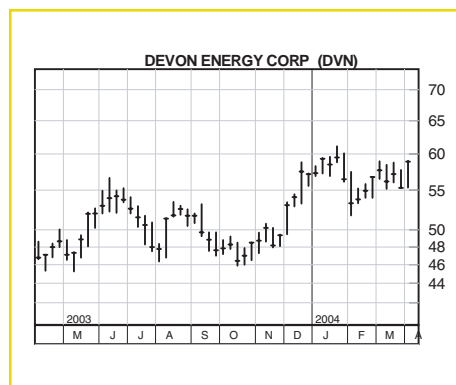
Devon Energy DVN  
 Industry: Natural Gas (Divers.)  
 Price: \$ 58.15  
 Max. Buy Price: \$ 64.17  
 Min. Sell Price: \$103.57

### Devon Energy (DVN)

**How Cheap Is It?** Devon Energy offers an excellent opportunity for investors to hedge their portfolios against higher oil and gas prices. Earnings more than doubled in 2003 to \$7.35 per share and could rise even higher this year if oil and gas prices remain high. We believe that Devon is clearly under-valued and will rise from the current \$58.15 to our Minimum Sell Price of \$103.57 within 2 to 3 years.

**Company Profile:** Devon has become the largest U.S. based, independent oil and natural gas producer after making several major acquisitions in recent years. The company is a major oil driller and producer in the Gulf of Mexico. Operations outside North America are located in Brazil, China and West Africa. Devon has a strong balance sheet with over \$1.25 billion in cash.

**Outlook:** Devon's sales and earnings are heavily influenced by the price of oil and natural gas. Many economists believe that oil prices will decline from the current \$35 level to the \$25 level. In our opinion, oil will command prices in the \$33 to \$38 range for the foreseeable future. Demand from the U.S. and China continues to climb, and additional supply from around the world is not forthcoming. Natural gas prices remain above the \$5 level and will likely stay there.



Note: Maximum Buy Prices are valid for the month of April.

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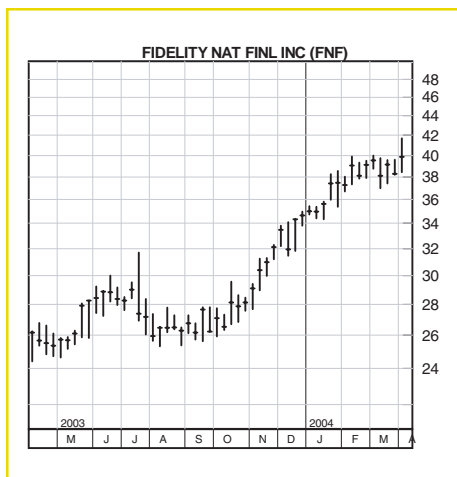
Fidelity National	FNF
Industry: Insurance (Prop. & Cas.)	
Price:	\$ 39.60
Max. Buy Price:	\$ 37.93
Min. Sell Price:	\$ 56.15

## Fidelity National Financial (FNF)

**How Cheap Is It?** Fidelity National shares are slightly overpriced at the current \$39.60, but patient investors will likely get a chance to buy at our Max Buy Price of \$37.93 soon. The lower price offers investors an opportunity to own a cyclical financial services company at a very reasonable price.

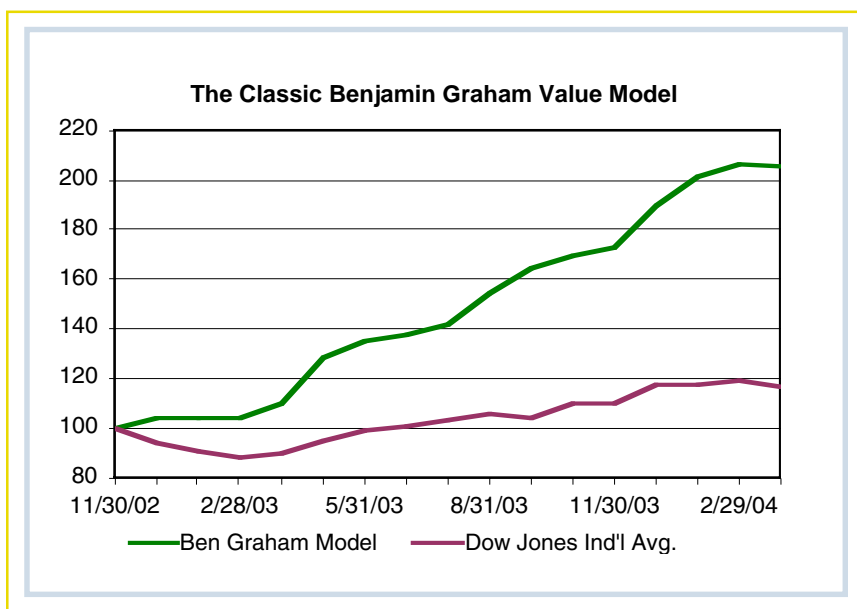
**Company Profile:** Fidelity is the nation's largest title insurance and real estate related services company. The company writes 30% of all title insurance policies in the U.S. Fidelity also writes flood and homeowners insurance policies.

**Outlook:** Fidelity sales and earnings will probably decline somewhat in 2004 after a banner year in 2003. The recent mortgage financing boom lifted the company's title business to unsustainable levels. We believe that low inflation, relatively low interest rates, and a better employment picture will enable the company to achieve better than expected results for the year ahead, but still somewhat below 2003. Performance will also be helped by Fidelity's diversification into non-real estate businesses (now 25% of sales and growing).



## PERFORMANCE FOR THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

Model performance for the month of March was quite good. The Classic Benjamin Graham Value Model was down only 0.42% last month. Countrywide and Devon Energy bucked the downtrend by posting small gains. The decrease in the Model is compared to a loss of 2.14% for the Dow Jones Industrial Average. Of the eight stocks recommended last month, five stocks were purchased that sold below their Maximum Buy Prices during the month: Ameron, Countrywide, Devon, Everest Re, and PMI. KB Home, ONEOK, and Superior Industries were not purchased. Since its inception on 11/30/02, The Classic Benjamin Graham Value Model has gained a remarkable 105.3% compared to a gain of 28.6% for the Dow Jones Industrial Average (DJI). The chart at right illustrates the Model's performance since inception. For the first three months of 2004, the Model has gained 8.2% versus a loss of 0.9% for the DJI. We expect the Model to continue to perform well in 2004 as investors seek conservative value in an uncertain stock market.



## THE WISE OWL MODEL

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					
											Best = 5	Best = 5	Best = 5	Best = 5	Best = 10	
											Owl	Owl	Owl	Owl	Owl	
Company Name	Ticker Symbol	3/31/04 Price	Max Buy Price	Min Sell Price	Std. Deviation	S&P Rating	IBD Strength	Earn/Div	Earnings	Growth Rate	Current P/E	Quality Rating	Value Rating	Growth Rating	Technica Rating	Total Rating
Amer. Int'l Group	AIG	71.35	78.71	113.26	25.3	A+	90	13.5%	14.7	3.59	3.53	2.69	3.64	3.64	8.97	
Block (H&R)	HRB	51.03	56.38	82.80	28.6	A-	99	14.1%	11.1	2.99	3.89	3.68	2.49	3.68	8.71	
Cardinal Health	CAH	68.90	70.74	116.43	21.4	A+	88	17.0%	16.9	3.85	3.53	3.66	3.08	3.66	9.42	
Fannie Mae	FNM	74.35	97.04	131.56	20.9	A+	97	13.6%	8.7	3.45	4.23	2.99	2.48	3.66	8.76	
Fiserv Inc.	FISV	35.77	36.64	54.10	31.7	B+	93	16.1%	16.8	3.10	3.21	3.83	2.41	3.66	8.37	
Harley-Davidson	HDI	53.34	55.19	90.57	30.4	A+	94	21.6%	17.1	3.71	2.83	4.28	2.63	3.66	8.97	
Home Depot	HD	37.36	46.07	71.29	34.9	A+	95	20.4%	16.5	4.51	4.60	4.06	3.50	3.66	10.00	
Johnson & Johnson	JNJ	50.72	51.34	77.91	18.4	A+	89	14.7%	15.7	4.86	3.30	3.10	2.74	3.66	9.33	
MBNA Corp.	KRB	27.63	27.35	45.50	32.0	A+	97	19.9%	11.9	3.62	3.69	3.38	3.35	3.66	9.35	
Pfizer Inc.	PFE	35.05	40.44	63.11	19.5	A	88	16.9%	15.4	4.50	4.18	3.39	3.67	3.66	10.00	
<b>Average:</b>		50.55	55.99	84.65	26.3		93.0	16.8%	14.5	3.82	3.70	3.51	3.00	3.66	9.19	

