

Cabot Benjamin Graham Value Letter

Sound Advice from the Teachings of Benjamin Graham

July 2005

Issue # 132

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OUR MIDYEAR FORECAST

The economy continues to chug along in 2005 at a decent pace despite several distractions along the way. During the first 6 months of this year, the Gross Domestic Product (GDP) rate of growth was at the high end of our predicted 3 to 4% range. Homebuilding continues to thrive, the service sector continues to do well, industrial production is stronger, and auto sales are picking up. Growth in the retail sector is mixed, and employment is lagging because employers are still reluctant to add new workers.

We expect the economy to continue to grow at a modest pace. We do not see a need to change our January forecast of 3 to 4% GDP growth for the year. We believe that the economy and the stock market will be influenced heavily by long-term interest rates and oil prices. If the interest rate on the 10-year US Treasury note stays below 4.5%, and oil prices become less volatile and remain below \$60 per barrel, we are confident that GDP will grow at the high end of our forecast, or 4%.

The US economy is in good shape but the shape of the world economy is mixed. Japan and Europe are stagnant while the economies of China and some of the smaller third world countries are growing vigorously. We believe that US GDP cannot grow faster than 4% during the next 12 months, because the overall world economies create a difficult environment for the US to prosper. A positive stimulus for the US economy and particularly the stock market is the Chinese accumulation of US dollars at a record rate. The Chinese are currently investing in US Treasury securities, but are looking for other US investments such as hard assets in the form of US corporations and possibly real estate. The Chinese could add much needed capital to our economy.

(continued on page 7)

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"Most of the time common stocks are subject to irrational and excessive price fluctuations in both directions as the consequence of the ingrained tendency of most people to speculate or gamble... to give way to hope, fear and greed."

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.

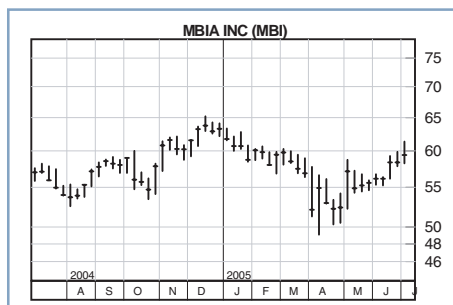
This Month's Buy Recommendations					Ben Graham's Seven Valuation Criteria						
Company Name	Ticker Symbol	6/30/05 Price	Max Buy Price	Min Sell Price	Max 1.10	Min 1.50	Min 1.0%	Max 9.0	Max 1.20	Min 0.1%	Min B+
					Debt vs Current Assets	Current Ratio	Earnings Growth	P/E Ratio	P/BV Ratio	Dividend Yield	S&P Earn/Div Rank
Everest Re Group Ltd.	RE	93.00	97.45	150.61	NA	NA	11.7%	8.5	1.11	0.5%	A
Gibraltar Inds.	ROCK	18.46	19.24	29.55	0.78	3.16	9.6%	8.6	1.02	1.0%	B+
Magna Int'l 'A'	MGA	70.34	72.03	109.69	0.14	1.55	8.8%	8.8	1.14	2.1%	B+
MBIA Inc.	MBI	59.31	54.90	82.42	NA	NA	9.2%	9.7	1.16	1.8%	A
PMI Group	PMI	38.98	39.83	65.51	NA	NA	10.9%	8.8	1.00	0.5%	A
POSCO ADR	PKX	43.97	47.79	80.32	0.39	2.10	11.2%	3.5	0.76	1.9%	NR
Radian Group Inc	RDN	47.22	48.25	81.32	NA	NA	11.2%	7.7	1.17	0.2%	A
Repsol-YPF ADR	REP	25.13	23.90	33.03	0.64	1.29	7.3%	8.6	1.26	2.2%	NR

MODEL UPDATE

The Classic Benjamin Graham Value Model has one new stock this month: Repsol-YPF. One stock transitions out of the Model to a "hold" status: MGIC Investment. MGIC is still an excellent company and should continue to be held until it reaches its Minimum Sell Price. There are 6 stocks in this month's Model that are selling at or below our Max Buy Prices. The remaining 2 stocks should not be purchased until their prices decrease to their Max Buy Price.

The current Minimum Sell Prices for previous Classic Value Model stocks are: AEGON \$26.75, Ameron \$42.12, Aon \$26.38, Fidelity National \$49.10, First American, \$51.26, Furniture Brands \$27.73, Honda Motor \$36.16, Kellwood \$37.60, Korea Electric \$26.98, LandAmerica \$63.93, MGIC Investment \$98.37, and Old Republic \$34.68. These stocks should continue to be held until they reach their Min Sell Prices. In our May Mid-Month Update, we recommended that investors **SELL** Village Super Market (VLGEA) at \$55.26. If you missed this selling opportunity, you should continue to hold your shares until VLGEA reaches \$57.29. Freddie Mac (FRE) reached its Min Sell Price of \$66.16 on June 1st and should now be **SOLD**. Devon Energy (DVN) reached its Min Sell Price of \$49.73 on June 20 and should now be **SOLD**.

MBIA, Inc.	MBI
Industry: Financial Guarantee	
Price:	\$ 59.31
Max. Buy Price:	\$ 54.90
Min. Sell Price:	\$ 82.42



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

FEATURED STOCKS

MBIA, Inc. (MBI)

How Cheap Is It? We expect the price of MBIA to slide further to our Maximum Buy Price of \$54.90, as the company works through several problems described below. MBIA presents an opportunity to buy a quality company with excellent earnings prospects going forward. MBIA shares will likely reach our Min Sell Price of \$82.42 within 2 to 3 years.

Company Profile: MBIA is the nation's largest provider of financial guarantees for municipal bonds and other debt instruments. An SEC investigation into MBIA's reinsurance agreements continues to haunt the company. In addition, MBIA shareholders have filed class action lawsuits alleging misleading representations by the company. We believe that MBIA will successfully defend itself, and any damages will be minimal.

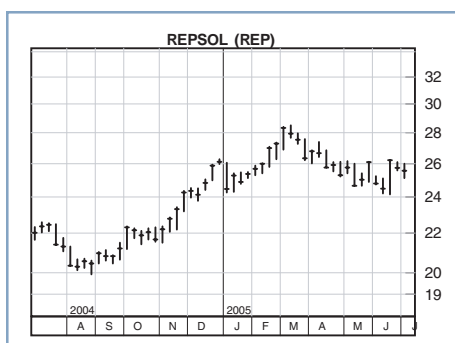
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Outlook: MBIA is experiencing modest growth in its US operations that is partially offset by weak foreign operations. This situation has generated lackluster earnings results for the past 2 1/2 years. We expect MBIA to strengthen its foreign operations and produce better earnings results starting in 2006. Our earnings per share (EPS) estimate for 2006 is therefore \$6.25 compared to our 2005 EPS estimate of \$5.65.

Repsol YPF (REP)

Repsol YPF	REP
Industry: Integrated Oil & Gas	
Price:	\$ 25.13
Max. Buy Price:	\$ 23.90
Min. Sell Price:	\$ 33.03

How Cheap Is It? Repsol shares sell at 8.6 times forward earnings and produce a dividend yield of 2.2%. REP offers an excellent opportunity to purchase a Classic Value stock that will participate in the current high energy price environment. We recommend purchase of REP shares with the objective of reaching our Min Sell Price of \$33.03 within 2 years.

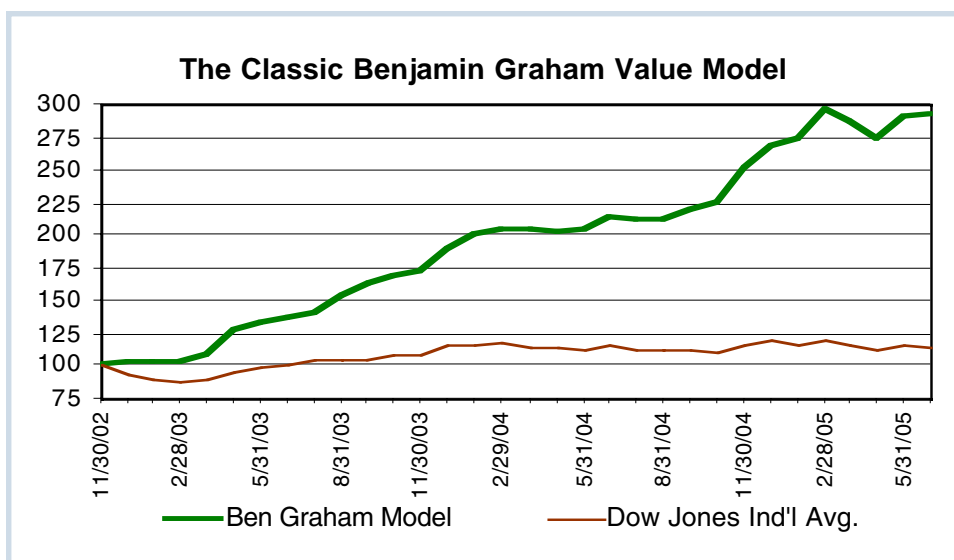


Company Profile: Repsol YPF, based in Madrid, Spain, is a global integrated oil and natural gas producer that is engaged in all aspects of the energy industry. REP's production has been held back by diminishing reserves and by economic and political problems in Argentina and Bolivia. Under a new management plan, the company is focusing on exploration in more stable environments, finding new joint ventures with major industry leaders, selling unnecessary assets, and striving to become the world's largest producer of liquefied petroleum gas (LPG).

