

# Cabot Benjamin Graham Value Letter

*Sound Advice from the Teachings of Benjamin Graham*

April 2006

Issue # 141

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## FOCUS ON QUALITY

The stock market advanced modestly in March. The Dow added 1% and the Nasdaq increased by 2.5%. Interest rates, gold, and oil prices increased noticeably during the month. The US economy is performing quite nicely so far this year. For the quarter just ended, Gross Domestic Product (GDP) likely expanded by 4%, led by increases in manufacturing and employment. Consumer spending is mixed with big-ticket items such as cars and houses showing some weakness. Our forecast calls for the economy to slow as the year progresses.

Higher interest rates could become a problem. The Federal Reserve will probably raise interest rates 2 or 3 more times. And foreign buyers of US Treasury bonds and notes are finding more attractive investment alternatives. Rising interest rates could slow economic growth and cause corporate earnings growth to slow later in 2006. The stock market will weather the slowdown just fine, though. We forecast a very gradual slowdown in economic and earnings growth that will allow stock market investors to keep a positive attitude.

We strongly believe that higher interest rates and a slowing economy will hurt smaller companies, especially those that have weak balance sheets with heavy debt. We therefore recommend that you focus on purchasing stocks of high quality companies. You will find 27 high quality companies in the Classic Value, Wise Owl, and REIT listings on pages 2, 4, and 6 of this issue.



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*“Benjamin Graham was not only one of the best investors who ever lived; he was also the greatest practical investment thinker of all time.”*

Jason Zweig

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

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## THE CLASSIC BENJAMIN GRAHAM VALUE MODEL

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

Benjamin Graham achieved returns of 20% per year over decades. Warren Buffett has used this approach for over 35 years with similar results. The table below lists the stocks that are this month's recommendations for purchase. All purchases are recommended at or below our Max. Buy Price. Sell any stock that reaches its Min. Sell target.

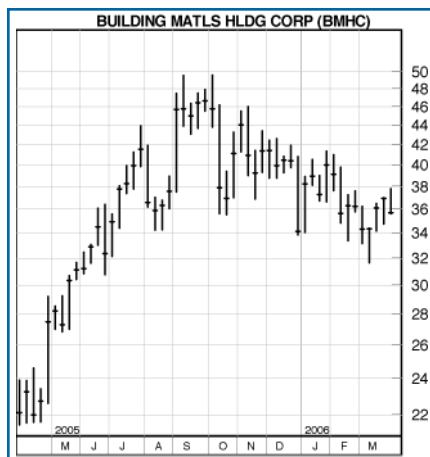
This Month's Buy Recommendations				Ben Graham's Seven Valuation Criteria							
Company Name	Ticker Symbol	3/31/06 Price	Max Buy Price	Min Sell Price	Max 1.10	Min 1.50	Min 1.0%	Max 9.0	Max 1.20	Min 0.1%	Min B+
					Debt vs Current Assets	Current Ratio	Earnings Growth	P/E Ratio	P/BV Ratio	Dividend Yield	S&P Earn/Div Rank
Briggs & Stratton	BGG	35.37	32.90	46.10	0.43	2.41	9.6%	9.8	1.78	2.2%	B+
Building Materials	BMHC	35.69	35.58	46.14	0.44	1.92	12.1%	8.0	1.67	0.7%	B+
Centex Corp.	CTX	61.99	62.13	103.67	0.55	4.48	12.1%	6.0	1.13	0.3%	A+
CharterMac	CHC	20.30	20.62	29.31	0.56	10.88	6.0%	8.9	0.62	7.9%	B+
ConocoPhillips	COP	63.15	63.93	95.81	0.96	0.96	8.9%	6.3	1.17	2.1%	B+
Reliance Steel	RS	93.92	92.43	114.34	0.52	2.54	12.8%	12.5	2.32	0.4%	B+
Werner Enterprises	WERN	18.37	18.45	26.64	0.00	1.69	9.1%	13.8	1.44	0.9%	A

### MODEL BUY RECOMMENDATIONS

The Classic Benjamin Graham Value Model contains seven stocks this month including five new stocks: Briggs & Stratton, Building Materials Holding, Centex, Reliance Steel, and Werner Enterprises. Four stocks transition out of last month's Model: M/I Homes, Overseas Shipholding, R&G Financial, and Repsol-YPF. MHO, OSG, RGF, and REP are still excellent companies and are now included in the Model Updates section on page 8. Three stocks in the Model are currently priced above their Max Buy Prices. Before buying, you should wait until the prices of the stocks decrease to or dip below their Max Buy Prices.

See page 8 for our current sell recommendations.

Building Materials	BMHC
Industry: Retail Building Supply	
Price:	\$ 35.69
Max. Buy Price:	\$ 35.58
Min. Sell Price:	\$ 46.14



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

### FEATURED STOCKS

#### Building Materials Holding (BMHC)

**How Cheap Is It?** BMHC shares have declined from \$49.60 to \$35.69 because of investors' fears that the housing boom will decelerate quickly. We believe that homebuilding will moderate in 2006, but that BMHC's sales and earnings will continue to grow. BMHC shares are a bargain at 8.0 times current earnings per share (EPS) and will reach our Min Sell Price of \$46.14 within 2 years. The dividend yield is 0.7%.

**Company Profile:** Building Materials Holding is one of the largest providers of home construction services and building components in the US. Large homebuilders in rapidly growing areas of the country purchase products from BMHC such as lumber and trusses, and services such as house framing. BMHC's recent acquisitions are assisting current growth. Excellent inventory control is keeping earnings growth in line with sales growth.

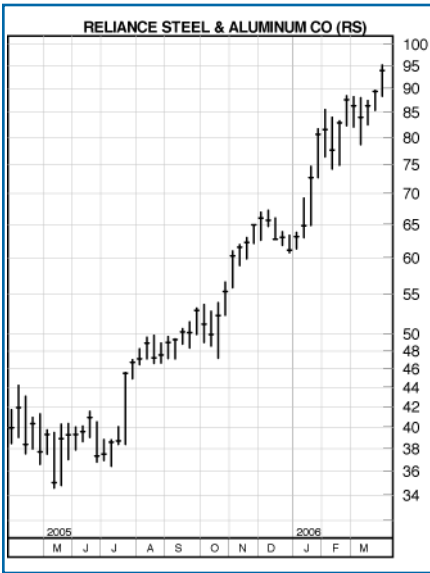
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**Outlook:** BMHC has narrowed its customer base to the largest and best-located homebuilders. The company is beating the competition by providing exceptional service to customers. Sales jumped by 39% in 2005, while EPS more than doubled. We expect homebuilding to slow in 2005. But BMHC will continue to prosper because of new acquisitions, product expansion, and superior service.

Reliance Steel	RS
Industry:	Steel Distributor
Price:	\$ 93.92
Max. Buy Price:	\$ 92.43
Min. Sell Price:	\$114.34

**Reliance Steel & Aluminum (RS)**

**How Cheap Is It?** RS shares have increased substantially during the past two years, but we believe that the company’s new leadership position warrants a higher value. We recommend purchase of RS shares at \$92.43 with the objective of reaching our Min Sell Price of \$114.34 within two years.



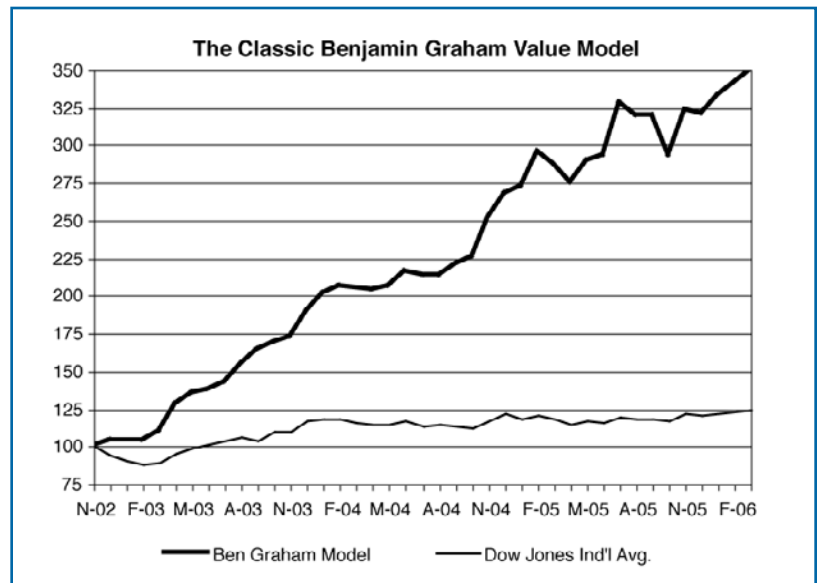
**Company Profile:** Reliance Steel is a leading metals service center to the nonresidential construction and aerospace industries. RS buys large quantities of various metals and either distributes the metals in smaller quantities or performs first-stage metal processing services before selling to end users. RS recently acquired American Steel and will soon acquire Earle M. Jorgenson Co. These and other acquisitions are purchased at very favorable prices.

