

Dow's Surge: 452.51 Points in 3 Days

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Upbeat data on jobs and retail sales helped push stocks to a third consecutive gain.

The Dow Jones Industrial Average, after a late-day surge, ended up 120.71 points, or 1.20%, at 10138.99, marking a strong three-day rebound after a bruising pre-July 4 week driven by doubts about the pace of the global economic recovery.

For the holiday-shortened week so far, the Dow has gained 452.51 points or 4.7%. That puts the measure back around where it was at the beginning of last week. The Standard & Poor's 500-stock index rose 9.98 points, or 0.94%, to 1070.25.

Investors were cheered by some strong June sales reports from retailers even though the best results were buoyed by aggressive promotions. Abercrombie & Fitch jumped 7.8% after same-store sales rose 9%, beating analysts' 5.5% estimate. Limited Brands gained 2.2% after reporting strong sales, while Walgreen rose 3.6%

A large drop in the number of workers filing new claims for unemployment benefits also boosted the market, though some analysts were reluctant to read too much into the data.

Sal Arnuk, co-head of equity trading at Chatham, N.J., brokerage **Themis Trading LLC**, attributed the week's gains to computer-driven stock trading.

"This is a big vacation week, but the computers and servers are still cranking them out," he said. "These are what are really driving the numbers, in our opinion."

There are other potential drivers of large market moves. Credit Suisse analyst Ana Avramovic wrote in a note to clients that, beginning last month, trading volumes by exchange-traded funds were increasingly bunching up in the final half-hour.

With volatility on the rise, Ms. Avramovic said, "traders may be trying to adjust positions prior to the close in order to reduce the risk they hold overnight, and ETFs are a prime tool for quickly adjusting exposures."

Thursday's finish seemed to follow that pattern, with the Dow hovering around 10060 before shooting up almost 80 points in the final 45 minutes.