

Market trends

A weekly look behind the USA's stock market movements

Dow Jones
industrial average
↑0.5% week
↑0.7% month ↑5.4% 3 months

USA TODAY
Internet 50
↓1.1% week
↑0.9% month ↑11.0% 3 months

Wilshire
5000
↑0.3% week
↑0.8% month ↑6.4% 3 months

S&P 500
Large companies
↓0.2% week
↑0.9% month ↑6.4% 3 months

S&P 600
Small companies
↓0.5% week
↓3.4% month ↑0.4% 3 months

Nasdaq
composite index
↓1.0% week
↓0.2% month ↑6.2% 3 months

Quarter's best mutual funds

Top-performing funds for the three months ended Thursday

Value

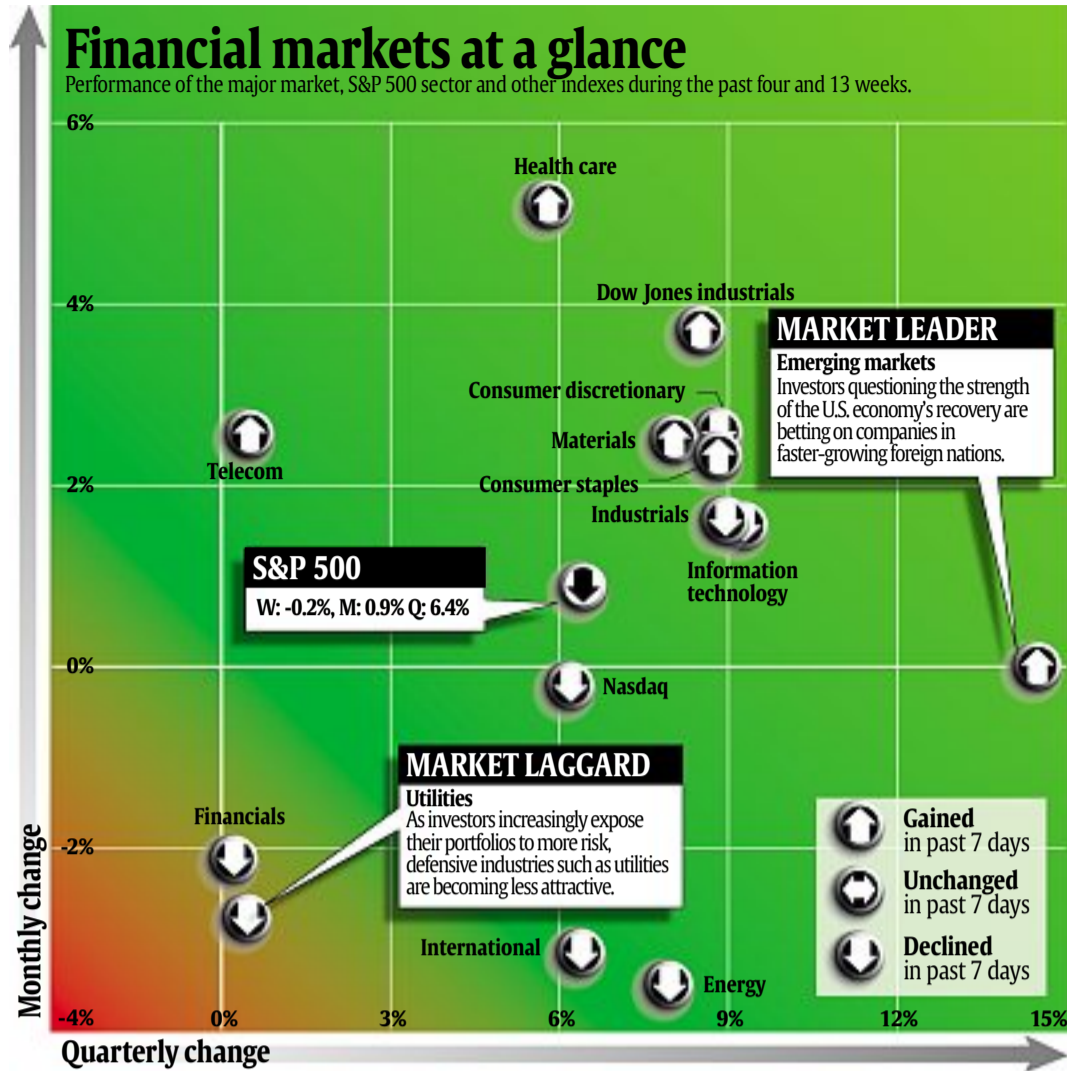
Small companies	
Huber Cap Inst	13.6%
Aegis Value Fund	12.1%
Homestd SmCo Stk	10.2%
SouthernSun Inv	10.2%
Nuvn NWQ S/MV I	10.2%
Midsize companies	
ProShares Ult Rus	14.4%
Appleseed Fund	13.7%
James Adv Mid Cap	12.2%
Flex-funds Quantex	12.1%
WellsFargo Disc Inv	10.9%
Large companies	
Clipper Fund	14.0%
WisdmTree Earn100	11.3%
ING Corp Leaders	11.1%
Old Mutual BH VI Z	10.9%
Natixis Har LCV A	10.9%