### MODEL UPDATE

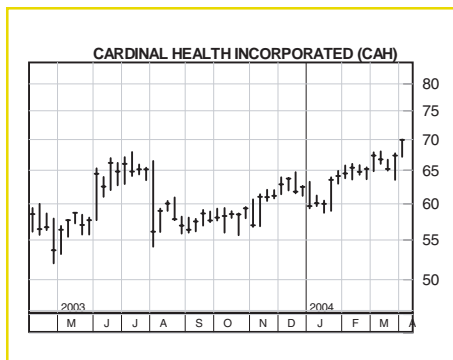
We have added two new stocks to The Wise Owl Model this month. American International Group and Fiserve replace Affiliated Computer and CVS Corp. The latter two stocks are still excellent companies and should continue to be held until they reach their Minimum Sell Prices of \$74.13 and \$39.25 or their Owl Total Ratings fall below 6.0.

### FEATURED STOCKS

#### Cardinal Health (CAH)

Cardinal Health                      CAH  
 Industry: Medical Supplies  
 Price:                                      \$ 68.90  
 Max. Buy Price:                      \$ 70.74  
 Min. Sell Price:                      \$116.43

**How Cheap Is It?** Cardinal Health is currently selling at just 16.9 times earnings with a growth rate of 17%. It is rare to find a company that is rated A+ by Standard & Poor's and is growing at a rate that equals or exceeds its price to earnings ratio. We strongly advise investors looking for steady growth in a quality company to consider Cardinal Health for a sound long-term investment.



**Company Profile:** Cardinal is a leading distributor of pharmaceuticals, medical supplies, surgical supplies, and other products and services to the health care industry. Management has produced an enviable record of steady 15 to 20% sales and earnings growth for over a decade. We forecast that this growth will continue well into the future. The company recently purchased a European pharmaceutical company that will enable it to greatly expand its global operations. Cardinal also acquired a pharmacy company that will expand its Medicine Shoppes pharmacy division.

**Outlook:** Cardinal's strong position in the wholesale health care field will most likely get stronger. The aging U.S. population, the company's growth overseas, and pharmacy expansion will sustain rapid sales and earnings growth well into the future.

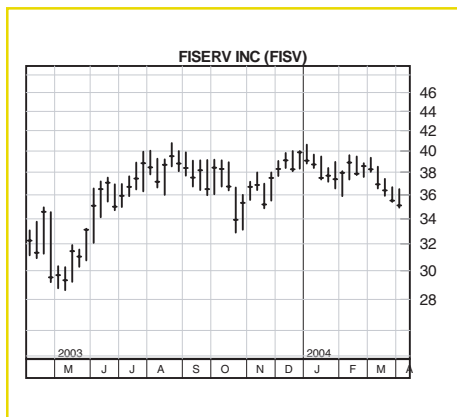
Note: Maximum Buy Prices are valid for the month of April.

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Fiserv, Inc.	FISV
Industry: Computer Software & Svcs.	
Price:	\$ 35.77
Max. Buy Price:	\$ 36.64
Min. Sell Price:	\$ 54.10

### Fiserv, Inc. (FISV)

**How Cheap Is It?** Fiserv has positioned itself to benefit greatly from the outsourcing trend now taking place in the financial and health care industries. We expect growth to accelerate from the present 16% level to the 18 to 20% level during the next several years. Fiserv offers investors an opportunity to participate in the information technology sector with relatively low risk. We expect the stock to reach our Min. Sell Price of \$54.10 within 2 years.

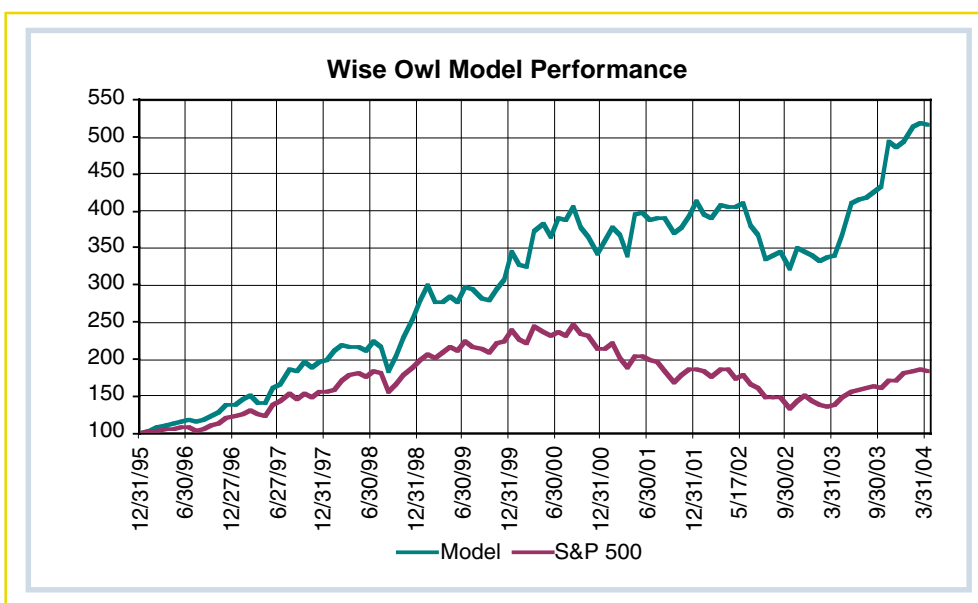


**Company Profile:** Fiserv is a full service provider of computerized account and transaction processing services, loan servicing, and lending systems to financial institutions. The company also offers health plan management and prescription benefit management services to employers, insurance companies, and health maintenance organizations (HMOs). In addition, Fiserv offers securities processing and trust services to banks and brokerages.

**Outlook:** Fiserv continues to aggressively acquire businesses in new and rapidly growing sectors. The acquisitions have led to rapid revenue growth that will be followed by rapid earnings growth. Most recently, legislation was passed that will enable banks to clear checks using electronic images rather than paper copies. Fiserv is ready to take advantage of the very large outsourcing opportunities that this legislation has created.

### MODEL PERFORMANCE FOR THE WISE OWL MODEL

The Wise Owl Model lost 0.49% last month, compared to a loss of 1.64% for the Standard & Poor's 500 Index. CVS, H&R Block, and Johnson & Johnson all lost about 5% during the month. The chart at right illustrates the Model's performance since inception on 12/31/95 and shows how \$100 invested at the beginning would have grown to \$517 at the end of March 2004 – a compound annual return of 22.0% compared to a 7.6% return for the S&P 500.



