

chron.com

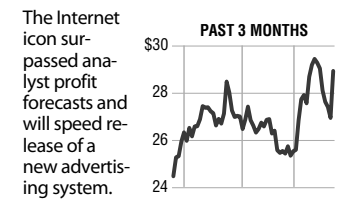
Follow the stock and energy markets throughout the day at www.chron.com/markets:

- Get updated quotes
- Customize a stock watch list
- Track your portfolio
- Follow Houston stocks
- Calculate foreign exchange
- Keep up with world markets

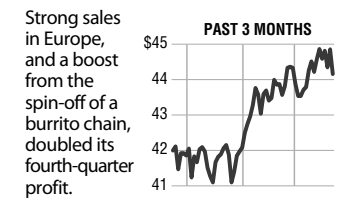
STORY STOCKS

The Dow Jones industrials hit a new high and the Nasdaq composite gained over 1 percent after profit reports from Yahoo Inc. and Sun Microsystems Inc. restored investors' confidence in the tech sector. The Nasdaq jumped 34.87, or 1.43 percent, to 2,466.28. The Dow rose 0.7 percent to 12,621.77.

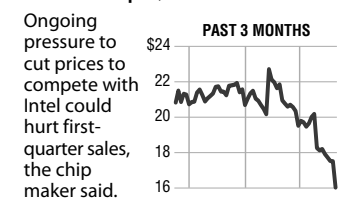
Yahoo Inc.	YHOO
LOW 52-WEEK HIGH	LOW 52-WEEK HIGH
\$22.65	\$35.48
Close: \$28.94 +1.98 (+7.3%)	
Vol. (3-mo avg.): 80.7m (25.5m)	
Market Cap.: \$39.36b	



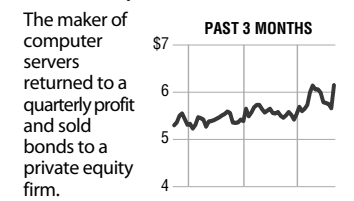
McDonald's Corp.	MCD
LOW 52-WEEK HIGH	LOW 52-WEEK HIGH
\$31.73	\$45.06
Close: \$44.16 -0.69 (-1.5%)	
Vol. (3-mo avg.): 11m (6.7m)	
Market Cap.: \$54.61b	



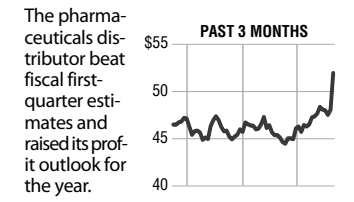
Advanced Micro Devices	AMD
LOW 52-WEEK HIGH	LOW 52-WEEK HIGH
\$15.93	\$42.70
Close: \$16.03 -1.48 (-8.5%)	
Vol. (3-mo avg.): 74.4m (23.4m)	
Market Cap.: \$8.79b	



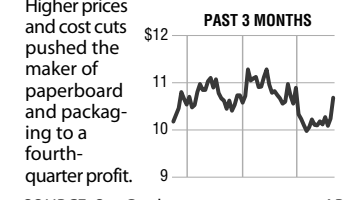
Sun Microsystems Inc.	SUNW
LOW 52-WEEK HIGH	LOW 52-WEEK HIGH
\$3.74	\$6.25
Close: \$6.15 +0.49 (+8.7%)	
Vol. (3-mo avg.): 168.4m (61.1m)	
Market Cap.: \$21.65b	



AmerisourceBergen Corp.	ABC
LOW 52-WEEK HIGH	LOW 52-WEEK HIGH
\$40.15	\$52.25
Close: \$51.96 +3.89 (+8.1%)	
Vol. (3-mo avg.): 5.1m (1.6m)	
Market Cap.: \$99.9b	



Smurfit-Stone Container	SSCC
LOW 52-WEEK HIGH	LOW 52-WEEK HIGH
\$9.77	\$15.15
Close: \$10.68 +0.44 (+4.3%)	
Vol. (3-mo avg.): 10m (3.1m)	
Market Cap.: \$2.72b	



GAINERS (\$2 OR MORE)

STOCK	CLOSE	CHG	%CHG
ConoIgs	3.42	+1.58	+85.9
TRM Corp	3.32	+1.10	+49.5
TrnsScnd	5.97	+1.62	+37.3
NatInst	25.22	+4.63	+22.5
Sifco	6.01	+1.01	+20.2
CoastFin	2.37	+0.39	+19.7
HyperSol	40.41	+5.99	+17.4
Expedia wt1	2.00	+0.29	+17.0
CityTlcm	3.42	+0.46	+15.5
OdyMar	3.11	+0.39	+14.3