Outlook: Repsol reported a 62% jump in first quarter EPS led by strong sales of natural gas. Earnings per share (EPS) will likely increase to \$3.50 this year and to \$3.65 next year – depending on oil and natural gas prices.

PERFORMANCE FOR THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

The Classic Benjamin Graham Value Model gained 1.20% last month compared to a loss of 1.84% for the Dow Jones Industrial Average. The Model is up 9.47% for the year to date compared to a loss of 4.71% for the Dow. The chart to the right illustrates the Model's performance during the past 31 months. Since inception, the Model has achieved a remarkable compound annual return of 51.7% compared to a 5.7% return for the S&P 500.



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.

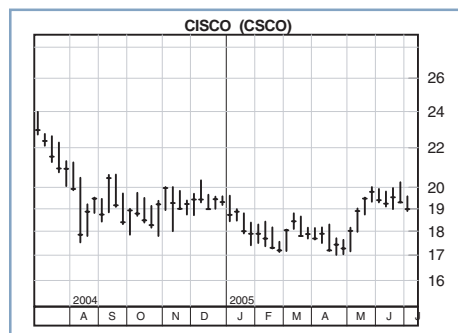
This Month's Buy Recommendations										Owl Quantitative Rating System				
										Best = 5	Best = 5	Best = 5	Best = 5	Best = 10
Company Name	Ticker Symbol	6/30/05 Price	Max Buy Price	Min Sell Price	S&P Earn/Div Rating	IBD Earnings Strength	Growth Rate	Current P/E	Industry Rating	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating
AFLAC Inc.	AFL	43.28	43.81	60.79	A	86	14.0%	15.1	3.56	3.76	3.40	3.17	3.92	8.64
Amgen	AMGN	60.46	57.77	90.80	B	92	17.4%	20.3	2.16	3.96	3.66	3.64	3.38	8.87
Bed Bath & Beyond	BBBY	41.78	41.83	69.01	A-	94	19.6%	18.0	3.00	4.47	3.77	4.49	3.72	9.97
Cisco Systems	CSCO	19.08	20.15	31.08	B+	81	15.4%	19.2	3.15	3.12	3.94	3.35	3.98	8.72
Dell Inc.	DELL	39.46	38.05	55.52	B+	87	17.5%	22.6	3.78	3.53	2.81	3.81	4.18	8.68
Engineered Support	EASI	35.83	36.67	54.44	A	91	15.2%	15.9	3.44	3.41	2.56	4.46	2.83	8.03
Fiserv Inc.	FISV	42.89	42.98	64.24	B+	90	15.8%	17.0	3.86	3.22	3.53	3.38	4.50	8.87
Home Depot	HD	38.90	44.81	70.33	A+	80	12.7%	14.1	4.48	4.63	4.34	3.43	3.61	9.70
Johnson & Johnson	JNJ	65.00	62.86	86.53	A+	87	11.0%	17.6	4.26	5.00	2.53	3.02	4.17	8.92
Lennar Corp.	LEN	63.45	61.46	81.94	A-	93	14.8%	8.5	4.07	3.15	3.62	4.09	5.00	9.61
Average:		45.01	45.04	66.47		88.1	15.3%	16.8	3.58	3.83	3.41	3.68	3.93	9.00

MODEL UPDATE

We have added 5 new stocks to The Wise Owl Model this month: Bed Bath & Beyond, Cisco Systems, Dell, Johnson & Johnson, and Lennar. Five stocks transition out of the Model to a 'hold' status: Commerce Bancorp, Health Management, Nokia, Pacific Sunwear, and Wal-Mart. These 'hold' stocks are still excellent companies and should continue to be held until they reach their Minimum Sell Prices or they no longer appear in The 250 Highest Ranked Wise Owl Stocks on pages 9 to 12. Min Sell Prices for all stocks previously recommended in the Wise Owl Model are also found on pages 9 to 12. News and opinion updates for all of these stocks are found in our Mid-Month Update Report.

In our June issue, we recommended that subscribers sell their shares of Petro-Canada, Student Loan, and Toyota Motor. On June 20, Newfield Exploration reached its Min Sell Price of \$41.02 and should now be **SOLD**. In our June Mid-Month Update, we recommended that you also **SELL** Dollar Tree Stores because of disappointing results. This month, Nokia, PACCAR, and H&R Block fell out of our 250 Highest Ranked Wise Owl Stocks list. However, Nokia and PACCAR should continue to be held, because we believe that they will return to the 250 Highest Ranked list very soon. H&R Block (HRB) should now be **SOLD**.

Cisco Systems	CSCO
Industry: Computer Networking	
Price:	\$ 19.08
Max Buy Price:	\$ 20.15
Min Sell Price:	\$ 31.08



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

FEATURED STOCKS

Cisco Systems (CSCO)

How Cheap Is It? Cisco Systems provides a unique opportunity to purchase one of the leading companies in the technology industry at a price that is less than 20 times earnings. We strongly recommend purchase of CSCO shares with an objective of reaching our Min Sell Price of \$31.08 within 2 years.

Company Profile: Cisco is the leading manufacturer and seller of router and switching products that connect computer networks. During recent years, management has concentrated on broadening CSCO's product base, expanding into new global markets, and sustaining its technological advantages. The company has a very strong balance sheet with no debt.

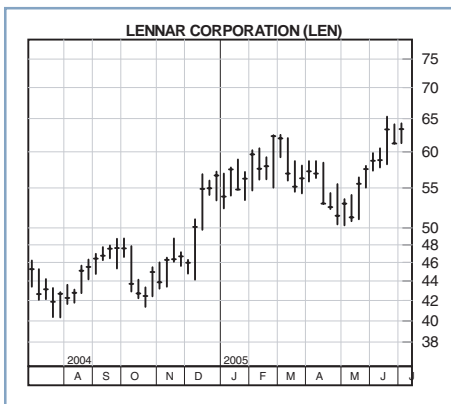
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Outlook: Cisco sales are beginning to accelerate. Rapid growth is being generated by sales increases in Asia (except Japan), by development of new products, and by new corporate acquisitions. We expect the sales gains to translate to rapid earnings growth during the next several years. We forecast EPS of \$.90 for the fiscal year ending 7/31/05 compared to \$.76 last year with an increase to \$1.07 next year.

Lennar Corp. (LEN)

Lennar Corp.	LEN
Industry: Homebuilding	
Price:	\$ 63.45
Max Buy Price:	\$ 61.46
Min Sell Price:	\$ 81.94

How Cheap Is It? Lennar has increased its earnings 13 times during the past 14 years. We believe that management can sustain EPS growth of 15% well into the future. We highly recommend purchase of LEN so that you can participate in the prolonged real estate boom. Lennar will likely reach our Min Sell Price of \$81.94 within 2 years.

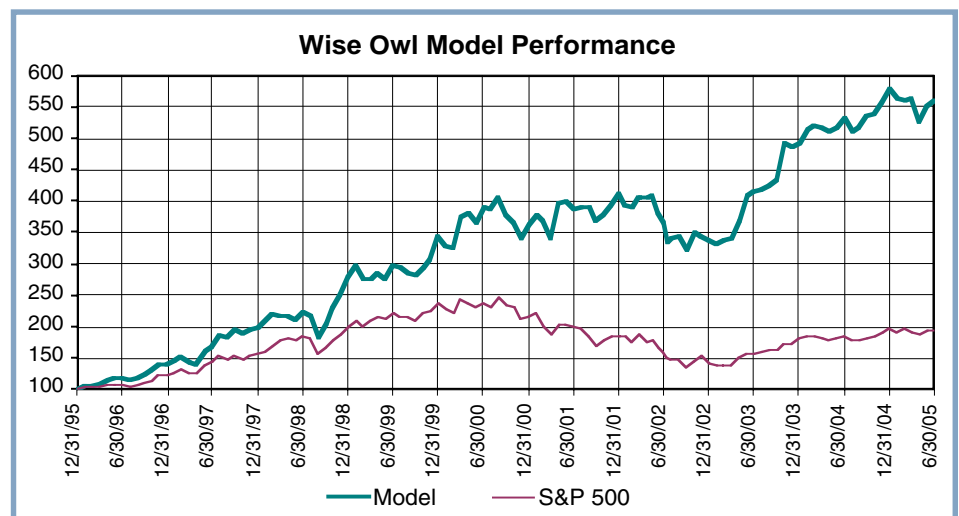


Company Profile: Lennar is a leading builder of single-family and multi-family homes. The company concentrates on moderately priced homes and builds and sells homes throughout the US. Lennar recognizes the cyclic nature of its industry and therefore sub-contracts most of its development and construction work. The company has a very strong balance sheet that includes \$8.50 in cash.