## SPECIAL FEATURE

### BENJAMIN GRAHAM



Benjamin Graham is widely acknowledged as the father of modern security analysis. He grew up in New York City and graduated from Columbia University. After graduation, he was offered teaching positions in English, mathematics, and philosophy. But as fate would have it, he started his career on Wall Street working for Newburger, Henderson and Loeb as a runner delivering checks and securities. His talent was recognized and within a few months he was writing one of Newburger's daily market letters. Mr. Graham soon became one of Wall Street's most successful investors and later co-founded Graham-Newman, investment advisors.

His reputation as the father of value investing can be dated from 1928 when he started teaching Advanced Security Analysis at Columbia. He had been thinking of writing a book, and he reasoned that the best way to accomplish his goal was to prepare and teach the material in a classroom setting. The notes from the course were transcribed by David Dodd and formed the basis of the investment classic *Security Analysis* which was published in 1934. His books, *Security Analysis* and *The Intelligent Investor*, are still considered the bibles for both individual investors and Wall Street professionals.

Ben Graham became known as the father of value investing.

Graham's classes were often attended by financial analysts who freely acted on the tips given by Graham. Graham influenced investment gurus Warren Buffett, Mario Gabelli, John Neff, Michael Price, and John Bogle. His book, *Security Analysis*, and his classes were the foundation of a whole new approach to the investment industry. They were based on principles that appealed to common-sense but were at the same time exceedingly effective. Graham was an investment counselor who made sound, but conservative investments for his clients in bonds and stocks. He concentrated on buying unwanted undervalued common stocks. Benjamin Graham summed up his philosophy in his book, *The Intelligent Investor*, "If we assume that it is the habit of the market to overvalue common stocks which have been showing excellent growth or are glamorous for some other reason, it is logical to expect that it will undervalue – relatively, at least – companies that are out of favor because of unsatisfactory developments of a temporary nature."

Warren Buffett stated "One of the luckiest events in my life was when I met Benjamin Graham."

The Benjamin Graham Value Report dates back to Benjamin Graham's teaching days at Columbia University when he taught his theories on how to evaluate stocks to Dr. Wilson Payne. Dr. Payne and Mr. Graham then worked together in 1946 to develop mathematical formulas designed to estimate fair buy and sell prices for the stocks of quality companies. J. Royden Ward, Author of The Benjamin

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Graham Value Report, became a student of Dr. Wilson Payne at Babson College and was taught the evaluation system and formulas developed earlier by Mr. Graham and Dr. Payne. In 1969, Dr. Payne and Mr. Ward converted the Payne and Graham system and formulas into a computer model. Upon completion, Ward used the new computer model to successfully manage portfolios at Econometrics Research and Management in Boston. In the 1980's, Mr. Ward created a one page letter offering investment advice. He then developed it into an in-depth newsletter entitled *The Owl Investment Adviser* that began publication on January 1, 1996. The newsletter was marketed exclusively to professional money managers until January 1, 2003. Now the same advice and analysis are being made available to you in this Report.

Ben Graham and Wilson Payne collaborated on an evaluation system that was later enhanced by Payne and Ward.

The Classic Benjamin Graham Value Model that you see each month on pages 2 and 3 of this Report is based entirely on Mr. Graham's criteria set forth in his book, *The Intelligent Investor*. The objective of The Classic Benjamin Graham Value Model is to find unwanted, unglamorous, and undervalued companies that meet strict quality requirements. The Maximum Buy and Minimum Sell Prices are based upon an expected holding period of three years. Three years is thought to be the optimum time for a company's management to begin correcting the "unsatisfactory developments" that might have sent the company's stock price to its current undervalued status. Since the inception of the model portfolio on 11/30/02, performance results have been quite remarkable.

The Classic Value Model concentrates on finding undervalued stocks.

The Wise Owl Model that you see on pages 4 and 5 is based on the evaluation techniques developed by Benjamin Graham and Dr. Wilson Payne in 1946. The objective of The Wise Owl Model is to find high quality industry leaders that are growing at a reasonable pace and that are clearly undervalued. We call it: "growth at a very reasonable price." Growth is determined by combining the past and future growth rates of five financial indicators: sales, cash flow, earnings, dividends, and book value. Value is determined by evaluating management's past performance and by forecasting future results. As in the Classic Value Model, the expected holding period for investors is three years. Our summary of performance on page 5 demonstrates the superior performance results of this system.

The Owl Model seeks growth stocks at a very reasonable price.

For more information on Benjamin Graham and The Benjamin Graham Value Report Models visit <http://www.benjaminraham.net>

If you have questions and comments e-mail [roy@benjaminraham.net](mailto:roy@benjaminraham.net)

## CHANGES HIGHEST RANKED STOCKS LISTING

### Stocks added to the Highest Ranked Stocks listing.

Company Name	Ticker Symbol
ABM Industries Inc.	ABM
Adobe Systems	ADBE
Avon Products	AVP
Bemis Co.	BMS
Boston Scientific	BSX
Darden Restaurants	DRI
Fred's Inc. 'A'	FRED
Int'l Business Mach.	IBM
Int'l Speedway 'A'	ISCA
Jabil Circuit	JBL
Maxim Integrated	MXIM
Mohawk Inds.	MHK
Papa John's Int'l	PZZA
Pier 1 Imports	PIR
Progressive (Ohio)	PGR
Renal Care Group	RCI
West Corp.	WSTC
Yahoo! Inc.	YHOO

### Stocks removed from the Highest Ranked Stocks listing.

Company Name	Ticker Symbol
BB&T Corp.	BBT
BJ's Wholesale Club	BJ
BP PLC ADR	BP
Exxon Mobil Corp.	XOM
Franklin Resources	BEN
HCA Inc.	HCA
Intel Corp.	INTC
Jones Apparel Group	JNY
Merrill Lynch & Co.	MER
Norsk Hydro ADR	NHY
Office Depot	ODP
Royal Group Ltd.	RYG
Symantec Corp.	SYMC
Synovus Financial	SNV
Tetra Tech	TTEK
Total ADR	TOT
Universal Health Sv. `B'	UHS
US Oncology Inc.	USON

**Stocks Added This Month** – The column above lists the 18 stocks that become new members of our 250 Highest Ranked Stocks listing on pages 9 through 12 of this issue. Owl Total Ratings for 17 of the stocks fall in the range of 6.82 to 7.29. These stocks are not buy candidates, because they fall below our minimum Owl Total Rating of 8.00 for buy candidates. The 18<sup>th</sup> stock, Renal Care Group, has an Owl Total Rating of 8.83 and is listed on page 12 of this Report. However, the current price of Renal is well above our recommended Maximum Buy Price of \$35.96 and is therefore not under consideration for our Wise Owl Model.

**Stocks Removed This Month** – The column above lists the 18 stocks that were removed from our 250 Highest Ranked Stocks. Whenever a Wise Owl Model stock falls out of the 250 Highest Ranked Stocks list, it should be sold. Only one of the stocks listed above has appeared in our Wise Owl Model during the past year, and it is Jones Apparel Group. Jones should now be sold. It has appreciated considerably during the past year, but its fundamentals, as measured by the Owl Total Rating, have deteriorated.

Note: Several of the stocks included on the list have been previously recommended in The Classic Benjamin Graham Value Model. The lists apply only to stocks in The Wise Owl Model. There have been no sales recommended for The Classic Benjamin Graham Value Model so far this year. We will keep you up to date each month regarding any sale recommendations for either of the Models.