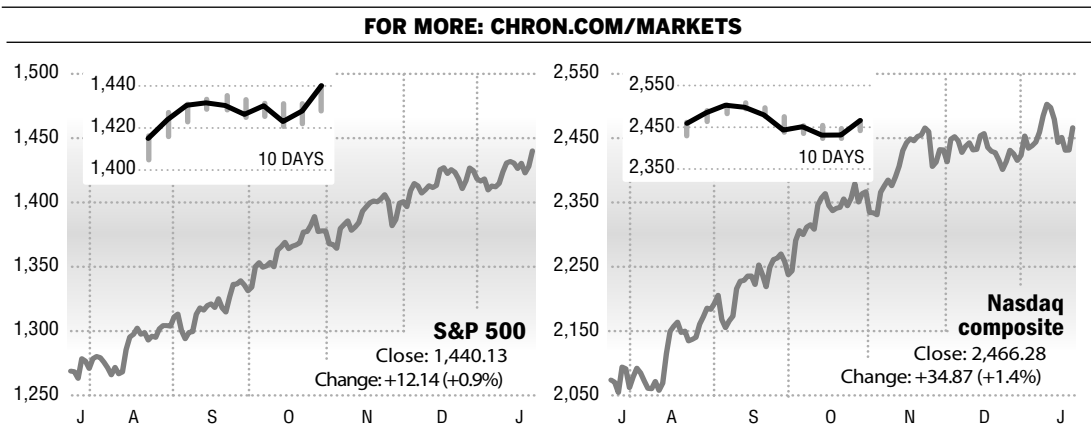
LOSERS (\$2 OR MORE)

STOCK	CLOSE	CHG	%CHG
TecOpsVv	6.50	-1.15	-15.0
MothrWk	34.88	-6.12	-14.9
TNS Inc	16.90	-2.80	-14.2
CoastFin	8.04	-1.26	-13.5
AscentSol h	2.65	-0.35	-11.7
HghwyH	5.67	-0.66	-10.4
NeoMagic	4.41	-0.50	-10.2
ClevBioI n	6.51	-0.73	-10.1
ZionO&G n	7.65	-0.84	-9.9
Mamma	4.53	-0.49	-9.8

ACTIVES (\$1 OR MORE)

STOCK	VOL. (00's)	CLOSE	CHG
SunMicro	1627958	6.15	+4.9
Nasd100Tr	1093797	44.30	+7.2
Yahoo	754345	28.94	+1.98
FormD	732274	8.20	-1.0
AMD	712761	16.03	-1.48
Cisco	629218	26.89	+8.5
Corning	605379	20.90	+2.06
Microsoft	577875	31.09	+3.5
Intel	553794	20.84	+2.9
SPDR	537169	143.95	+1.15

MARKET SUMMARY



STOCKS RECAP

	NYSE	NASD
Vol. (in mil.)	2,858	2,230
Pvs. Volume	3,021	2,042
Advanced	2,311	2,042
Declined	1,007	990
New Highs	300	125
New Lows	13	35

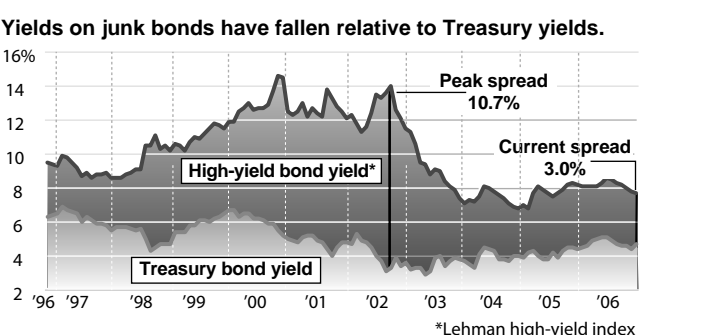
	HIGH	LOW	CLOSE	CHG.	%CHG.	WK	MO	QTR	YTD
DOW	12623.45	12531.08	12621.77	+87.97	+0.70%	▲	▲	▲	+1.27%
DOW Trans.	4846.18	4782.25	4821.90	-5.46	-0.11%	▲	▲	▲	+5.74%
DOW Util.	453.28	448.77	453.28	+3.76	+0.84%	▲	▲	▲	-0.76%
NYSE Comp.	9268.49	9199.77	9268.49	+68.76	+0.75%	▲	▲	▲	+1.42%
NASDAQ	2466.28	2440.82	2466.28	+34.87	+1.43%	▲	▲	▲	+2.11%
S&P 500	1440.14	1427.96	1440.13	+12.14	+0.85%	▲	▲	▲	+1.54%
S&P 400	826.95	818.68	826.95	+8.23	+1.01%	▲	▲	▲	+2.81%
Russell 2000	794.06	786.59	794.03	+8.65	+1.10%	▲	▲	▲	+0.81%
Wilshire 5000	14517.85	14391.57	14517.85	+126.28	+0.88%	▲	▲	▲	+1.83%