**Outlook:** RS has experienced rapid growth in recent years by acquiring undervalued companies in the highly fragmented service center industry. The company’s acquisition of Earle M. Jorgenson at 3 times earnings will add EPS of \$.50 to RS’s earnings in the second half of 2006. In addition to its acquisitions, RS is enjoying strong demand for its products from the commercial construction and aerospace industries. The strong demand will continue for the next several years.

**PERFORMANCE**

**CLASSIC BENJAMIN GRAHAM VALUE MODEL**

The Classic Benjamin Graham Value Model gained 2.35% last month compared to a gain of 1.05% for the Dow Jones Industrial Average. The Model continues to exceed our most optimistic expectations. The chart to the right illustrates the Model’s extraordinary performance during the past 40 months. Since inception, the Model has achieved a compound annual return of 45.6% compared to a 6.9% return for the Dow!



## 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	3/31/06 Price	Max Buy Price	Min Sell Price	S&P Earn/Div Rating	IBD Earns Strength	Growth Rate	Current P/E	Industry Rating	Owl Quality Rating	Owl Value Rating	Owl Growth Rating	Owl Technical Rating	Owl Total Rating
Apollo Group 'A'	APOL	52.51	55.64	91.33	B+	85	16.8%	18.4	2.09	3.58	4.06	4.71	1.97	8.94
Capital One Fin'l	COF	80.52	76.72	119.49	A+	82	12.6%	11.6	3.14	3.68	4.12	3.80	2.89	9.03
Gen'l Electric	GE	34.78	35.32	49.71	A+	55	10.3%	18.3	4.77	4.74	3.10	2.38	3.24	8.41
Harley-Davidson	HDI	51.88	54.14	81.08	A+	90	12.1%	14.1	1.17	4.05	3.98	3.69	3.14	9.25
Home Depot	HD	42.30	48.72	73.12	A+	90	12.9%	14.3	4.56	4.80	4.01	3.28	4.58	10.00
Johnson & Johnson	JNJ	59.22	61.05	86.57	A+	76	10.3%	16.3	2.45	5.00	3.35	2.67	3.54	9.07
Nabors Inds.	NBR	71.58	70.96	104.65	B	92	13.5%	12.6	4.93	1.86	3.56	4.14	4.07	8.51
Oracle Corp.	ORCL	13.69	14.73	23.48	B	79	15.0%	15.7	3.86	2.88	3.83	3.62	4.15	9.03
United Parcel Serv.	UPS	79.38	79.64	105.95	NR	76	10.7%	21.1	4.52	3.80	3.04	2.72	4.26	8.62
Wal-Mart Stores	WMT	47.24	49.58	74.14	A+	71	12.4%	16.5	2.44	4.82	3.97	2.83	3.79	9.59
Average:		53.31	54.65	80.95		80	12.7%	15.9	3.39	3.92	3.70	3.38	3.56	9.05

### MODEL BUY RECOMMENDATIONS

We have added four new stocks to The Wise Owl Model this month: Capital One Financial, Harley-Davidson, Oracle, and Wal-Mart. Four stocks transition out of last month's Model: Bed Bath & Beyond, Colgate-Palmolive, Dell, and Stryker. All four of the stocks remain excellent companies and are now included in the Model Updates section on page 8. Two stocks in the Model are currently priced above their Max Buy Prices. Before buying, you should wait until the prices of the stocks decrease to or dip below their Max Buy Prices.

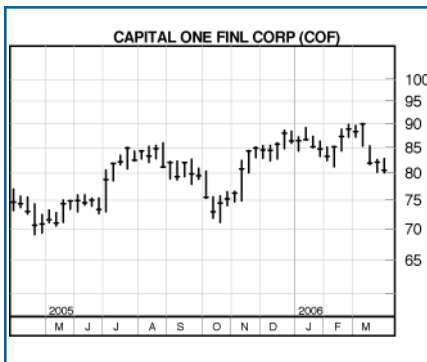
See page 8 for our current sell recommendations

Capital One	COF
Industry: Consumer Finance	
Price:	\$ 80.52
Max. Buy Price:	\$ 76.72
Min. Sell Price:	\$119.49

### FEATURED STOCKS

#### Capital One Financial (COF)

**How Cheap Is It?** COF shares sell at just 11.6 times forward EPS. The current price presents an excellent opportunity for growth investors to buy a premier financial services company at a bargain price. We believe that COF shares will rise to our Min Sell Price of \$119.49 within 2 to 3 years.



**Company Profile:** Capital One Financial is one of the largest issuers of MasterCard and Visa credit cards in the world. COF has been able to create rapid growth by effective advertising to gain new accounts and by using innovative software to track customer credit card use. COF's credit cards are offered throughout the US, Canada, and the United Kingdom.

**Outlook:** COF is augmenting its credit card growth with the acquisitions of Hibernia Bank and North Fork Bancorp. The acquisitions will help COF to diversify into other consumer lending and banking services, and increase

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

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COF's customer base. COF's emphasis on higher credit quality will help produce steady earnings growth of 12 to 15% in the future.

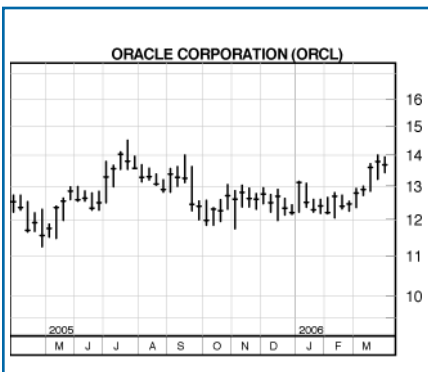
### Oracle Corp. (ORCL)

Oracle Corp.	ORCL
Industry: Computer Software	
Price:	\$ 13.69
Max. Buy Price:	\$ 14.73
Min. Sell Price:	\$ 23.48

**How Cheap Is It?** ORCL shares declined sharply from \$46.50 in 2000 to the current price of \$13.69. ORCL now presents an excellent opportunity to buy a computer software company with well defined growth prospects at only 15.7 times forward EPS. You can expect ORCL shares to increase to our Min Sell Price of \$23.48 within 2 to 3 years.

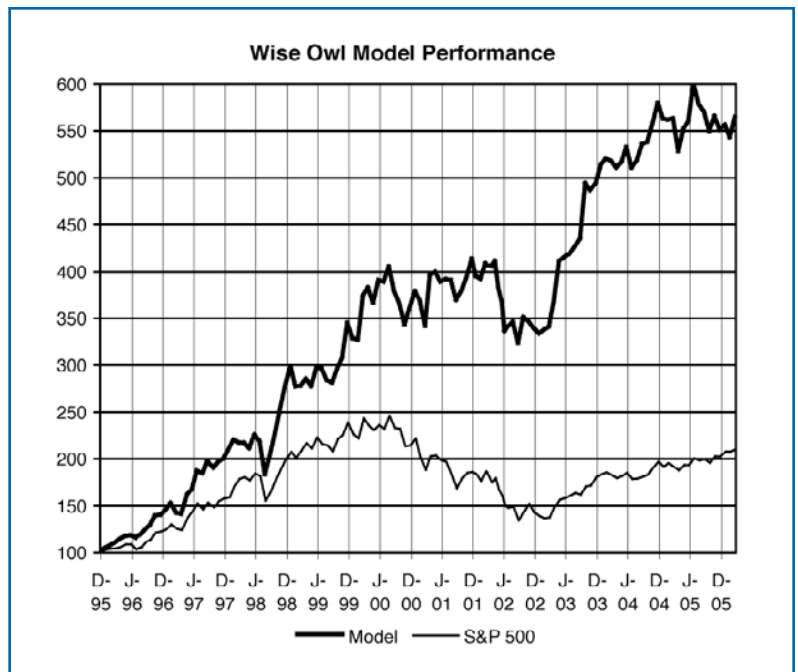
**Company Profile:** Oracle is the world's largest developer, manufacturer, and seller of information management software. ORCL's database and middleware and application software helps to integrate and automate business information and procedures. The company also offers information technology consulting services.

