

Cabot Benjamin Graham Value Letter

Sound Advice from the Teachings of Benjamin Graham

January 2005

Issue # 126

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WHITHER 2005

The stock market put in a reasonably good performance in 2004 with the Dow Jones Industrial Average up 3.2%, the Nasdaq up 8.6%, and the S&P 500 Index up 9.0%. But what about 2005?

First, let's review 2004 to figure out what went right and what went wrong. The economy performed very well, led by increased consumer spending during the first half of the year and then by a reawakening of the industrial sector late in the year. Inflation was mild, interest rates stayed unexpectedly low, and employment improved a bit. There were several factors, however, that held the stock markets back. Oil and gasoline prices soared, as did many other commodity prices such as food, steel, lumber, etc. The lack of progress in Iraq was disappointing. The U.S. Government deficit ballooned and so did our trade deficit with other nations. The dollar sank against all other major foreign currencies.

We expect 2005 to be different. The economy will continue to move ahead at a 3 to 4% pace, but earnings growth will slow from 2004's exceptional 20% to a more modest 10% rate. Our forecast for a slowdown in earnings growth is predicated on fewer opportunities for corporations to cut costs further, and likewise, fewer opportunities for corporations to squeeze more productivity from their workers. Higher cost of goods will also hurt profits.

Iraq will continue to plague the Bush administration and will cast a shadow over consumer confidence and investor enthusiasm. And any number of factors could send oil prices back up, probably to \$50

(continued on page 7)

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"A fairly large segment of the stock market is often discriminated against or entirely neglected in the standard analytical selections...the intelligent investor may be in a position to profit from the resultant undervaluations. But to do so he must follow specific methods that are not generally accepted on Wall Street, since those that are so accepted do not seem to produce the results everyone would like to achieve."

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	Symbol	12/31/04 Price	Max Buy Price	Min Sell Price	Debt vs	Current	Earnings	P/E	P/BV	Dividend	S&P
					Assets	Ratio	Growth	Ratio	Ratio	Yield	Rank
AEGON Ins. Group	AEG	13.71	12.01	26.56	NA	NA	6.9%	10.3	1.04	4.6%	NR
Devon Energy	DVN	38.92	36.90	68.13	2.41	1.02	13.3%	8.4	1.27	0.4%	B+
Everest Re Group Ltd.	RE	89.56	79.63	126.78	NA	NA	11.7%	8.9	1.23	0.4%	A-
Kellwood Co.	KWD	34.50	30.12	47.71	0.46	3.44	5.9%	10.3	1.18	1.9%	B+
LandAmerica Finl Group	LFG	53.93	71.91	98.61	NA	NA	11.4%	5.3	0.90	0.6%	B+
Old Republic	ORI	25.30	22.84	30.04	NA	NA	9.7%	9.8	1.11	3.6%	A
PMI Group	PMI	41.75	38.66	62.70	NA	NA	10.5%	9.7	1.17	0.3%	A
POSCO ADR	PKX	44.53	40.04	56.47	0.39	1.83	10.2%	6.2	1.04	1.7%	NR
Village Super Market 'A'	VLGEA	37.04	37.20	52.59	0.38	1.47	10.2%	9.0	1.00	0.7%	B+

MODEL UPDATE

The Classic Benjamin Graham Value Model has four new stocks this month: Devon, Kellwood, LandAmerica, and Village Super Market, plus five stocks that are holdovers from last month. LandAmerica and Village are the only stocks that are currently selling below our Max Buy Prices. The remaining seven stocks in the Model should not be purchased until they decrease to our Max Buy Prices. Devon and Village do not meet all of our criteria, but Devon is excused because it is an energy company, and Village's current ratio will exceed our minimum 1.50 ratio very soon.

The current Min Sell Prices for previous Classic Value model stocks are: Ameron \$44.62, Aon \$37.59, Countrywide Financial \$45.67, Fidelity National \$51.25, Furniture Brands \$39.62, Honda Motor \$40.75, KB Home \$111.83, Korea Electric \$26.98, Lennar \$62.15, MBIA \$76.69, Norsk Hydro \$79.55, ONEOK \$30.19, and Standard Pacific \$67.31. These stocks should continue to be held until they reach their Min Sell Prices.

There are no sales recommended at this time.

LandAmerica Fin'l Group	LFG
Industry: Financial Services	
Price:	\$ 53.93
Max. Buy Price:	\$ 71.91
Min. Sell Price:	\$ 98.61

FEATURED STOCKS

LandAmerica Financial Group (LFG)

How Cheap Is It? Shares of LandAmerica Financial sell at only 5.3 times current earnings and at 0.9 times book value. We believe that the current price of LandAmerica presents an excellent buying opportunity for investors seeking a small, financially strong company in the financial services sector. LFG shares will likely reach our Min Sell Price of \$98.61 within 3 years.

Company Profile: LandAmerica issues title insurance policies and conducts home and commercial real estate inspections and appraisals for all types of real estate transactions. The company has expanded through the acquisition of numerous real estate-related companies during the past



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

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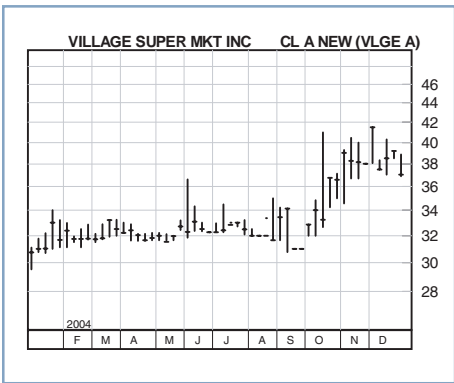
several years. Acquisitions have enabled LandAmerica to expand into new markets and to diversify its services.

Outlook: LandAmerica reported a disappointing decline in earnings for the third quarter to \$1.88 from \$3.38 last year. Additional declines are likely in the next several quarters as the company consolidates recent acquisitions and endures a less buoyant real estate market. Earnings for the current year should amount to \$5.75 to \$6.00 per share, down from our 2004 estimate of \$7.38. We expect that cost savings from acquisitions will lead to much improved earnings starting in the latter half of 2005.

Village Super Market	VLGEA
Industry:	Grocery
Price:	\$ 37.04
Max. Buy Price:	\$ 37.20
Min. Sell Price:	\$ 52.59

Village Super Market ‘A’ (VLGEA)

How Cheap Is It? At the current price of \$37.04, Village Super Market offers excellent value in a small but growing company. The stock trades only a few hundred shares per day, but patient investors will be well rewarded. We believe that VLGEA shares will increase to our Min Sell Price of \$52.59 within 2 to 3 years.

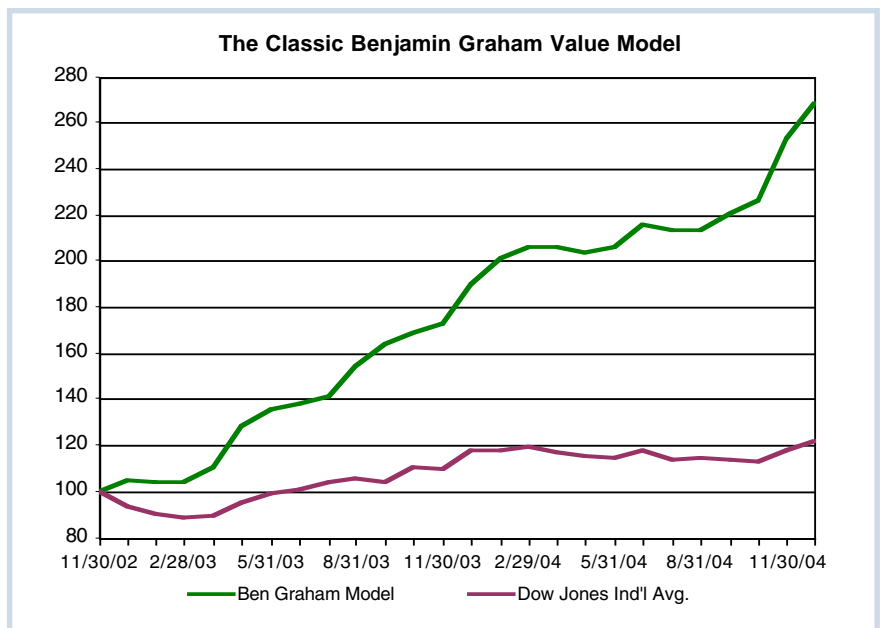


Company Profile: Village Super Market operates 25 ShopRite and Village Market stores in NJ and PA. The company is a member of the nation’s largest retailer-owned food cooperative. The cooperative provides Village with many of the same economies of scale that larger grocers enjoy. VLGEA is a very small company, but its balance sheet is exceptionally strong, and it has a \$12 per share cash position. The company promotes its neighborhood image with the slogan: “families serving families.”