Outlook: Homebuilding has seen a resurgence lately. Lennar's backlog ensures growth well into 2006. New orders are strong and profit margins are increasing noticeably. The company's central US division leads the current growth surge. We forecast EPS of \$7.60 for the fiscal year ending 11/30/05 and \$8.75 next year, compared to \$5.70 last year.

MODEL PERFORMANCE FOR THE WISE OWL MODEL

The Wise Owl Model gained 1.45% last month, compared to a loss of 0.01% for the Standard & Poor's 500 Index. The Model is down 3.40% for the year to date compared to a loss of 1.70% for the S&P 500. Since inception on 12/31/95, the Model has achieved a compound annual return of 19.9% compared to a 7.2% return for the S&P 500. The Wise Owl Model has outperformed the S&P 500 Index every year for the past 9 years.



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 2 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 9,297 (bottom of column 4) and the estimated high for the Dow is 13,647 – somewhat lower than our forecast of 6 months ago. We believe that the Dow Jones Industrial Average (now 10,275) will remain in the lower half of our range during the next six months.

Our 2-year forecast for the Standard & Poor's 500 Index is 1,052 to 1,429 (now 1,191) and for the Nasdaq Index 1,623 to 2,545 (now 2,057).

30 Dow Jones Industrial Stocks									
									Best = 10
Company Name	Ticker	06/30/05 Price	Max Buy Price	Min Sell Price	Forecast Growth	Current P/E Ratio	Forecast P/E Ratio	Dividend Yield	Owl Total Rating
Alcoa Inc.	AA	26.13	28.53	42.63	8.6%	16.4	12.7	2.4%	6.40
Altria Group	MO	64.66	46.17	72.24	10.1%	13.6	12.2	4.6%	6.97
Amer. Express	AXP	53.23	42.63	63.80	11.2%	18.8	16.3	0.9%	7.33
Amer. Int'l Group	AIG	58.10	81.77	126.74	12.4%	12.9	11.2	0.7%	8.93
Boeing	BA	66.00	32.59	50.48	9.4%	42.3	23.0	1.4%	5.79
Caterpillar Inc.	CAT	95.31	66.38	104.23	11.8%	15.4	11.4	1.7%	7.27
Citigroup Inc.	C	46.23	44.10	65.03	12.3%	11.3	10.6	3.7%	8.56
Coca-Cola	KO	41.75	36.21	49.20	8.6%	20.2	19.3	2.6%	7.52
Disney (Walt)	DIS	25.18	22.91	31.35	7.0%	21.5	17.1	0.9%	6.55
Du Pont	DD	43.01	33.14	43.25	6.1%	18.1	14.8	3.3%	6.30
Exxon Mobil Corp.	XOM	57.47	43.93	59.65	9.0%	13.7	13.1	1.9%	7.80
Gen'l Electric	GE	34.65	34.89	49.97	10.5%	21.0	18.2	2.5%	8.03
Gen'l Motors	GM	34.00	26.22	51.11	3.2%	12.2	29.4	5.9%	5.42
Hewlett-Packard	HPQ	23.51	20.61	31.19	8.7%	16.9	14.6	1.4%	6.83
Home Depot	HD	38.90	42.71	67.06	12.4%	16.6	14.5	1.0%	9.81
Honeywell Int'l	HON	36.63	28.56	40.24	7.9%	23.3	16.9	2.2%	5.46
Intel Corp.	INTC	26.02	21.44	35.29	11.9%	21.0	18.3	0.9%	7.43
Int'l Business Mach.	IBM	74.20	81.34	121.68	10.2%	14.9	14.4	1.0%	7.50
Johnson & Johnson	JNJ	65.00	59.24	83.71	11.5%	20.1	18.2	1.9%	9.11
JPMorgan Chase	JPM	34.98	31.70	47.06	8.7%	12.1	11.1	3.9%	5.30
McDonald's Corp.	MCD	27.75	27.20	38.41	8.6%	13.9	13.8	2.0%	7.73
Merck & Co.	MRK	30.80	36.55	46.17	5.8%	12.3	12.5	4.9%	7.41
Microsoft Corp.	MSFT	24.84	24.27	36.56	10.8%	22.6	18.7	1.0%	8.52
Pfizer Inc.	PFE	27.58	37.64	52.34	10.6%	12.9	13.5	2.6%	9.39
Procter & Gamble	PG	52.75	44.80	62.64	10.9%	20.3	18.3	1.9%	8.19
SBC Communications	SBC	23.75	23.47	30.03	4.0%	16.4	15.8	5.4%	5.62
3M Company	MMM	72.30	58.74	82.25	9.4%	18.6	16.6	2.2%	7.49
United Technologies	UTX	51.35	44.83	62.67	10.8%	18.3	16.1	1.6%	7.93
Verizon Communic.	VZ	34.55	33.93	44.64	4.8%	12.3	13.2	4.6%	5.81
Wal-Mart Stores	WMT	48.20	54.85	86.60	12.9%	19.6	17.2	1.1%	9.62
		10,275	9,297	13,647	9.3%	17.7	15.8	2.4%	7.40

Current Price and Forecast Price totals are adjusted by the current divisor of .13030014
Current P/E is based on latest actual 12 month EPS, and Forecast P/E is based on next 12 month EPS estimates.

We predict that the stock market will fall modestly in the third quarter and rally in the fourth. The market indices performed about as expected in the first half of the year. The Dow Jones Industrial Average was down 4.7%, the Standard & Poor's 500 Index was down 1.7%, and the Nasdaq Composite was down 5.4%. The US economy provided a lot of good news for the stock market during the past 6 months, and long-term interest rates have held steady. Corporations reported better than expected earnings, but the Federal Reserve continued to raise short-term interest rates, and higher oil prices worried investors.

We don't see a lot of good news to help the stock market during the next 3 months. The Federal Reserve will likely continue to raise interest rates, oil prices will remain high, and little progress will evolve from Iraq. Corporate profit growth will continue to slow to the 8 to 10% range. The lack of good news and a smattering of bad news will send stock prices lower. In our Special Feature on the opposite page, we have predicted the Maximum Buy and Minimum Sell Prices for each of the 30 stocks contained in the Dow Jones Industrial Average. We forecast that the Dow Jones will retreat to our predicted Max Buy Price of 9,297 – a slide of about 1,000 points from present levels. If the Dow reaches our predicted low, it will clearly be oversold and a robust rally will ensue.

We strongly advise that you not attempt to 'play' the market. Our prediction is for a very short-term correction that will not materialize if the Federal Reserve refrains from raising interest rates further, or if oil prices stay below \$60. You might want to jettison a few of your aggressive growth stocks. And you ought to organize a buy list of quality value stocks from our Models and be ready to take advantage of the buying opportunities that we foresee.

To help you choose the best stocks, we continually look for ways to improve our service. We recently conducted an extensive study of our Models and compared Wise Owl stocks that went up versus those that went down during the first half of this year. The difference was quite clear. The stocks that went up have the following criteria in common:

1. High Owl Total Ratings (9.00 or higher did best).
2. High Owl Value Ratings.
3. High Industry Ratings.

Stocks that performed poorly during the first 6 months included super large companies with market capitalizations over \$50 billion. The current Wise Owl Model stock that best fits the above Ratings and is not a super large company is Lennar, featured on page 3. We will highlight stocks that best fit our 3 Ratings during the next 6 months, so that you can take advantage of our best recommendations.

We also conclude that using the Max Buy Prices is very important, but you shouldn't get hung up on the pennies. Therefore, if the Wise Owl stock that you want to buy is real close to its Max Buy Price, buy it.

Our recommendations in the Classic Benjamin Graham Value Model during the first 6 months performed almost flawlessly. We recommend that you continue to strictly adhere to our Max Buy Price guidelines and buy only at or below the Max Buy Price for each stock. We also strongly urge that you purchase stocks from both of our Models during the months ahead. We remain confident that both of our Models will show gains for the year 2005.



