

To: All Option Members, Member Organizations & ROTs  
 From: Market Watch  
 Date: January 18, 2008  
 Subject: PHLX Retail Index<sup>SM</sup> (XRE<sup>SM</sup>) Quarterly Rebalancing

The Philadelphia Stock Exchange, Inc. (PHLX) has determined to make the following changes to the PHLX Retail Index<sup>SM</sup> (XRE<sup>SM</sup>), before the open of business on Tuesday, January 22, 2008.

<u>Company Name</u>	<u>Stock Symbol</u>		<u>Shares</u>
American Eagle Outfitters, Inc.	AEO	99.64	508
Abercrombie & Fitch Co.	ANF	78.36	142
Ann Taylor Stores Corporation	ANN	50.4	506
Bed Bath & Beyond Inc.	BBBY	#NT/FND	370
Best Buy Co., Inc.	BBY	56	226
BJ's Wholesale Club, Inc.	BJ	42.07	351
Barnes & Noble, Inc.	BKS	45.22	363
Costco Wholesale Corporation	COST	80.8	155
CVS/Caremark Corporation	CVS	34.42	271
Dillard's Inc.	DDS	9.92	623
Dick's Sporting Goods	DKS	56	382
DSW Inc.	DSW	103.45	629
The Gap, Inc.	GPS	101.8	580
The Home Depot, Inc.	HD	78.68	381
J.C. Penney Company, Inc.	JCP	60.42	244
Nordstrom, Inc.	JWN	52.14	335
Kohl's Corporation	KSS	68.17	250
Lowe's Companies, Inc.	LOW		451
Limited Brands, Inc.	LTD		628
Macy's Inc.	M		434
Office Depot, Inc.	ODP		867
RadioShack Corporation	RSH		693
Sears Holding Corporation	SHLD		112
Staples, Inc.	SPLS		464
Target Corporation	TGT		200
The TJX Companies, Inc.	TJX		346
The Talbot, Inc.	TLB		1433
Walgreen Co.	WAG		297
Wal-Mart Stores, Inc.	WMT		210
Williams-Sonoma	WSM		470

The revised XRE<sup>SM</sup> divisor is:

**1,743.6815**

#NT/FND

Questions concerning this release should be directed to Market Watch at  
1-800-THE-PHLX, choice #2 or (215) 496-1508.