Core

Small companies	
Frontier Microcap	16.7%
WellsFargo S/MV Inv	14.3%
AIM Tmrk SmCo A	13.4%
Royce Fd M/Cp Inv	11.7%
Symons SmCp Inst	10.6%
Midsize companies	
ING VI Choice A	15.1%
Aston Optimum N	14.7%
Putnam Spectrum A	13.6%
Rydex 2x S&P 400	13.5%
Alpine Dyn Trans	12.8%
Large companies	
Rydex 2x S&P 500	17.9%
Pimco Stk/TotRt Inst	13.7%
Jensen Portfolio J	12.9%
Dreyfus Core Eqt A	12.7%
MetWstAlphaTrk500	12.6%

Growth

Small companies	
Alpine Dync Invtrs	14.1%
Delaware Foc SMG	12.3%
River Oak Disc	11.1%
Catalyst Value A	11.1%
Rydex S&P MC400P	10.3%
Midsize companies	
ProShares Ult Rus	15.4%
PwrShrs Nasd Nxt Q	14.5%
ING MidCp Oppt A	12.6%
Westcore Select Rtl	12.6%
Claymore BeaSpinoff	12.6%
Large companies	
Touchstone Sel Z	14.6%
AllianBer LCG A	14.3%
JPMorgan LCG Sel	13.7%
Calamos BlueChip A	13.6%
Natixis CGM AdTgt A	13.6%



1 — Other indexes include International: Morgan Stanley Capital International Europe, Australasia, Far East Index; and Emerging markets: MSCI Emerging Markets. Source: Standard & Poor's