Outlook: Village Super Market enjoyed an excellent year in 2004 with earnings of \$4.20 for their fiscal year ending 7/31, up from \$3.54 a year ago. The company will likely earn \$5.00 in 2005. We expect the company to continue to compete effectively against the larger chains.

**PERFORMANCE
FOR THE CLASSIC BENJAMIN
GRAHAM VALUE MODEL**

The Classic Benjamin Graham Value Model finished the year with another strong gain. The Model gained 6.08% last month compared to a gain of 3.40% for the Dow Jones Industrial Average. For 2004, the Classic Benjamin Graham Value Model gained 41.2% compared to a gain of just 3.2% for the Dow. The year’s Model gain of 41.2% is on top of a gain of 81.6% last year!



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	
						S&P	IBD					Owl	Owl	Owl	Owl	Owl
Company Name	Symbol	12/31/04 Price	Max Buy Price	Min Sell Price	Earn/Div Rating	Earnings Strength	Growth Rate	Current P/E	Industry P/E	Industry Rating	Quality Rating	Value Rating	Growth Rating	Technical Rating	Total Rating	
Bed Bath & Beyond	BBBY	39.83	50.04	90.04	A-	95	22.9%	22.1	2.48	4.69	3.33	4.31	3.28	10.00		
Express Scripts 'A'	ESRX	76.44	84.93	137.82	B+	94	19.4%	17.8	2.92	3.49	3.15	4.29	2.63	8.69		
First Data Corp.	FDC	42.54	40.95	56.89	A-	90	11.6%	18.7	4.54	4.74	3.00	2.81	2.54	8.38		
Fiserv Inc.	FISV	40.19	41.45	71.33	B+	90	13.2%	18.9	4.54	3.94	3.01	3.55	3.69	9.11		
Harley-Davidson	HDI	60.75	61.11	117.92	A+	96	18.5%	18.6	1.28	4.45	2.45	4.26	3.09	9.15		
Home Depot	HD	42.74	53.84	88.28	A+	91	16.0%	17.9	4.42	4.98	3.89	3.94	3.85	10.00		
MBNA Corp.	KRB	28.19	27.94	46.63	A+	87	17.1%	12.5	2.88	4.06	3.49	3.89	3.13	9.37		
Newfield Exploration	NFX	59.05	67.39	113.81	B	84	14.5%	10.1	4.16	2.02	4.51	3.84	2.62	8.31		
Pfizer Inc.	PFE	26.89	47.24	67.81	A	93	17.3%	12.1	2.02	5.00	4.80	3.45	2.26	9.99		
Student Loan Corp.	STU	184.00	235.96	399.94	A-	97	19.2%	18.4	3.15	3.71	3.24	2.91	2.90	8.16		
Average:		60.06	71.08	119.05		91.7	17.0%	16.7	3.24	4.11	3.49	3.73	3.00	9.12		

MODEL UPDATE

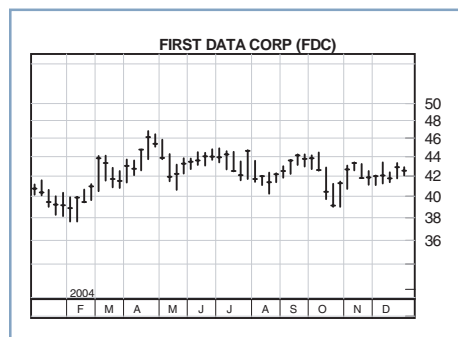
We have added four new stocks to The Wise Owl Model this month: First Data, Newfield Exploration, Pfizer, and Student Loan. They replace Affiliated Computer, Johnson & Johnson, SEI Investments, and Total. The replaced stocks are still excellent companies and should continue to be held until they reach their Minimum Sell Prices or their Owl Total Ratings fall below 6.00. Min Sell Prices for all stocks previously recommended in the Wise Owl Model can be found on pages 9 to 12. We recommend that investors **SELL** Bemis Co. (BMS) at its current price, because it fell from our 250 Highest Ranked Wise Owl Stocks listing on pages 9 to 12.

FEATURED STOCKS

First Data Corp.	FDC
Industry: Computer Software	
Price:	\$ 42.54
Max. Buy Price:	\$ 40.95
Min. Sell Price:	\$ 56.89

First Data Corp. (FDC)

How Cheap Is It? First Data Corp. provides an excellent opportunity to buy a quality technology company that has recorded very steady growth for many years. We strongly recommend purchase of FDC shares at our Max Buy Price of \$40.95 in anticipation of achieving our Min Sell Price of \$56.89 within 2 years.



Company Profile: First Data Corp. provides credit and debit card issuing and processing services, e-commerce solutions, wire transfers and money orders, and check processing services to banks and other financial institutions. The company has grown from a small credit card processing operator into one of the world's largest independent data services companies. FDC recently lost the credit card processing business of one of its larger customers, JPMorgan Chase. However, First Data acquired Concord EFS last year to strengthen and expand several of its operations.

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

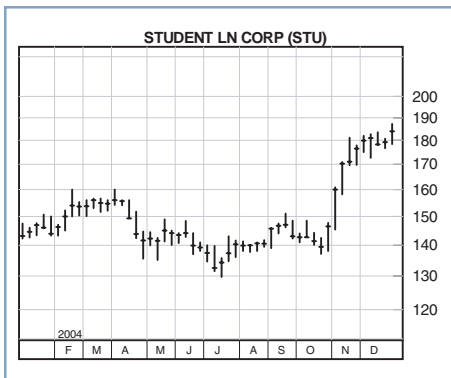
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Outlook: First Data Corp. is generating excess cash that is enabling the company to buy back its shares, make meaningful acquisitions, and pay down debt. The company's Western Union division is providing rapid growth from its international money transfer operations. Western Union has more than 25,000 agent locations in the most attractive markets of India and China that could boost earnings beyond expectations.

Student Loan	STU
Industry:	Financial Services
Price:	\$184.00
Max. Buy Price:	\$235.96
Min. Sell Price:	\$399.94

Student Loan Corp. (STU)

How Cheap Is It? We feel that Student Loan is clearly undervalued after taking into consideration its rapid 20% growth during the past 6 years and its P/E ratio of 10.8 times our 2005 earnings forecast. The mid-cap company's 20% growth will continue for the next 2 to 3 years or longer. We highly recommend the purchase of STU in anticipation of reaching our Min Sell Price of \$400 within 3 years.

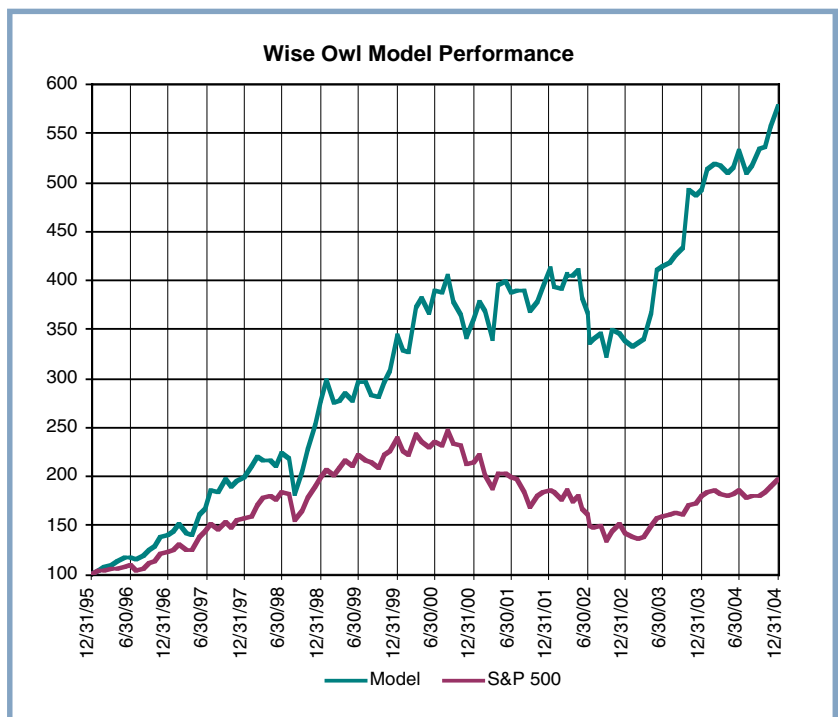


Company Profile: Student Loan originates, manages, and services student loans through an agreement with Citibank (STU is 80% owned by Citibank). Most student loans are guaranteed by the U.S. Dept. of Education, but the company also holds loans that are not guaranteed.