HIGHEST RANKED STOCKS CONTINUED ON THE FOLLOWING PAGE

## 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 Stock 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	3/31/04 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	41.10	39.41	57.34	12.1%	15.8	4.10	3.41	2.55	2.22	8.19
ABM Industries Inc.	ABM	Industrial Services	17.95	14.86	21.17	9.4%	18.5	2.90	2.62	1.97	2.99	6.99
Adobe Systems	ADBE	Computer Software/Svcs	39.43	21.35	31.95	13.1%	27.4	2.39	1.59	2.91	3.51	6.93
Affiliated Computer	ACS	Computer Software/Svcs	51.90	46.92	74.28	18.3%	17.4	2.83	3.03	4.48	3.21	9.03
AFLAC Inc.	AFL	Insurance (Life)	40.14	35.40	55.46	15.1%	16.5	3.33	2.70	2.95	2.78	7.84
Alberto Culver	ACV	Toiletries/Cosmetics	43.87	34.43	48.16	12.7%	19.7	4.50	2.18	2.91	3.15	8.49
Altria Group	MO	Tobacco	54.45	47.50	68.04	11.1%	10.9	2.24	3.07	2.24	2.68	6.83
Ambac Fin'l Group	ABK	Financial Svcs. (Div.)	73.78	69.45	91.23	13.5%	11.7	3.21	2.92	2.63	2.66	7.61
Amer. Int'l Group	AIG	Financial Svcs. (Div.)	71.35	78.71	113.26	13.5%	14.7	3.59	3.53	2.69	3.64	8.97
AmerisourceBergen	ABC	Medical Supplies	54.68	76.59	118.63	15.3%	11.7	2.56	4.27	3.36	2.17	8.24
Ametek Inc.	AME	Diversified Co.	25.64	19.59	27.43	10.8%	16.3	2.97	2.70	2.15	2.94	7.17
Amgen	AMGN	Biotechnology	58.17	54.45	95.13	20.8%	21.1	3.37	2.86	3.73	2.25	8.14
Anheuser-Busch	BUD	Beverage (Alcoholic)	51.00	37.90	61.74	11.0%	17.2	4.33	1.78	2.62	2.43	7.44
Apollo Group `A'	APOL	Educational Services	86.11	42.74	80.90	28.1%	41.6	3.47	0.92	4.92	4.02	8.89
Applebee's Int'l	APPB	Restaurant	41.35	28.92	46.01	17.6%	19.1	3.19	2.31	3.37	2.94	7.87
Armor Holdings	AH	Aerospace/Defense	33.10	21.73	34.98	16.7%	21.0	0.88	2.47	3.40	4.34	7.39
Automatic Data Proc.	ADP	Computer Software/Svcs	42.00	28.98	42.31	12.5%	22.0	4.56	2.18	2.25	2.92	7.95
AutoNation Inc.	AN	Retail Automotive	17.05	18.55	29.06	14.3%	10.8	1.55	3.72	3.13	2.11	7.01
AutoZone Inc.	AZO	Retail Automotive	85.97	65.17	131.15	20.3%	11.9	2.27	2.93	4.09	2.81	8.07
Avon Products	AVP	Toiletries/Cosmetics	75.87	11.60	61.84	13.8%	22.9	3.06	1.26	2.76	3.80	7.25
Ball Corp.	BLL	Packaging & Container	67.78	40.03	63.78	11.1%	13.5	2.19	1.65	3.06	3.63	7.02
Bank of America	BAC	Bank	80.98	80.04	109.43	10.7%	9.9	2.94	2.98	2.24	2.07	6.83
Bank of Nova Scotia	BNS	Bank (Canadian)	53.97	43.10	58.89	11.1%	12.4	3.55	2.10	2.56	2.24	6.97
Bard (C.R.)	BCR	Medical Supplies	97.64	58.62	96.05	11.1%	20.4	3.15	1.80	2.59	2.98	7.02
Barnes & Noble	BKS	Retail (Special Lines)	32.60	36.01	54.16	12.0%	11.8	1.81	4.04	2.74	2.95	7.69
Barr Pharmac.	BRL	Drug	45.90	31.98	49.21	21.1%	18.3	2.16	2.47	4.58	2.48	7.79
Bear Stearns	BSC	Securities Brokerage	87.68	76.70	111.96	14.4%	10.0	2.28	2.76	2.76	4.01	7.88
Beazer Homes USA	BZH	Homebuilding	105.91	90.41	130.34	13.6%	6.9	2.46	2.73	3.77	2.72	7.79
Becton Dickinson	BDX	Medical Supplies	48.48	37.92	55.32	11.2%	18.4	3.81	2.64	2.64	3.78	8.58
Bed Bath & Beyond	BBBY	Retail (Special Lines)	41.76	39.16	71.21	25.9%	23.8	4.07	2.61	4.84	2.40	9.28
Bemis Co.	BMS	Packaging & Container	26.00	24.27	32.38	9.5%	14.9	3.57	3.36	1.76	1.86	7.04
Best Buy Co.	BBY	Retail (Special Lines)	51.72	41.29	73.95	22.7%	16.2	1.94	2.85	4.28	2.68	7.84
Biomet	BMET	Medical Supplies	38.36	24.73	40.45	16.6%	26.8	4.34	1.70	3.63	3.34	8.68
Biovail Corp.	BVF	Drug	15.60	33.74	63.78	29.7%	7.8	1.76	5.00	3.70	0.96	7.62
Block (H&R)	HRB	Financial Svcs. (Div.)	51.03	56.38	82.80	14.1%	11.1	2.99	3.89	3.68	2.49	8.71
Blyth Inc.	BTH	Household Products	32.67	32.95	46.99	12.8%	12.8	2.44	3.99	3.17	2.62	8.15
Borders Group	BGP	Retail (Special Lines)	23.74	24.46	37.58	11.0%	12.6	2.16	3.45	2.08	3.57	7.51
Boston Scientific	BSX	Medical Supplies	42.38	19.74	34.41	17.8%	25.8	1.46	1.85	3.87	3.21	6.92
Brinker Int'l	EAT	Restaurant	37.93	31.82	48.59	15.0%	16.3	2.68	2.67	3.04	2.52	7.27
Brown & Brown	BRO	Financial Svcs. (Div.)	38.76	30.54	49.19	19.6%	18.9	3.25	2.44	3.94	2.58	8.13
Brown-Forman 'B'	BF/B	Beverage (Alcoholic)	47.66	33.21	44.87	9.0%	18.8	3.82	1.90	2.21	2.53	6.97
CACI Int'l 'A'	CAI	Computer Software/Svcs	43.00	28.56	52.48	17.1%	19.9	3.24	1.72	3.54	2.70	7.47
Canon Inc. ADR	CAJ	Foreign Electronics	51.80	38.02	54.12	8.2%	15.9	2.80	2.25	2.83	2.82	7.13
Cardinal Health	CAH	Medical Supplies	68.90	70.74	116.43	17.0%	16.9	3.85	3.53	3.66	3.08	9.42
Carlisle Cos.	CSL	Tire & Rubber	56.65	44.71	68.50	12.1%	15.4	2.95	2.70	2.38	2.68	7.14
CBRL Group	CBRL	Restaurant	39.64	33.88	51.90	12.9%	14.6	1.88	3.30	2.92	2.16	6.84
CDW Corp.	CDWC	Retail (Special Lines)	67.61	52.34	87.67	19.9%	23.7	3.32	2.32	4.07	2.90	8.40
CEC Entertainment	CEC	Restaurant	34.70	29.04	45.73	15.2%	15.2	1.62	2.89	3.20	3.00	7.14
Cendant Corp.	CD	Diversified Co.	24.39	25.11	38.07	15.4%	13.8	1.18	4.60	2.91	3.18	7.91
Centex Corp.	CTX	Homebuilding	54.06	44.56	71.49	15.7%	8.2	2.90	3.53	3.59	3.48	9.00
CenturyTel Inc.	CTL	Telecom. Services	27.49	38.63	56.53	12.5%	10.4	2.11	4.68	2.42	1.40	7.07
Charter One Fin'l	CF	Bank	35.36	34.51	47.87	12.2%	10.9	3.41	2.91	2.37	2.22	7.27
Cheesecake Factory	CAKE	Restaurant	46.13	27.09	43.28	17.0%	29.7	3.12	1.82	4.14	2.64	7.81
Chico's FAS	CHS	Retail (Special Lines)	46.40	25.60	49.83	32.8%	28.8	2.35	1.11	4.92	3.81	8.13
Christopher & Banks	CBK	Retail (Special Lines)	21.11	18.24	37.60	23.8%	14.3	2.32	2.43	4.64	1.31	7.14