**Outlook:** ORCL has produced remarkably steady revenue and earnings growth despite the volatility of the computer software business. Revenue and earnings growth will accelerate due to the acquisitions of Peoplesoft and Siebel Systems. And ORCL recently signed several very large contracts, which will bolster results further. Several exciting new products are underway with a major applications suite scheduled to be launched in 2008. We forecast EPS growth of 15 to 20% for the next 3 years.



### PERFORMANCE WISE OWL MODEL

The Wise Owl Model gained 3.99% last month, compared to a gain of just 1.11% for the Standard & Poor's 500 Index. The types of stocks contained in the Wise Owl Model are beginning to perform very well. We expect this trend to continue throughout 2006. Since inception on 12/31/95, the Model has achieved a compound annual return of 18.4% compared to a 7.5% return for the S&P 500.



## SPECIAL FEATURE

### 10 Undervalued, High-Quality REITS

Real estate investment trusts (REITs) are not generally covered by our Classic Benjamin Graham Value and Wise Owl systems. We utilize a different evaluation approach to determine the potential of REIT stocks. We have analyzed 250 REITs to find 10 undervalued, high quality stocks. We are presenting the results of our analysis to give you an opportunity to invest in stocks that quite often perform very well when the stock market is volatile.

Real estate is interconnected with literally all of the industry sectors that make up the economy. Every public company either owns or leases real estate. The role of real estate investment trusts is to buy real estate properties and lease them to individuals and corporations. In the table below, we list 10 REITs from 8 different sectors. All of our recommendations offer outstanding appreciation potential and generous dividends.

Company Name	Symbol	REIT Sector	4/4/06 Price	Dividend Yield	Forecast		REIT Size	Price/ FFO	Debt to Capital	S&P
					FFO Growth	Earns/Div Rank				
AMB Property Corp.	AMB	Industrial Buildings	51.99	3.5%	14.0%	Mid	17.3	64.0%	B+	
Entertainment Properties Trust	EPR	Entertainment Facilities	41.09	6.7%	6.9%	Small	11.8	51.7%	A	
First Industrial Realty Trust	FR	Industrial Buildings	41.20	6.7%	4.0%	Small	10.6	63.5%	B+	
Highland Hospitality Corp.	HIH	Hotels	12.55	5.1%	23.4%	Small	13.8	48.6%	NR	
Kimco Realty Corp.	KIM	Shopping Centers	38.85	3.3%	9.0%	Large	18.5	53.0%	A+	
LaSalle Hotel Properties	LHO	Hotels	41.35	2.9%	20.5%	Small	16.7	41.0%	NR	
Nationwide Health Properties	NHP	Health Care Facilities	21.60	7.1%	6.2%	Small	11.5	56.9%	B+	
ProLogis Co.	PLD	Distribution Facilities	51.61	3.1%	15.5%	Large	17.6	54.9%	A-	
Public Storage, Inc.	PSA	Self Storage Facilities	78.05	2.5%	14.4%	Large	20.1	3.0%	B+	
SL Green Realty Corp.	SLG	Office Buildings	97.70	2.5%	8.8%	Mid	22.6	51.6%	NR	

The guidelines used to find high quality REITS included: (1) high dividend yield, (2) positive dividend growth, (3) interest expense coverage of 2.5 to 1 or higher, (4) price to funds from operations (FFO – net income before depreciation) of 20.0 or less, (5) long-term debt to total capital of 60% or less, and (6) Standard & Poor's earnings and dividends rank of B+ or better. We made a few exceptions to our guidelines, but we believe the 10 stocks are high quality trusts with outstanding long-term total return potential.

Real estate investment trusts have outperformed the S&P 500 over the last 1, 3, 5, and 10 year periods. In our June 2005 issue, we presented a list of 10 REITs and described 5 of the REITs. The June list of 10 REITs is up 8.8% and the 5 featured REITs are up 13.9% compared to a gain of 8.9% for the S&P 500 Index. We expect the REIT stocks in our current table above to perform very well. We suggest that you invest at current price levels and hold until our next REITs Special Feature appears in the October issue of the Cabot Benjamin Graham Value Letter. At that time you can compare your REITS with our new recommendations.

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## Featured REITS

**Highland Hospitality Corp. (HIH)** is a small REIT that acquires and leases 24 hotel properties in 12 states and Mexico. HIH's properties include upscale full-service hotels operating under the brand names of Marriott, Hilton, Hyatt, and Courtyard. HIH's properties are managed by outside management companies. Current robust travel activity will continue for several more years. Occupancy rates are climbing, and the construction of new hotels is very low due to high construction costs. HIH has a strong balance sheet and is actively acquiring new hotel properties to enhance growth. We believe the industry will continue to recover, and we believe HIH provides an exciting means to participate in the recovery. We expect funds from operations (FFO) to increase by 23% per year during the next 2 to 3 years. HIH shares are a bargain at 13.8 times 2006 FFO and provide a dividend yield of 5.1%.

**Kimco Realty Corp. (KIM)** acquires, develops, and manages neighborhood and community shopping centers in the US, Canada, and Mexico. KIM's 1,046 shopping centers are currently 94.6% occupied and are well diversified with a large variety of tenants. KIM's percentage leases (KIM collects a percentage of sales from some of its tenants) are benefiting from the improved US economy and growing demand for retail space. Lease amounts on rent renewals jumped 18.7% in the fourth quarter of 2005 from a year ago. We expect FFO growth of 9% per year during the next 2 to 3 years. Kimco sells at 18.5 times our 2006 estimate of FFO and provides investors with a current dividend yield of 3.3%. At the current price of \$38.85, the shares offer excellent value in a quality REIT.

**Nationwide Health Properties (NHP)** invests in senior housing and long-term care facilities. These facilities are leased to skilled nursing and assisted living operators. NHP owns 413 properties in 36 states. Most of NHP's tenants rely on Medicare reimbursements. Although historically low, the reimbursements are now increasing. During the next decade, the aging US population will need specialized housing and care. Fulfilling this need will fuel above average growth for NHP. NHP's strong balance sheet will enable the REIT to actively acquire additional health care facilities. We forecast that FFO will grow 6% per year during the next 2 to 3 years. At \$21.60, NHP shares sell at a reasonable 11.5 times 2006 FFO and provide investors with a very generous 7.1% yield.

**ProLogis Co. (PLD)** is the largest US owner of industrial and retail distribution centers with more than 3,400 facilities located in 77 markets in 17 countries. A recent major acquisition will help boost total revenues by 60% in 2006. Growth is also being fueled by PLD's worldwide expansion into rapidly growing markets such as China, Korea, Japan, and Europe. Demand for industrial distribution space has increased recently and will likely remain strong for several years. Our forecast for FFO growth is 15% per year for the next 2 to 3 years. At \$51.61, PLD shares sell at a reasonable 17.6 times FFO with a dividend yield of 3.1%.

**Public Storage, Inc. (PSA)** owns and operates over 1,500 self-storage properties in 37 states. PSA is the largest self-storage operator with facilities in 80 cities throughout the US. Recent occupancy is 90.5% and rent per occupied square foot is \$11.88. These levels are well above the industry averages. PSA has reached an agreement to acquire Shurgard Storage Centers. Shurgard will add significant revenues and earnings. Most of PSA's facilities consist of one-story storage buildings occupying extensive amounts of land. We believe that PSA properties have appreciated greatly during the recent real estate boom. The demand for storage space should continue to be robust because the strong US economy is generating new jobs and more people are relocating. In addition, PSA is part owner of PS Business Parks, which owns and manages commercial and industrial space in 10 states. PSA has a solid balance sheet with only 3% debt. PSA shares sell at a reasonable 20.1 times FFO, and provide a yield of 2.5%.

## MODEL UPDATES

### SELL RECOMMENDATIONS for Classic Benjamin Graham Value Stocks

Ameron International (AMN) reached its Minimum Sell Price of \$63.15 on 3/29/06, and should now be SOLD. AMN was recommended in our December 2005 and January 2006 issues and has gained steadily since our recommendations. AMN is now overvalued and should be SOLD.

### SELL RECOMMENDATIONS for Wise Owl Stocks

There are no new sell recommendations at this time.

### Previously Recommended Model Stocks

The following tables contain all of the stocks that have been recommended for you to buy in previous issues. The information contained in the tables includes our Minimum Sell Price target and our current opinion for each stock. The stocks that were previously recommended to be sold are not included in the tables. The top buy recommendations for April can be found on pages 2 and 4.