Outlook: Student Loan is benefiting from the current rapid growth in the college education field. We fully expect this trend to continue as American workers re-educate themselves to better compete in today's rapidly changing employment markets. Our earnings estimate is \$13.88 per share for 2004 compared to \$10.01 a year ago. We feel confident that Student Loan will earn \$17.00 or more in 2005.

MODEL PERFORMANCE FOR THE WISE OWL MODEL

The Wise Owl Model gained 3.90% last month, compared to a gain of 3.25% for the Standard & Poor's 500 Index. For the year, The Wise Owl Model gained 17.3% compared to a gain of 9.0% for the S&P 500. The chart on the right illustrates the Model's performance since inception on 12/31/95. During the last nine years, the Model has achieved a compound annual return of 21.5% compared to a 7.8% return for the S&P 500.



SPECIAL FEATURE

J. Royden Ward's Dow Jones Industrial Average Forecast

Every six months, we forecast a trading range for the Dow Jones Industrial Average. To obtain a range for the next two years, we estimate Maximum Buy Prices and Minimum Sell Prices for each of the 30 companies that comprise the Dow. The final results show that our estimated low for the Dow is 9,938 (bottom of column 4) and the estimated high for the Dow is 14,565 - substantially higher than our forecast of 6 months ago. The higher forecast is the result of the surge in earnings in 2004 together with the many dividend increases. We believe that the Dow Jones Industrial Average will remain in the lower half of our range during the next six to twelve months. Our two-year forecast for the Standard & Poor's 500 Index is 1,052 to 1,453 (now 1,212) and for the Nasdaq Index 1,623 to 2,604 (now 2,175).

30 Dow Jones Industrial Stocks

Best = 10

Company Name	Symbol	12/31/04 Price	Max Buy Price	Min Sell Price	Growth	Current P/E	Forecast P/E est.	Dividend Yield	Owl Total Rating
Alcoa Inc.	AA	31.42	28.45	40.19	7.4%	20.5	14.5	1.9%	5.08
Altria Group	MO	61.10	50.91	64.15	11.2%	13.1	12.4	4.5%	6.48
Amer. Express	AXP	56.37	40.50	60.14	8.7%	21.4	18.8	0.7%	6.61
Amer. Int'l Group	AIG	65.67	82.62	139.14	11.2%	15.5	12.9	0.4%	8.37
Boeing	BA	51.77	31.66	49.43	4.4%	25.5	21.4	1.4%	5.25
Caterpillar Inc.	CAT	97.51	65.39	99.78	9.9%	19.1	14.3	1.6%	6.19
Citigroup Inc.	C	48.18	47.91	72.42	13.9%	12.3	11.3	3.0%	7.43
Coca-Cola	KO	41.64	41.16	59.01	10.2%	20.2	20.0	2.3%	6.91
Disney (Walt)	DIS	27.80	23.22	31.37	5.6%	25.5	22.2	0.8%	5.73
Du Pont	DD	49.05	32.87	46.21	3.7%	21.3	19.3	2.9%	6.16
Exxon Mobil Corp.	XOM	51.26	42.42	55.96	6.8%	15.7	14.0	2.0%	7.75
Gen'l Electric	GE	36.50	35.26	51.64	10.7%	23.9	20.9	2.2%	7.84
Gen'l Motors	GM	40.06	48.68	59.55	5.5%	7.4	9.1	5.0%	5.88
Hewlett-Packard	HPQ	20.97	24.28	38.24	7.4%	15.6	14.0	1.5%	6.72
Home Depot	HD	42.74	53.84	88.28	15.8%	19.1	18.0	0.7%	10.00
Honeywell Int'l	HON	35.41	29.54	41.59	5.9%	21.3	18.3	2.1%	4.58
Intel Corp.	INTC	23.39	22.38	39.36	11.2%	20.9	20.5	0.6%	6.56
Int'l Business Mach.	IBM	98.58	83.67	135.73	9.2%	20.5	18.6	0.7%	7.55
Johnson & Johnson	JNJ	63.42	63.32	92.80	12.2%	20.8	19.3	1.6%	9.68
JPMorgan Chase	JPM	39.01	39.13	66.25	5.2%	12.0	12.7	3.5%	3.39
McDonald's Corp.	MCD	32.06	30.64	40.87	8.0%	17.5	16.4	1.6%	7.78
Merck & Co.	MRK	32.14	45.31	53.25	9.5%	11.7	13.9	4.6%	7.30
Microsoft Corp.	MSFT	26.72	25.48	41.62	16.2%	25.0	33.0	0.5%	8.15
Pfizer Inc.	PFE	26.89	47.24	67.81	15.3%	13.0	11.7	2.4%	9.99
Procter & Gamble	PG	55.08	45.27	62.00	11.2%	22.7	29.3	1.6%	8.29
SBC Communications	SBC	25.77	26.49	33.25	5.0%	17.5	19.7	5.2%	5.18
3M Company	MMM	82.07	56.25	82.10	7.8%	22.8	20.7	1.7%	6.84
United Technologies	UTX	103.35	85.34	119.24	10.4%	19.7	17.1	1.3%	8.16
Verizon Communic.	VZ	40.51	37.66	46.63	5.7%	16.5	15.2	3.8%	5.73
Wal-Mart Stores	WMT	52.82	57.98	93.06	13.5%	23.1	20.0	0.8%	9.22
		10,783	9,938	14,565	9.3%	18.7	17.6	2.1%	7.03

Current Price and Forecast Price totals are adjusted by the current divisor of .13532956

or more at some point during the year. The Chinese government is attempting the first ever soft landing for their skyrocketing economy. We believe that their chances of achieving a soft landing are 50/50 at best.

We believe the major influences that could affect the stock markets in 2005 will be higher interest rates and the fear of inflation. Further rises in commodity prices, increases in U.S. budget deficits, higher interest rates, and declines in the value of the dollar could create the perfect storm to fuel inflation and send interest rates higher. The Federal Reserve will see the potential problems and then raise the Fed Funds rates faster than anticipated and issue inflation warnings.

Our conclusion is that there will be plenty of good economic and earnings news to provide fuel for significant rises in the stock market. However, the threat of higher inflation and interest rates will prevail and, on balance, send the market lower in 2005. We believe that a decline of 4 to 8% is in order for the Dow Jones Industrial Average and a decline of 5 to 10% for the Standard & Poor's 500 Index. A decline of 10 to 15% for the Nasdaq is quite likely. After a calm year in 2004, the new year may well bring more ups and downs and more volatility.

Does our forecast mean that you should sit on the sidelines in 2005? Absolutely not. I predict that we will beat the indices again this year and our Models will show positive gains at the end of the year. Investors should stay fully invested – if our predictions are wrong and the stock market has a good year, you will make money – if our predictions are correct and the stock market goes down slightly, you will make money. We do not foresee a large stock market decline.

The table included on page 6 indicates that the Dow is currently quite near the low end of our forecast range. The Dow was up only 3.2% in 2004 and is therefore not likely to decline as much as the S&P 500 and the Nasdaq, which were up close to 9% each. This indicates to us that high-quality industry-leaders will generally outperform other stocks in 2005. Many of the companies that we recommend in the Wise Owl Model are industry leaders.

We predict that the Wise Owl Model stocks will perform very well this year. You may have noticed that the Wise Owl Model has been clearly surpassed by the Classic Benjamin Graham Value Model in each of the past two years. The Wise Owl Model gained 17.3% in 2004 and 45.6% in 2003, whereas, the Classic Value Model gained 41.2% in 2004 and 81.6% in 2003. Other kinds of stocks that look attractive for 2005 include: energy, foreign stocks, and stocks that do well when interest rates rise such as life and property insurers.

On the other hand, industry sectors that we recommend that you hold only small amounts in include: homebuilders, REITS, title insurers, mortgage lenders, interest rate sensitive and other real estate-related companies.

Investors who follow our specific advice during the year will continue to reap the rewards of our efforts to bring you the most undervalued stocks in the marketplace. We predict that both of our Models will end the year with gains. Part of our enthusiasm comes from our expanded database. We now screen the Value Line 8,000 stock database, rather than the 1,700 stock database, to find the best quality stocks for our Benjamin Graham Common Stock Database of 500 stocks. Our expanded screening has produced a number of new stocks in the 250 Highest Ranked Wise Owl Stock listing. Our expansion has also produced some exciting new stocks in our Models, particularly Village Super Market and Student Loan Corp. We will continue to bring you additional improvements throughout 2005!

Thanks for being a loyal Benjamin Graham Value Letter subscriber,



CHANGES

HIGHEST RANKED STOCKS LISTING

Wise Owl Stocks added to the Highest Ranked Stocks listing.