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Church & Dwight	CHD	Household Products	43.31	29.72	40.27	10.4%	19.8	3.37	1.72	2.61	3.49	7.47
Cintas Corp.	CTAS	Industrial Services	43.49	31.15	49.19	16.6%	24.9	3.24	2.69	3.11	2.30	7.56
Cisco Systems	CSCO	Telecom. Equipment	23.52	15.34	23.27	17.5%	30.8	2.93	1.83	3.00	3.44	7.46
Citigroup Inc.	C	Financial Svcs. (Div.)	51.70	44.97	63.97	12.8%	12.5	2.78	3.06	2.67	2.93	7.63
City National Corp.	CYN	Bank	59.90	53.86	77.82	13.6%	13.7	3.10	2.58	2.59	2.28	7.03
Claire's Stores	CLE	Retail (Special Lines)	20.84	15.49	25.27	15.2%	14.2	2.09	2.70	3.27	3.52	7.73
Coca-Cola	KO	Beverage (Soft Drink)	50.30	37.61	52.86	12.4%	22.1	3.29	2.59	2.63	3.27	7.85
Colgate-Palmolive	CL	Household Products	55.10	-3.95	64.52	12.5%	19.3	4.35	2.13	2.66	2.12	7.51
Commerce Bancorp NJ	CBH	Bank	65.88	50.74	80.12	16.9%	18.8	3.21	1.55	3.31	4.07	8.09
Computer Sciences	CSC	Computer Software/Svcs	40.33	54.32	74.16	11.7%	12.0	1.91	4.71	2.27	2.38	7.52
Conmed Corp.	CNMD	Medical Supplies	29.54	24.83	37.50	12.5%	15.6	1.78	2.84	2.62	3.15	6.92
Coors (Adolph) 'B'	RKY	Beverage (Alcoholic)	69.45	59.79	86.43	9.1%	13.5	2.28	2.83	2.45	3.02	7.06
Copart Inc.	CPRT	Industrial Services	21.73	12.33	17.25	14.5%	28.1	2.58	1.56	3.41	3.66	7.47
Countrywide Financial	CFC	Financial Svcs. (Div.)	95.90	111.25	148.09	15.9%	6.6	2.42	3.97	3.63	3.00	8.68
Curtiss-Wright	CW	Machinery	46.87	33.70	54.96	12.1%	15.2	2.80	2.74	2.80	3.28	7.74
CVS Corp.	CVS	Pharmacy Services	35.30	39.57	58.06	13.4%	14.9	2.80	4.01	2.88	3.52	8.81
Danaher Corp.	DHR	Diversified Co.	93.37	66.03	104.82	14.4%	22.4	3.07	1.76	3.23	2.97	7.36
Darden Restaurants	DRI	Restaurant	24.79	19.08	29.42	11.9%	15.1	2.25	2.54	2.83	3.31	7.29
Dean Foods	DF	Food Processing	33.40	31.08	48.24	17.7%	13.1	2.28	2.98	3.41	2.63	7.53
Dell Inc.	DELL	Computers/Peripherals	33.62	30.32	56.66	30.8%	25.9	3.26	2.48	4.33	2.96	8.69
Dentsply Int'l	XRAY	Medical Supplies	44.33	37.17	55.12	13.9%	17.6	3.12	2.51	3.08	2.62	7.55
Devon Energy	DVN	Natural Gas (Div.)	58.15	80.14	103.57	13.8%	7.2	0.86	5.00	3.03	2.48	7.59
Diagnostic Products	DP	Medical Supplies	43.30	34.59	48.81	10.7%	17.0	3.02	2.32	2.99	2.90	7.48
Diebold Inc.	DBD	Office Equip/Supplies	48.12	39.17	57.94	9.8%	16.7	3.59	2.55	2.32	2.32	7.19
Dollar Tree Stores	DLTR	Retail Store	30.89	37.84	65.05	20.7%	15.0	2.92	4.24	4.38	1.71	8.83
Donaldson Co.	DCI	Machinery	26.53	18.24	27.05	14.0%	19.8	3.76	2.27	3.07	2.31	7.61
DST Systems	DST	Computer Software/Svcs	45.35	34.24	46.63	12.9%	18.3	2.41	3.02	3.39	3.28	8.06
Ecolab Inc.	ECL	Chemical (Specialty)	28.53	19.23	28.69	13.2%	22.7	3.16	1.75	2.87	2.64	6.95
Engineered Support	EASI	Aerospace/Defense	48.79	29.25	59.83	22.2%	18.1	3.13	1.34	4.53	3.96	8.64
Everest Re Group Ltd.	RE	Insurance (Prop/Cas.)	85.44	88.39	154.33	14.5%	7.2	2.34	3.51	3.18	2.49	7.68
Expeditors Int'l	EXPD	Industrial Services	39.49	25.38	43.78	19.9%	27.5	3.87	1.25	3.83	2.36	7.54
Express Scripts 'A'	ESRX	Pharmacy Services	74.59	71.98	116.97	28.3%	17.1	2.21	3.59	4.17	2.57	8.36
