

S&P 500 1,344.90 **+19.36** **NASDAQ** 2,905.66 **+45.98** **DOW** 12,862.23 **+156.82** **6-MO T-BILLS** .09% **30-YR T-BONDS** 3.12% **+1.12** **CRUDE OIL** \$97.84 **+1.48** **EURO** \$1.3153 **+0.012** **GOLD** \$1,737.90 **-18.90**

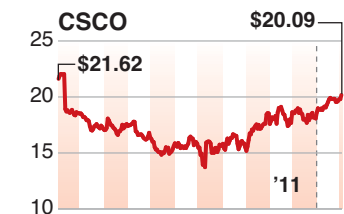
The Week Ahead

How much are we charging?
Consumers are getting harder to figure out even as the economy shows signs of improving – retail sales were weak in December and January although more people were getting jobs. On Tuesday, we'll get another look at how consumers are feeling. The Federal Reserve will report on how much money people borrowed in December. The key number: credit card debt. It will show whether consumers felt confident enough to use plastic for purchases.



Continuing its turnaround?

Cisco reports its fiscal second-quarter earnings on Wednesday. Investors want to see if the maker of computer networking equipment has made more progress in recovering from the drop in earnings it had in fiscal 2011. It has been restructuring, including closing or selling some businesses. Investors are also interested in Cisco's view of the economy. It has customers around the world, so Cisco often has a good sense of where the economy is heading.



Operating EPS	2Q '11	2Q '12
	\$0.37	est. \$0.43

Price-to-earnings ratio: 17 based on past 12 months' results

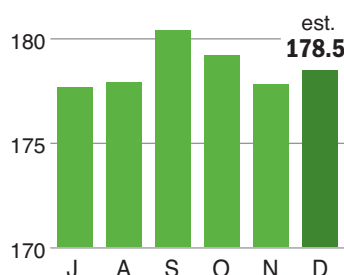
Dividend: \$0.24 Div. Yield: 1.2%

Source: FactSet

More fallout from Europe?

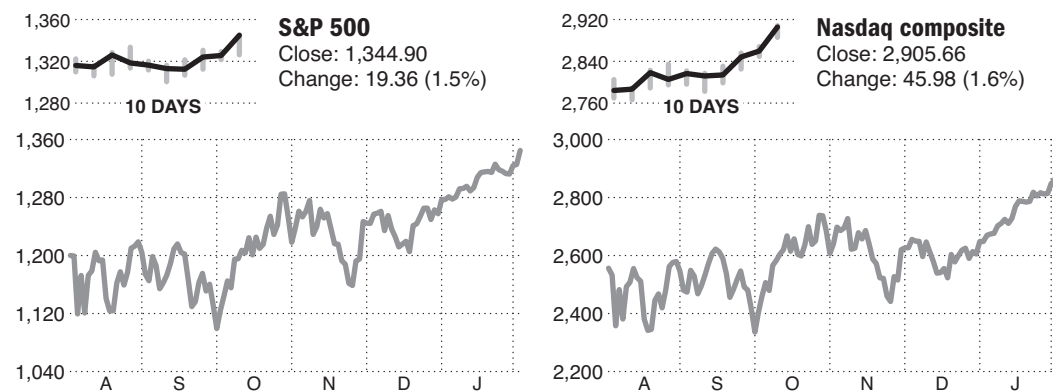
The government's report on international trade during December will show whether Europe's economic problems again hurt demand for U.S. goods in the region. In November, exports to Europe fell nearly 6 percent. Overall exports fell nearly 1 percent. Forecasts are for the overall number to tick higher, but it's likely that exports to other parts of the world offset continued weak demand from Europe.

U.S. exports
In billions of dollars



J. Rosenberg, J. Sohn • AP

Money&Markets



StocksRecap

	HIGH	LOW	CLOSE	CHG.	%CHG.	WK	MO	QTR	YTD
DOW	12869.95	12704.96	12862.23	+156.82	+1.23%	▲	▲	▲	+5.28%
DOW Trans.	5384.15	5306.07	5368.93	+63.27	+1.19%	▲	▲	▲	+6.96%
DOW Util.	452.77	448.44	451.36	+1.52	+0.34%	▲	▲	▲	-2.87%
NYSE Comp.	8061.92	7945.43	8060.43	+115.00	+1.45%	▲	▲	▲	+7.80%
NASDAQ	2908.13	2885.84	2905.66	+45.98	+1.61%	▲	▲	▲	+11.54%
S&P 500	1345.34	1326.21	1344.90	+19.36	+1.46%	▲	▲	▲	+6.94%
S&P 400	972.82	956.22	971.25	+15.51	+1.62%	▲	▲	▲	+10.47%
Wilshire 5000	14234.83	14015.25	14231.81	+216.56	+1.55%	▲	▲	▲	+7.90%
Russell 2000	833.02	820.84	831.11	+18.22	+2.24%	▲	▲	▲	+12.17%

Time to buy builders?