#### Previously Recommended Classic Model Stocks

Symbol	Company	3/31/06 Price	Max Buy Price	Min Sell Price	Roy Says
AEG	AEGON N.V. (ADR)	18.43		21.95	Hold
CSS	CSS Industries	32.74		38.80	Hold
FNF	Fidelity National Financial	35.53		43.42	Hold
FAF	First American Corp.	39.16		53.81	Hold
HMC	Honda Motor Co. (ADR)	30.96		37.26	Hold
LFG	LandAmerica Financial	67.85		81.74	Hold
MHO	M/I Homes	47.00		70.90	Hold
MGA	Magna International (USA)	75.69		94.37	Hold
MBI	MBIA Inc.	60.13		74.34	Hold
MTG	MGIC Investment Corp.	66.63		93.01	Hold
ORI	Old Republic International	21.82		27.50	Hold
OSG	Overseas Shipholding	47.93		81.16	Hold
PMI	PMI Group, Inc.	45.92		62.49	Hold
PKX	POSCO (ADR)	63.80		67.87	Hold
RGF	R & G Financial Corp.	12.66		22.50	Hold
RDN	Radian Group Inc.	60.25		79.63	Hold
REP	Repsol-YPF ADR	28.50		37.84	Hold
SCT	Scottish Re Group, Ltd.	24.81		33.27	Hold

#### Previously Recommended Owl Model Stocks

Symbol	Company	3/31/06 Price	Max Buy Price	Min Sell Price	Roy Says
ACS	Affiliated Computer Services	59.66	61.10	90.77	Buy
BBBY	Bed Bath & Beyond Inc.	38.40	37.80	60.10	Buy
BP	BP PLC ADR	68.94	67.81	82.90	Buy
CL	Colgate-Palmolive	57.10	56.82	70.63	Buy
DELL	Dell, Inc.	29.76	33.25	49.34	Buy
FISV	Fiserv, Inc.	42.55	42.83	65.42	Buy
NKE	Nike, Inc. 'B'	85.10	81.57	115.03	Buy
PSUN	Pacific Sunwear of CA	22.16	24.23	40.15	Buy
SYK	Stryker Corp.	44.34	43.93	73.53	Buy
TOT	TOTAL S.A. (ADR)	131.73	141.04	171.28	Buy
AFL	AFLAC Incorporated	45.13		63.66	Hold
AIG	American International Group	66.09		114.73	Hold
AMGN	Amgen, Inc.	72.75		106.43	Hold
CSCO	Cisco Systems	21.67		30.60	Hold
CBH	Commerce Bancorp, Inc.	36.65		47.85	Hold
CVS	CVS Corporation	29.87		36.10	Hold
DHR	Danaher Corp.	63.55		76.14	Hold
FDC	First Data Corporation	46.82		61.51	Hold
HMA	Health Management Assoc.	21.57		40.53	Hold
ITW	Illinois Tool Works Inc.	96.31		129.55	Hold
LEN	Lennar Corporation	60.38		85.43	Hold
PCAR	PACCAR Inc	70.48		90.38	Hold
PAYX	Paychex, Inc.	41.66		54.06	Hold
SEIC	SEI Corp.	40.53		55.35	Hold
TSS	Total System Services	19.92		32.53	Hold
WAG	Walgreen Company	43.13		62.00	Hold
WWY	Wrigley (Wm.) Jr.	64.00		84.55	Hold

## 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 Owl Total Rating. If a stock recommended in the Wise Owl Model 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, we will issue a sell. We hope that you will find the listing also useful in looking up other stocks you already own or have an interest in.

Company Name	Ticker Symbol	Industry Name	3/31/06 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	24.50	18.47	24.34	12.8%	19.3	3.36	2.93	2.94	3.67	8.06
Abbott Labs.	ABT	Medical Supplies	42.47	43.53	60.02	7.9%	16.7	4.62	3.33	1.97	2.70	7.90
Abercrombie & Fitch	ANF	Retail (Special Lines)	58.30	53.11	85.90	15.9%	14.0	3.49	3.14	3.54	3.17	8.34
Affiliated Computer	ACS	Computer Software/Svcs	59.66	61.10	90.77	13.0%	16.2	3.27	3.38	3.61	2.93	8.25
Aflac Inc.	AFL	Insurance (Life)	45.13	44.11	63.66	13.1%	16.8	3.79	3.14	3.01	2.94	8.05
Alberto Culver	ACV	Toiletries/Cosmetics	44.23	44.56	64.63	10.6%	17.7	5.00	3.19	2.58	2.63	8.37
Ambac Fin'l Group	ABK	Financial Svcs. (Div.)	79.60	77.81	108.88	10.5%	11.1	3.87	3.87	2.39	2.87	8.13
Amer. Eagle Outfitters	AEOS	Retail (Special Lines)	29.86	23.80	37.09	14.7%	15.2	2.22	2.95	3.50	3.42	7.58
Amer. Int'l Group	AIG	Financial Svcs. (Div.)	66.09	72.72	114.73	12.4%	15.6	3.29	4.93	3.72	2.95	9.27
Amgen	AMGN	Biotechnology	72.75	66.14	106.43	14.5%	22.0	4.06	3.47	3.73	2.97	8.88
Anadarko Petroleum	APC	Petroleum (Producing)	101.01	103.57	118.08	10.4%	8.1	2.53	3.43	2.95	3.55	7.81
ANSYS Inc.	ANSS	Computer Software/Svcs	54.15	23.76	35.14	13.8%	37.9	3.36	0.75	3.40	4.59	7.58
Apollo Group 'A'	APOL	Educational Services	52.51	55.64	91.33	16.8%	18.4	3.58	4.06	4.71	1.97	8.94
Applebee's Int'l	APPB	Restaurant	24.55	22.80	35.65	12.7%	19.6	3.47	3.50	2.56	2.98	7.83