CHANGES HIGHEST RANKED STOCKS LISTING

Wise Owl Stocks added to the Highest Ranked Stocks listing.

Company Name	Symbol
Aaron Rents Inc. 'A'	RNT.A
AmSurg Corp 'A'	AMSG
ANSYS Inc.	ANSS
Avon Products	AVP
BancFirst Corp. OK	BANF
Bank of Nova Scotia	BNS
BB&T Corp.	BBT
Carlisle Cos.	CSL
Cascade Financial Corp	CASB
Check Point Software	CHKP
ChoicePoint Inc.	CPS
City National Corp.	CYN
Coca-Cola	KO
Coventry Healthcare	CVH
Darden Restaurants	DRI
EnCana Corp.	ECA
First BanCorp PR	FBP
Florida Rock	FRK
Gallagher (Arthur J.)	AJG
Harte-Hanks	HHS
HCA Inc.	HCA
Heartland Express	HTLD
Hilb Rogal & Hobbs	HRH
IMS HEALTH	RX
ITT Industries	ITT
Landstar Sys.	LSTR
McGraw-Hill	MHP
Mentor Corp.	MNT
Merck & Co.	MRK
Nordstrom Inc.	JWN
OceanFirst Financial Corp	OCFC
Petro-Canada	PCZ
Popular Inc.	BPOP
RLI Corp.	RLI
Roper Inds.	ROP
Royal Bank of Canada	RY
Schein (Henry)	HSIC
Sherwin-Williams	SHW
State Auto Fin'l	STFC
Stericycle Inc.	SRCL
Toro Co.	TTC
UGI Corp.	UGI
United Parcel Serv.	UPS
Universal Health Sv. 'B'	UHS
Utd. Fire & Casualty	UFCS
Washington Mutual	WM
Wendy's Int'l	WEN
West Corp.	WSTC

Wise Owl Stocks removed from the Highest Ranked Stocks listing.

Company Name	Symbol
A.S.V. Inc	ASVI
Adobe Systems	ADBE
Allergan Inc.	AGN
Amer. Express	AXP
Block (H&R)	HRB
Burlington Resources	BR
CEC Entertainment	CEC
Chevron Corp.	CVX
Children's Place	PLCE
Christopher & Banks	CBK
Citrix Sys.	CTXS
Cognos Inc.	COGN
Cooper Cos.	COO
Deere & Co.	DE
Diagnostic Products	DP
Diebold Inc.	DBD
Dollar General Corp.	DG
Eaton Vance Corp.	EV
Flagstar Bancorp	FBC
Fossil Inc.	FOSL
Gentex Corp.	GNTX
Imperial Oil Ltd.	IMO
Manpower Inc.	MAN
National City Corp.	NCC
Nationwide Fin'l	NFS
Nokia Corp. ADR	NOK
PACCAR Inc.	PCAR
Pharmac. Product	PPDI
Philadelphia Consol Hldg	PHLY
Progressive (Ohio)	PGR
R & G Financial Corp	RGF
Reinsurance Group	RGA
Reliance Steel & Alum	RS
Scientific-Atlanta	SFA
SCP Pool Corp	POOL
Sigma-Aldrich	SIAL
State Street Corp.	STT
SunGard Data Sys.	SDS
Symantec Corp.	SYMC
Tractor Supply	TSCO
Universal Amern Finl Corp	UHCO
VERITAS Software	VRTS
Williams-Sonoma	WSM

Wise Owl Stocks Added This Month – The above column lists the 48 stocks that become new members of our 250 Highest Ranked Stocks listing on pages 9 through 12 of this issue. Owl Total Ratings for the 48 stocks fall in the range of 7.28 to 8.27. None of the new stocks is recommended for purchase in the Wise Owl Model at this time.

Wise Owl Stocks Removed This Month – The above column lists the 43 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. This month, 3 Wise Owl holdings fell out of our 250 Highest Ranked list. However, Nokia and PACCAR should continue to be held, because we believe that they will return to the 250 Highest Ranked list very soon. H&R Block (HRB) should now be **SOLD**.

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	6/30/05 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.A	Industrial Services	22.75	16.27	22.15	13.2%	23.8	3.39	2.12	2.76	4.40	7.68
Abbott Labs.	ABT	Medical Supplies	49.01	44.58	60.57	8.6%	18.5	4.55	2.50	2.33	3.99	8.11
Abercrombie & Fitch	ANF	Retail (Special Lines)	68.70	49.74	79.72	14.7%	21.5	3.26	2.14	3.06	5.00	8.16
Adv. Neuromodulation	ANSI	Medical Supplies	39.68	30.25	46.30	13.9%	33.6	2.21	2.35	4.45	3.44	7.55
Affiliated Computer	ACS	Computer Software/Svcs	51.10	56.52	86.27	13.5%	15.4	3.33	3.45	3.71	3.36	8.39
AFLAC Inc.	AFL	Insurance (Life)	43.28	43.81	60.79	13.2%	15.1	3.76	3.40	3.17	3.92	8.64
Alberto Culver	ACV	Toiletries/Cosmetics	43.33	45.20	62.66	11.3%	16.6	5.00	2.80	2.73	3.31	8.38
Alliant Techsystems	ATK	Aerospace/Defense	70.60	68.21	95.14	10.3%	14.9	2.84	3.43	2.83	3.57	7.68
Ambac Fin'l Group	ABK	Financial Svcs. (Div.)	69.76	74.59	105.37	10.6%	9.6	3.78	3.62	2.75	2.68	7.77
Amer. Int'l Group	AIG	Financial Svcs. (Div.)	58.10	87.69	135.78	12.7%	10.7	3.63	5.00	2.81	2.99	8.74
AmerisourceBergen	ABC	Medical Supplies	69.15	69.10	100.65	9.1%	16.8	3.32	3.00	2.80	3.95	7.92
Amgen	AMGN	Biotechnology	60.46	57.77	90.80	15.8%	20.3	3.96	3.66	3.64	3.38	8.87