Stocks of homebuilders have been rising as investors have bet that a mild recovery in the housing market is under way. The S&P Homebuilders Index is up 61 percent since it hit a low Oct. 3. The stocks have risen because sales of previously occupied homes rose the last three months. And the glut of houses on the market is diminishing. In December, there were 2.4 million occupied homes on the market, down from 3.8 million in June. It's best to consider these stocks a long-term investment. No one expects housing to come barreling back anytime soon. Another caveat: Homebuilders have high price-to-earnings ratios because the stocks have risen while earnings are still weak. Toll Brothers has a P/E of 30 based on earnings estimates for the coming year. The S&P 500's is 13. Analysts say the P/E ratio isn't a good way to value these stocks right now. Here are three stocks and an exchange-traded fund to consider:

	FRIDAY'S CLOSE	52-WEEK RANGE	PRICE/EARNINGS RATIO (Based on past 12 months)	DIVIDEND YIELD	HOW IT DID IN 2011
D.R. Horton (DHI)	\$14.66	\$8.03 – 14.79	39	1.0%	+6%
Lennar (LEN)	\$23.34	\$12.14 – 23.47	49	0.7%	+5%
Toll Brothers (TOL)	\$23.85	\$13.16 – 23.95	99	—	+7%
SPDR S&P homebuilders (XHB)	\$20.29	\$12.21 – 20.39	—	0.7%	+2%

SOURCE: FactSet

Dave Carpenter, Jenni Sohn • AP

Company Spotlight Walgreen's ailing revenue

Walgreen is feeling the effects of its split with Express Scripts. The largest U.S. drugstore chain said its January revenue for stores open at least a year fell 4.6 percent. Revenue from stores open at least a year are the standard for measuring how well a retailer is doing. The company's pharmacy revenue fell 8 percent. Walgreen and Express Scripts, which manages prescription insurance

programs, were unable to agree on new contract. Their old contract expired Dec. 31. Walgreen has said it would rather give up the revenue it got from Express Scripts than continue filling unprofitable prescriptions. Walgreen's revenue was also hurt by the weak flu season. Many people tend to get flu shots when they see other people getting sick. So with fewer cases of flu around, drugstores like Walgreen were giving fewer flu shots.



WALGREEN (WAG)	52-WEEK RANGE	Price-earnings ratio
Friday's close: \$33.65	\$30.34 – 47.11	(Based on past 12 months' results): 11
Total return this year: 1%	3-YR*: 9%	5-YR*: -4%
	10-YR*: 0%	Dividend: \$0.90
		Div. Yield: 2.7%