Company Name	Symbol
Aaron Rents Inc. 'A'	RNT
American Cap Strategies	ACAS
Anchor BanCorp WI	ABCW
Arden Group 'A'	ARDNA
Bank of Nova Scotia	BNS.TO
Brown-Forman 'B'	BF/B
Catalina Marketing	POS
Check Point Software	CHKP
Commercial Metals	CMC
CorVel Corp.	CRVL
CVB Financial	CVBF
Devon Energy	DVN
Doral Fin'l Corp	DRL
First BanCorp PR	FBP
First South Bancorp	FSBK
Health Net Inc	HNT
Houston Expl Co	THX
Investors Title Co	ITIC
Knight Transportation Inc	KNGT
LandAmerica Finl Group	LFG
M/I Homes	MHO
Mylan Labs.	MYL
Nordstrom Inc.	JWN
Occidental Petroleum	OXY
Old Second Bancorp	OSBC
Petro-Canada	PCZ
Pre-Paid Legal Services	PPD
Radian Group Inc	RDN
RenaissanceRe Hldgs Ltd	RNR
Robert Half Int'l	RHI
SCP Pool Corp	POOL
Simpson Mfg Inc	SSD
Student Loan Corp.	STU
Suffolk Bancorp	SUBK
Texas Pacif. Land Tr	TPL
United Capital Corp.	AFP
United Mobile Homes	UMH
Utah Medical Prods.	UTMD
Vornado Realty Trust	VNO
Weyco Group	WEYS

Wise Owl Stocks removed from the Highest Ranked Stocks listing.

Company Name	Symbol
Amer. Express	AXP
AptarGroup	ATR
Bank of America	BAC
Bank of Nova Scotia	BNS
Barnes & Noble	BKS
Bemis Co.	BMS
Boston Scientific	BSX
Brown-Forman 'B'	BF.B
Burlington Resources	BR
CEC Entertainment	CEC
Cheesecake Factory	CAKE
Christopher & Banks	CBK
Citigroup Inc.	C
Coca-Cola	KO
Curtiss-Wright	CW
DRS Technologies	DRS
Eagle Materials	EXP
EnCana Corp.	ECA
Florida Rock	FRK
Fossil Inc.	FOSL
Golden West Fin'l	GDW
Griffon Corp.	GFF
Hot Topic Inc.	HOTT
Lilly (Eli)	LLY
Luxottica Group ADR	LUX
Masco Corp.	MAS
Microchip Technology	MCHP
Novo Nordisk ADR	NVO
Ruby Tuesday	RI
Sara Lee Corp.	SLE
3M Company	MMM
VERITAS Software	VRTS
Watson Pharmac.	WPI
WellPoint Health Ntwks	WLP
West Corp.	WSTC
Winnebago	WGO
Wolverine World Wide	WWW
Worthington Inds.	WOR
XTO Energy	XTO
Zions Bancorp.	ZION

Wise Owl Stocks Added This Month – The above column lists the 40 stocks that became new members of our 250 Highest Ranked Stocks listing on pages 9 through 12 of this issue. Owl Total Ratings for the 40 stocks fall in the range of 6.86 to 8.58. Student Loan is a new member that is recommended for purchase in the Wise Owl Model and is featured on page 4.

Wise Owl Stocks Removed This Month – The above column lists the 40 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. Bemis Co. fell from the list this month and is recommended to be **SOLD** at the current price.

The ranking changes discussed above apply only to the Wise Owl Model stocks. Changes in recommendations for The Classic Benjamin Graham Value Model appear in the Model Update.

HIGHEST RANKED STOCKS CONTINUED ON THE FOLLOWING PAGE

THE 250 HIGHEST RANKED WISE OWL STOCKS FROM THE BENJAMIN GRAHAM DATA BASE

The Highest Ranked Stocks listing relates to the Wise Owl stocks only. After buying a Wise Owl stock, you can monitor its progress by checking the stock's Min Sell Price and Owl Total Rating. If a Wise Owl stock reaches its Min Sell Price, or if the stock's Owl Total Rating has gone below 6.00, or if it no longer appears in the listing, you should sell. We hope that you will find the listing also useful in looking up stocks that you already own or have an interest in.

Company Name	Ticker Symbol	Industry Name	12/31/04 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
Aaron Rents Inc. 'A'	RNT	Industrial Services	22.30	13.49	18.05	10.2%	33.0	4.11	1.67	1.99	3.11	6.90
Abbott Labs.	ABT	Medical Supplies	46.65	44.68	62.56	13.5%	19.0	4.57	3.14	2.08	2.96	8.15
Adobe Systems	ADBE	Computer Software/Svcs	62.74	32.34	54.36	14.3%	33.7	3.31	1.18	3.44	4.20	7.74
Adv. Neuromodulation	ANSI	Medical Supplies	39.46	22.27	42.06	10.5%	36.4	2.48	1.76	4.80	2.76	7.51
Affiliated Computer	ACS	Computer Software/Svcs	60.19	55.61	82.09	13.5%	20.9	3.49	2.27	3.47	4.17	8.58
AFLAC Inc.	AFL	Insurance (Life)	39.84	37.88	60.13	12.2%	16.0	3.83	2.76	3.12	2.37	7.70
Albany Molecular	AMRI	Drug	11.14	17.74	25.34	13.8%	9.9	1.99	4.96	2.04	1.96	6.95
Alberto Culver	ACV	Toiletries/Cosmetics	48.57	39.57	59.64	11.5%	21.3	5.00	1.62	2.96	3.35	8.27
Ambac Fin'l Group	ABK	Financial Svcs. (Div.)	82.13	67.60	92.00	11.1%	12.3	4.12	2.40	2.61	2.59	7.46
Amer. Int'l Group	AIG	Financial Svcs. (Div.)	65.67	82.62	139.14	11.6%	13.9	3.62	3.55	2.67	2.52	7.89
