

Tech Shares Rise, Offset Worries About Housing

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U.S. technology stocks rose on March 26, pulled higher by positive broker comments on companies such as Dell, but renewed signs of weakness in the housing market snapped a five-day winning streak for the Dow.

Following the market open, new-home sales data sent the market tumbling, with the Dow Jones industrial average down more than 100 points.

But in the last hour of trading technology stocks such as Dell, Apple and eBay helped the Nasdaq turn positive, while a 0.7 percent jump in shares of Exxon Mobil helped the Dow cut some of its losses.

"The turnaround seemed to be led by a lot of technology stocks that seemed to be having strong rallies today," said John O'Brien, senior vice president at MKM Partners LLC in Cleveland.

"When a brokerage comes out and says the turnaround at Dell looks solid, that helps lift part of the overall market. Dell is a bellwether stock. It also seems there could be more mergers-and-acquisitions activity in tech in particular."

The Dow ended down 11.94 points, or 0.10 percent, at 12,469.07 - ending its longest winning streak since early February.

But the Standard & Poor's 500 Index rose 1.39 points, or 0.10 percent, to

end at 1,437.50. The Nasdaq Composite Index inched up 6.70 points, or 0.27 percent, to close at 2,455.63.

Dell shares rose 3.5 percent, or 79 cents, to \$23.62 on the Nasdaq after Goldman Sachs upgraded the computer maker's stock to "buy" from "neutral" amid calls on Wall Street for the company to cut jobs and improve profit margins.

Separately, Goldman Sachs raised its quarterly revenue outlook for Internet auctioneer eBay. The stock rose 4.4 percent, or \$1.39, to \$33.22 on the Nasdaq.

Shares of Apple, the maker of the iPod digital media player, finished up 2.5 percent, or \$2.33, at \$95.85.

But shares of bellwethers for the economy such as 3M and big consumers of fuel declined amid rising crude oil prices and concerns about housing. 3M shares were the biggest decliner on the Dow, down 0.76 percent, or 59 cents, at \$77.38 on the New York Stock Exchange.

Oil rose on fears that supplies would be disrupted as international tensions rose over Iran's nuclear program and its detention of British sailors and marines since Friday.

For the second straight month, sales of new U.S. homes fell below even the most bearish estimates, according to the government data. The 3.9 percent drop in February brought the sales rate to its lowest in nearly seven years and came amid concerns about turmoil in the subprime mortgage lending sector.

KB Home shares dropped 1.8 percent, or 87 cents, to \$45.99, while shares of Toll Brothers, another home builder, dropped 1.8 percent, or 53 cents, to \$28.85, both on the NYSE.

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