AP

Total returns through Feb. 2

*annualized

SOURCES: Morningstar; FactSet

LocalStocks

NAME	TICKER	52-WK RANGE	LO	HI	CLOSE	CHG	%CHG	WK	MO	QTR	YTD	YR	VOL	P/E	DIV
AMN Healthcare Svcs	AHS	3.60	3.33	9.33	6.55	+0.24	+4.4%	▲	▲	▲	+27.5%	-8.5%	219	dd	...
Amylin	AMLN	8.03	17.93	17.10	-0.66	-3.7%	▲	▲	▲	+50.3%	+10.0%	8872	dd	...	...
Arena Pharmaceuticals	ARNA	1.21	2.62	1.87	-0.01	-0.5%	▲	▲	▲	...	+16.8%	3228	dd	...	...
BioMed Realty Trust	BMR	14.94	21.03	19.33	+0.15	+0.8%	▲	▲	▲	+6.9%	+9.5%	1578	cc	0.80	...
Callaway Golf	ELY	4.70	8.22	6.89	-0.01	-0.1%	▲	▲	▲	+24.6%	-8.1%	771	dd	0.04	...
Cymer Inc	CYMI	34.57	58.19	52.61	+1.69	+3.3%	▲	▲	▲	+5.7%	+2.9%	668	20	...	...
Gen-Probe Inc	GPRO	53.92	86.96	67.72	-1.11	-0.2%	▲	▲	▲	+14.5%	+7.1%	478	58	...	...
Illumina Inc	ILMN	25.57	79.40	51.84	-0.03	-0.1%	▲	▲	▲	+70.1%	-27.3%	1678	66	...	...
Jack in The Box Inc	JACK	18.25	24.51	23.21	+0.61	+2.7%	▲	▲	▲	+11.1%	-0.7%	338	14	...	...
Leap Wireless Intl	LEAP	5.50	17.66	9.45	+0.52	+5.8%	▲	▲	▲	+1.7%	-35.1%	2752	dd	...	...
Life Technologies	LIFE	35.30	56.71	49.57	+0.71	+1.5%	▲	▲	▲	+27.4%	-10.0%	1607	26	...	...
Ligand Pharm	LGND	8.65	16.24	13.83	+0.48	+3.6%	▲	▲	▲	+16.5%	+49.8%	78	40	...	...
NuVasive Inc	NUVA	11.02	34.91	17.16	+0.20	+1.2%	▲	▲	▲	+36.3%	-40.9%	710	dd	...	...
PacWest Bancorp	PACW	13.00	23.31	22.22	+0.16	+0.7%	▲	▲	▲	+17.3%	+11.7%	308	16	0.72f	...
Qualcomm Inc	QCOM	45.98	61.95	61.06	+0.33	+0.5%	▲	▲	▲	+11.6%	+14.0%	16727	23	0.86	...
Realty Income	O	27.93	37.06	37.30	+0.30	+0.8%	▲	▲	▲	+6.7%	+11.3%	606	35	1.75	...
ResMed Inc	RMD	23.37	35.32	29.60	+0.42	+1.4%	▼	▲	▲	+16.5%	-7.4%	774	20	...	...
SAIC Inc	SAI	11.06	17.65	12.90	+0.09	+0.7%	▲	▲	▲	+5.0%	-22.7%	1147	17	...	...
Sempra Energy	SRE	44.78	58.42	58.30	+0.69	+1.2%	▲	▲	▲	+6.0%	+13.3%	1232	13	1.92	...
ViaSat Inc	VSAT	31.18	49.20	49.67	+1.14	+2.3%	▲	▲	▲	+7.7%	+8.8%	391	62	...	...
WebSense Inc	WBSN	15.50	27.96	17.61	+0.43	+2.5%	▼	▼	▼	-6.0%	-10.8%	284	23	...	...

Dividend Footnotes: a - Extra dividends were paid, but are not included. b - Annual rate plus stock. c - Liquidating dividend. e - Amount declared or paid in last 12 months. f - Current annual rate, which was increased by most recent dividend announcement. l - Sum of dividends paid after stock split, no regular rate. j - Sum of dividends paid this year. Most recent dividend was omitted or deferred. k - Declared or paid this year, a cumulative issue with dividends in arrears. m - Current annual rate, which was decreased by most recent dividend announcement. p - Initial dividend, annual rate not known, yield not shown. r - Declared or paid in preceding 12 months plus stock dividend. t - Paid in stock, approximate cash value on ex-distribution date. PE Footnotes: q - Stock is a closed-end fund - no P/E ratio shown. cc - P/E exceeds 99. dd - Loss in last 12 months.

Daily TranscriptTech 20

NAME	TICKER	CLOSE	CHG	YTD
ASML Hld	ASML	45.55	+1.12	+3.76
Apple Inc	AAPL	459.68	+4.56	+54.68
Baidu	BIDU	134.53	+3.74	+18.06
Broadcom	BRCM	37.68	+0.67	+8.31
Canon	CAJ	44.21	-0.28	+0.17
Cisco	CSCO	20.09	+0.29	+2.07
CognizTech	CTSH	73.35	+0.74	+9.04
Corning	GLW	13.58	+0.64	+0.60
Dell Inc	DELL	17.66	+0.06	+3.03
EMC Cp	EMC	26.39	+0.38	+4.85
EricsonTel	ERIC	9.51	+0.36	-0.62
Google	GOOG	596.33	+11.22	-49.57
HewlettP	HPQ	29.07	+0.57	+3.31
Infosys	INFY	57.09	+1.59	+5.71
Intel	INTC	26.74	+0.46	+2.49
IBM	IBM	193.64	+2.11	+9.76
Microsoft	MSFT	30.24	+0.29	+4.28
NokiaCp	NOK	5.12	+0.30	+0.30
Oracle	ORCL	29.11	+0.30	+3.46
Qualcom	QCOM	61.06	+0.33	+6.36
SAP AG	SAP	63.17	+1.25	+10.22
TaiwSemi	TSM	14.05	+0.14	+1.14
TextInst	TXN	33.93	+0.87	+4.82
Wipro	WIT	11.47	+0.23	+1.28
Yahoo	YHOO	15.92	+0.20	-2.11

Quotable

"One report does not a trend make, but there is little doubt that U.S. economic data continues to surprise on the upside."

