



Stocks turn higher - waiting for Google

The Dow and S&P 500 gain on JPMorgan Chase earnings and surprise plunge in weekly jobless claims.

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NEW YORK (CNNMoney.com) -- Better-than-expected results from JPMorgan Chase and anticipation about Google's profit report later Wednesday propelled the Nasdaq composite and S&P 500.

But weakness in oil services and consumer stocks kept a lid on any gains for the Dow industrials.

The Dow Jones industrial average ([INDU](#)) added 20 points or 0.3% with less than 2 hours left in the session. The S&P 500 ([SPX](#)) index added 6 points, or 0.7%. The Nasdaq composite ([COMP](#)) added 25 points, or 1.6%.

Stocks gained Wednesday after a Federal Reserve report on the economy added to hopes that the pace of the slowdown is easing. Such hopes have helped bolster the market for nearly six weeks. Since hitting 12-1/2 year lows on March 9, the S&P 500 has risen 25% as of Wednesday's close.

But gains this week have been minimal as investors have kept an eye on the first big batch of quarterly reports and the latest on the economy.

"The market has clearly surprised everyone to the upside and I think people have to be impressed by the way its been holding on to gains this week," said David Kreinces, portfolio manager at brokerage ETF PM.

"We should see a pretty good continuation of the rally with people buying on the dips," he said. "But that's going to depend on investors grappling with the continued weakness in housing and questions about further bank writedowns."

Company news: JPMorgan Chase ([JPM](#), [Fortune 500](#)) [reported](#) a higher-than-expected profit of \$2.1 billion, although results were weaker than a year ago. The company benefited from strength in its investment and consumer banking divisions, but also posted \$10 billion in credit costs. JPMorgan shares inched higher.

Earlier in the week, Goldman Sachs also reported weaker quarterly results that nonetheless topped estimates. Wells Fargo last week forecast that it would report a \$3 billion profit.

While these reports are seen as encouraging, some analysts are concerned about the [fuzzy math](#) banks are using to report results.

Nokia ([NOK](#)) reported a more than 90% drop in operating profit versus a year ago amid the global slowdown in the mobile phone market. However, results were expected to be worse and shares rallied 10%.

Google ([GOOG](#), [Fortune 500](#)) reports results after the close of trading. Shares rose 3% ahead of the report.

Chevron ([CVX](#), [Fortune 500](#)), Exxon Mobil ([XOM](#), [Fortune 500](#)), Wal-Mart Stores ([WMT](#), [Fortune 500](#)) and Coca-Cola ([KO](#), [Fortune 500](#)) were among the Dow's biggest decliners.

Economy: New home construction [slumped](#) almost 11% last month, falling to the second lowest level on record, indicating that the housing market has not yet bottomed.

March housing starts fell to an annual rate of 510,000 units versus a revised 572,000 units in the previous month. Economists surveyed by Briefing.com thought starts would rise to 540,000 units. Building permits, a measure of builder confidence, fell to a 513,000 annual unit rate from a revised 564,000 unit rate in the previous month. Economists expected 549,000 permits.

The number of Americans filing [new claims](#) for unemployment fell to 610,000 last week from a revised 663,000 the previous week. Economists expected 658,000 new claims. Continuing claims, the number of people seeking benefits for a week or more, rose to 6.02 million, an all-time high.

The April Philadelphia Fed index improved to a decline of negative 24.4 from negative 35.0, versus forecasts for a reading of negative 32.

Bonds: Treasury [prices](#) slumped, raising the yield on the benchmark 10-year note to 2.83% from 2.76% Wednesday. Treasury prices and yields move in opposite directions. **Other markets:** In [global](#) trading, Asian markets ended mixed. European markets ended higher.

In [currency](#) trading, the dollar gained versus the euro and fell against the yen. U.S. light crude [oil](#) for May delivery rose 81 cents to \$50.06 a barrel on the New York Mercantile Exchange. Prices dropped after a government report showed weekly supplies rose more than double what was expected.

COMEX [gold](#) for June delivery fell \$13.70 to settle at \$879.80 an ounce. ■