FactSet Research	FDS	Information Services	42.56	29.91	48.75	18.1%	22.7	3.40	2.29	4.26	2.60	8.36
Fair Isaac	FIC	Computer Software/Svcs	36.08	31.06	52.46	19.0%	18.4	2.81	2.80	3.98	2.59	8.12
Family Dollar Stores	FDO	Retail Store	35.95	26.79	40.03	15.0%	19.9	3.94	1.91	3.35	2.21	7.61
Fannie Mae	FNM	Financial Svcs. (Div.)	74.35	97.04	131.56	13.6%	8.7	3.45	4.23	2.99	2.48	8.76
Fastenal Co.	FAST	Retail Building Supply	53.69	26.99	47.92	22.0%	36.3	3.60	1.74	4.28	2.91	8.35
Fidelity National	FNF	Insurance (Prop/Cas.)	39.60	42.54	56.15	20.3%	7.2	1.56	3.71	3.41	3.78	8.31
Fifth Third Bancorp	FITB	Bank (Midwest)	55.37	56.62	83.87	15.7%	16.2	4.00	3.16	2.58	1.65	7.59
First Data Corp.	FDC	Computer Software/Svcs	42.16	34.51	48.48	13.3%	18.1	4.11	2.65	3.00	2.69	8.30
First Tenn. National	FTN	Bank (Midwest)	47.70	43.37	62.42	12.5%	12.0	3.06	2.89	2.66	2.20	7.21
Fiserv Inc.	FISV	Computer Software/Svcs	35.77	36.64	54.10	16.1%	16.8	3.10	3.21	3.83	2.41	8.37
Florida Rock	FRK	Cement & Aggregates	42.15	27.63	42.82	13.1%	17.0	2.99	1.64	2.94	3.49	7.38
Forest Labs.	FRX	Drug	71.62	38.90	56.17	18.3%	26.9	3.22	1.09	4.62	3.69	8.41
Fortune Brands	FO	Diversified Co.	76.63	50.89	78.87	11.7%	16.2	2.91	1.76	2.52	4.00	7.46
Fossil Inc.	FOSL	Retail (Special Lines)	33.35	21.98	35.74	18.2%	19.0	2.37	1.55	3.98	3.00	7.27
Fred's Inc. 'A'	FRED	Retail Store	24.27	14.60	27.52	14.3%	19.4	3.38	1.42	3.63	2.04	6.98
Gallagher (Arthur J.)	AJG	Financial Svcs. (Div.)	32.57	31.22	47.07	15.1%	15.1	4.34	2.87	3.27	2.70	8.79
Gannett Co.	GCI	Newspaper	88.14	73.61	104.39	11.0%	16.9	3.70	2.53	2.06	2.88	7.45
Gap (The) Inc.	GPS	Retail (Special Lines)	21.92	16.83	28.67	15.4%	16.0	1.81	3.02	2.89	2.86	7.05
Gen'l Dynamics	GD	Aerospace/Defense	89.33	79.87	109.34	11.3%	15.3	3.35	2.75	2.00	2.98	7.39
Gen'l Electric	GE	Electrical Equipment	30.52	28.51	42.70	11.8%	18.3	4.17	3.01	2.47	2.21	7.90
Gentex Corp.	GNTX	Auto Parts	43.38	28.99	47.21	19.3%	24.7	3.26	1.52	3.95	2.64	7.59
Golden West Fin'l	GDW	Thrift	111.95	81.66	114.67	13.8%	13.2	3.33	1.91	2.83	2.74	7.20
Graco Inc.	GGG	Machinery	29.11	21.66	34.76	13.2%	13.2	3.44	1.96	3.07	2.81	7.52
Guidant Corp.	GDT	Medical Supplies	63.37	43.15	69.94	19.6%	23.4	2.91	2.44	3.31	2.49	7.44
Harley-Davidson	HDI	Recreation	53.34	55.19	90.57	21.6%	17.1	3.71	2.83	4.28	2.63	8.97
Harte-Hanks	HHS	Advertising	23.42	16.27	23.86	12.2%	20.0	2.90	2.33	2.50	2.71	6.96
Health Mgmt. Assoc.	HMA	Medical Services	23.21	24.92	40.32	18.2%	15.3	2.27	3.65	3.81	2.66	8.26
Heartland Express	HTLD	Trucking	22.78	16.67	24.01	13.6%	18.3	3.10	2.51	2.92	2.00	7.02
Helen of Troy Ltd.	HELE	Toiletries/Cosmetics	31.01	21.57	34.42	13.3%	12.4	1.84	1.97	3.11	4.25	7.44
Henry (Jack) & Assoc.	JKHY	Computer Software/Svcs	19.26	15.46	25.54	20.0%	25.1	2.69	2.37	3.74	2.75	7.70
Hershey Foods	HSY	Food Processing	82.85	59.18	89.43	11.3%	19.6	3.79	2.10	2.49	2.50	7.26
Hillenbrand Inds.	HB	Diversified Co.	67.89	56.98	78.24	8.8%	14.6	3.04	2.98	2.33	2.99	7.56
Home Depot	HD	Retail Building Supply	37.36	46.07	71.29	20.4%	16.5	4.51	4.60	4.06	3.50	10.00