AmSurg Corp 'A'	AMSG	Medical Services	27.69	23.15	36.07	14.7%	20.2	2.46	2.77	3.76	3.68	7.68
Anadarko Petroleum	APC	Petroleum (Producing)	82.15	86.41	103.76	7.5%	11.6	1.85	3.41	3.24	4.08	7.63
Anheuser-Busch	BUD	Beverage (Alcoholic)	45.75	41.42	43.93	7.2%	15.1	4.73	2.13	2.72	3.09	7.67
ANSYS Inc.	ANSS	Computer Software/Svcs	35.64	27.40	37.96	14.3%	27.4	3.08	1.99	3.53	4.21	7.77
Apache Corp.	APA	Petroleum (Producing)	64.60	67.17	84.08	9.4%	11.5	1.99	2.86	2.91	4.41	7.38
Apollo Group 'A'	APOL	Educational Services	78.22	66.27	95.89	18.1%	29.8	3.60	2.16	4.93	4.25	9.06
Applebee's Int'l	APPB	Restaurant	26.49	25.56	36.26	11.9%	16.3	3.81	2.58	3.14	3.02	7.61
Automatic Data Proc.	ADP	Computer Software/Svcs	41.97	41.36	55.61	8.3%	22.6	4.91	2.70	2.43	3.70	8.33
Avon Products	AVP	Toiletries/Cosmetics	37.85	34.82	48.81	13.4%	16.8	3.87	3.05	3.04	3.43	8.12
BancFirst Corp. OK	BANF	Bank (Midwest)	86.99	72.60	85.33	8.6%	17.0	3.75	2.39	2.34	3.84	7.47
Bank of America	BAC	Bank	45.61	47.01	60.68	9.5%	10.6	3.55	3.74	2.31	3.23	7.77
Bank of Nova Scotia	BNS	Bank (Canadian)	40.54	36.82	42.27	9.1%	13.0	4.29	2.70	2.65	2.47	7.34
Bard (C.R.)	BCR	Medical Supplies	66.51	53.45	73.83	12.6%	21.0	4.03	2.24	2.82	3.98	7.93
BB&T Corp.	BBT	Bank	39.97	43.82	59.03	9.5%	12.2	3.23	3.54	2.52	2.73	7.29
Bear Stearns	BSC	Securities Brokerage	103.94	101.14	106.81	10.3%	10.0	3.49	3.04	2.40	3.73	7.67
Beazer Homes USA	BZH	Homebuilding	57.15	53.08	75.87	13.7%	7.9	3.06	3.16	3.94	4.98	9.18
Becton Dickinson	BDX	Medical Supplies	52.47	50.06	54.71	10.7%	17.3	4.51	2.80	2.53	3.69	8.20
Bed Bath & Beyond	BBBY	Retail (Special Lines)	41.78	41.83	69.01	17.0%	18.0	4.47	3.77	4.49	3.72	9.97
Best Buy Co.	BBY	Retail (Special Lines)	68.55	56.21	89.06	13.6%	19.7	2.99	2.55	3.25	3.72	7.59
Biomet	BMET	Medical Supplies	34.63	31.19	40.37	14.5%	20.5	4.17	3.04	3.47	2.77	8.15
Biovail Corp.	BVF	Drug	15.52	22.50	38.65	11.1%	9.7	1.69	4.69	3.52	2.83	7.72
BOK Financial	BOKF	Bank (Midwest)	46.12	45.03	57.92	10.0%	14.8	3.19	3.37	2.51	3.12	7.39
Boston Scientific	BSX	Medical Supplies	27.00	26.94	42.49	15.0%	12.4	2.13	4.23	3.83	2.81	7.87
BP PLC ADR	BP	Petroleum (Integrated)	62.38	61.92	73.38	8.8%	12.6	3.64	3.06	2.23	4.31	8.03
Brinker Int'l	EAT	Restaurant	40.05	37.16	53.44	12.0%	16.2	3.11	3.03	2.64	3.32	7.34
Brown & Brown	BRO	Financial Svcs. (Div.)	44.94	41.08	56.99	13.9%	19.2	4.05	2.77	3.92	3.19	8.44
Brown-Forman 'B'	BF.B	Beverage (Alcoholic)	60.46	44.70	53.52	8.8%	20.8	4.54	1.95	2.44	3.97	7.82
C.H. Robinson	CHRW	Industrial Services	58.20	39.31	50.28	14.6%	27.8	3.97	1.86	3.81	4.36	8.48
CACI Int'l 'A'	CAI	Computer Software/Svcs	63.16	51.28	74.45	13.7%	21.1	2.98	1.98	3.88	3.72	7.61
Cal Dive Int'l	CDIS	Oilfield Svcs/Equip.	52.37	52.49	71.58	13.9%	18.3	1.63	2.94	4.07	4.27	7.82
Canon Inc. ADR	CAJ	Foreign Electronics	52.63	54.91	70.75	12.0%	11.5	3.39	3.67	3.09	3.53	8.29
Capital One Fin'l	COF	Financial Svcs. (Div.)	80.01	74.83	110.96	11.1%	11.0	3.41	3.53	3.71	3.03	8.29
Cardinal Health	CAH	Medical Supplies	57.58	60.61	84.24	11.0%	15.0	4.11	3.56	2.73	3.00	8.12
Caremark RX	CMX	Pharmacy Services	44.52	38.40	60.54	19.0%	21.8	2.37	2.96	3.47	4.49	8.05
Carlisle Cos.	CSL	Tire & Rubber	68.63	65.38	89.91	10.2%	14.2	3.61	2.82	2.61	3.00	7.29
Cascade Financial Corp	CASB	Thrift	16.92	19.61	27.91	11.3%	12.2	2.54	3.74	2.90	3.05	7.41
Cathay General Bancorp	CATY	Bank	33.57	29.56	34.16	12.5%	16.6	3.68	2.94	2.97	3.05	7.66
CDW Corp.	CDWC	Retail (Special Lines)	56.95	54.69	76.95	13.0%	16.7	3.30	3.37	3.28	2.94	7.81
Centex Corp.	CTX	Homebuilding	70.67	66.38	86.21	12.7%	7.8	3.66	3.44	3.28	3.79	8.60
Check Point Software	CHKP	Computer Software/Svcs	19.83	23.12	41.16	11.4%	15.7	2.18	4.31	3.23	3.30	7.89
Cheesecake Factory	CAKE	Restaurant	34.73	23.22	30.77	13.6%	28.4	3.48	2.20	3.82	2.99	7.57
Chico's FAS	CHS	Retail (Special Lines)	34.28	19.45	34.13	20.6%	30.2	3.08	1.70	5.00	4.59	8.71
ChoicePoint Inc.	CPS	Information Services	40.05	40.76	59.43	13.2%	20.4	2.91	3.49	3.14	3.18	7.72