— Dan Greenhaus, chief global strategist at BTIG, speaking about the January employment report

StoryStocks

A stronger job market lifted the Dow Jones industrial average to its highest close since before the 2008 financial crisis. The unemployment rate in January fell to 8.3 percent, its lowest level since February 2009. Stronger hiring by companies also meant 243,000 new jobs last month, the strongest growth in nine months. Reports also showed that growth in the services industry accelerated in January and that orders from factories rose in December. The Dow rose 156.82 points, or 1.2 percent, to 12,862.23. That is its highest close since May 2008. The S&P 500 rose 19.36, or 1.5 percent, to 1,344.90. The Nasdaq rose 45.98, or 1.6 percent, to 2,905.66.

Tyson Foods TSN Close: \$19.38 ▲0.76 or 4.1% The meat company's fiscal first-quarter profit fell from last year, but it said that meat prices and revenue should rise this year.	Royal Caribbean RCL Close: \$30.59 ▲1.90 or 6.6% Jefferies kept its "Buy" rating on the cruise company, saying that any negative effects from an Italian cruise crash will be short lived.
BB&T BBT Close: \$29.12 ▲1.10 or 3.9% The regional bank said that it will acquire the insurance businesses of privately held Crump Group for \$570 million in cash.	Weyerhaeuser WY Close: \$21.30 ▲1.16 or 5.8% The lumber and real estate company's fourth-quarter net income fell 62 percent, but its results topped analysts' expectations.
Peet's Coffee & Tea PEET Close: \$67.24 ▲5.15 or 8.3% A Baird analyst upgraded the coffee company's stock and said it is set for a sharp jump in earnings growth in 2012 and 2013.	Digital River DRIV Close: \$17.89 ▲1.15 or 6.9% The online commerce technology company said its fourth-quarter net income fell, but its results beat analysts' expectations.
Take-Two Interactive TTWO Close: \$16.20 ▲0.48 or 3.1% The publisher of the "Grand Theft Auto" video games posted a drop in third-quarter revenue, but promised a stronger slate of games.	Gilead Sciences GILD Close: \$54.70 ▲5.38 or 10.9% The biopharmaceutical company's profit grew 6 percent in the fourth quarter on greater sales of its HIV drugs including Atripla.

Interestrates



The yield on the 10-year Treasury note rose to 1.92 percent Friday. Yields affect interest rates on consumer loans.

	YEST	PVS	NET CHG	WK	MO	QTR	1YR AGO
3-month T-bill	.08	0.08	...	▲	▲	▲	.14
6-month T-bill	.09	0.09	...	▲	▲	▲	.16
52-wk T-bill	.11	0.12	-0.01	▲	▲	▲	.26
2-year T-note	.23	0.23	...	▲	▲	▲	.68
5-year T-note	.77	0.71	+0.06	▼	▼	▼	2.15
10-year T-note	1.92	1.82	+0.10	▲	▲	▲	3.54
30-year T-bond	3.12	3.00	+0.12	▲	▲	▲	4.66

BONDS

	YEST	PVS	NET CHG	WK	MO	QTR	1YR AGO
Barclays LongT-BdIdx	2.61	2.49	+0.12	▲	▲	▲	4.33
Bond Buyer Muni Idx	4.54	4.54	...	▼	▼	▼	5.76
Barclays USAggregate	2.05	2.08	-0.03	▼	▼	▼	3.09
Barclays US High Yield	7.45	7.47	-0.02	▼	▼	▼	6.95
Moody's AAA Corp Idx	3.79	3.80	-0.01	▼	▼	▼	5.18
Barclays CompT-BdIdx	1.02	0.96	+0.06	▲	▲	▲	2.26
Barclays US Corp	3.38	3.41	-0.03	▼	▼	▼	4.08

Commodities

Crude oil rose on expectations for stronger demand after reports showed that the unemployment rate fell to its lowest level since February 2009 and that orders from factories rose.

	CLOSE	PVS.	%CH.	%YTD
Crude oil (bbl)	97.84	96.36	+1.54	-1.0
Ethanol (gal)	2.13	2.15	...	-3.1
Heating Oil (gal)	3.11	3.05	+0.06	+6.1
Natural Gas (mm btu)	2.50	2.		