

BUSINESS & FINANCIAL OVERVIEW

Tech Stocks Lead Broad Based Rally On Wall Street - U.S.

After recovering from an initial move to the downside, stocks moved sharply higher over the course of the trading session on Thursday. With the rally on the day, the Nasdaq and the S&P 500 reached their best closing levels in well over five months. The major averages ended the day firmly in positive territory but off their highs of the session. The Dow climbed 216.84 points or 0.8 percent to 25,962.51, the Nasdaq surged up 109.99 points or 1.4 percent to 7,838.96 and the S&P 500 jumped 30.65 points or 1.1 percent to 2,854.88.

Technology stocks helped to lead the substantial upward move on Wall Street, contributing to the significant advance by the tech-heavy Nasdaq. Apple (AAPL) posted a standout gain, jumping by 3.7 percent after Needham upgraded its rating on the company's stock to Strong Buy from Buy, citing "value upside" in Apple's ecosystem.

The rally on Wall Street also came as a batch of largely upbeat U.S. data offset economic concerns raised by the Federal Reserve no longer forecasting interest rate hikes this year. Before the start of trading, the Labor Department released a report showing a bigger than expected drop in initial jobless claims in the week ended March 16th.

The report said initial jobless claims dropped to 221,000, a decrease of 9,000 from the previous week's revised level of 230,000. Economists had expected jobless claims to dip to 225,000 from the 229,000 originally reported for the previous week. A separate report from the Philadelphia Federal Reserve showed regional manufacturing activity rebounded more than expected in March after an unexpected contraction in February.

Additionally, the Conference Board also released a report showing a slightly bigger than expected increase by its reading on leading U.S. economic indicators. The Conference Board said its leading economic index edged up by 0.2 percent after revised data showed no change in January. Economists had expected the index to inch up by 0.1 percent.

Semiconductor stocks have moved substantially higher over the course of the trading session, driving the Philadelphia Semiconductor Index up by 3.5 percent to a one-year closing high. Chipmaker Micron (MU) led the sector higher after reporting fiscal second quarter results that beat expectations on both the top and bottom lines.

Considerable strength was also visible among computer hardware stocks, as reflected by the 3.1 percent jump by the NYSE Arca Computer Hardware Index. The index reached its best closing level in over four months. Housing stocks also moved significantly higher on the day, with the Philadelphia Housing Sector Index surging up by 2.4 percent.

Software, networking, commercial real estate, and transportation stocks also saw notable strength, while banking stocks were among the few groups to buck the uptrend.