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Company Name	Ticker Symbol	Industry Name	6/30/05 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
Church & Dwight	CHD	Household Products	36.20	29.25	41.11	11.3%	19.7	3.86	2.49	3.27	3.82	8.14
Cintas Corp.	CTAS	Industrial Services	38.60	37.67	56.58	11.6%	20.3	3.89	3.21	2.89	2.68	7.67
Cisco Systems	CSCO	Telecom. Equipment	19.08	20.15	31.08	14.4%	19.2	3.12	3.94	3.35	3.98	8.72
Citigroup Inc.	C	Financial Svcs. (Div.)	46.23	44.97	52.69	11.3%	10.0	3.38	3.99	2.69	3.71	8.34
City National Corp.	CYN	Bank	71.71	64.27	82.48	10.0%	14.9	3.62	3.06	2.65	3.30	7.65
CLARCOR Inc.	CLC	Packaging & Container	29.25	22.73	28.94	9.8%	20.0	4.18	2.10	2.28	3.58	7.36
Coca-Cola	KO	Beverage (Soft Drink)	41.75	43.22	53.17	7.3%	18.6	4.23	2.84	2.13	3.23	7.53
Cognizant Technology	CTSH	Computer Software/Svcs	47.13	21.78	40.82	21.2%	43.4	2.85	1.44	5.00	4.26	8.22
Colgate-Palmolive	CL	Household Products	49.91	42.06	46.44	8.9%	17.9	4.61	2.38	2.81	3.09	7.81
Commerce Bancorp NJ	CBH	Bank	30.31	31.57	40.82	13.3%	14.7	3.55	3.39	3.13	3.37	8.15
Computer Sciences	CSC	Computer Software/Svcs	43.70	51.37	77.00	9.8%	13.0	2.59	4.30	2.34	2.96	7.39
Copart Inc.	CPRT	Retail Automotive	23.82	19.80	30.23	12.5%	20.3	2.99	2.43	3.89	3.73	7.90
Corporate Executive	EXBD	Information Services	78.33	55.11	74.49	16.4%	40.4	3.33	1.47	4.67	3.90	8.10
Countrywide Financial	CFC	Financial Svcs. (Div.)	38.61	41.32	54.98	12.2%	9.4	2.36	3.49	3.18	3.42	7.54
Coventry Healthcare	CVH	Medical Services	70.75	46.24	66.66	14.2%	18.5	2.20	2.25	3.54	4.33	7.47
CVS Corp.	CVS	Pharmacy Services	29.07	26.35	36.10	13.1%	19.6	3.21	2.65	2.92	4.24	7.90
Danaher Corp.	DHR	Diversified Co.	52.34	50.94	70.66	12.6%	17.8	3.88	2.73	3.34	3.41	8.09
Darden Restaurants	DRI	Restaurant	32.98	29.90	41.80	11.4%	17.7	3.30	2.42	2.69	3.84	7.42
Dell Inc.	DELL	Computers/Peripherals	39.46	38.05	55.52	16.7%	22.6	3.53	2.81	3.81	4.18	8.68
Dentsply Int'l	XRAY	Medical Supplies	54.00	48.32	64.76	11.3%	19.4	3.90	2.77	2.74	3.91	8.07
Dollar Tree Stores	DLTR	Retail Store	24.00	31.03	53.67	13.8%	12.4	3.39	4.95	2.92	1.52	7.74
Education Mgmt.	EDMC	Educational Services	33.73	26.78	45.43	15.9%	22.9	2.67	2.61	4.24	3.97	8.18
EnCana Corp.	ECA	Canadian Energy	39.59	38.34	47.59	11.2%	13.7	2.43	2.41	3.77	4.23	7.78
Engineered Support	EASI	Aerospace/Defense	35.83	36.67	54.44	14.7%	15.9	3.41	2.56	4.46	2.83	8.03
Erie Indemnity Co	ERIE	Insurance (Prop/Cas.)	53.92	50.90	65.47	10.8%	16.8	4.40	3.05	2.42	2.86	7.71
Expeditors Int'l	EXPD	Industrial Services	49.81	37.46	58.18	15.4%	26.7	4.25	2.09	3.83	2.49	7.67
Express Scripts 'A'	ESRX	Pharmacy Services	49.98	45.11	66.27	15.6%	19.5	3.42	2.78	4.37	4.18	8.94
Exxon Mobil Corp.	XOM	Petroleum (Integrated)	57.47	54.69	68.83	9.0%	12.9	3.90	2.72	2.23	4.25	7.94
FactSet Research	FDS	Information Services	35.84	28.54	44.77	15.0%	23.7	3.47	2.32	3.74	4.04	8.22
Fair Isaac	FIC	Computer Software/Svcs	36.50	35.72	53.61	13.1%	18.7	3.13	3.19	3.54	3.27	7.95
Fannie Mae	FNM	Financial Svcs. (Div.)	58.40	81.38	112.03	9.8%	7.6	2.59	4.61	2.27	3.01	7.57
Fastenal Co.	FAST	Retail Building Supply	61.25	47.90	73.06	16.3%	25.7	3.84	2.27	3.78	3.39	8.04
Federated Investors	FII	Financial Svcs. (Div.)	30.01	29.38	40.86	10.4%	14.9	3.31	2.92	3.05	3.07	7.48
Fifth Third Bancorp	FITB	Bank (Midwest)	41.17	52.65	76.16	10.0%	13.3	4.29	4.55	2.65	2.06	8.21
First BanCorp PR	FBP	Thrift	20.07	33.06	50.73	11.0%	6.2	3.04	5.00	2.92	1.92	7.80
First Data Corp.	FDC	Computer Software/Svcs	40.14	41.63	61.53	10.7%	15.5	4.64	3.81	2.81	3.29	8.82
First Horizon National	FHN	Bank (Midwest)	42.20	44.52	59.26	8.9%	11.0	3.56	3.77	2.42	2.38	7.35
FirstFed Fin'l-CA	FED	Thrift	59.61	50.32	62.13	10.4%	12.6	3.64	3.23	2.78	3.59	8.02
Fiserv Inc.	FISV	Computer Software/Svcs	42.89	42.98	64.24	13.6%	17.0	3.22	3.53	3.38	4.50	8.87
Florida Rock	FRK	Cement & Aggregates	73.35	48.79	65.19	12.7%	23.2	3.71	1.46	3.41	3.51	7.33
Forest Labs.	FRX	Drug	38.85	44.86	71.57	13.6%	12.9	3.55	4.53	3.99	2.60	8.90
Fortune Brands	FO	Diversified Co.	88.80	84.20	107.15	11.1%	15.0	3.82	2.61	2.47	4.54	8.14
Freddie Mac	FRE	Financial Svcs. (Div.)	65.23	71.50	102.16	9.3%	12.4	2.69	4.07	3.38	2.86	7.88
Gallagher (Arthur J.)	AJG	Financial Svcs. (Div.)	27.13	31.87	45.63	9.6%	12.4	4.52	3.82	2.70	2.32	8.09
Gannett Co.	GCI	Newspaper	71.13	83.72	111.84	8.9%	12.5	4.19	3.64	2.13	2.43	7.51
Gen'l Dynamics	GD	Aerospace/Defense	109.54	104.59	144.96	10.2%	14.9	4.30	2.79	2.65	3.49	8.02
Gen'l Electric	GE	Electrical Equipment	34.65	34.89	49.82	10.2%	18.2	4.68	2.86	2.63	2.95	7.95
Golden West Fin'l	GDW	Thrift	64.38	58.20	76.81	12.3%	12.6	3.86	3.01	3.03	3.67	8.22
Goldman Sachs	GS	Securities Brokerage	102.02	121.50	161.50	10.6%	9.9	3.14	3.55	2.54	3.39	7.65
Graco Inc.	GGG	Machinery	34.07	24.38	34.36	11.9%	17.5	3.98	1.79	3.18	3.16	7.34
Grainger (W.W.)	GWW	Electrical Equipment	54.79	55.20	72.75	8.4%	15.2	3.99	3.00	2.01	3.28	7.44
Harley-Davidson	HDI	Recreation	49.60	55.11	83.14	12.8%	14.2	4.11	3.65	3.82	2.78	8.70
Harte-Hanks	HHS	Advertising	29.73	23.90	31.86	11.5%	21.3	4.02	2.50	2.55	3.17	7.42
HCA Inc.	HCA	Medical Services	56.67	46.15	62.18	11.2%	17.3	2.90	2.78	2.56	5.00	8.03
HCC Insurance Hldgs.	HCC	Insurance (Prop/Cas.)	37.87	37.31	51.24	12.7%	11.6	2.43	3.51	3.26	4.03	8.02
Health Mgmt. Assoc.	HMA	Medical Services	26.18	26.67	38.48	12.6%	16.0	3.20	3.31	3.37	3.89	8.35
Heartland Express	HTLD	Trucking	19.43	15.33	22.02	11.0%	19.3	3.52	2.53	2.90	3.12	7.31
Henry (Jack) & Assoc.	JKHY	Computer Software/Svcs	18.31	17.77	28.02	13.7%	20.3	3.09	3.32	3.50	3.21	7.95
Hibbett Sporting	HIBB	Retail (Special Lines)	37.84	19.86	32.69	16.1%	29.7	2.87	1.34	3.84	4.43	7.57
Hilb Rogal & Hobbs	HRH	Financial Svcs. (Div.)	34.40	35.22	51.00	12.0%	13.6	3.32	3.15	3.37	3.11	7.85
Home Depot	HD	Retail Building Supply	38.90	44.81	70.33	12.5%	14.1	4.63	4.34	3.43	3.61	9.70
Horton D.R.	DHI	Homebuilding	37.61	34.51	46.14	15.5%	9.4	3.84	3.00	4.50	4.67	9.71
Houston Expl Co	THX	Petroleum (Producing)	53.05	50.41	70.61	10.7%	8.5	1.83	3.79	3.60	3.62	7.78
Illinois Tool Works	ITW	Metal Fabricating	79.68	82.66	118.77	11.6%	14.2	4.52	3.32	2.63	2.16	7.66
IMS HEALTH	RX	Healthcare Information	24.77	22.33	30.03	11.5%	17.9	3.49	2.90	2.75	2.91	7.31