The week's top stocks

Top stocks in each industry group from the S&P 500, 400 and 600

Consumer discretionary	Energy	Information technology
W: -1.1% M: 2.6% Q: 8.9%	W: -0.9% M: -3.5% Q: 8.0%	W: -1.3% M: 1.6% Q: 9.2%
Autos Month: 2.4% Quarter: 7.6% Standard Motor 9.8% Superior Indus. Int'l 4.1% Harley-Davidson 3.1% Ford Motor 2.7% Drew Indus. -1.0%	Energy Month: -4.0% Quarter: 8.0% ION Geophysical 9.9% Superior Well Svcs 5.6% Massey Energy 5.4% Hess 4.4% Peabody Energy 4.2%	Software Month: 2.9% Quarter: 12.3% Faro Tech. 12.5% Cadence Design Sys. 6.5% Perficient 5.0% Starftek 4.6% Ciber 4.1% Maximus 3.9%
Consumer goods Month: -2.4% Quarter: 5.4% La-Z-Boy 30.3% Timberland 4.3% National Presto 4.2% Phillips-Van Heu 3.6% Perry Ellis Int'l 3.5%	Financials W: -0.5% M: -2.1% Q: 0.2%	Tech hardware Month: 0.9% Quarter: 8.0% Keithley Instruments 20.0% Compellent Tech. 11.1% Black Box 8.8% Ciena 6.5%
Consumer services Month: 1.0% Quarter: 4.5% MonarchCasno&Rstr 22.6% Landry's Restaurants 20.6% Sotheby's 6.1% Ruby Tuesday 4.4% H&R Block 3.9%	Banks Month: -1.4% Quarter: -0.7% Nara Bancorp 14.8% Regions Financial 12.8% Hancock Hldgs 11.1% SunTrust Banks 9.8% Susquehanna Banc. 7.8%	Semiconductors Month: -2.4% Quarter: 0.4% Rudolph Tech. 9.4% AMD 6.9% Kopin 5.4% DSP 2.7% Cohu 2.5%
Media Month: 1.0% Quarter: 10.1% Scholastic 2.6% Arbitron 2.4% Interpublic 0.9% John Wiley & Sons 0.6% Time Warner Cable 0.5%	Insurance Month: -2.9% Quarter: -0.3% Presidential Life 5.8% Zenith Nat'l Ins. 3.3% XL Capital 3.2% Employers 3.1% Selective Insur. 2.9%	Health care W: 1.9% M: 5.1% Q: 5.8%
Retailing Month: 2.8% Quarter: 8.7% Tween Brands 16.7% Dress Barn 15.8% Stein Mart 14.7% Barnes & Noble 11.2% Williams-Sonoma 10.9%	Real estate Month: 3.1% Quarter: 7.7% Lexington Realty 9.5% Duke Realty 6.4% St. Green Realty 6.3% Forestar 5.9% Sovran SIF Storage 5.4%	Pharmaceuticals Month: 4.2% Quarter: 6.2% Salix Pharma Ltd 12.6% Merck 10.2% United Therapeutics 7.6% King Pharma 5.9% Bristol Myers Squibb 5.5%
Food retailing Month: -0.6% Quarter: 6.1% Andersons 11.9% CVS 4.6% Nash Finch 3.7% GreatAtl&Pac.Tea 2.9% Wal-Mart 2.0%	Food & beverage Month: 1.6% Quarter: 7.7% Cal Maine Foods 7.4% Diamond Foods 6.0% J.M. Smucker 4.7% Sara Lee 4.6% Ralcorp Hldgs 3.0%	Materials W: 1.4% M: 2.5% Q: 8.0%
Household goods Month: 6.3% Quarter: 12.9% Mannatech 13.1% ColgatePalmolive 3.0% Estee Lauder 2.6% WD-40 2.2% Kimberly-Clark 1.1%	Capital goods Month: 1.0% Quarter: 9.0% Griffon 14.7% Donaldson 13.4% Clarcor 8.2% Unity Rentals 8.1% GenCorp 7.6%	Materials Month: 2.0% Quarter: 7.9% Penford 21.0% Monsanto 8.8% Century Aluminum 8.8% Headwaters 8.5% Steel Dynamics 7.9%
Live stock quotes on your cellphone Send text message to 4INFO (44636) with: • STOCK TICKER (DELL) or • FUND TICKER (AGTHX)	Transportation Month: 2.9% Quarter: 7.3% Heartland Express 4.9% Knight Transp. 2.9% Forward Air 2.9% Union Pacific 2.4% Alexand & Baldwin 1.8%	Telecom W: 0.8% M: 2.6% Q: 0.5%
Tracking the major market indexes updated continuously throughout the day at money.usatoday.com	Utilities W: -0.5% M: -2.7% Q: -1.7%	Utilities Month: -2.6% Quarter: -1.5% South Jersey Indus. 3.0% Crtl Vermont Pub. Svc 2.6% Pinnacle West Cap. 2.4% Avista 2.3% Southwest Gas 1.4%

Exchange traded funds

Exchange traded funds are baskets of investments that trade like stocks on major exchanges

Major index ETFs

Ticker	Week	Month	Quarter	
Dow Jones industrials	DIA	0.3%	3.9%	8.7%
S&P 500	SPY	-0.2%	1.1%	6.2%
PowerShares QQQ	QQQQ	-1.3%	0.8%	7.8%

Sector ETFs

Ticker	Week	Month	Quarter	
State Street S&P sector index funds				
Health care	XLV	2.0%	5.5%	5.9%
Consumer discretionary	XLY	-1.1%	2.5%	9.1%
Consumer staples	XLP	0.7%	2.2%	8.9%
Materials	XLB	1.4%	2.0%	7.1%
Technology	XLK	-1.0%	1.8%	7.9%
Industrials	XLI	-0.1%	1.7%	8.5%
Telecom	XLN	-0.3%	0.8%	5.9%
Financials	XLF	-0.7%	-2.0%	unch.
Utilities	XLU	-0.5%	-2.2%	-1.5%
Energy	XLE	-1.2%	-4.4%	8.0%