Amer. Woodmark	AMWD	Building Materials	43.68	28.72	45.98	13.9%	17.9	2.65	1.88	3.17	3.21	6.92
American Cap Strategies	ACAS	Financial Svcs. (Div.)	33.35	45.16	64.94	12.9%	11.7	2.78	2.93	2.46	3.08	7.16
AmerisourceBergen	ABC	Medical Supplies	58.68	66.80	96.01	17.0%	13.2	3.37	3.41	2.65	2.68	7.73
Amgen	AMGN	Biotechnology	64.15	60.44	120.37	20.7%	25.5	4.33	2.76	3.52	3.90	9.33
Anadarko Petroleum	APC	Petroleum (Producing)	64.81	90.17	109.69	11.4%	10.5	1.61	4.78	3.14	3.19	8.14
Anchor BanCorp WI	ABCW	Thrift	29.15	36.70	50.76	11.4%	14.4	4.13	3.27	1.60	2.05	7.02
Anheuser-Busch	BUD	Beverage (Alcoholic)	50.73	46.14	68.14	12.6%	17.5	4.85	1.85	2.60	2.26	7.36
Apache Corp.	APA	Petroleum (Producing)	50.57	47.96	59.80	9.9%	10.5	2.04	2.87	3.48	3.65	7.68
Apollo Group 'A'	APOL	Educational Services	80.71	49.90	98.79	23.6%	38.4	3.87	1.35	4.95	3.04	8.45
Applebee's Int'l	APPB	Restaurant	26.45	20.64	29.77	15.0%	18.4	3.78	2.33	3.11	2.19	7.25
Archer Daniels Midl'd	ADM	Food Processing	22.31	18.60	24.06	7.2%	19.4	2.22	2.35	2.26	4.00	6.87
Arden Group 'A'	ARDNA	Grocery	98.80	93.73	136.50	13.3%	21.3	3.76	2.41	2.24	3.75	7.75
Automatic Data Proc.	ADP	Computer Software/Svcs	44.35	32.70	52.52	10.9%	23.2	4.63	2.02	2.01	3.68	7.87
Avon Products	AVP	Toiletries/Cosmetics	38.70	32.77	48.02	16.7%	20.5	3.74	1.79	2.91	2.42	6.89
Ball Corp.	BLL	Packaging & Container	43.98	23.72	45.05	10.9%	16.1	2.81	1.60	2.91	3.86	7.10
Bank of Nova Scotia	BNS	Bank (Canadian)	33.85	22.43	28.69	10.3%	14.4	3.51	2.25	2.37	2.70	6.87
Bard (C.R.)	BCR	Medical Supplies	63.98	38.33	54.47	11.0%	24.4	4.07	1.34	2.71	3.73	7.55
Bear Stearns	BSC	Securities Brokerage	102.31	72.57	85.02	10.7%	10.4	3.64	2.37	2.24	3.71	7.63
Beazer Homes USA	BZH	Homebuilding	146.21	97.09	117.80	15.9%	8.8	3.28	2.73	3.24	4.11	8.55
Becton Dickinson	BDX	Medical Supplies	56.80	42.84	60.97	11.1%	21.0	4.45	2.23	2.49	2.95	7.73
Bed Bath & Beyond	BBBY	Retail (Special Lines)	39.83	50.04	90.04	22.9%	22.1	4.69	3.33	4.31	3.28	10.00
Berry Petroleum 'A'	BRY	Petroleum (Producing)	47.70	31.52	36.81	10.9%	17.6	2.17	1.75	3.33	4.63	7.57
Best Buy Co.	BBY	Retail (Special Lines)	59.42	53.40	84.86	20.4%	18.8	2.96	2.76	4.18	3.29	8.45
Biomet	BMET	Medical Supplies	43.39	28.31	48.80	14.9%	30.3	4.26	1.57	3.33	2.55	7.46
Biovail Corp.	BVF	Drug	16.53	33.53	56.23	24.7%	9.2	1.51	5.00	3.38	2.19	7.70
Block (H&R)	HRB	Financial Svcs. (Div.)	49.00	56.34	89.91	16.7%	11.0	3.44	3.73	2.76	1.71	7.42
BP PLC ADR	BP	Petroleum (Integrated)	58.40	55.38	72.79	9.6%	13.6	3.61	2.86	2.25	2.81	7.34
Brinker Int'l	EAT	Restaurant	35.07	32.47	54.27	13.3%	15.0	3.24	2.84	2.64	2.19	6.93
Brown & Brown	BRO	Financial Svcs. (Div.)	43.55	33.93	55.64	18.5%	21.3	4.25	1.82	3.75	2.17	7.65
Brown-Forman 'B'	BF/B	Beverage (Alcoholic)	48.68	37.44	50.29	10.4%	19.2	4.54	1.73	2.33	2.82	7.26
CACI Int'l 'A'	CAI	Computer Software/Svcs	68.13	34.61	58.46	14.2%	30.2	3.08	1.11	3.67	4.66	7.99
Canon Inc. ADR	CAJ	Foreign Electronics	54.26	46.42	66.81	9.4%	15.8	3.31	2.84	2.75	3.99	8.25
Cardinal Health	CAH	Medical Supplies	58.15	69.04	107.43	14.3%	15.0	4.40	3.85	2.78	2.46	8.64
Caremark RX	CMX	Pharmacy Services	39.43	35.93	63.30	21.9%	23.9	2.28	2.18	3.32	3.42	7.11
Catalina Marketing	POS	Industrial Services	29.63	24.88	35.20	16.7%	21.4	2.60	2.44	2.24	4.37	7.41
CDW Corp.	CDWC	Retail (Special Lines)	66.35	64.88	103.60	20.0%	22.1	3.62	2.91	3.79	2.59	8.26
Cendant Corp.	CD	Diversified Co.	23.38	30.62	50.00	14.7%	12.7	1.86	4.21	2.73	2.32	7.06
Centex Corp.	CTX	Homebuilding	59.58	44.18	60.36	15.4%	8.1	3.97	2.74	3.45	3.48	8.74
CenturyTel Inc.	CTL	Telecom. Services	35.47	37.98	51.37	10.1%	13.8	2.40	3.20	2.21	3.15	6.95
Check Point Software	CHKP	Computer Software/Svcs	24.63	20.60	36.23	20.7%	22.5	2.36	2.62	2.24	3.60	6.86
Chico's FAS	CHS	Retail (Special Lines)	45.53	32.56	52.86	27.9%	26.3	3.11	1.64	4.84	3.07	8.09
Church & Dwight	CHD	Household Products	33.62	26.25	36.92	11.7%	20.1	3.91	1.77	2.90	3.18	7.49
Cintas Corp.	CTAS	Industrial Services	43.86	38.66	58.30	12.9%	25.5	3.92	2.70	2.69	2.27	7.37
Cisco Systems	CSCO	Telecom. Equipment	19.32	17.91	37.05	17.5%	23.6	3.50	3.11	2.99	2.76	7.89
Citrix Sys.	CTXS	Computer Software/Svcs	24.46	20.18	33.31	14.3%	25.1	2.12	2.77	2.86	3.54	7.18

