

World stocks mixed after upbeat Intel forecast

June 13 2014, by The Associated Press

(AP)—World stock markets were mixed on Friday as investors weighed disappointing U.S. economic data and upbeat forecasts from Intel, the computer chipmaker.

Sentiment has been subdued this week, particularly since a U.S. report on Thursday showed retail sales in the world's largest economy did not grow as much as expected in May. Further denting optimism was the rise in [oil prices](#), which can hurt the growth prospects for companies.

In Europe, France's CAC 40 slipped 0.2 percent to close at 4,543.28 and Germany's DAX lost 0.3 percent to 9,912.87. Britain's FTSE 100 fell 1 percent to 6,777.85.

In the U.S., however, markets managed to eke out gains after Intel said sales of computers to businesses were stronger than expected, a good sign for the broader economy. The Dow was 0.2 percent higher at 16,762.13 and the S&P 500 was up by the same rate, to 1,933.70. Shares in Intel jumped 6 percent.

Traders were monitoring developments in Iraq, where Islamic militants vowed to march on Baghdad after pushing deep into parts of the country's Sunni heartland previously controlled by U.S. forces. U.S. officials ruled out putting troops back on the ground.

"For traders often jaded by seemingly constant news of potential geopolitical risks, the situation in Iraq looks a real concern," said Ric

Spooner, chief market analyst at CMC Markets in Sydney. "Markets have been surprised by the speed and extent of rebel incursions into the south."

The U.S. benchmark oil contract for July delivery was up 8 cents to \$106.61 a barrel in electronic trading on the New York Mercantile Exchange. The contract rose \$2.13 on Thursday.

In Asia, stocks mostly rose on the news that Chinese industrial production rose 8.8 percent in May, in line with analyst expectations, while retail sales grew faster.

The latest numbers fueled hopes that recent mini-stimulus measures by authorities will prevent the economy from slowing too sharply.

"The overall May data confirmed moderate recovery in the economy in the second quarter," economists at JP Morgan wrote in a research report.

Japan's benchmark Nikkei 225 recouped earlier losses to close 0.8 percent higher at 15,097.84. South Korea's Kospi lost 1 percent to end at 1,990.85.

Hong Kong's Hang Seng climbed 0.6 percent to 23,319.17 and the Shanghai Composite Index in mainland China added 0.9 percent to 2,070.71. Australia's S&P/ASX lost 0.4 percent to 5,405.10.

In currencies, the euro slid 0.2 percent to \$1.3529 while the pound rose 0.2 percent against the dollar to \$1.6964, nearing a 5-year after the Bank of England hinted it could raise interest rates sooner than previously expected.

The dollar rose 0.4 percent against the yen, to 102.06 yen.

© 2014 The Associated Press. All rights reserved.

Citation: World stocks mixed after upbeat Intel forecast (2014, June 13) retrieved 18 April 2024 from <https://phys.org/news/2014-06-world-stocks-upbeat-intel.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.