Armor Holdings	AH	Aerospace/Defense	58.29	51.91	80.86	14.1%	14.3	1.72	3.42	3.70	3.81	7.91
Automatic Data Proc.	ADP	Computer Software/Svcs	45.68	43.52	56.54	9.5%	22.4	5.00	2.65	2.02	3.67	8.33
AutoZone Inc.	AZO	Retail Automotive	99.69	81.76	121.07	11.2%	12.9	2.79	2.86	3.47	3.52	7.90
Baker Hughes	BHI	Oilfield Svcs/Equip.	68.40	43.42	61.19	11.4%	21.4	2.43	2.12	3.01	4.71	7.68
Bank of America	BAC	Bank	45.54	44.45	58.47	9.0%	11.3	3.82	3.75	2.26	2.94	7.99
Bank of Nova Scotia	BNS	Bank (Canadian)	40.14	35.61	42.66	8.8%	13.9	4.20	2.62	2.46	2.58	7.44
Bard (C.R.)	BCR	Medical Supplies	67.81	53.70	79.30	12.3%	21.2	4.16	2.61	2.64	3.06	7.80
Bear Stearns	BSC	Securities Brokerage	138.70	114.92	139.56	10.4%	11.9	3.78	2.71	2.48	4.47	8.40
Beazer Homes USA	BZH	Homebuilding	65.70	58.73	84.41	13.5%	6.1	3.38	3.81	4.25	2.66	8.79
Becton Dickinson	BDX	Medical Supplies	61.58	51.35	74.30	10.9%	19.2	4.56	2.60	2.45	3.07	7.94
Bed Bath & Beyond	BBBY	Retail (Special Lines)	38.40	37.80	60.10	14.7%	19.1	4.51	3.65	4.18	3.70	9.97
Bemis Co.	BMS	Packaging & Container	31.58	27.04	34.65	7.1%	19.4	4.30	2.43	1.72	3.47	7.48
Best Buy Co.	BBY	Retail (Special Lines)	55.93	37.79	62.65	14.2%	24.4	3.21	2.04	4.19	3.31	7.97
BHP Billiton Ltd. ADR	BHP	Metals & Mining (Div.)	39.85	40.15	49.82	13.1%	7.5	2.16	2.49	3.28	4.44	7.75
Biomet	BMET	Medical Supplies	35.52	36.67	56.98	13.9%	20.0	4.37	3.65	3.16	2.76	8.69
Biovail Corp.	BVF	Drug	24.35	24.24	40.25	11.5%	11.9	1.79	3.81	3.20	3.07	7.44
BJ Services	BJS	Oilfield Svcs/Equip.	34.60	29.79	43.27	13.9%	16.9	2.07	2.97	4.10	3.33	7.81
BlackRock Inc Cl A	BLK	Financial Svcs. (Div.)	140.00	64.17	89.36	13.6%	30.4	3.37	1.16	3.78	4.01	7.71
Block (H&R)	HRB	Financial Svcs. (Div.)	21.65	23.68	35.95	10.0%	12.0	3.40	3.78	3.61	2.33	8.20
BP PLC ADR	BP	Petroleum (Integrated)	68.94	67.81	82.90	8.4%	12.4	3.75	2.81	2.36	3.75	7.93
Brown & Brown	BRO	Financial Svcs. (Div.)	33.20	20.93	31.85	14.2%	28.1	4.14	1.55	3.93	3.83	8.40
Brown-Forman 'B'	BF.B	Beverage (Alcoholic)	76.97	48.33	65.78	9.8%	25.6	4.79	1.49	2.31	3.43	7.54
Burlington Resources	BR	Petroleum (Producing)	91.91	84.46	94.84	11.8%	10.7	2.95	2.61	3.27	3.07	7.46
C.H. Robinson	CHRW	Industrial Services	49.09	28.16	44.86	16.4%	36.9	4.21	1.47	4.17	5.00	9.25
Can. National Railway	CNI	Railroad	45.28	36.56	47.10	12.3%	17.1	3.75	2.68	2.84	3.90	8.23
Canon Inc. ADR	CAJ	Foreign Electronics	66.05	50.06	71.74	10.2%	31.4	3.50	2.54	2.78	4.37	8.25
Capital One Fin'l	COF	Financial Svcs. (Div.)	80.52	76.72	119.49	12.6%	11.6	3.68	4.12	3.80	2.89	9.03
Cardinal Health	CAH	Medical Supplies	74.52	61.13	92.18	9.9%	21.9	3.64	2.99	2.31	3.09	7.54
Carlisle Cos.	CSL	Tire & Rubber	81.80	65.70	89.94	8.6%	17.0	3.71	2.31	2.46	3.84	7.72
CDW Corp.	CDWC	Retail (Special Lines)	58.85	55.44	91.30	12.6%	17.6	3.62	3.39	2.70	3.24	8.10
Ceradyne Inc.	CRDN	Chemical (Specialty)	49.90	41.73	74.50	19.2%	15.6	1.14	3.27	5.00	3.06	7.81
Check Point Software	CHKP	Computer Software/Svcs	20.02	19.69	32.62	10.6%	14.6	2.43	4.14	2.61	2.60	7.39
Cheesecake Factory	CAKE	Restaurant	37.45	31.27	46.23	13.7%	32.9	3.55	2.58	3.46	2.96	7.86
Chevron Corp.	CVX	Petroleum (Integrated)	57.97	61.28	70.70	7.3%	7.7	3.20	3.56	2.54	4.05	8.34
Chico's FAS	CHS	Retail (Special Lines)	40.64	21.80	38.91	20.2%	32.3	3.17	1.94	5.00	3.24	8.34
ChoicePoint Inc.	CPS	Information Services	44.75	43.53	64.85	12.4%	23.7	3.16	3.10	2.83	2.83	7.47
Church & Dwight	CHD	Household Products	36.92	31.41	42.76	10.9%	19.2	3.94	2.42	2.94	3.31	7.90
Cintas Corp.	CTAS	Industrial Services	42.62	38.79	54.72	10.0%	22.4	3.92	2.98	2.38	3.12	7.77
Cisco Systems	CSCO	Telecom. Equipment	21.67	21.18	30.60	12.7%	22.7	3.39	3.36	2.83	4.23	8.62
Citigroup Inc.	C	Financial Svcs. (Div.)	47.24	47.74	64.88	10.6%	11.5	3.58	3.94	2.26	3.35	8.21
City National Corp.	CYN	Bank	76.79	69.24	88.37	9.9%	15.5	3.65	2.96	2.42	3.32	7.73