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Honda Motor ADR	HMC	Auto & Truck	23.14	30.48	45.14	10.7%	8.4	2.51	4.40	2.65	2.95	8.33
Horton D.R.	DHI	Homebuilding	35.43	22.49	32.50	19.9%	10.8	3.26	2.34	4.21	4.64	9.63
IDEXX Labs.	IDXX	Medical Supplies	56.87	31.19	42.92	11.9%	27.9	2.96	1.21	2.83	4.33	7.55
Illinois Tool Works	ITW	Metal Fabricating	79.23	60.87	89.80	12.4%	19.3	3.62	2.53	2.29	2.10	7.03
Int'l Business Mach.	IBM	Computers/Peripherals	91.84	74.15	105.24	10.3%	18.0	2.88	2.50	1.83	3.02	6.82
Int'l Speedway 'A'	ISCA	Recreation	47.00	36.58	48.58	12.5%	19.2	1.77	2.57	3.07	2.98	6.93
Invacare Corp.	IVC	Medical Supplies	45.14	38.59	55.83	12.0%	16.8	2.43	2.61	2.45	2.77	6.84
Investment Techn.	ITG	Financial Svcs. (Div.)	15.30	23.89	40.48	15.9%	10.6	2.05	4.72	2.34	1.53	7.09
ITT Educational	ESI	Educational Services	31.20	26.93	52.75	21.2%	16.0	2.75	3.12	4.28	2.52	8.45
Jabil Circuit	JBL	Electronics	29.43	18.89	29.99	16.5%	28.0	1.43	2.18	3.36	3.49	6.98
Jacobs Engineering	JEC	Building Materials	44.60	37.76	52.13	14.6%	17.9	3.25	2.06	2.79	2.55	7.10
Jefferson-Pilot Corp.	JP	Insurance (Life)	55.01	52.64	69.72	10.0%	13.6	3.74	2.64	2.14	2.64	7.44
Johnson & Johnson	JNJ	Medical Supplies	50.72	51.34	77.91	14.7%	15.7	4.86	3.30	3.10	2.74	9.33
Johnson Controls	JCI	Auto Parts	59.15	49.07	71.67	13.0%	13.5	3.62	2.76	2.79	3.26	8.29
KB Home	KBH	Homebuilding	80.80	72.06	109.28	19.6%	7.4	3.45	3.86	3.73	3.57	9.74
Kenneth Cole 'A'	KCP	Shoe	34.10	28.03	42.69	14.9%	17.3	2.43	2.33	3.42	2.96	7.43
Kimberly-Clark	KMB	Household Products	63.10	50.17	67.99	9.0%	16.8	3.34	2.85	1.76	2.53	6.99
Kohl's Corp.	KSS	Retail Store	48.33	36.53	60.96	22.8%	21.8	2.69	2.79	3.89	1.75	7.41
Krispy Kreme	KKD	Restaurant	34.34	23.91	43.31	22.0%	24.5	1.42	3.30	3.42	2.19	6.89
K-Swiss Inc.	KSWI	Shoe	24.47	16.59	29.92	18.4%	13.0	2.47	1.97	4.09	2.92	7.64
Landry's Restaurants	LNY	Restaurant	29.83	26.31	41.29	10.0%	14.1	1.51	3.57	2.46	3.29	7.22
Lauder (Estee)	EL	Toiletries/Cosmetics	44.34	29.85	40.96	10.5%	27.5	2.58	2.20	2.38	3.10	6.84
Legg Mason	LM	Securities Brokerage	92.78	55.34	83.32	13.0%	19.4	2.47	1.38	3.00	3.47	6.88
Lehman Bros. Holdings	LEH	Securities Brokerage	82.87	71.96	119.87	13.7%	12.4	1.77	2.44	2.74	3.81	7.18
Lennar Corp.	LEN	Homebuilding	54.03	42.90	90.68	20.0%	9.2	2.72	2.88	4.00	3.97	9.05
Lincare Holdings	LNCR	Medical Services	31.42	36.73	60.22	19.1%	11.4	2.63	3.85	4.01	2.09	8.38
Liz Claiborne	LIZ	Apparel	36.69	34.91	51.65	9.7%	12.3	4.04	2.94	2.30	2.57	7.90
Lowe's Cos.	LOW	Retail Building Supply	56.13	48.02	83.10	18.0%	18.0	3.82	2.60	4.40	2.92	9.16
Luxtistica Group ADR	LUX	Retail (Special Lines)	15.82	12.58	19.30	17.5%	17.2	2.18	2.68	3.02	2.45	6.88
M.D.C. Holdings	MDC	Homebuilding	70.40	49.81	69.25	15.8%	9.2	2.89	2.55	3.65	3.46	8.37
Marsh & McLennan	MMC	Financial Svcs. (Div.)	46.30	45.00	68.09	13.4%	13.9	3.44	3.20	3.02	2.05	7.81
Marshall & Ilsley	MI	Bank (Midwest)	37.81	35.28	48.19	10.6%	13.8	3.51	2.61	2.34	2.23	7.13
Masco Corp.	MAS	Building Materials	30.44	27.56	40.64	9.8%	13.8	2.43	2.85	2.69	2.80	7.18
Matthews Int'l	MATW	Diversified Co.	33.20	23.51	35.87	14.9%	19.2	3.38	1.91	3.21	3.67	8.11
Maxim Integrated	MXIM	Semiconductor	47.09	23.96	48.74	22.7%	35.3	2.70	1.28	3.69	3.06	7.16
MBIA Inc.	MBI	Financial Svcs. (Div.)	62.70	64.39	78.42	10.8%	10.4	3.06	3.30	1.99	3.06	7.61
MBNA Corp.	KRB	Financial Svcs. (Div.)	27.63	27.35	45.50	19.9%	11.9	3.62	3.69	3.38	3.35	9.35
McCormick & Co.	MKC	Food Processing	33.52	21.57	30.85	11.1%	20.2	3.25	2.17	2.53	3.02	7.32
McDonald's Corp.	MCD	Restaurant	28.57	22.97	30.71	9.3%	17.8	3.21	2.96	1.95	2.75	7.25
McGraw-Hill	MHP	Publishing	76.14	56.72	85.36	10.6%	19.6	3.95	2.01	2.57	2.87	7.60
Medtronic Inc.	MDT	Medical Supplies	47.75	38.50	62.79	17.8%	22.9	4.12	2.88	3.64	2.86	9.00
Merck & Co.	MRK	Drug	44.19	44.22	60.84	12.5%	13.8	3.80	3.81	1.90	2.09	7.73
Michaels Stores	MIK	Retail (Special Lines)	48.62	34.61	58.89	12.6%	15.2	2.13	2.23	2.99	3.07	6.94
Microsoft Corp.	MSFT	Computer Software/Svcs	24.97	23.31	38.10	21.1%	23.4	3.60	2.83	3.29	2.83	8.37
Mohawk Inds.	MHK	Furn/Home Furnishings	82.35	62.93	103.35	15.3%	14.7	2.14	2.32	2.92	3.01	6.93
Mylan Labs.	MYL	Drug	22.73	18.71	26.68	15.3%	16.5	3.24	2.84	3.46	3.01	8.36
National City Corp.	NCC	Bank (Midwest)	35.58	36.08	51.00	8.4%	10.4	3.25	2.97	1.89	2.79	7.27
National Commerce Fin'l	NCF	Bank	28.61	28.10	40.96	15.7%	14.6	2.75	3.04	2.45	2.99	7.48
New York Community	NYB	Thrift	34.28	23.86	41.90	21.5%	14.1	2.79	1.79	4.29	3.59	8.31
Newfield Exploration	NFX	Natural Gas (Div.)	47.93	49.01	62.27	14.3%	10.9	1.34	4.42	2.95	2.41	7.41
NIKE Inc. 'B'	NKE	Shoe	77.87	50.45	72.42	11.8%	21.5	3.44	1.78	2.69	2.95	7.24
Nokia Corp. ADR	NOK	Foreign Telecom.	20.28	17.03	24.51	15.3%	17.8	2.79	2.81	3.93	4.02	9.03
Novo Nordisk ADR	NVO	Drug	46.43	33.79	48.91	12.0%	18.1	2.67	2.01	2.74	2.98	6.94
NVR Inc.	NVR	Homebuilding	460.00	355.02	667.93	30.3%	7.8	3.05	2.83	4.29	2.98	8.77
Old Republic	ORI	Insurance (Prop/Cas.)	24.56	25.81	35.16	10.2%	8.8	2.75	3.23	2.17	2.51	7.11
Omnicare Inc.	OCR	Pharmacy Services	44.33	33.02	53.10	14.1%	15.2	2.05	2.89	3.35	3.35	7.76
Omnicom Group	OMC	Advertising	80.25	70.38	107.40	15.7%	17.9	3.01	2.79	2.98	2.58	7.58
Oracle Corp.	ORCL	Computer Software/Svcs	12.01	9.26	15.20	20.2%	23.1	2.77	2.54	3.42	1.96	7.12
O'Reilly Automotive	ORLY	Retail Automotive	40.04	33.96	50.05	16.9%	16.4	3.21	2.47	4.11	2.40	8.12
Outback Steakhouse	OSI	Restaurant	48.70	38.02	58.38	15.4%	18.1	2.67	3.13	3.46	2.48	7.82
Pacific Sunwear	PSUN	Retail (Special Lines)	24.54	15.95	27.96	19.6%	17.7	2.73	2.09	4.35	3.61	8.52
Papa John's Int'l	PZZA	Restaurant	33.84	25.65	33.62	10.4%	14.2	1.84	4.00	1.49	2.97	6.87
Patterson Dental	PDCO	Medical Supplies	68.61	50.84	86.64	19.7%	23.3	3.35	2.15	3.91	3.19	8.40
Paychex Inc.	PAYX	Computer Software/Svcs	35.60	26.08	43.63	20.2%	36.4	3.71	1.75	4.24	2.45	8.10
PepsiCo Inc.	PEP	Beverage (Soft Drink)	53.85	38.09	53.93	10.3%	22.4	3.98	2.14	2.28	3.56	7.97