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Claire's Stores	CLE	Retail (Special Lines)	21.25	19.32	27.13	13.8%	12.6	2.97	3.09	2.91	2.27	7.14
CLARCOR Inc.	CLC	Packaging & Container	54.77	32.21	44.98	9.5%	21.4	4.24	1.43	2.28	3.69	7.41
Cognizant Technology	CTSH	Computer Software/Svcs	42.33	20.07	39.60	25.3%	52.7	2.98	1.01	5.00	4.33	8.53
Cognos Inc.	COGN	Computer Software/Svcs	44.06	28.43	52.91	17.1%	29.2	2.47	1.71	3.37	4.00	7.35
Colgate-Palmolive	CL	Household Products	51.16	46.52	67.16	12.2%	19.4	4.58	2.11	2.38	2.66	7.47
Commerce Bancorp NJ	CBH	Bank	64.40	57.39	95.45	13.8%	18.1	3.66	1.97	3.46	3.36	7.95
Commercial Metals	CMC	Steel (General)	50.56	27.42	41.11	9.9%	11.9	1.86	2.16	3.60	4.91	8.00
Computer Sciences	CSC	Computer Software/Svcs	56.37	63.77	91.14	9.7%	16.7	2.77	3.57	2.02	4.17	8.00
Copart Inc.	CPRT	Retail Automotive	26.32	15.79	27.74	11.8%	28.2	3.04	1.38	3.50	3.33	7.14
Corporate Executive	EXBD	Information Services	66.94	40.73	73.40	17.4%	41.4	3.50	1.42	3.87	2.61	7.24
CorVel Corp.	CRVL	Medical Services	26.78	27.83	41.21	14.0%	17.9	3.73	3.16	1.44	3.41	7.48
Costco Wholesale	COST	Retail Store	48.41	37.93	57.60	10.6%	24.8	3.20	2.02	2.34	3.48	7.01
Countrywide Financial	CFC	Financial Svcs. (Div.)	37.01	31.36	45.67	16.1%	7.9	2.83	2.58	3.60	2.37	7.24
CVB Financial	CVBF	Bank	26.56	21.57	31.27	13.2%	25.1	3.41	1.49	2.40	3.52	6.86
CVS Corp.	CVS	Pharmacy Services	45.07	44.43	71.53	10.2%	18.5	3.49	3.17	1.95	3.07	7.43
Danaher Corp.	DHR	Diversified Co.	57.41	41.64	55.94	13.0%	24.8	3.76	1.86	3.24	3.48	7.87
Darden Restaurants	DRI	Restaurant	27.74	20.16	31.33	10.6%	17.0	3.04	2.14	2.43	3.48	7.04
Dell Inc.	DELL	Computers/Peripherals	42.14	34.06	58.28	22.5%	30.4	3.89	2.20	4.13	4.17	9.25
Dentsply Int'l	XRAY	Medical Supplies	56.20	40.18	58.54	13.2%	22.0	3.84	1.95	2.83	3.79	7.92
Devon Energy	DVN	Natural Gas (Div.)	38.92	46.03	68.13	13.3%	8.4	1.49	4.51	3.42	3.97	8.58
Diagnostic Products	DP	Medical Supplies	55.05	41.23	59.94	11.2%	21.7	3.56	2.06	2.73	3.14	7.31
Dollar Tree Stores	DLTR	Retail Store	28.77	38.38	65.02	17.4%	15.6	3.63	3.97	2.70	2.39	8.11
Donaldson Co.	DCI	Machinery	32.58	20.10	33.16	13.2%	24.7	4.42	1.68	2.86	2.56	7.33
Doral Fin'l Corp	DRL	Financial Svcs. (Div.)	49.25	60.66	103.34	19.4%	16.7	3.20	2.65	3.53	2.83	7.79
DST Systems	DST	Computer Software/Svcs	52.12	40.27	60.51	10.4%	20.6	2.73	2.13	2.91	3.20	6.97
Ecolab Inc.	ECL	Chemical (Specialty)	35.13	24.17	35.70	13.1%	27.1	3.79	1.52	2.82	2.94	7.02
Education Mgmt.	EDMC	Educational Services	33.00	26.26	46.55	18.1%	28.8	2.81	2.30	4.26	3.21	8.04
ENDESA ADR	ELE	Utility (Foreign)	23.27	20.47	27.08	8.2%	13.0	1.92	3.16	2.07	3.76	6.93
Engineered Support	EASI	Aerospace/Defense	59.22	34.61	65.21	17.4%	20.3	3.70	1.53	5.00	2.93	8.42
Everest Re Group Ltd.	RE	Insurance (Prop/Cas.)	89.56	79.63	126.78	11.7%	8.9	3.13	3.30	2.39	2.21	7.01
Expeditors Int'l	EXPD	Industrial Services	55.88	33.77	59.98	17.5%	36.6	4.44	1.13	3.92	2.97	7.96
Express Scripts 'A'	ESRX	Pharmacy Services	76.44	84.93	137.82	19.4%	17.8	3.49	3.15	4.29	2.63	8.69
Exxon Mobil Corp.	XOM	Petroleum (Integrated)	51.26	42.42	55.96	8.2%	14.2	3.85	2.28	2.45	3.57	7.75
FactSet Research	FDS	Information Services	58.44	38.41	65.42	16.8%	30.7	3.74	1.68	3.87	3.76	8.35
Fair Isaac	FIC	Computer Software/Svcs	36.68	34.17	58.47	16.3%	20.9	3.30	2.80	3.04	2.87	7.66
Family Dollar Stores	FDO	Retail Store	31.23	29.36	44.12	12.9%	19.0	4.32	2.60	2.32	1.94	7.11
Fastenal Co.	FAST	Retail Building Supply	61.56	44.25	75.09	20.2%	33.6	4.10	1.89	3.90	3.35	8.48
FedEx Corp.	FDX	Air Transport	98.49	57.57	85.70	10.4%	25.9	2.96	1.40	2.61	4.43	7.25
Fifth Third Bancorp	FITB	Bank (Midwest)	47.30	57.34	84.87	12.3%	15.1	4.05	3.55	2.52	2.32	7.95
First BanCorp PR	FBP	Thrift	63.51	51.45	76.66	14.2%	20.9	3.28	1.25	2.62	4.40	7.35
First Data Corp.	FDC	Computer Software/Svcs	42.54	40.95	56.89	11.6%	18.7	4.74	3.00	2.81	2.54	8.38
First South Bancorp	FSBK	Bank	25.64	26.75	36.73	11.2%	15.9	2.81	2.76	2.14	4.46	7.76
Fiserv Inc.	FISV	Computer Software/Svcs	40.19	41.45	71.33	13.2%	18.9	3.94	3.01	3.55	3.69	9.11
Forest Labs.	FRX	Drug	44.86	54.67	89.05	18.0%	15.7	3.87	3.72	4.32	1.83	8.81
Fortune Brands	FO	Diversified Co.	77.18	53.69	75.48	9.8%	16.6	3.55	1.60	2.59	3.18	6.93
Franklin Electric	FELE	Electrical Equipment	42.26	25.96	40.12	11.6%	22.2	4.03	1.79	2.42	3.00	7.14
Gallagher (Arthur J.)	AJG	Financial Svcs. (Div.)	32.50	31.21	51.55	15.6%	14.8	4.74	2.79	3.21	2.05	8.19
Gannett Co.	GCI	Newspaper	81.70	79.75	110.34	10.4%	15.4	4.25	2.86	2.17	2.68	7.62
Gen'l Dynamics	GD	Aerospace/Defense	104.60	86.09	112.17	10.8%	16.8	4.01	2.49	2.61	3.41	8.00
Gen'l Electric	GE	Electrical Equipment	36.50	35.26	51.64	12.5%	21.8	4.58	2.81	2.10	2.80	7.84
Gen'l Mills	GIS	Food Processing	49.71	46.65	61.05	14.1%	16.5	3.38	2.97	1.74	3.05	7.07
Goldman Sachs	GS	Securities Brokerage	104.04	106.62	156.51	9.4%	12.0	3.10	3.08	2.02	3.53	7.48
Graco Inc.	GGG	Machinery	37.35	18.62	31.96	15.9%	22.4	3.86	0.99	3.22	3.64	7.46
Grainger (W.W.)	GWW	Electrical Equipment	66.62	47.37	60.09	7.3%	22.5	3.90	1.83	1.79	3.81	7.21
Guidant Corp.	GDT	Medical Supplies	72.10	51.19	82.55	17.9%	26.7	3.43	2.07	2.87	2.89	7.16
Harley-Davidson	HDI	Recreation	60.75	61.11	117.92	18.5%	18.6	4.45	2.45	4.26	3.09	9.15
Health Mgmt. Assoc.	HMA	Medical Services	22.72	28.78	47.47	17.3%	15.6	3.04	3.66	3.73	2.56	8.32
Health Net Inc	HNT	Medical Services	28.87	37.87	55.38	13.5%	10.0	2.57	3.71	1.40	3.17	6.89
Heartland Express	HTLD	Trucking	22.47	14.66	20.57	14.2%	25.6	3.74	1.69	3.11	4.32	8.22
Henry (Jack) & Assoc.	JKHY	Computer Software/Svcs	19.91	17.36	32.54	18.3%	26.0	3.17	2.42	3.39	3.46	7.95
Hershey Foods	HSY	Food Processing	55.54	33.31	49.37	12.3%	25.3	4.42	1.20	2.67	3.07	7.23
Home Depot	HD	Retail Building Supply	42.74	53.84	88.28	16.0%	17.9	4.98	3.89	3.94	3.85	10.00
Honda Motor ADR	HMC	Auto & Truck	26.06	29.37	40.75	10.3%	10.7	2.48	3.65	2.20	2.91	7.14
Horton D.R.	DHI	Homebuilding	40.31	25.16	33.25	19.1%	9.8	3.91	2.47	4.42	4.08	9.57
Houston Expl Co	THX	Petroleum (Producing)	56.31	57.22	81.12	12.3%	14.1	1.99	2.67	3.05	3.52	7.14