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Company Name	Ticker Symbol	Industry Name	3/31/06 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
Claire's Stores	CLE	Retail (Special Lines)	36.31	22.47	31.18	11.3%	20.3	2.88	2.44	2.89	4.27	7.82
CLARCOR Inc.	CLC	Packaging & Container	35.60	24.49	32.83	9.2%	23.0	4.16	1.76	2.18	4.27	7.75
Coca-Cola	KO	Beverage (Soft Drink)	41.87	43.78	54.44	7.8%	18.4	4.33	2.92	2.09	2.92	7.68
Cognizant Technology	CTSH	Computer Software/Svcs	59.49	27.96	56.52	23.2%	46.8	3.17	1.69	5.00	3.58	8.39
Colgate-Palmolive	CL	Household Products	57.10	56.82	70.63	9.0%	20.2	4.72	2.56	2.48	3.65	8.38
Columbia Sportswear	COLM	Apparel	53.33	53.98	84.56	12.6%	15.8	2.99	3.78	2.53	2.76	7.56
Commerce Bancorp NJ	CBH	Bank	36.65	30.81	47.85	13.9%	22.1	3.90	2.51	3.12	3.35	8.05
Commercial Metals	CMC	Steel (General)	53.49	41.78	53.49	11.7%	11.3	1.83	2.13	3.13	4.90	7.52
Computer Sciences	CSC	Computer Software/Svcs	55.55	54.54	75.82	9.2%	15.9	2.81	3.55	2.16	4.04	7.86
Corporate Executive	EXBD	Information Services	100.90	67.58	97.93	17.2%	56.4	3.48	1.59	4.27	2.90	7.67
Covance Inc.	CVD	Drug	58.75	38.45	56.48	13.4%	28.2	2.66	2.08	2.83	4.28	7.43
Curtiss-Wright	CW	Machinery	66.20	57.12	75.97	10.9%	17.4	3.69	2.81	2.56	3.63	7.94
CVS Corp.	CVS	Pharmacy Services	29.87	24.43	36.10	12.5%	19.5	3.48	2.62	2.76	3.87	7.96
Danaher Corp.	DHR	Diversified Co.	63.55	54.08	76.14	12.4%	20.8	3.92	2.47	3.23	3.99	8.50
Darden Restaurants	DRI	Restaurant	41.03	30.33	43.98	11.8%	18.9	3.36	2.30	2.92	3.23	7.40
Deere & Co.	DE	Machinery	79.05	72.39	102.65	10.0%	12.5	2.68	2.99	3.13	3.27	7.57
Dell Inc.	DELL	Computers/Peripherals	29.76	33.25	49.34	15.1%	17.2	3.74	4.03	3.54	2.53	8.64
Dentsply Int'l	XRAY	Medical Supplies	58.15	46.65	64.61	9.9%	21.1	3.78	2.51	2.44	3.90	7.91
Dollar Tree Stores	DLTR	Retail Store	27.67	30.11	49.45	12.3%	16.0	3.46	4.42	2.69	2.89	8.41
Donaldson Co.	DCI	Machinery	33.79	25.89	36.34	10.5%	22.7	4.27	2.42	2.67	3.27	7.90
DST Systems	DST	Computer Software/Svcs	57.94	47.24	64.79	10.6%	19.6	2.96	2.95	2.74	3.13	7.39
Dun & Bradstreet	DNB	Information Services	76.68	47.52	69.71	13.0%	20.5	3.16	2.15	2.78	3.67	7.38
Eagle Materials	EXP	Cement & Aggregates	63.76	33.87	48.24	19.3%	22.0	2.29	2.45	3.56	4.56	8.05
Education Mgmt.	EDMC	Educational Services	41.60	34.11	59.60	15.9%	22.3	2.87	2.78	3.98	3.47	8.20
EnCana Corp.	ECA	Canadian Energy	46.73	37.48	47.60	13.1%	11.0	2.46	2.89	3.22	3.47	7.55
Energen Corp.	EGN	Natural Gas (Div.)	35.00	34.06	40.30	10.2%	10.4	2.96	2.64	3.47	3.08	7.62
EOG Resources	EOG	Natural Gas (Div.)	72.00	62.74	87.25	14.3%	12.5	1.91	2.86	4.00	3.41	7.63
Expeditors Int'l	EXPD	Industrial Services	86.39	48.66	75.39	15.1%	44.1	4.26	1.46	3.58	3.97	8.29
Express Scripts 'A'	ESRX	Pharmacy Services	87.90	51.06	83.78	16.4%	28.6	3.43	1.75	4.32	3.79	8.30
Exxon Mobil Corp.	XOM	Petroleum (Integrated)	60.86	64.27	80.86	7.7%	10.1	3.99	3.03	2.48	3.94	8.40
FactSet Research	FDS	Information Services	44.35	31.30	50.51	14.0%	29.4	3.51	2.21	3.51	4.11	8.33
Fair Isaac	FIC	Computer Software/Svcs	39.62	35.32	54.30	12.6%	22.6	3.18	2.86	3.01	2.94	7.52
Family Dollar Stores	FD	Retail Store	26.60	25.39	35.97	9.2%	19.0	3.69	3.39	2.27	3.55	8.07
Fannie Mae	FNM	Financial Svcs. (Div.)	51.40	69.00	97.68	8.9%	8.8	2.80	5.00	1.51	2.51	7.41
Fastenal Co.	FAST	Retail Building Supply	47.34	28.16	45.65	17.1%	37.6	3.89	1.64	3.81	4.69	8.75
Federated Investors	FII	Financial Svcs. (Div.)	39.05	31.67	44.62	11.1%	19.2	3.52	2.81	3.07	3.29	7.94
FedEx Corp.	FDX	Air Transport	112.94	96.08	134.28	11.8%	17.9	3.11	2.44	2.85	4.73	8.21
Fifth Third Bancorp	FITB	Bank (Midwest)	39.36	45.31	62.69	8.1%	14.7	4.25	4.29	1.91	2.21	7.93
First Data Corp.	FDC	Computer Software/Svcs	46.82	42.04	61.51	12.0%	20.1	4.43	3.35	3.13	2.79	8.55
First Horizon National	FHN	Bank (Midwest)	41.65	41.83	55.50	8.0%	12.0	3.67	3.81	1.96	2.77	7.65
Fiserv Inc.	FISV	Computer Software/Svcs	42.55	42.83	65.42	13.5%	17.2	3.20	3.52	3.11	3.22	8.15
Florida Rock	FRK	Cement & Aggregates	56.22	41.07	55.81	12.6%	19.9	4.07	1.79	3.65	3.09	7.89
Forest Labs.	FRX	Drug	44.63	40.95	60.11	12.2%	18.4	3.49	3.81	3.41	2.88	8.48
Franklin Electric	FELE	Electrical Equipment	54.65	35.39	51.72	12.6%	24.2	3.92	2.15	2.80	3.38	7.67
Franklin Resources	BEN	Financial Svcs. (Div.)	94.24	63.99	87.72	12.3%	18.8	3.61	2.24	2.90	3.53	7.69
Freddie Mac	FRE	Financial Svcs. (Div.)	61.00	73.60	105.41	10.5%	10.4	2.96	4.68	2.82	2.47	8.08
Gallagher (Arthur J.)	AJG	Financial Svcs. (Div.)	27.81	28.25	40.21	9.2%	15.5	4.38	3.54	2.49	1.75	7.62
Gannett Co.	GCI	Newspaper	59.92	77.03	100.18	7.6%	11.7	4.22	4.05	1.75	1.85	7.45
Genentech Inc.	DNA	Biotechnology	84.51	57.69	88.46	15.4%	58.7	2.22	2.16	4.29	3.13	7.39
Gen'l Dynamics	GD	Aerospace/Defense	63.98	58.20	76.76	9.2%	16.4	4.63	2.62	2.66	3.41	8.33
Gen'l Electric	GE	Electrical Equipment	34.78	35.32	49.71	10.3%	18.3	4.74	3.10	2.38	3.24	8.41
Gildan Activewear	GIL	Apparel	47.52	24.84	38.28	17.3%	24.4	2.84	1.16	4.84	3.04	7.45
GlaxoSmithKline ADR	GSK	Drug	52.31	47.15	55.26	8.0%	16.8	3.67	2.18	2.44	3.71	7.53
Golden West Fin'l	GDW	Thrift	67.90	60.72	80.93	12.3%	13.1	3.88	2.83	2.92	2.73	7.74
Goldman Sachs	GS	Securities Brokerage	156.96	137.50	172.32	12.5%	11.5	3.41	2.80	2.96	5.00	8.83
Graco Inc.	GGG	Machinery	45.43	29.80	44.34	14.6%	22.6	4.03	1.64	3.27	4.30	8.27
Grainger (W.W.)	GWW	Electrical Equipment	75.35	61.33	80.42	8.6%	18.9	4.14	2.49	2.02	4.08	7.97
Guitar Center	GTRC	Retail (Special Lines)	47.70	45.83	71.33	16.6%	15.8	2.68	3.20	4.03	2.84	7.98
Harley-Davidson	HDI	Recreation	51.88	54.14	81.08	12.1%	14.1	4.05	3.98	3.69	3.14	9.25
Harman Int'l	HAR	Electrical Equipment	111.13	62.59	101.29	15.1%	25.0	2.59	1.79	3.76	3.97	7.59
Harte-Hanks	HHS	Advertising	27.35	25.52	35.66	11.5%	18.5	4.10	2.94	2.49	2.25	7.39
HCC Insurance Hldgs.	HCC	Insurance (Prop/Cas.)	34.80	30.52	40.93	12.4%	13.7	2.23	2.95	3.83	3.45	7.80
Health Mgmt. Assoc.	HMA	Medical Services	21.57	25.48	40.53	12.2%	14.6	3.12	4.51	3.15	1.84	7.90
Heartland Express	HTLD	Trucking	21.79	17.43	24.05	10.3%	20.8	3.60	2.55	2.86	3.30	7.71
Helix Energy Solutions	HELX	Oilfield Svcs/Equip.	37.90	33.70	48.35	18.1%	13.6	1.59	3.06	5.00	4.61	8.89

