

Date: March 16, 2007

MEMORANDUM

To: All Option Members, Member Organizations & ROTs

From: Market Watch

Subject: QUARTERLY SHARES UPDATE FOR THE PHLX DRUG INDEX (RXS)

The following is an updated list of the outstanding shares of the issues comprising this sector. The Base Divisor will be announced prior to the open of business, on the effective date, March 19, 2007.

<u>COMPANY NAME</u>	<u>SECURITY SYMBOL</u>	<u>OUTSTANDING SHARES</u>
Abbott Laboratories	ABT	1,543,074 **
Amgen, Inc.	AMGN	1,167,459 **
AstraZeneca PLC	AZN	1,520,977 **
Bayer AG	BAY	764,342
Bristol Myers Squibb	BMY	2,019,481 **
GlaxoSmithKline PLC	GSK	2,873,837 **
Johnson & Johnson	JNJ	2,894,083 **
Eli Lilly & Company	LLY	1,134,034 **
Merck & Company, Inc.	MRK	2,166,483 **
Novartis AG	NVS	2,728,971
Pfizer, Inc.	PFE	7,086,916 **
Schering Plough Corp.	SGP	1,487,744 **
Sanofi-Aventis	SNY	2,719,904 **
Wyeth	WYE	1,346,170 **

**Indicates a change in outstanding shares

The revised RXS divisor is: 6,788,629

Questions concerning this release should be directed to Market Watch at (215) 496-1508.