1 — iShares ETF

Source: Standard & Poor's

ETFs by investment style

Ticker	Week	Month	Quarter	
Vanguard				
Large-cap growth	VUG	-0.4%	1.6%	8.0%
Large-cap blend	VV	-0.2%	1.1%	6.5%
Large-cap value	VTV	0.1%	0.5%	4.9%
Midcap value	VOE	-0.6%	-1.5%	6.0%
Midcap blend	VO	-1.3%	-2.0%	5.6%
Small-cap value	VBR	-0.2%	-2.3%	2.7%
Midcap growth	VOT	-2.2%	-2.6%	5.6%
Small-cap blend	VB	-0.7%	-2.8%	2.7%
Small-cap growth	VBK	-1.3%	-3.1%	2.9%

Other index ETFs

iShares				
Gold	IAU	2.8%	8.8%	20.6%
Real estate	ICF	-0.6%	4.2%	9.3%
Socially responsible	KLD	-0.1%	1.3%	6.8%
Bonds	AGG	0.3%	0.5%	2.1%
Emerging markets	EEM	-0.9%	-0.4%	12.0%
International	EFA	-1.9%	-2.1%	5.6%

1 — industry group's % changes Based on S&P 1500

Airlines

U.S. airline industry once again goes under scrutiny

But two previous studies generated little progress

By Dan Reed
USA TODAY

For the third time in 16 years the federal government is forming a blue-ribbon panel to try to save the USA's troubled airline industry, which has racked up \$58.5 billion in losses and shed 158,000 jobs this decade.

Transportation Secretary Ray LaHood, who has ordered up the panel, vows it won't be "just another advisory committee."



By Alex Wong, Getty Images
LaHood: Says panel will be effective.

"I am not commissioning some report to fill space on my bookshelf," he wrote on his official blog on the department's website. "This committee will make a difference. Without a financially strong aviation industry we will be unable to compete in domestic and international commerce."

But a \$20 billion price tag for fixing the industry's biggest problems and a failure to implement most of the suggestions from two previous commissions have many analysts and former government officials questioning whether anything will come from this latest effort.

Aviation economist Dan Kasper, a member of the panel convened by then-president Bill Clinton in 1993, says commissions can be used as a tool by politicians who don't want to make difficult and unpopular decisions.

"These commissions are a way for politicians to show that they're interested in these issues, that they're not ignoring them, but at the same time it does not necessarily require them to anything about it," says Kasper, a consultant at LECC.

Despite that, Kasper and other analysts and officials agree that there are steps that could be taken to aid the industry. There also are stumbling blocks to implementing them:

Air traffic control. Kasper notes that his own commission and one that followed five years later made building a new air traffic control system based on Global Positioning System and other new technologies their top suggestion for righting the industry. "Unfortunately," Kasper says, "we still aren't really close to that happening."

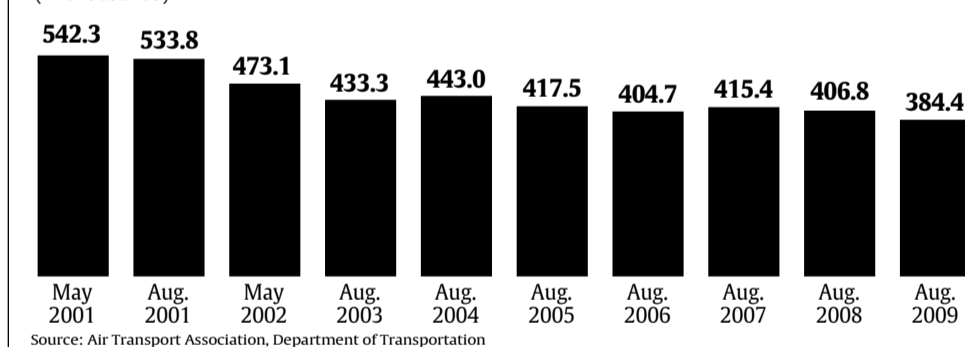
Despite nearly two decades of development, the so-called NextGen air traffic control system remains years away from implementation. Constantly changing design criteria, and endless arguments over who'll pay for what parts of it, have been blamed, at one time or another, for its slow pace.

