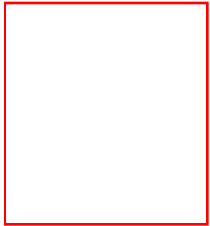


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Updated from 4:07 p.m. EDT Stocks in New York pulled back sharply Wednesday as a decline in commodities and renewed credit-related fears left Wall Street unable to follow through on the mammoth rally that took place in the prior session. Following a back-and-forth morning, a steady decline turned into a steep selloff in the afternoon. The **Dow Jones Industrial Average** closed with a loss of 293 points, or 2.4%, to 12,099.66, wiping out more than half of the index's 420-point surge Tuesday. The **S&P 500** sank 32.32 points, or 2.4%, to 1298.42, and the **Nasdaq Composite** plunged 58.3 points, or 2.6%, to 2209.96. Commodity stocks were among the worst performers in the rout. Dow names **AlcoaAA**, **ChevronCVX** and **Exxon MobilXOM** were some of the weakest of the 30 index components. "It seems we are in a rinse-and-repeat cycle," said Steven Sheldon, CFA and principal with SMS Capital Management. "Every time the market shoots back up people think the worst is over, and then they want to jump back in, only to be disappointed." "The only difference now," he said, "is that we are certainly further along in the financial crisis." Kenny Landgraf, president and founder of Kenjol Capital Management, pointed out that since the markets will be closed for Good Friday, traders may be starting to pare back their positions for fear of what may happen between now and Monday. "Given what happened last weekend, people don't want to be hanging out there, exposed for a three-day weekend," Landgraf said, referring to the rapid collapse of **Bear Stearns BSC** a few days ago. Overall, stocks' breadth was poor. Roughly 5.4 billion shares changed hands on the **New York Stock Exchange**, and the Nasdaq saw volume reach 2.32 billion shares, as decliners outpaced advancers 7 to 3. The declines came as futures in crude oil and gold finally pulled back in earnest after their weeks-long run into record-breaking territory. Crude finished down \$4.94 to \$104.48 a barrel even after the U.S. Energy Information Administration reported that crude stockpiles were up by a fraction of what analysts were looking for, rising by just 200,000 barrels last week to 311.8 million. "It's about time," said James Williams, an economist with energy-research firm WTRG Economics, on the drop in crude. "If you look at total petroleum consumption, it's down 3.2% from a year ago, and that's clearly reflective of a weaker economy. And in the last 30 years, we do not have an example of a U.S. recession that was not accompanied by a drop in oil prices." He added, "It certainly could be the beginning of a correction, and a return to more fundamental numbers, which would put you to \$80 [per barrel] at best." At the same time, gold futures tumbled \$61.60 to \$942.60 an ounce, sending down shares of miners **Barrick Gold ABX**, **Goldcorp GG**, and **Newmont Mining NEM** by 4.3% or more. "This is quite a hefty pullback," said Bart Melek, global commodities strategist with BMO Capital Markets. He believes the selloff was triggered after the **Federal Reserve** cut the fed funds target rate by just 75 basis points yesterday, which was less than the full point the market anticipated.

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