

## US STOCKS-S&P logs 6th day of gains with earnings in view

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The S&P 500 managed a sixth consecutive day of gains on Monday to end at its closing high for the year as energy shares rose alongside the price of oil

But the market lost some strength in the afternoon and the Dow and Nasdaq ended little changed as investors opted to lock in profits before earnings season picks up steam. Volatility was heightened by light volume, with many market players away for the Columbus Day holiday.

"You're seeing prudence taking the lead here, with people starting to lock in profits in hopes we don't see a pretty big move down after some of the larger companies report over the next few days," said Michael James, senior trader at regional investment bank Wedbush Morgan in Los Angeles.

Results from major banks will be in the spotlight this week with JPMorgan Chase & Co (JPM.N ), Citigroup Inc (C.N ), Goldman Sachs Group (GS.N ) and Bank of America Corp (BAC.N ) all set to report. The S&P financial index .GSPF rose 0.9 percent.

Other major reports this week include Intel (INTC.O ) and Google (GOOG.O ). For details, see

With the last two quarters characterized by cost cutting and layoffs, analysts will be looking for signs of revenue growth from corporate reports and guidance.

"I think what everyone will key into is we've seen what you've done on the cost side of the house; tell us how and when the revenues are going to start to flow through," said Kurt Brunner, portfolio manager at Swarthmore Group in Philadelphia, Pennsylvania.

Black & Decker Corp (BDK.N ) jumped 7.6 percent to \$50.82 as the power tools maker raised its third-quarter earnings outlook, citing better-than-expected shipments.

The Dow Jones industrial average .DJI added 20.86 points, or 0.21 percent, to 9,885.80. The Standard & Poor's 500 Index .SPX gained 4.70 points, or 0.44 percent, to 1,076.19. The Nasdaq Composite Index .IXIC was off 0.14 point, or 0.01 percent, to 2,139.14.

The S&P 500 hit a 2009 intraday high of 1,079.46 before cutting gains but still racked up its longest winning streak since another six-day runup in late May and early June 2007.

Analysts said the S&P 500 faces resistance around the 1,080 level.

Chevron (CVX.N ) and Exxon Mobil Corp (XOM.N ) were among the Dow's biggest boosts as optimism about the economic recovery pushed the price of oil up 2.1 percent. Front-month U.S. crude oil futures CLc1 gained \$1.50 to settle at \$73.27 a barrel. Chevron's stock rose 1.3 percent to \$73.67 and Exxon put on 1.2 percent to \$70.13. An index of oil stocks .OIX advanced 0.8 percent.

Google rose 1.5 percent to \$524.04 after several analysts raised their price targets on the stock before its third-quarter results, due on Thursday.

Onyx Pharmaceuticals Inc (ONXX.O ) shot up 5.1 percent to \$28.26 after the company agreed to buy Proteolix for an upfront cash payment of \$276 million. An index of pharmaceutical stocks gained 0.8 percent.

Investors have taken recent M&A as further evidence that the economy is stabilizing.

Volume was light on the New York Stock Exchange, with only 946.81 million shares changing hands, below last year's estimated daily average of 1.49 billion, while on the Nasdaq, about 1.79 billion shares traded, below last year's daily average of 2.28 billion.

Advancing stocks outnumbered declining ones on the NYSE by a ratio of 8 to 7.

But the reverse trend prevailed on the Nasdaq, where seven stocks fell for every six that rose.

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