JUNK BONDS may soon live up to their name

High-yield "junk" bonds, those with less than stellar credit ratings, enjoyed solid performance last year. The default rate on junk issues fell to the lowest level in 13 years—0.8 percent versus a long-term average of around 5 percent, according to Fitch Ratings. Defaults on the most speculative of junk bonds fell to a startlingly low 4.5 percent, down from an historic average of 25 percent. The average junk bond mutual fund returned around 10 percent last year. This is unlikely to last, bond experts say.

A healthy economy and ample financing from hedge funds and other investment vehicles have allowed even the most poorly rated companies to repay debt, often by refinancing. A recession or an economic shock such as a war or a big interest rate hike could send defaults surging and drive down prices of high-yield bonds. "The default rate is sure to move up, and in fact may move up abruptly," says Mariarosa Verde, a managing director of Fitch.

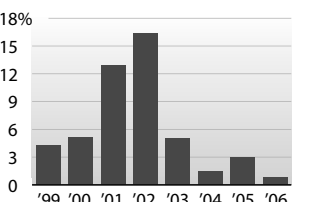
Many of the best bond fund managers have become more conservative, shifting out of lower-rated bonds, says Lawrence Jones, a mutual fund analyst with Morningstar. "They're not seeing



Many big companies issue debt rated by Fitch at BB or less—levels considered below investment grade.

Speculative BB Rated	Highly Speculative B rated	Most Speculative CCC-C rated
• Harrah's	• Ford Motor	• Level 3
• Alcatel-Lucent	• Dole Food	• Communications
• Sears	• Georgia Pacific	• US Airways
		• Blockbuster

Default rate of high-yield bonds



adequate compensation over Treasuries," he says. "They feel it's best to move into the higher credit quality."

Junk bonds currently yield just three percentage points more than ultra-safe Treasury bonds, the

High-yield bond funds

FUNDS	RETURN 1-YR	RETURN 3-YR*
Vanguard High-Yield Corporate (VWEX)	8.4%	6.0%
T. Rowe Price High Yield (PRHYX)	10.2	7.2
PIMCO High Yield D (PHYDX)	8.4	6.8

slimmest premium in recent history. "I'm not paid for credit risk, I'm out of here," says Thomas Atteberry, manager of the \$1.9 billion FPA New Income fund (FPNIX), which now has less than 3 percent in high-yield bonds.

SOURCES: Fitch Ratings, Lehman Brothers, Morningstar, Thomson Financial D. Sorid, K. Girard • AP

