



Stocks try to move higher

But major gauges remain mixed on housing start reading, weak Best Buy outlook and lower oil prices.

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NEW YORK (CNNMoney.com) -- Stocks made a run into positive territory but remained mixed Tuesday afternoon as investors weighed a mixed housing starts report, a dim Best Buy earnings forecast and a drop in the price of oil below \$69 a barrel.

The Dow Jones industrial average edged higher about 2-1/2 hours remaining in the session. The broader S&P 500 index rose 0.1 percent while the tech-laden Nasdaq composite index edged lower.

In the latest from the battered real estate sector, the Commerce Department reported that housing starts fell to an annual rate of 1.47 million in May, down from 1.53 million in April - a hair below economists' estimates, according to a survey by Briefing.com.

One bright spot in the report was applications for building permits. A key sign of builder confidence, permits came in at an annual rate of 1.5 million, up from 1.46 million last month and beating the projected 1.47 million.

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Even though the housing market's woes look like they'll drag on longer than many economists had initially expected, the drag on the economy so far doesn't appear that severe.

"I guess the main question is what impact is the housing market having on the overall economy and it doesn't appear to be very much," said Richard Hoyt, a market strategist for the Minneapolis-based KDV Wealth Management.

Treasury yields eased Tuesday after soaring to a five-year high last week, as the benchmark yield on the 10-year note fell to 5.09 percent from 5.14 percent late Monday. Bond prices and yields move in opposite directions.

Investors have been especially jittery recently about economic growth, inflation and ultimately whether the Federal Reserve will have to raise interest rates sometime this year.

Oil prices ticked lower after hitting a nine-month high on Monday. U.S. light crude oil for July delivery sank 29 cents to \$68.80, after climbing more than a dollar the previous session to the highest level since September.

In earnings news, Best Buy reported lower quarterly profit that missed estimates. The electronics retailer also issued a full-year forecast that disappointed Wall Street, sending shares sliding about 5.2 percent Tuesday.

Elsewhere on the corporate front, Yahoo announced late Monday that Terry Semel would step down as CEO, to be replaced by company co-founder Jerry Yang. The stock was down over 1 percent in midday trade.

Expedia stock jumped about 14 percent Tuesday after the online travel company announced a \$3.5 billion buyback of more than a third of its shares.

The Food and Drug Administration granted priority review for Bristol-Myers Squibb Co.'s experimental breast cancer drug ixabepilone, the company said Tuesday, pushing up its shares 4.8 percent in afternoon trade on the New York Stock Exchange.

The home improvement retailer Home Depot is close to announcing a deal to sell its supply division for more than \$10 billion to a group of private equity firms, Reuters reported.