The upside of NextGen is great: savings to the U.S. economy of more than \$40 billion annually through reduced fuel and labor costs, and time savings for 740 million travelers a year by directing air-line traffic in a straighter line between points and al-

Ailing U.S. airlines

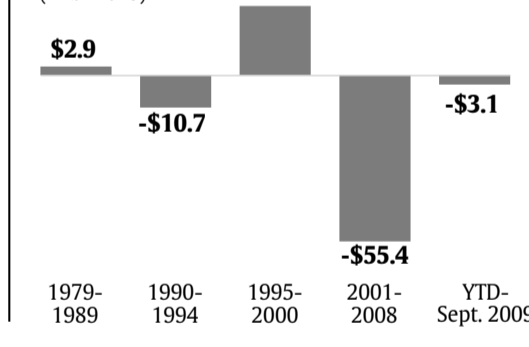
Airlines have suffered record-setting losses in revenue this decade, and the industry has shed almost 30% of its jobs in the past eight years. Changes in employment levels and revenue:

Full-time employment (in thousands)



Source: Air Transport Association, Department of Transportation

Net income/losses (in billions)



By George Petras, USA TODAY



Waiting game:

Travelers wait to check in for Northwest flights at the Portland, Ore., International Airport last week. One of the areas the latest airline advisory panel will study involves a "Next-Gen" air traffic control system, which could save time for 740 million travelers annually.

By Don Ryan, AP

lowing planes to fly more closely together.

But financially strapped airlines that desperately want it say the government should pay the \$20 billion they are expected to spend on equipping their planes to operate in the NextGen environment.

That's a tough sell in Congress at a time when budget deficits are high.

Tax policy. Airline executives complain that airlines are taxed more than distillers and tobacco companies. And because travelers expect low fares and the airlines suffer high operating costs, they say it's hard to pass taxes on to passengers. As a result, they say, they cannot re-invest in new planes and improved service.

Jim May, head of the Air Transport Association, the airlines' lobby group, complains that "all publicly traded carriers today have a net present value of about \$24.5 billion, and against that we've got an

industry that's paying \$18 billion a year in taxes. That's a prescription for failure."

Instead of lowering taxes, various federal, state and local taxes and fees have been increased on each ticket and on jet fuel to cover security costs and to help build airport facilities.

"The taxing system doesn't work," says Roz Ellingsworth, a consultant to airline labor groups, airports and airlines, who served as chief of staff on the 1993 commission.

"At some point there has to be a reality check. If we want low fares, you can't pass all these taxes through to the consumer. And the airlines can't just absorb them all either."

Foreign investment. Airline executives are increasingly urging Congress to eliminate or at least raise the limit on foreign investment in U.S. airlines. Carlos Bonilla, a transportation adviser to former

president George W. Bush, says the old reasons given for limiting foreign ownership of U.S. carriers don't stand up anymore. There are, he says, easy solutions to the concern that foreign ownership makes it difficult for the Defense Department to commandeer commercial fleets in a time of war. And carriers based in the USA would still be regulated by the federal government regardless of who owns them, he says.

Unions, however, are concerned that jobs could be outsourced to foreign workers if ownership restrictions were lifted.

"So the decision on allowing foreign ownership of, or investment in, U.S. airlines isn't a business decision so much as it is a political decision," Bonilla says, adding that a labor-friendly President Obama is unlikely to ignore labor's concerns.

Consultant Mark Gerchick, a former assistant transportation secretary for aviation and international affairs in the Clinton administration, says an Obama administration with strong pro-labor bonafides may be the only type of administration that could make the change.

"It's been said that only a tough cold warrior like (former president Richard) Nixon could go to China," to begin thawing the frozen U.S.-Chinese relations. "Well maybe it takes someone like Obama to address this issue."

Environmental costs. One of the Air Transport Association's biggest worries is the \$22 billion a year tab it estimates the airlines could face if the environmental fees and taxes proposed here and around the globe take effect.

Proposed new U.S. climate change taxes could add \$5 billion a year in costs to airlines in 2012, with carbon emissions costs expected to rise yearly thereafter. May, the association director, estimates the European Union's new carbon trading scheme would cost U.S. carriers \$3.5 billion annually. The United Kingdom's new passenger duty to offset environmental damage could cost \$4.1 billion a year.

A proposed tax to underwrite Third World nations' efforts to reduce environmental damage would cost \$10 billion a year once implemented.