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Company Name	Ticker Symbol	Industry Name	6/30/05 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
Ingersoll-Rand	IR	Machinery	71.35	66.72	98.03	11.4%	11.3	3.53	3.20	2.59	3.46	7.75
Intuit Inc.	INTU	Computer Software/Svcs	45.11	44.43	61.33	12.1%	21.3	2.34	3.42	3.58	3.29	7.65
Investors Finl Svcs	IFIN	Financial Svcs. (Div.)	37.82	39.25	68.66	18.5%	14.8	2.36	3.68	4.58	2.04	7.67
ITT Industries	ITT	Diversified Co.	97.63	77.53	79.63	9.2%	17.5	3.68	2.40	2.20	3.96	7.42
Jabil Circuit	JBL	Electronics	30.73	27.01	40.04	11.8%	21.4	2.24	3.04	3.59	3.42	7.45
Jefferson-Pilot Corp.	JP	Insurance (Life)	50.42	50.46	65.54	8.3%	11.7	4.40	3.51	2.10	2.69	7.70
Johnson & Johnson	JNJ	Medical Supplies	65.00	62.86	86.53	11.1%	17.6	5.00	2.53	3.02	4.17	8.92
Johnson Controls	JCI	Auto Parts	56.33	57.75	79.13	10.6%	11.2	4.35	3.03	2.55	3.01	7.85
KB Home	KBH	Homebuilding	76.23	66.73	86.66	15.5%	9.2	3.75	3.17	4.09	4.69	9.51
Kohl's Corp.	KSS	Retail Store	55.91	51.56	84.88	14.9%	19.9	3.41	3.58	3.53	3.49	8.49
K-Swiss Inc.	KSWI	Shoe	32.34	26.61	39.52	14.0%	15.2	2.87	2.44	4.01	3.56	7.80
Landstar Sys.	LSTR	Trucking	30.18	18.89	27.12	15.6%	22.9	3.51	1.40	3.23	4.28	7.53
Lauder (Estee)	EL	Toiletries/Cosmetics	39.13	39.45	53.21	10.9%	19.0	3.57	3.11	2.99	2.77	7.54
Legg Mason	LM	Securities Brokerage	104.11	68.84	96.70	13.7%	22.9	3.34	1.63	3.22	4.41	7.63
Lehman Bros. Holdings	LEH	Securities Brokerage	99.28	112.84	141.00	11.1%	11.1	2.57	3.18	2.56	4.03	7.48
Lennar Corp.	LEN	Homebuilding	63.45	61.46	81.94	14.3%	8.5	3.15	3.62	4.09	5.00	9.61
Lexmark Int'l 'A'	LXK	Office Equip/Supplies	64.83	75.59	117.93	12.1%	13.1	3.61	4.30	2.95	1.83	7.70
Lincare Holdings	LNCR	Medical Services	40.90	37.32	56.94	12.8%	15.3	3.31	3.23	3.06	3.41	7.88
Linear Technology	LLTC	Semiconductor	36.69	35.74	54.82	15.7%	24.9	3.39	3.22	3.42	3.26	8.06
Liz Claiborne	LIZ	Apparel	39.76	43.81	59.66	10.3%	12.1	4.58	3.49	2.53	3.25	8.40
Lowe's Cos.	LOW	Retail Building Supply	58.22	62.26	94.61	14.6%	16.2	4.14	3.43	3.76	3.86	9.21
M&T Bank Corp.	MTB	Bank	105.16	99.51	131.57	10.1%	14.9	4.20	3.16	2.79	2.58	7.71
M.D.C. Holdings	MDC	Homebuilding	82.25	75.94	98.35	13.5%	8.0	3.57	3.30	4.14	5.00	9.70
Manulife Fin'l	MFC	Insurance (Life)	47.81	46.32	60.28	11.8%	13.0	3.90	3.20	2.89	2.99	7.87
Marshall & Ilsley	MI	Bank (Midwest)	44.45	42.93	56.73	10.4%	13.7	3.98	3.16	2.44	2.50	7.32
Matthews Int'l	MATW	Diversified Co.	38.96	33.24	44.20	12.7%	19.2	3.73	2.56	3.05	3.46	7.76
Maxim Integrated	MXIM	Semiconductor	38.22	38.89	61.59	15.6%	21.8	2.96	4.03	3.66	2.55	8.01
MBNA Corp.	KRB	Financial Svcs. (Div.)	26.16	25.32	37.87	11.2%	11.6	3.85	3.96	2.89	3.10	8.36
McDonald's Corp.	MCD	Restaurant	27.75	30.59	42.41	8.4%	13.0	4.09	3.96	2.09	3.14	8.05
McGraw-Hill	MHP	Publishing	44.25	40.48	53.06	11.4%	18.0	4.29	2.10	3.00	3.20	7.63
Medicis Pharmac.	MRX	Drug	31.73	30.03	43.60	12.5%	20.8	2.81	3.44	3.16	3.40	7.75
Medtronic Inc.	MDT	Medical Supplies	51.79	50.23	70.82	13.7%	22.1	4.32	3.14	3.34	3.55	8.69
Mentor Corp.	MNT	Medical Supplies	41.48	26.53	38.29	13.9%	23.6	2.72	1.98	3.39	3.97	7.31
Merck & Co.	MRK	Drug	30.80	33.77	42.84	2.9%	12.4	3.39	4.04	1.45	3.14	7.28
Mercury Interactive	MERQ	Computer Software/Svcs	38.36	39.26	65.32	15.4%	22.6	1.46	3.94	4.17	2.94	7.58
Meritage Corp	MTH	Homebuilding	79.50	53.98	72.02	12.2%	14.2	2.32	2.23	4.86	4.02	8.14
Microsoft Corp.	MSFT	Computer Software/Svcs	24.84	26.44	37.20	10.8%	20.3	4.24	4.14	2.73	3.39	8.79
Moody's Corp.	MCO	Information Services	44.96	35.13	40.66	10.8%	25.2	3.45	1.71	4.08	3.87	7.95
Nabors Inds.	NBR	Oilfield Svcs/Equip.	60.62	49.94	67.72	10.8%	19.9	1.84	2.89	3.55	4.75	7.90
New York Community	NYB	Thrift	18.12	19.13	29.53	9.0%	12.2	2.26	4.18	3.55	2.25	7.42
Newfield Exploration	NFX	Natural Gas (Div.)	39.89	39.68	50.69	12.3%	11.4	1.90	3.59	3.68	3.81	7.87
NIKE Inc. 'B'	NKE	Shoe	86.60	78.71	104.74	12.4%	18.5	4.32	2.65	2.88	3.51	8.10
Nordstrom Inc.	JWN	Retail Store	33.98	37.10	53.45	11.5%	9.0	1.95	3.53	2.45	4.70	7.65
North Fork Bancorp	NFB	Bank	28.09	29.22	42.83	11.0%	11.5	3.54	4.23	2.78	2.78	8.09
Nuveen Investments Inc	JNC	Financial Svcs. (Div.)	37.62	28.62	40.83	11.1%	20.4	4.31	1.95	2.71	3.61	7.62
NVR Inc.	NVR	Homebuilding	810.00	700.54	957.52	16.7%	9.3	3.65	2.85	5.00	3.39	9.03
Occidental Petroleum	OXY	Petroleum (Integrated)	76.93	77.95	83.68	7.1%	10.1	2.88	2.57	2.37	4.24	7.31
OceanFirst Financial Corp	OCFC	Thrift	22.51	25.28	34.64	6.8%	13.3	3.37	3.20	2.18	3.33	7.32
Omnicare Inc.	OCR	Pharmacy Services	42.43	42.38	59.69	10.9%	15.2	2.54	3.01	2.87	3.74	7.37
Omnicom Group	OMC	Advertising	79.86	77.21	117.40	9.6%	17.3	3.59	3.13	2.67	3.20	7.63
Oracle Corp.	ORCL	Computer Software/Svcs	13.20	13.21	20.15	14.0%	18.9	2.89	3.22	3.13	4.21	8.15
O'Reilly Automotive	ORLY	Retail Automotive	29.83	22.29	33.95	13.2%	20.5	3.68	2.86	3.65	4.17	8.70
Oshkosh Truck	OSK	Auto & Truck	78.28	58.43	77.82	14.2%	16.9	3.23	1.94	3.86	4.03	7.91
Pacific Cap Bancorp New	PCBC	Bank	37.00	29.49	39.00	8.8%	17.7	3.38	2.62	3.25	4.33	8.23
Pacific Sunwear	PSUN	Retail (Special Lines)	22.99	24.76	40.04	16.3%	12.2	3.07	3.88	3.86	2.98	8.35
Patterson Cos.	PDCO	Medical Supplies	45.07	35.04	51.73	15.9%	25.9	3.71	2.36	3.76	2.82	7.67
Paychex Inc.	PAYX	Computer Software/Svcs	32.52	33.35	46.68	13.9%	32.0	3.97	2.50	3.79	3.33	8.24
PepsiCo Inc.	PEP	Beverage (Soft Drink)	53.93	49.54	63.75	9.6%	19.6	4.86	2.56	2.39	3.59	8.13
Petro-Canada	PCZ	Canadian Energy	65.14	68.15	75.83	5.4%	11.9	3.72	2.60	2.71	3.46	7.57
Pfizer Inc.	PFE	Drug	27.58	37.64	52.23	9.5%	12.1	4.95	4.40	2.84	2.84	9.11
Popular Inc.	BPOP	Bank	25.19	30.71	42.23	9.6%	12.0	3.46	3.47	2.52	2.79	7.42
Price (T. Rowe) Group	TROW	Financial Svcs. (Div.)	62.60	51.08	72.74	12.6%	19.6	4.03	2.50	2.72	3.20	7.54
Priority Healthcare	PHCC	Medical Supplies	25.36	24.04	37.67	13.6%	18.8	2.64	3.55	3.25	3.14	7.62
Procter & Gamble	PG	Household Products	52.75	50.86	63.61	9.9%	19.1	4.66	2.48	2.67	3.32	7.96
Protective Life	PL	Insurance (Life)	42.22	41.08	53.21	8.8%	11.0	3.26	3.78	2.13	3.56	7.71