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II-VI Inc.	IIVI	Precision Instrument	42.49	19.71	31.40	12.1%	32.3	2.09	1.08	3.68	4.52	7.23
Illinois Tool Works	ITW	Metal Fabricating	92.68	78.37	114.22	11.5%	19.5	4.36	2.48	2.62	2.89	7.89
Imperial Oil Ltd.	IMO	Canadian Energy	59.40	42.94	47.80	10.7%	13.6	3.46	2.41	2.55	3.06	7.30
Int'l Business Mach.	IBM	Computers/Peripherals	98.58	83.67	135.73	12.2%	18.6	3.71	2.62	2.10	3.41	7.55
Int'l Game Tech.	IGT	Hotel/Gaming	34.38	24.04	44.39	20.2%	23.6	2.88	1.79	4.13	2.27	7.04
Investors Title Co	ITIC	Financial Svcs. (Div.)	36.99	67.05	95.75	12.6%	9.7	3.54	3.30	1.85	4.29	8.30
Johnson & Johnson	JNJ	Medical Supplies	63.42	63.32	92.80	14.3%	19.3	5.00	2.87	3.21	3.97	9.68
Johnson Controls	JCI	Auto Parts	63.44	49.77	75.40	11.5%	13.7	4.34	2.56	2.77	2.64	7.86
Jones Apparel Group	JNY	Apparel	36.57	39.55	56.58	15.6%	12.5	2.48	3.72	2.69	2.51	7.25
KB Home	KBH	Homebuilding	104.40	79.38	111.83	18.1%	8.8	4.04	3.09	3.64	4.52	9.85
Kenneth Cole 'A'	KCP	Shoe	30.86	33.01	55.43	16.1%	14.9	3.15	3.45	2.74	1.95	7.18
Knight Transportation Inc	KNGT	Trucking	24.80	14.37	23.68	18.1%	36.1	3.24	0.69	2.62	4.68	7.14
Kohl's Corp.	KSS	Retail Store	49.17	50.72	95.33	17.3%	20.9	3.34	3.42	3.87	3.32	8.95
K-Swiss Inc.	KSWI	Shoe	29.12	17.34	26.77	18.1%	15.5	3.16	1.82	3.91	3.94	8.21
Kyocera Corp. ADR	KYO	Foreign Electronics	76.98	91.66	117.36	6.6%	17.4	3.05	3.58	2.25	2.88	7.50
LandAmerica Finl Group	LFG	Financial Svcs. (Div.)	53.93	142.72	197.22	11.4%	5.3	1.78	3.89	1.75	3.58	6.99
Lauder (Estee)	EL	Toiletries/Cosmetics	45.77	33.71	48.70	11.7%	26.2	3.79	2.47	2.30	2.80	7.22
Legg Mason	LM	Securities Brokerage	73.26	49.42	79.34	12.2%	20.8	3.21	1.76	3.11	3.47	7.35
Lennar Corp.	LEN	Homebuilding	56.68	44.91	62.15	16.7%	9.3	3.35	2.81	4.00	3.75	8.93
Lincare Holdings	LNCR	Medical Services	42.65	32.51	53.73	17.2%	14.7	3.39	2.62	3.57	3.61	8.44
Linear Technology	LLTC	Semiconductor	38.76	27.58	57.79	15.2%	35.0	3.74	2.07	3.38	2.75	7.61
Liz Claiborne	LIZ	Apparel	42.21	37.54	49.16	10.8%	13.9	4.82	2.71	2.35	3.04	8.27
Lowe's Cos.	LOW	Retail Building Supply	57.59	60.84	98.94	15.4%	18.0	4.33	2.76	4.35	3.35	9.51
M&T Bank Corp.	MTB	Bank	107.84	92.38	130.27	12.3%	17.0	4.15	1.97	2.43	2.59	7.08
M.D.C. Holdings	MDC	Homebuilding	86.44	56.89	74.96	20.1%	8.6	3.71	2.66	4.12	3.23	8.80
M/I Homes	MHO	Homebuilding	55.11	120.25	196.34	17.8%	10.8	3.57	3.35	3.04	2.66	8.07
Magna Int'l 'A'	MGA	Auto Parts	82.55	75.50	121.85	10.7%	10.7	3.46	3.01	2.56	1.91	6.94
Marshall & Ilsley	MI	Bank (Midwest)	44.20	35.72	52.86	9.4%	15.3	4.03	1.84	2.28	2.79	6.94
Matthews Int'l	MATW	Diversified Co.	36.80	25.60	36.36	12.7%	21.4	3.90	1.83	3.00	2.15	6.90
Maxim Integrated	MXIM	Semiconductor	42.39	34.48	81.14	17.3%	29.6	3.26	2.60	3.69	2.27	7.53
MBNA Corp.	KRB	Financial Svcs. (Div.)	28.19	27.94	46.63	17.1%	12.5	4.06	3.49	3.89	3.13	9.37
McCormick & Co.	MKC	Food Processing	38.60	26.80	37.26	11.9%	23.4	3.87	1.68	2.50	3.42	7.29
McDonald's Corp.	MCD	Restaurant	32.06	30.64	40.87	9.4%	16.8	3.82	2.85	2.18	3.34	7.78
McGraw-Hill	MHP	Publishing	91.54	61.71	91.00	12.0%	23.2	4.39	2.14	2.59	2.80	7.59
MDU Resources	MDU	Electric Utility (West)	26.68	21.82	27.24	8.8%	14.3	3.94	2.35	2.07	2.50	6.89
Medtronic Inc.	MDT	Medical Supplies	49.67	48.78	80.40	16.4%	24.1	4.60	2.93	3.56	2.94	8.99
Merck & Co.	MRK	Drug	32.14	44.20	52.42	11.5%	10.5	4.00	4.49	1.41	1.47	7.23
Microsoft Corp.	MSFT	Computer Software/Svcs	26.72	25.48	41.62	17.4%	23.7	4.07	3.04	2.29	3.35	8.15
Mohawk Inds.	MHK	Furn/Home Furnishings	91.25	65.58	95.26	13.1%	16.2	2.83	2.33	2.82	2.96	6.94
Mylan Labs.	MYL	Drug	17.68	19.64	27.94	12.8%	14.4	3.41	3.44	2.27	2.21	7.20
National City Corp.	NCC	Bank (Midwest)	37.55	35.39	48.56	9.1%	10.3	3.48	2.95	1.82	2.59	6.88
Newfield Exploration	NFX	Natural Gas (Div.)	59.05	67.39	113.81	14.5%	10.1	2.02	4.51	3.84	2.62	8.31
NIKE Inc. 'B'	NKE	Shoe	90.69	61.95	86.64	11.2%	24.4	4.22	1.89	2.80	3.32	7.80
Nokia Corp. ADR	NOK	Foreign Telecom.	15.67	15.47	27.62	16.6%	15.0	2.90	3.46	2.40	2.22	6.97
Nordstrom Inc.	JWN	Retail Store	46.73	32.29	47.22	8.5%	16.3	2.09	2.31	2.61	3.83	6.87
North Fork Bancorp	NFB	Bank	28.85	34.94	46.21	12.8%	14.2	3.20	2.76	2.55	2.38	6.91
NVR Inc.	NVR	Homebuilding	769.40	337.51	679.48	26.3%	11.2	3.83	1.83	4.21	3.72	8.70
Occidental Petroleum	OXY	Petroleum (Integrated)	58.36	49.15	46.31	10.2%	9.9	2.26	2.58	2.44	4.30	7.37
Old Second Bancorp	OSBC	Bank	31.88	30.69	43.39	12.2%	21.5	4.04	2.33	2.36	2.47	7.12
Omnicare Inc.	OCR	Pharmacy Services	34.62	38.61	54.50	10.3%	13.7	2.72	3.56	3.09	1.63	6.99
Omnicom Group	OMC	Advertising	84.32	80.52	131.04	14.6%	19.9	3.63	2.84	2.95	3.27	8.11
Oracle Corp.	ORCL	Computer Software/Svcs	13.72	11.35	21.74	18.0%	25.2	3.36	2.58	3.00	3.88	8.20
O'Reilly Automotive	ORLY	Retail Automotive	45.05	36.06	60.32	13.1%	18.7	3.86	2.18	3.46	2.58	7.70
PACCAR Inc.	PCAR	Auto & Truck	80.48	44.21	72.75	12.0%	14.5	3.01	1.45	2.96	4.27	7.44
Pacific Sunwear	PSUN	Retail (Special Lines)	22.26	19.39	35.04	17.7%	14.7	3.26	3.06	4.01	3.00	8.54
Patterson Cos.	PDCO	Medical Supplies	43.39	31.52	49.93	16.1%	29.4	3.92	1.65	3.46	3.78	8.18
Paychex Inc.	PAYX	Computer Software/Svcs	34.08	28.02	49.68	20.0%	37.8	4.03	1.79	3.62	2.63	7.69
PepsiCo Inc.	PEP	Beverage (Soft Drink)	52.20	44.40	66.08	11.4%	21.2	4.95	2.36	2.49	3.01	8.18
Petro-Canada	PCZ	Canadian Energy	51.02	52.09	58.42	12.7%	9.7	3.21	3.50	2.85	2.49	7.68
Pfizer Inc.	PFE	Drug	26.89	47.24	67.81	17.3%	12.1	5.00	4.80	3.45	2.26	9.99
Pharmac. Product	PPDI	Drug	41.29	31.35	45.05	13.5%	24.6	2.20	2.35	3.57	3.09	7.12
PMI Group	PMI	Insurance (Prop/Cas.)	41.75	41.94	62.70	10.5%	9.7	3.34	3.22	2.04	2.99	7.38
Polaris Inds.	PII	Recreation	68.02	36.68	50.17	14.3%	21.4	4.43	1.28	2.82	2.90	7.28
POSCO ADR	PKX	Steel (Integrated)	44.53	40.04	56.47	10.2%	6.2	1.65	3.55	2.49	3.35	7.01
Pre-Paid Legal Services	PPD	Industrial Services	37.55	33.62	56.00	18.5%	17.7	2.20	2.70	2.41	3.87	7.11

