

Intel rises following revenue forecast, dividend boost

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Intel stock climbed Thursday after the chipmaker said it expects its revenue to grow again next year and raised its quarterly dividend.

Shares of Intel Corp. advanced \$1.14, or 3.4 percent, to \$34.30. That was their biggest gain since early September. Intel was the biggest gainer among Dow Jones industrial average stocks, as the Dow finished the day slightly slower.

Intel said it expects its annual revenue to rise by a percentage in the mid-single digits. That's similar to analyst projections and it represents an improvement from 2015, as Intel expects its revenue to fall about 1 percent this year. The company also said it will boost its capital spending to \$10 billion next year, far above its estimate of \$7.3 billion in 2015. That estimate includes \$1.5 billion in spending on memory products.

The Santa Clara, California, company plans to raise its quarterly dividend to 26 cents from 24 cents.

Intel's business has struggled because consumers and companies are buying fewer of its PCs and more smartphones and tablets that use chips made by Intel's competitors. But recently the company has enjoyed more success with chips that it makes for bigger computers that run in corporate data centers and "cloud computing" operations. While Intel's third-quarter profit and revenue slipped, the results were stronger than expected.

Intel is currently forecasting \$55.31 billion in revenue in 2015. If that holds up, it would be the second time in three years that its annual revenue has fallen.

According to FactSet, analysts expect Intel's revenue to grow about 4 percent in 2016.

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