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Company Name	Ticker Symbol	Industry Name	3/31/06 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
Henry (Jack) & Assoc.	JKHY	Computer Software/Svcs	22.87	20.23	30.90	13.4%	22.8	3.30	2.65	3.22	3.70	8.05
Hilb Rogal & Hobbs	HRH	Financial Svcs. (Div.)	41.22	37.10	49.31	11.3%	17.6	3.33	2.95	3.50	2.16	7.49
Home Depot	HD	Retail Building Supply	42.30	48.72	73.12	12.9%	14.3	4.80	4.01	3.28	4.58	10.00
Hormel Foods	HRL	Food Processing	33.80	31.59	42.08	9.3%	16.9	4.47	2.34	2.01	3.27	7.57
Horton D.R.	DHI	Homebuilding	33.22	31.90	47.74	13.8%	6.2	4.21	3.84	4.81	2.27	9.42
Hovnanian Enterpr. 'A'	HOV	Homebuilding	43.93	44.60	74.68	13.2%	5.3	2.62	4.15	4.62	1.13	7.84
Hudson City Bancorp	HCBK	Thrift	13.29	12.64	18.39	13.6%	23.3	2.83	3.10	3.61	2.57	7.59
Hunt (J.B.)	JBHT	Trucking	21.54	19.99	27.39	12.5%	14.2	2.49	2.79	3.00	3.53	7.41
Hydril	HYDL	Oilfield Svcs/Equip.	77.95	47.85	67.42	16.6%	20.5	2.72	2.11	3.72	5.00	8.46
Illinois Tool Works	ITW	Metal Fabricating	96.31	89.78	129.55	10.6%	16.8	4.53	3.02	2.53	3.87	8.70
Imperial Oil Ltd.	IMO	Canadian Energy	107.54	74.86	86.92	7.6%	15.1	4.12	1.34	2.84	4.20	7.83
IMS Health	RX	Healthcare Information	25.77	24.78	34.27	11.5%	19.1	3.66	3.08	2.52	2.59	7.43
Ingersoll-Rand	IR	Machinery	41.79	38.07	58.44	10.9%	12.3	3.78	3.16	2.77	3.56	8.29
Int'l Business Mach.	IBM	Computers/Peripherals	82.47	86.67	122.22	9.5%	14.7	4.49	3.43	1.71	3.31	8.09
Intuit Inc.	INTU	Computer Software/Svcs	53.19	48.71	69.95	11.3%	16.6	2.60	3.00	3.49	3.33	7.78
Investors Finl Svcs	IFIN	Financial Svcs. (Div.)	46.87	41.25	62.88	13.4%	20.4	2.58	3.30	3.79	3.45	8.20
ITT Educational	ESI	Educational Services	64.05	44.13	81.65	17.7%	24.8	2.99	2.59	4.08	2.34	7.52
Jabil Circuit	JBL	Electronics	42.86	28.64	43.10	12.4%	27.3	2.43	2.34	3.54	3.81	7.59
Jacobs Engineering	JEC	Building Materials	86.74	49.11	70.94	12.9%	29.7	3.41	1.47	2.62	4.31	7.40
Johnson & Johnson	JNJ	Medical Supplies	59.22	61.05	86.57	10.3%	16.3	5.00	3.35	2.67	3.54	9.07
Johnson Controls	JCI	Auto Parts	75.93	67.57	93.77	10.3%	14.7	4.20	2.82	2.78	2.65	7.80
KB Home	KBH	Homebuilding	64.98	62.07	92.65	14.2%	5.8	3.92	3.86	4.15	2.62	9.07
Knight Transportation Inc	KNX	Trucking	19.75	13.81	19.67	15.3%	24.1	3.30	2.54	3.77	2.51	7.60
Kohl's Corp.	KSS	Retail Store	53.01	50.31	80.66	13.7%	20.2	3.47	3.70	3.02	4.32	9.05
Lauder (Estee)	EL	Toiletries/Cosmetics	37.19	38.30	52.33	9.2%	17.2	3.65	3.32	2.41	2.60	7.51
Lehman Bros. Holdings	LEH	Securities Brokerage	144.53	121.08	154.13	13.2%	11.9	2.76	2.69	3.17	4.38	8.13
Lennar Corp.	LEN	Homebuilding	60.38	58.17	85.43	11.8%	6.4	3.66	4.03	4.00	2.51	8.86
Lilly (Eli)	LLY	Drug	55.30	54.18	73.87	8.9%	18.0	4.08	2.81	1.94	3.53	7.75
Linear Technology	LLTC	Semiconductor	35.08	35.61	53.08	14.9%	25.0	3.58	3.62	2.85	2.88	8.09
Liz Claiborne	LIZ	Apparel	40.98	39.08	53.56	10.1%	13.6	4.63	3.38	2.08	3.16	8.28
Lockheed Martin	LMT	Aerospace/Defense	75.13	57.81	79.10	9.5%	17.0	3.22	2.44	2.21	4.19	7.56
Lowe's Cos.	LOW	Retail Building Supply	64.44	66.03	100.86	14.2%	16.5	4.23	3.20	3.82	3.72	9.32
M&T Bank Corp.	MTB	Bank	114.14	108.17	141.83	10.0%	15.7	4.21	2.88	2.55	3.14	7.99
M.D.C. Holdings	MDC	Homebuilding	64.31	63.73	91.50	13.5%	5.5	3.78	4.13	3.86	2.28	8.77
Manulife Fin'l	MFC	Insurance (Life)	62.77	49.62	59.75	12.2%	17.0	3.87	2.57	2.77	2.63	7.43
Marathon Oil Corp.	MRO	Petroleum (Integrated)	76.17	72.62	83.41	8.2%	7.4	2.78	2.95	2.59	3.95	7.68
Martin Marietta	MLM	Cement & Aggregates	107.03	62.97	85.80	10.7%	23.3	2.93	1.65	2.75	4.90	7.66
Matthews Int'l	MATW	Diversified Co.	38.26	34.86	48.28	12.5%	18.1	3.66	2.84	3.22	2.14	7.44
Maxim Integrated	MXIM	Semiconductor	37.15	35.26	51.81	13.4%	24.8	3.38	3.36	3.02	2.74	7.83
McDonald's Corp.	MCD	Restaurant	34.36	33.18	46.65	8.5%	16.1	4.16	3.22	2.17	2.69	7.67
Medtronic Inc.	MDT	Medical Supplies	50.75	50.85	78.31	14.2%	21.3	4.63	3.40	3.33	2.81	8.83
Meredith Corp.	MDP	Publishing	55.79	54.25	72.10	11.0%	17.8	3.40	2.85	3.00	3.18	7.78
Meritage Corp	MTH	Homebuilding	54.96	55.26	82.35	12.8%	4.8	2.56	4.32	4.61	1.38	8.05
Merrill Lynch & Co.	MER	Securities Brokerage	78.76	71.08	94.40	10.6%	13.6	3.46	2.74	2.09	4.15	7.79
Microchip Technology	MCHP	Semiconductor	36.30	26.25	40.32	12.2%	26.5	2.67	2.33	3.06	3.90	7.50
Microsoft Corp.	MSFT	Computer Software/Svcs	27.21	28.17	39.21	11.7%	20.2	4.47	3.74	2.42	3.73	8.94
Moody's Corp.	MCO	Information Services	71.46	36.36	53.54	14.7%	35.2	3.97	1.20	4.49	3.98	8.52
Morgan Stanley	MS	Securities Brokerage	62.82	60.44	84.80	11.4%	11.9	3.22	3.13	2.30	4.20	8.04
Mylan Labs.	MYL	Drug	23.40	18.85	25.95	8.8%	24.1	2.93	2.73	2.99	3.89	7.85
Nabors Inds.	NBR	Oilfield Svcs/Equip.	71.58	70.96	104.65	13.5%	12.6	1.86	3.56	4.14	4.07	8.51
NIKE Inc. 'B'	NKE	Shoe	85.10	81.57	115.03	12.4%	16.3	4.51	3.05	2.79	2.99	8.33
Novartis AG ADR	NVS	Drug	55.44	44.99	61.10	9.3%	20.3	3.86	2.03	2.19	3.78	7.44
Novo Nordisk ADR	NVO	Drug	62.09	45.81	66.51	10.8%	20.9	3.65	2.39	2.79	3.24	7.56
Nuveen Investments Inc	JNC	Financial Svcs. (Div.)	48.15	31.25	41.88	11.9%	21.2	3.99	1.69	2.93	3.72	7.72
NVR Inc.	NVR	Homebuilding	738.95	706.66	1122.82	15.1%	7.3	3.52	3.51	4.79	2.47	8.91
Occidental Petroleum	OXY	Petroleum (Integrated)	92.65	81.68	91.44	9.8%	8.6	3.07	3.03	2.58	4.46	8.21
Omnicom Group	OMC	Advertising	83.25	84.86	117.83	9.4%	17.5	3.78	3.18	2.68	2.82	7.80
Oracle Corp.	ORCL	Computer Software/Svcs	13.69	14.73	23.48	15.0%	15.7	2.88	3.83	3.62	4.15	9.03
O'Reilly Automotive	ORLY	Retail Automotive	36.56	25.39	37.63	13.4%	22.9	3.67	2.26	3.59	4.06	8.48
Oshkosh Truck	OSK	Auto & Truck	62.24	37.60	53.78	15.8%	22.6	3.60	1.85	3.77	4.36	8.49
Pacific Sunwear	PSUN	Retail (Special Lines)	22.16	24.23	40.15	15.8%	12.2	3.19	3.95	3.59	2.22	8.09
Patterson Cos.	PDCO	Medical Supplies	35.20	34.67	55.47	14.1%	21.9	3.74	3.35	3.72	2.51	8.32
Paychex Inc.	PAYX	Computer Software/Svcs	41.66	37.15	54.06	14.8%	35.4	4.06	1.86	3.40	3.76	8.18
PepsiCo Inc.	PEP	Beverage (Soft Drink)	57.79	54.49	69.81	9.9%	20.1	5.00	2.57	2.35	3.22	8.21
Petro-Canada	PCZ	Canadian Energy	47.59	39.53	47.69	10.3%	11.1	3.70	2.34	3.52	3.48	8.15