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Company Name	Ticker Symbol	Industry Name	12/31/04 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
Price (T. Rowe) Group	TROW	Financial Svcs. (Div.)	62.20	43.73	64.73	14.2%	24.5	4.10	1.73	2.92	2.85	7.39
Procter & Gamble	PG	Household Products	55.08	43.57	60.32	13.2%	22.6	4.59	1.96	2.92	3.41	8.24
Pulte Homes	PHM	Homebuilding	63.80	45.49	88.42	16.0%	7.8	3.95	2.81	4.21	3.32	9.18
QLogic Corp.	QLGC	Semiconductor	36.73	33.16	56.09	15.4%	22.0	3.07	3.02	3.03	2.90	7.66
Qualcomm Inc.	QCOM	Telecom. Equipment	42.40	23.99	43.88	14.9%	40.5	2.91	1.42	4.33	3.94	8.05
Questar Corp.	STR	Natural Gas (Div.)	50.96	32.71	44.85	8.2%	18.6	2.67	1.54	2.53	4.11	6.88
Radian Group Inc	RDN	Financial Svcs. (Div.)	53.24	93.38	137.80	13.9%	11.0	3.04	3.37	1.96	3.04	7.25
Reebok Int'l	RBK	Shoe	44.00	39.96	60.43	9.8%	13.9	3.19	2.87	2.02	3.30	7.23
RenaissanceRe Hldgs Ltd	RNR	Insurance (Prop/Cas.)	52.08	130.98	205.56	16.2%	6.4	3.59	3.65	2.50	1.45	7.11
Renal Care Group	RCI	Medical Services	35.99	30.51	51.70	15.5%	19.1	2.82	2.51	3.43	3.07	7.54
ResMed Inc.	RMD	Medical Supplies	51.10	38.53	73.36	17.7%	28.4	3.22	1.73	3.84	3.17	7.63
Robert Half Int'l	RHI	Human Resources	29.43	15.44	35.43	14.2%	44.0	2.66	1.03	4.25	2.92	6.88
Royal Dutch Petr.	RD	Petroleum (Integrated)	57.38	47.10	56.29	6.9%	11.0	3.71	2.86	2.10	3.88	8.02
Ryland Group	RYL	Homebuilding	57.54	36.74	57.93	16.5%	8.7	3.27	2.58	3.70	3.38	8.28
SCP Pool Corp	POOL	Recreation	31.90	19.39	32.36	18.6%	32.8	3.83	0.78	3.26	3.36	7.14
SEI Investments	SEIC	Computer Software/Svcs	41.93	36.13	60.77	19.5%	25.4	3.95	2.18	3.96	3.52	8.72
Shell Transport	SC	Petroleum (Integrated)	51.40	31.53	36.91	5.4%	11.5	3.68	2.27	2.03	3.06	7.01
Sherwin-Williams	SHW	Chemical (Specialty)	44.63	34.20	48.75	9.2%	15.8	3.88	1.92	2.14	3.13	7.03
Sigma-Aldrich	SIAL	Chemical (Specialty)	60.46	49.71	64.73	9.2%	17.8	4.22	1.85	2.25	2.47	6.84
Simpson Mfg Inc	SSD	Building Materials	34.90	23.52	33.31	12.3%	26.3	4.57	1.06	2.22	3.23	7.04
SLM Corporation	SLM	Financial Svcs. (Div.)	53.39	43.62	63.94	15.2%	23.0	4.32	1.24	3.02	3.71	7.85
Sonic Corp.	SONC	Restaurant	30.50	17.91	30.53	16.0%	27.0	2.83	1.32	3.33	3.58	7.03
Standard Pacific Corp.	SPF	Homebuilding	64.14	49.58	67.31	16.3%	7.1	2.78	3.07	3.72	4.71	9.17
Staples Inc.	SPLS	Office Equip/Supplies	33.71	27.35	43.78	14.9%	21.6	3.40	2.32	3.30	3.49	7.99
Starbucks Corp.	SBUX	Restaurant	62.36	24.87	43.23	12.5%	58.9	3.75	0.63	4.34	3.59	7.86
Stryker Corp.	SYK	Medical Supplies	48.25	36.27	64.37	18.5%	29.8	4.20	1.83	4.11	2.95	8.37
Student Loan Corp.	STU	Financial Svcs. (Div.)	184.00	235.96	399.94	19.2%	18.4	3.71	3.24	2.91	2.90	8.16
Suffolk Bancorp	SUBK	Bank	34.83	35.22	47.86	10.8%	18.5	4.05	2.62	1.66	2.58	6.91
SunGard Data Sys.	SDS	Computer Software/Svcs	28.33	31.03	47.70	13.6%	18.0	3.60	3.26	2.98	2.84	8.10
Swift Transportation	SWFT	Trucking	21.48	21.35	34.52	12.5%	16.8	1.86	3.65	2.74	3.09	7.21
Symantec Corp.	SYMC	Computer Software/Svcs	25.76	16.08	25.16	17.3%	30.9	2.94	1.40	3.85	3.24	7.28
Synovus Financial	SNV	Bank	28.58	26.77	38.22	12.2%	18.8	3.73	2.39	2.34	2.77	7.13
Sysco Corp.	SYU	Food Wholesalers	38.17	28.63	49.51	15.4%	25.5	5.00	1.39	3.55	2.88	8.19
Taiwan Semic. ADR	TSM	Semiconductor	8.49	11.90	20.55	20.0%	12.9	2.23	4.84	4.13	2.22	8.60
Target Corp.	TGT	Retail Store	51.93	39.55	64.41	11.9%	21.8	3.93	2.27	2.66	2.77	7.40
Techne Corp.	TECH	Biotechnology	38.90	29.72	52.05	16.5%	27.3	4.06	1.60	3.52	2.08	7.15
Texas Pacif. Land Tr	TPL	Petroleum (Producing)	135.05	27.01	37.48	11.5%	59.8	3.17	0.99	2.23	5.00	7.25
Thor Inds.	THO	Manuf. Housing/RV	37.05	19.73	31.25	16.0%	17.9	3.14	1.34	4.13	4.40	8.32
Timberland Co. 'A'	TBL	Shoe	62.67	55.33	95.06	16.9%	13.6	2.98	2.85	3.29	3.15	7.84
TJX Companies	TJX	Retail (Special Lines)	25.13	21.47	39.77	17.0%	16.4	4.21	2.35	3.28	2.41	7.81
Toll Brothers	TOL	Homebuilding	68.61	41.83	54.03	17.4%	13.7	3.48	2.19	4.12	4.51	9.18
Toro Co.	TTC	Home Appliance	81.35	32.82	42.56	11.6%	19.3	3.48	1.35	2.98	3.64	7.29
Total ADR	TOT	Petroleum (Integrated)	109.84	102.85	125.43	8.7%	12.6	3.45	3.21	2.73	3.93	8.53
Total System Svcs.	TSS	Financial Svcs. (Div.)	24.30	23.06	37.97	15.8%	28.2	4.14	3.22	3.21	2.41	8.30
Toyota Motor ADR	TM	Auto & Truck	81.87	84.74	119.14	7.8%	11.0	2.88	3.94	2.49	2.85	7.76
UGI Corp.	UGI	Natural Gas (Distrib.)	40.91	30.17	40.46	10.1%	15.3	2.96	2.22	3.02	3.33	7.34
United Capital Corp.	AFP	Diversified Co.	22.65	32.81	46.91	12.7%	12.3	3.05	3.28	1.30	3.58	7.12
United Mobile Homes	UMH	Homebuilding	15.74	16.07	21.91	10.9%	16.3	3.98	3.12	0.87	2.90	6.89
United Technologies	UTX	Diversified Co.	103.35	85.34	119.24	12.0%	17.8	4.66	2.32	2.80	3.00	8.16
UnitedHealth Group	UNH	Medical Services	88.03	62.58	111.01	14.8%	20.1	4.46	1.88	4.68	4.16	9.77
Urban Outfitters	URBN	Retail (Special Lines)	44.40	14.23	27.93	16.0%	37.0	2.87	0.84	4.23	3.55	7.32
Utah Medical Prods.	UTMD	Medical Supplies	22.47	27.24	40.03	13.7%	15.5	3.90	3.16	1.45	2.62	7.07
Valero Energy	VLO	Petroleum (Integrated)	45.40	31.04	28.40	7.9%	9.0	1.41	2.61	2.98	4.13	7.07
Vornado Realty Trust	VNO	Diversified Co.	76.13	49.77	69.49	11.8%	31.5	3.74	1.83	1.94	3.54	7.02
Walgreen Co.	WAG	Pharmacy Services	38.37	33.48	57.55	13.4%	26.2	5.00	2.31	3.31	4.02	9.41
Wal-Mart Stores	WMT	Retail Store	52.82	57.98	93.06	14.4%	20.2	4.94	3.11	3.19	3.11	9.22
Waters Corp.	WAT	Precision Instrument	46.79	34.66	62.74	17.6%	24.4	2.72	1.95	2.98	3.98	7.41
Wells Fargo	WFC	Bank	62.15	60.02	87.50	11.9%	13.9	3.78	2.29	2.50	2.44	6.99
Wendy's Int'l	WEN	Restaurant	39.26	35.30	52.42	10.1%	16.4	3.42	2.59	2.04	2.78	6.87
Weyco Group	WEYS	Shoe	43.41	44.81	59.79	10.1%	16.1	3.47	2.66	1.84	4.70	8.09
Wiley (John) & Sons	JW.A	Publishing	34.84	28.59	40.67	14.7%	21.9	3.32	2.66	2.74	2.77	7.31
Williams-Sonoma	WSM	Retail (Special Lines)	35.04	33.06	54.94	16.6%	20.0	2.92	3.15	3.79	2.33	7.77
Wrigley (Wm.) Jr.	WWY	Food Processing	69.19	52.64	71.07	12.8%	29.6	5.00	1.61	2.39	3.51	7.99
Wyeth	WYE	Drug	42.59	39.22	60.07	11.3%	15.7	3.29	3.07	2.13	2.49	6.97
Yahoo! Inc.	YHOO	Internet	37.68	18.77	35.41	12.3%	90.2	2.15	1.47	5.00	3.71	7.87