HOUSTON 150

STOCK	DIV	PE	CLOSE	CHG	52-WK HIGH	52-WK LOW	YTD %CHG	STOCK	DIV	PE	CLOSE	CHG	52-WK HIGH	52-WK LOW	YTD %CHG
ABM Industries	0.48	13	24.35	+0.05	24.92	16.11	+7.2	Lowe's Cos	0.20	17	33.59	-0.05	34.83	26.15	+7.8
AT&T Inc	1.42	20	36.63	+1.27	36.21	24.39	+2.5	Lubys	...	16	11.00	+2.6	16.09	8.18	+1.0
ATP Oil & Gas	...	40.12	+3.39	49.70	34.16	+1.4	Lyondell	0.90	11	27.14	+7.2	27.60	18.86	+6.1	
Adminstaff	0.36	27	40.47	+0.07	58.99	30.30	-5.4	Marathon	1.60	6	90.75	+5.3	98.73	64.90	-1.9
Am Int Grp.	0.66	17	69.88	+0.08	72.97	57.52	-2.5	Mariner Energy	...	18	19.45	+5.6	21.70	14.81	-0.8
Am. Nat. Ins.	3.04	16	119.96	+1.11	132.74	110.02	+5.1	Maxxam	...	27.60	-0.01	35.39	25.20	-5.1	
Anadarko	0.36	5	43.11	-0.57	56.98	39.51	-0.9	McDermott Intl	...	24	50.69	+1.47	53.36	29.73	-0.3
Apache Corp.	0.60	8	70.45	+1.16	76.25	56.50	+5.9	Men's Wshse.	0.20	18	42.83	+3.5	43.20	29.81	+11.9
Atwood Ocean.	...	18	47.01	-0.33	58.44	39.86	-4.0	NCI Building	...	16	55.91	+2.7	70.00	45.80	+8.0
Autonation	...	16	22.39	+4.44	22.94	18.95	+5.0	Nabors Indust.	...	9	30.05	-2.1	41.35	27.26	+0.9
BJ Services	0.20	11	27.96	+3.2	42.85	25.55	-4.6	Natco Corp.	...	19	32.90	-8.5	42.63	22.25	+3.2
BMC Software	...	36	34.97	+6.5	35.84	19.90	+8.6	Natl-Oilwell	...	19	60.16	-7.73	77.60	51.62	-1.7
BP	2.30	9	65.06	-1.16	76.85	61.29	-3.0	Natural Res. Ptnrs.	3.40	17	61.00	+4.6	60.99	48.20	+5.3
Baker Hughes	0.52	10	69.02	+4.8	89.30	61.08	-7.6	Newfield Exp.	...	8	41.87	-2.6	53.07	34.90	-8.9
BkofAm	2.24	12	53.20	-1.12	55.08	42.75	-0.4	Noble Corp	0.16	16	74.76	+2.1	86.16	58.51	-1.8
Benchmark El.	...	14	23.30	+0.04	29.92	20.95	-4.4	Noble Energy	0.30	13	51.41	+6.1	54.64	36.14	+4.8
Boeing	1.40	41	87.60	+2.24	92.05	65.90	-1.4	Oceaneering	...	19	40.25	-0.05	47.23	25.53	+1.4
Brinker Intl	0.36	18	31.99	+1.16	32.02	20.99	+6.1	Oil States Intl.	...	8	28.80	+4.2	33.87	25.00	+0.6
BristowGp	...	13	35.85	+2.1	39.40	27.50	-0.7	Parker Drilling	...	9	8.93	+2.3	12.44	6.10	+9.3
Cabot Oil & Gas	0.16	9	63.24	+5.7	66.52	38.26	+4.3	J.C. Penney	0.72	16	82.66	+6.9	84.09	54.18	+6.9
Camden Prop.	2.64	22	78.70	+1.14	81.35	63.02	+6.6	Petrohawk	...	9	11.58	+0.3	16.25	9.76	+0.7
Cameron	...	23	53.56	-3.0	57.81	38.08	+1.0	Pioneer Cos.	...	5	29.52	-7.8	34.45	21.75	+3.0
CenterPoint	0.60	12	17.31	+3.0	17.47	11.62	+4.4	Plains All Am.	3.20	17	53.83	-1.7	54.12	41.60	+5.1
Cheniere Eng	...	28.87	+4.0	44.40	24.72	...	Plains E&P	...	13	46.47	+8.4	49.73	31.45	-2.2	
Chevron	2.08	9	72.84	-2.28	76.20	53.76	-0.9	Pogo Prod.	0.30	5	48.08	+2.6	60.42	38.01	-0.7
CB&I	0.12	30	29.12	+0.08	31.85	19.60	+6.5	Pride Intl.	...	17	27.99	-3.4	36.96	24.01	-6.7
Comfort Sys.	0.14	...	12.53	+1.12	15.72	9.96	-0.9	Prosperity Bchsh	0.45	18	33.74	+1.49	36.16	28.65	-2.2
ComsysIT	...	26	20.60	+1.4	23.00	9.82	+1.9	Quanex Corp.	0.56	9	38.32	+6.5	49.02	29.15	+10.8
ConocoPhillips	1.44	6	65.62	+6.5	74.89	54.90	-8.8	Quanta Svc.	...	40	20.94	+1.04	20.90	12.24	+6.5
Cons. Graphics	...	18	61.00	+1.12	64.50	46.34	+3.3	Reliant	...	14.59	+3.1	14.71	8.80	+2.7	
Continental Air	...	15	43.15	-1.67	62.40	17.61	+4.6	Rowan	0.40	11	31.62	-3.2	48.15	29.03	-4.8
Cooper Indust.	1.48	20	91.41	+1.00	96.12	78.10	+1.1	RoyDShila	2.45	...	69.30	+1.2	72.38	60.17	-2.1