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Company Name	Ticker Symbol	Industry Name	3/31/06 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
Petroleo Brasileiro ADR	PBR	Petroleum (Integrated)	86.67	59.43	66.14	11.3%	7.0	2.05	2.85	3.51	4.11	7.84
Pfizer Inc.	PFE	Drug	24.92	32.50	46.08	8.5%	12.2	4.67	4.47	2.47	3.07	9.15
Pharmac. Product	PPDI	Drug	34.61	23.52	35.04	14.5%	28.1	2.38	2.20	3.82	3.51	7.47
Price (T. Rowe) Group	TROW	Financial Svcs. (Div.)	78.21	55.25	82.23	12.5%	24.1	4.16	2.31	2.49	3.10	7.56
Protective Life	PL	Insurance (Life)	49.74	44.89	56.82	8.6%	12.8	3.39	3.44	1.96	3.12	7.47
Pulte Homes	PHM	Homebuilding	38.42	36.00	58.81	14.9%	6.4	3.78	3.57	3.73	2.43	8.44
QLogic Corp.	QLGC	Semiconductor	19.35	16.49	24.23	10.9%	25.8	2.70	3.86	2.87	3.03	7.80
Qualcomm Inc.	QCOM	Telecom. Equipment	50.61	36.78	54.23	14.2%	37.5	2.92	2.17	3.43	4.18	7.95
Quiksilver Inc.	ZQK	Retail (Special Lines)	13.86	12.45	19.84	14.1%	17.8	2.30	3.35	3.36	2.76	7.38
RARE Hospitality	RARE	Restaurant	34.83	29.73	43.50	11.6%	21.0	2.86	2.87	2.78	3.32	7.42
Ross Stores	ROST	Retail (Special Lines)	29.19	24.27	38.42	14.0%	18.5	3.60	2.89	3.06	3.43	8.11
Royal Dutch Shell 'A'	RDSA	Petroleum (Integrated)	62.26	66.64	80.51	4.3%	9.9	3.47	3.21	1.93	3.63	7.67
Ruby Tuesday	RI	Restaurant	32.08	26.33	41.96	12.6%	19.6	2.76	2.57	3.10	3.75	7.64
Ryland Group	RYL	Homebuilding	69.40	63.25	88.87	12.7%	7.0	3.76	3.71	4.03	2.43	8.69
SEI Investments	SEIC	Computer Software/Svcs	40.53	39.05	55.35	12.1%	20.2	3.92	2.87	3.53	2.94	8.29
Sherwin-Williams	SHW	Chemical (Specialty)	49.44	46.43	66.47	11.1%	14.0	3.73	2.87	2.47	3.45	7.84
Sigma-Aldrich	SIAL	Chemical (Specialty)	65.79	60.27	79.01	8.6%	17.4	4.04	2.78	2.26	3.02	7.58
Simpson Mfg Inc	SSD	Building Materials	43.30	32.27	42.32	13.2%	19.4	4.03	2.31	3.16	2.94	7.79
SLM Corporation	SLM	Financial Svcs. (Div.)	51.94	45.37	70.94	16.0%	18.9	4.17	3.22	3.63	2.89	8.68
Smith Int'l Inc.	SII	Oilfield Svcs/Equip.	38.96	27.43	40.42	13.4%	20.2	1.97	2.53	3.76	4.71	8.11
Speedway Motorsports	TRK	Recreation	38.21	38.66	50.79	9.3%	14.8	3.05	2.99	2.86	3.14	7.54
St. Jude Medical	STJ	Medical Supplies	41.00	33.91	52.14	14.8%	25.0	3.32	2.53	3.38	2.62	7.43
StanCorp Finl Group Inc	SFG	Insurance (Life)	54.11	44.93	54.54	11.6%	13.5	3.22	2.89	2.78	3.48	7.75
Standard Pacific Corp.	SPF	Homebuilding	33.62	34.52	50.13	11.7%	4.7	3.04	4.15	3.40	2.21	8.01
Staples Inc.	SPLS	Office Equip/Supplies	25.52	19.87	30.32	13.5%	20.9	3.37	2.41	2.96	3.32	7.55
Starbucks Corp.	SBUX	Restaurant	37.63	26.72	37.70	15.4%	53.8	3.69	1.48	3.87	4.33	8.35
State Street Corp.	STT	Bank	60.43	51.58	75.20	10.9%	19.7	3.41	3.02	2.71	2.80	7.49
Strayer Education	STRA	Educational Services	102.26	90.54	146.18	16.6%	27.8	3.77	2.60	3.77	2.39	7.85
Stryker Corp.	SYK	Medical Supplies	44.34	43.93	73.53	16.2%	23.0	3.98	3.45	3.96	2.64	8.75
Suncor Energy	SU	Canadian Energy	77.02	46.05	58.02	10.6%	18.3	3.11	1.73	4.08	4.68	8.49
SunTrust Banks	STI	Bank	72.76	72.75	90.81	8.3%	12.4	3.79	3.66	1.97	3.04	7.80
Synovus Financial	SNV	Bank	27.09	27.88	40.67	11.1%	15.1	3.78	3.67	2.62	2.47	7.85
Sysco Corp.	SY	Food Wholesalers	32.05	30.94	44.23	11.8%	20.8	4.85	2.46	3.07	2.54	8.08
Taiwan Semic. ADR	TSM	Semiconductor	10.06	9.61	15.98	15.2%	14.8	2.14	3.83	3.53	3.49	8.13
Target Corp.	TGT	Retail Store	52.01	50.27	76.56	13.0%	17.8	3.92	3.11	2.87	2.84	7.98
Techne Corp.	TECH	Biotechnology	60.14	40.86	63.16	13.8%	31.3	3.85	1.58	3.52	3.30	7.67
Technical Olympic USA In	TOA	Homebuilding	20.35	21.75	31.59	12.4%	4.8	2.57	4.51	3.49	1.77	7.73
Teleflex Inc.	TFX	Diversified Co.	71.63	62.35	83.22	9.4%	18.5	3.79	2.61	2.25	3.76	7.77
Thor Inds.	THO	Manuf. Housing/RV	53.36	33.72	50.67	13.4%	20.1	2.96	1.97	3.93	4.82	8.54
3M Company	MMM	Chemical (Diversified)	75.69	73.82	95.06	9.3%	17.2	4.51	3.09	2.24	3.24	8.18
TJX Companies	TJX	Retail (Special Lines)	24.82	24.36	37.31	12.9%	15.5	4.52	3.28	2.91	2.87	8.48
Toll Brothers	TOL	Homebuilding	34.63	35.19	53.86	12.1%	6.6	3.33	4.05	4.25	2.62	8.88
Torchmark Corp.	TMK	Insurance (Life)	57.10	53.92	67.25	7.8%	11.7	4.21	3.68	1.97	2.40	7.69
Toro Co.	TTC	Home Appliance	47.75	31.94	43.65	11.7%	16.8	3.36	1.81	3.84	3.44	7.79
Total ADR	TOT	Petroleum (Integrated)	131.73	141.04	171.28	8.5%	10.2	3.78	2.70	2.75	3.77	8.13
Total System Svcs.	TSS	Financial Svcs. (Div.)	19.92	21.96	32.53	12.0%	19.3	3.94	4.41	3.22	2.91	9.03
Tractor Supply	TSCO	Retail Building Supply	66.34	37.26	64.85	15.3%	29.4	3.31	1.75	3.69	3.17	7.48
Triad Guaranty Inc.	TGIC	Financial Svcs. (Div.)	46.90	48.80	68.49	11.8%	10.7	2.89	4.56	2.53	2.34	7.71
UCBH Hldgs Inc	UCBH	Bank	18.92	18.07	26.25	13.8%	17.2	2.36	3.13	3.40	2.94	7.42
Unit Corp.	UNT	Petroleum (Producing)	55.75	53.53	71.30	26.0%	8.8	1.61	3.43	4.42	3.41	8.05
United Parcel Serv.	UPS	Air Transport	79.38	79.64	105.95	10.7%	21.1	3.80	3.04	2.72	4.26	8.62
United Technologies	UTX	Diversified Co.	57.97	51.20	70.20	10.9%	17.4	4.49	2.87	2.73	2.76	8.04
UnitedHealth Group	UNH	Medical Services	55.86	49.09	75.09	17.1%	20.3	4.56	2.97	3.93	3.30	9.19
Urban Outfitters	URBN	Retail (Special Lines)	24.54	13.69	24.71	19.5%	27.0	2.72	1.78	4.76	2.61	7.45
Valero Energy	VLO	Petroleum (Integrated)	59.78	50.84	57.02	7.7%	7.5	1.86	2.61	3.72	4.42	7.89
Vulcan Materials	VMC	Cement & Aggregates	86.65	53.66	74.05	10.3%	23.3	3.50	1.63	2.36	4.73	7.65
Walgreen Co.	WAG	Pharmacy Services	43.13	41.21	62.00	13.8%	25.4	5.00	2.47	3.17	2.93	8.48
Wal-Mart Stores	WMT	Retail Store	47.24	49.58	74.14	12.4%	16.5	4.82	3.97	2.83	3.79	9.59
Washington Mutual	WM	Thrift	42.62	41.90	58.21	9.1%	11.1	3.17	3.90	2.37	2.66	7.59
Weatherford Int'l	WFT	Oilfield Svcs/Equip.	45.75	28.27	38.87	10.3%	22.8	1.71	2.13	3.47	5.00	7.71
Wells Fargo	WFC	Bank	63.87	63.44	85.73	10.8%	13.2	3.91	3.59	2.45	2.82	7.99
Williams-Sonoma	WSM	Retail (Special Lines)	42.40	34.39	53.81	13.1%	21.3	3.14	2.98	3.47	2.50	7.58
Wrigley (Wm.) Jr.	WVY	Food Processing	64.00	64.19	84.55	11.2%	24.6	4.91	2.44	2.51	2.61	7.80
XTO Energy	XTO	Natural Gas (Div.)	43.57	39.24	50.73	16.4%	9.9	1.59	3.50	5.00	3.80	8.67
Zions Bancorp.	ZION	Bank	82.73	75.12	96.50	10.3%	15.3	3.64	3.11	2.36	2.75	7.44