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Company Name	Ticker Symbol	Industry Name	3/31/04 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
Pfizer Inc.	PFE	Drug	35.05	40.44	63.11	16.9%	15.4	4.50	4.18	3.39	3.67	10.00
Pharmac. Product	PPDI	Drug	29.79	24.18	36.94	17.7%	17.9	1.59	3.10	3.96	2.27	7.28
Pier 1 Imports	PIR	Retail (Special Lines)	23.70	18.82	28.71	14.3%	14.4	2.25	2.76	2.87	2.37	6.84
PMI Group	PMI	Insurance (Prop/Cas.)	37.36	41.87	70.52	14.8%	8.9	2.42	3.95	2.06	2.79	7.48
Polaris Inds.	PII	Recreation	45.44	33.84	53.31	14.7%	15.7	3.90	2.55	2.85	2.63	7.96
Popular Inc.	BPOP	Bank	43.10	43.55	60.38	11.8%	10.9	2.97	2.90	2.56	2.20	7.09
Price (T. Rowe) Group	TROW	Financial Svcs. (Div.)	53.83	34.25	48.99	12.5%	23.8	3.53	1.77	2.74	3.41	7.63
Procter & Gamble	PG	Household Products	104.88	73.45	110.51	11.6%	21.9	4.04	2.15	2.50	2.98	7.78
Progressive (Ohio)	PGR	Insurance (Prop/Cas.)	87.60	65.82	115.36	14.0%	11.8	2.27	2.16	2.84	3.18	6.97
Pulte Homes	PHM	Homebuilding	55.60	40.73	59.13	14.9%	8.9	2.94	2.61	3.69	4.25	8.99
QLogic Corp.	QLGC	Semiconductor	33.01	33.93	51.92	19.1%	16.4	2.38	3.78	4.57	2.14	8.57
Qualcomm Inc.	QCOM	Telecom. Equipment	66.42	30.14	45.52	19.8%	45.8	2.27	1.12	3.85	4.40	7.76
Regis Corp.	RGS	Toiletries/Cosmetics	44.44	27.81	49.66	16.0%	18.2	2.04	2.32	3.20	3.54	7.40
Renaissance Learning	RLRN	Educational Services	26.35	19.40	31.17	20.0%	22.7	2.36	2.59	3.95	2.68	7.72
Renal Care Group	RCI	Medical Services	45.76	35.96	56.81	16.1%	16.9	2.85	2.92	3.86	3.61	8.83
ResMed Inc.	RMD	Medical Supplies	45.19	33.20	56.70	22.1%	24.3	2.43	2.17	4.33	2.93	7.91
Respironics Inc.	RESP	Medical Supplies	54.02	33.57	51.72	14.7%	24.0	2.22	1.46	3.40	3.42	7.00
Rogers Corp.	ROG	Electronics	53.37	31.43	46.44	11.5%	22.7	1.97	1.43	2.50	4.47	6.91
Roper Inds.	ROP	Machinery	48.25	43.77	64.80	15.0%	16.9	2.23	3.21	2.86	2.20	7.00
Ross Stores	ROST	Retail (Special Lines)	30.61	22.46	39.37	18.9%	16.7	3.70	1.89	3.73	3.04	8.24
Royal Bank of Canada	RY	Bank (Canadian)	47.68	47.55	65.83	11.6%	11.5	3.28	2.63	2.10	2.47	6.99
Ruby Tuesday	RI	Restaurant	32.15	20.28	36.77	15.1%	17.8	2.45	1.66	3.48	3.34	7.29
Ryan's Family	RYAN	Restaurant	17.11	13.27	20.92	11.9%	12.8	2.15	2.76	2.49	4.10	7.66
Ryland Group	RYL	Homebuilding	88.83	63.61	99.04	14.7%	8.4	2.54	2.21	3.40	2.71	7.24
Schein (Henry)	HSIC	Medical Supplies	71.42	53.65	78.75	13.3%	18.2	2.09	2.30	2.71	3.45	7.03
SEI Investments	SEIC	Computer Software/Svcs	33.00	29.62	48.64	20.4%	20.1	3.48	2.75	4.28	2.71	8.81
Sherwin-Williams	SHW	Chemical (Specialty)	38.43	29.08	43.09	9.6%	14.4	3.11	2.45	2.26	2.67	6.99
SLM Corporation	SLM	Financial Svcs. (Div.)	41.85	35.49	54.03	16.2%	17.6	3.68	2.36	3.12	2.47	7.75
Sonic Corp.	SONC	Restaurant	34.28	24.24	39.99	18.8%	19.6	2.27	1.85	3.77	3.10	7.33
SouthTrust Corp.	SOTR	Bank	33.16	28.12	40.80	12.7%	13.6	3.41	2.31	2.37	2.59	7.12
Standard Pacific Corp.	SPF	Homebuilding	60.00	43.45	62.01	14.3%	8.4	2.21	2.81	3.41	3.97	8.27
Staples Inc.	SPLS	Office Equip/Supplies	25.39	21.12	31.30	16.5%	17.4	2.55	3.03	3.44	3.14	8.11
Starbucks Corp.	SBUX	Restaurant	37.75	18.49	31.19	17.4%	38.0	3.10	1.07	4.69	2.78	7.77
State Street Corp.	STT	Bank	52.13	48.42	68.92	14.3%	18.4	3.05	2.67	2.61	2.81	7.43
Stryker Corp.	SYK	Medical Supplies	88.53	58.64	105.80	21.1%	28.8	3.50	1.82	4.39	3.64	8.91
SunGard Data Sys.	SDS	Computer Software/Svcs	27.40	28.55	47.33	15.8%	16.9	3.12	3.18	3.29	2.32	7.94
Sysco Corp.	SYU	Food Wholesalers	39.05	24.51	36.86	15.5%	25.8	4.55	1.65	3.42	3.89	9.00
Taiwan Semic. ADR	TSM	Semiconductor	10.44	8.45	12.54	17.3%	19.8	1.67	3.13	3.43	2.50	7.15
Target Corp.	TGT	Retail Store	45.04	35.57	50.14	12.7%	18.6	3.37	2.11	2.89	3.16	7.69
Techne Corp.	TECH	Biotechnology	40.81	24.71	42.69	21.3%	29.5	3.58	1.57	4.14	3.26	8.36
Telefonos de Mexico ADR	TMX	Foreign Telecom.	34.91	32.85	50.59	12.7%	9.0	1.81	3.32	2.72	3.14	7.33
Thor Inds.	THO	Manuf. Housing/RV	26.86	17.26	29.50	17.2%	14.1	2.64	1.75	3.66	3.21	7.50
Timberland Co. 'A'	TBL	Shoe	59.45	42.05	73.89	16.5%	15.1	2.17	2.36	3.49	2.72	7.16
TJX Companies	TJX	Retail (Special Lines)	24.56	20.19	33.31	16.8%	15.6	3.43	2.65	3.67	2.87	8.41
Toll Brothers	TOL	Homebuilding	45.43	35.67	54.06	20.5%	9.9	2.37	3.23	3.75	3.25	8.40
Torchmark Corp.	TMK	Insurance (Life)	53.79	44.93	63.69	10.0%	12.1	2.94	2.36	2.04	3.02	6.91
Total System Svcs.	TSS	Financial Svcs. (Div.)	21.07	17.39	27.67	19.2%	25.0	3.69	2.89	3.63	1.55	7.83
Toyota Motor ADR	TM	Auto & Truck	74.50	78.03	95.50	7.5%	11.0	2.84	3.43	2.35	3.11	7.81
Unilever NV (NY Shs)	UN	Food Processing	69.44	52.48	74.12	7.3%	13.2	3.73	2.21	2.37	2.71	7.35
Unilever PLC ADR	UL	Food Processing	40.30	30.43	44.71	8.2%	13.1	3.69	2.21	2.15	2.21	6.84
United Technologies	UTX	Diversified Co.	86.30	73.12	103.39	11.5%	15.4	3.79	2.47	2.34	2.15	7.16
UnitedHealth Group	UNH	Medical Services	64.44	54.84	93.24	19.8%	15.0	3.74	2.69	4.62	3.70	9.83
Urban Outfitters	URBN	Retail (Special Lines)	48.06	18.10	29.31	16.8%	29.3	1.91	1.20	3.90	4.46	7.64
Walgreen Co.	WAG	Pharmacy Services	32.95	29.06	44.86	15.8%	22.6	4.89	2.61	3.38	3.31	9.46
Wal-Mart Stores	WMT	Retail Store	59.69	51.00	76.97	16.5%	23.8	4.30	2.53	3.50	2.81	8.75
Washington Mutual	WM	Thrift	42.71	42.98	68.56	16.2%	8.8	3.04	3.54	2.87	2.14	7.73
Wells Fargo	WFC	Bank	56.67	57.35	84.41	14.2%	12.5	3.21	3.20	2.48	1.95	7.23
Wendy's Int'l	WEN	Restaurant	40.69	35.03	51.48	10.8%	16.4	3.00	2.87	2.41	2.88	7.44
West Corp.	WSTC	Telecom. Services	24.90	22.99	33.80	14.4%	15.2	1.59	3.21	3.04	2.39	6.82
Wiley (John) & Sons	JW/A	Publishing	29.93	23.69	34.54	15.4%	19.1	2.63	2.35	3.13	2.80	7.28
Williams-Sonoma	WSM	Retail (Special Lines)	34.20	25.11	42.18	18.7%	19.4	2.21	2.75	4.11	2.30	7.59
Wolverine World Wide	WWW	Shoe	24.13	20.14	28.39	11.0%	15.7	2.71	2.85	2.36	2.93	7.24
Wrigley (Wm.) Jr.	WYY	Food Processing	59.12	47.07	67.44	12.2%	24.7	4.94	2.18	2.43	1.85	7.59
Yahoo! Inc.	YHOO	Internet	48.59	14.11	26.25	24.0%	68.5	0.79	2.30	4.69	3.12	7.27
Zions Bancorp.	ZION	Bank	57.20	65.24	91.49	14.0%	12.4	2.94	3.41	2.53	2.02	7.26