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Company Name	Ticker Symbol	Industry Name	6/30/05 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
Pulte Homes	PHM	Homebuilding	84.25	77.70	106.43	15.2%	8.2	3.68	3.21	3.89	4.79	9.43
QLogic Corp.	QLGC	Semiconductor	30.87	34.54	58.45	13.6%	14.7	2.89	4.80	3.36	2.66	8.30
Qualcomm Inc.	QCOM	Telecom. Equipment	33.01	30.67	41.78	13.4%	23.6	2.82	2.74	4.28	2.74	7.62
Reebok Int'l	RBK	Shoe	41.83	43.87	58.39	10.9%	11.2	3.02	3.43	2.38	3.56	7.51
Renal Care Group	RCI	Medical Services	46.10	33.15	50.27	14.7%	21.2	2.80	2.34	3.50	3.88	7.59
ResMed Inc.	RMD	Medical Supplies	65.99	46.90	70.03	15.6%	30.1	3.21	2.15	4.20	4.34	8.43
Respironics Inc.	RESP	Medical Supplies	36.11	23.00	31.68	13.6%	26.6	2.89	1.78	3.20	4.23	7.33
RLI Corp.	RLI	Insurance (Prop/Cas.)	44.60	41.21	51.32	10.2%	14.5	3.89	2.89	2.49	3.45	7.71
Roper Inds.	ROP	Machinery	71.37	60.53	87.80	13.0%	22.1	3.07	2.75	2.92	3.47	7.40
Ross Stores	ROST	Retail (Special Lines)	28.91	21.93	35.58	14.8%	18.3	3.59	2.79	3.19	2.63	7.39
Royal Bank of Canada	RY	Bank (Canadian)	75.90	72.17	92.46	8.6%	13.9	4.14	2.98	2.86	2.69	7.68
Royal Dutch Petr.	RD	Petroleum (Integrated)	64.90	66.92	80.14	7.6%	11.2	3.41	2.98	2.24	3.90	7.59
Ryland Group	RYL	Homebuilding	75.87	66.93	86.48	13.3%	9.4	2.97	2.86	3.59	4.64	8.51
Schein (Henry)	HSIC	Medical Supplies	41.52	32.83	48.61	12.9%	20.2	2.70	2.62	3.15	3.87	7.48
SEI Investments	SEIC	Computer Software/Svcs	37.35	34.91	52.33	13.3%	19.7	3.81	2.79	3.67	3.11	8.11
Sherwin-Williams	SHW	Chemical (Specialty)	47.09	45.87	59.87	10.6%	14.0	3.79	2.65	2.53	4.04	7.88
SLM Corporation	SLM	Financial Svcs. (Div.)	50.80	47.05	64.77	14.4%	18.7	4.31	2.89	3.02	3.30	8.20
St. Jude Medical	STJ	Medical Supplies	43.61	29.15	41.47	14.7%	28.6	3.27	1.92	3.42	4.38	7.87
Standard Pacific Corp.	SPF	Homebuilding	87.95	79.03	100.65	12.7%	7.7	2.98	3.27	3.47	5.00	8.93
Staples Inc.	SPLS	Office Equip/Supplies	21.29	18.78	27.82	13.2%	17.1	3.12	2.66	3.07	3.16	7.27
Starbucks Corp.	SBUX	Restaurant	51.66	32.70	45.92	14.9%	38.2	3.70	1.46	4.41	2.95	7.59
State Auto Fin'l	STFC	Insurance (Prop/Cas.)	31.04	30.85	40.24	10.9%	12.0	2.55	3.17	2.92	3.37	7.28
Stericycle Inc.	SRCL	Environmental	50.32	48.46	69.15	15.2%	21.6	2.16	3.08	4.01	4.41	8.27
Strayer Education	STRA	Educational Services	86.26	83.50	131.90	16.7%	23.5	3.74	3.35	3.50	1.82	7.52
Stryker Corp.	SYK	Medical Supplies	47.56	42.07	62.17	16.8%	23.8	4.02	2.78	4.21	3.69	8.91
Swift Transportation	SWFT	Trucking	23.29	23.26	35.37	11.2%	13.9	1.72	4.11	2.76	3.60	7.40
Synovus Financial	SNV	Bank	28.67	29.11	42.14	11.3%	16.4	3.75	3.30	2.87	2.94	7.79
Sysco Corp.	SYU	Food Wholesalers	36.19	31.81	45.79	13.3%	21.8	4.99	2.34	3.17	3.04	8.21
Taiwan Semic. ADR	TSM	Semiconductor	9.12	9.46	15.80	14.2%	12.7	2.11	4.03	3.49	2.64	7.43
Techne Corp.	TECH	Biotechnology	45.91	33.43	49.69	12.8%	26.0	3.72	2.21	3.93	4.03	8.42
Teleflex Inc.	TFX	Diversified Co.	59.37	58.82	82.68	9.8%	15.4	3.74	3.11	2.57	3.07	7.57
Telefonos de Mexico ADF	TMX	Foreign Telecom.	18.89	22.72	31.67	9.9%	7.6	2.62	3.73	2.67	3.20	7.41
Texas Regional Bancshar	TRBS	Bank	30.48	29.10	39.60	12.0%	16.2	3.86	3.00	2.89	2.59	7.48
Thor Inds.	THO	Manuf. Housing/RV	31.43	30.79	44.89	13.8%	12.9	2.82	2.77	3.72	3.19	7.58
3M Company	MMM	Chemical (Diversified)	72.30	68.08	87.89	9.1%	16.6	4.24	2.89	2.29	2.74	7.38
Tiffany & Co.	TIF	Retail (Special Lines)	32.76	31.42	50.38	12.1%	18.7	3.78	3.30	2.56	2.87	7.58
Timberland Co. 'A'	TBL	Shoe	38.72	35.31	52.52	13.4%	14.1	3.10	2.92	3.54	3.53	7.93
TJX Companies	TJX	Retail (Special Lines)	24.35	23.93	37.18	13.8%	14.4	4.41	2.96	3.22	3.04	8.26
Toll Brothers	TOL	Homebuilding	101.55	84.86	112.89	16.7%	12.2	3.23	2.68	4.69	4.23	8.99
Torchmark Corp.	TMK	Insurance (Life)	52.09	52.00	65.40	8.3%	10.7	4.13	3.65	2.17	2.76	7.71
Toro Co.	TTC	Home Appliance	38.61	29.62	39.59	11.3%	14.5	3.39	2.18	2.98	3.50	7.30
Total ADR	TOT	Petroleum (Integrated)	116.85	132.38	158.37	8.8%	11.0	3.69	2.91	2.74	4.24	8.23
Total System Svcs.	TSS	Financial Svcs. (Div.)	24.10	24.30	36.86	14.3%	23.6	3.89	3.91	3.49	3.20	8.78
Transatlantic Hldgs.	TRH	Insurance (Prop/Cas.)	55.82	65.02	96.51	11.2%	10.1	2.40	4.11	2.84	3.04	7.51
Triad Guaranty Inc.	TGIC	Financial Svcs. (Div.)	50.39	51.84	75.69	12.2%	10.6	3.30	4.28	2.63	2.44	7.67
UCBH Hldgs Inc	UCBH	Bank	16.24	16.51	25.45	14.0%	15.8	2.74	3.49	3.92	1.90	7.30
UGI Corp.	UGI	Natural Gas (Distrib.)	27.90	21.36	24.99	7.8%	17.6	3.20	1.92	2.89	4.17	7.39
United Parcel Serv.	UPS	Air Transport	69.16	72.08	94.57	11.1%	19.5	3.77	2.93	2.80	2.75	7.43
United Technologies	UTX	Diversified Co.	51.35	48.82	66.08	10.6%	15.8	4.52	3.07	2.68	2.69	7.85
UnitedHealth Group	UNH	Medical Services	52.14	45.85	64.13	16.5%	19.3	4.33	2.43	4.01	4.38	9.18
Universal Health Sv. 'B'	UHS	Medical Services	62.18	50.52	73.76	10.8%	18.8	2.22	2.87	2.99	4.90	7.87
Urban Outfitters	URBN	Retail (Special Lines)	56.69	23.76	37.15	17.8%	31.9	2.65	1.20	4.60	4.31	7.73
Utd. Fire & Casualty	UFCS	Insurance (Prop/Cas.)	44.42	33.07	38.54	9.7%	14.5	2.33	2.56	2.84	4.42	7.36
Walgreen Co.	WAG	Pharmacy Services	45.99	37.78	53.55	13.7%	26.8	5.00	2.08	3.24	4.54	9.01
Wal-Mart Stores	WMT	Retail Store	48.20	53.21	81.35	13.2%	16.1	4.76	4.02	3.02	3.39	9.21
Washington Mutual	WM	Thrift	40.69	39.12	55.35	8.8%	11.8	3.12	3.69	2.67	2.93	7.52
Wells Fargo	WFC	Bank	61.58	66.08	89.08	10.8%	12.7	3.81	3.18	2.59	3.15	7.72
Wendy's Int'l	WEN	Restaurant	47.65	41.33	55.49	10.3%	18.8	3.45	2.69	2.37	3.54	7.31
Werner Enterprises	WERN	Trucking	19.62	19.15	27.72	10.3%	14.0	3.31	3.68	2.65	3.21	7.79
West Corp.	WSTC	Telecom. Services	38.40	31.78	49.10	12.9%	18.1	2.18	2.98	3.20	3.83	7.39
Wolverine World Wide	WWW	Shoe	24.01	20.28	27.67	11.8%	17.2	3.66	2.75	2.60	3.34	7.49
Wrigley (Wm.) Jr.	WWY	Food Processing	68.84	62.96	77.34	11.0%	25.8	5.00	2.01	2.54	3.47	7.89
XTO Energy	XTO	Natural Gas (Div.)	33.99	30.05	41.82	15.0%	14.2	1.30	2.82	4.87	5.00	8.48
Yahoo! Inc.	YHOO	Internet	34.65	21.06	32.34	14.7%	53.7	1.61	1.84	5.00	3.61	7.31
Zions Bancorp.	ZION	Bank	73.53	70.60	94.47	10.7%	13.9	3.48	3.19	2.72	2.93	7.46