

Techs manage gains

by CNNMoney.com

Advance in select stocks gives Nasdaq composite a boost; blue-chip averages flatten out; commodity prices and stocks slide.

NEW YORK (CNNMoney.com) -- Technology shares advanced Monday, giving a boost to the Nasdaq composite, but the broader market drifted at the end of a choppy session.

The Nasdaq composite (up 6.88 to 2,172.67, [Charts](#)) added 0.3 percent, according to early tallies. The Standard & Poor's 500 (up 0.15 to 1,299.07, [Charts](#)) index and the Dow Jones industrial average (down 0.08 to 11,392.03, [Charts](#)) both ended just above unchanged.

All three major gauges had slumped in the morning and recovered some in the afternoon, led by an advance in the tech sector.

Treasury prices slid, raising the corresponding yields. The dollar was mixed versus other major currencies.

Oil and gold prices slid.

Here's a look at what was moving near the close.

Monday's market

Discouraging corporate news from Dell had sent stocks lower in the morning. Worries about the economy in the wake of a big sell-off in commodities had added to the selling.

But stocks recovered some in the afternoon.

"It's a bit of a carryover from Friday, where stocks fell in the morning, and then recovered in the afternoon," said Chris Johnson, market strategist at Schaeffer's Investment Research.

"The Nasdaq was hit harder than the other averages last week," he added, "so you're seeing that bounce today, even in the wake of the Dell news."

However, broader concerns about the economy are unlikely to disappear at the start of what is likely to be a very choppy week for stocks.

"I would expect a lot of volatility this week because you have a tremendous amount of important economic numbers coming out," said Barry Hyman, equity strategist at EKN Financial Services.

Reports include Tuesday's trade balance data; retail sales and business inventories on Thursday; and consumer prices and manufacturing on Friday.

Investors will be scouring the reports for clarity regarding the economy, specifically whether it is still growing but not so much so as to push up inflationary pressures.

Stocks are also bound to be volatile this week ahead of Friday's quadruple options expiration, a quarterly event in which stock index futures and options and individual stock futures and options all expire simultaneously.

The process can contribute to increased volatility in the underlying stocks, in the days leading up and the day of the expiration.

Stocks rallied Friday after a bumpy start to September, as investors welcomed falling oil prices and soothing comments from a Federal Reserve official regarding inflation and interest rates.

In other news, Monday marks the five-year anniversary of the Sept. 11 attacks. ([Full story](#)).

Among the industries hurt by the attacks, five years later, airlines still struggle. ([Full story](#)).

Dell and other movers

Dell (down \$0.46 to \$21.19, [Charts](#)) said it would delay filing its quarterly results after a Securities and Exchange Commission probe revealed possible accounting errors in prior quarters. The PC maker also said that because of these developments, it would suspend its share buyback program. Dell shares lost 2 percent.

Meanwhile, Europe's regulatory arm is looking into whether Intel (down \$0.06 to \$19.39, [Charts](#)) encouraged Europe's largest electronics retailer not to sell computers that use chips made by its rival, Advanced Micro Devices (down \$0.14 to \$25.66, [Charts](#)). The probe was an extension of an ongoing investigation into Intel that began in 2001.

Intel shares were little changed after falling in the morning.

Hewlett-Packard's board of directors held an emergency meeting over the weekend, yet no news has emerged on whether embattled chairwoman Patricia Dunn will be asked to resign. Dunn has been under criticism for her role in an internal probe of HP's board that allegedly used illegal methods to spy on directors and some journalists.

HP (up \$0.27 to \$36.36, Charts) shares inched higher.

But other big tech shares gained, with Oracle (up \$0.35 to \$16.26, Charts), JDS Uniphase (up \$0.00 to \$2.08, Charts) and Nortel Networks (up \$0.11 to \$2.25, Charts) all rising.

Freescale Semiconductor (up \$6.23 to \$36.98, Charts) jumped almost 20 percent in active New York Stock Exchange trade on news that two private equity groups are looking to buy the company for about \$16 billion.

Market breadth was negative. On the New York Stock Exchange, decliners narrowly beat advancers on volume of 1.37 billion shares. On the Nasdaq, losers edged winners 8 to 7 on volume of 1.45 billion shares.

Oil, gold prices and stocks fall

Fluctuations in the oil market had a mixed impact on the stock market Monday as investors struggled to gauge what the declines said about the economic outlook.

Oil prices initially slumped around \$1.50 before recovering and moving higher in the afternoon, then slid again near the end of the session.

Oil stocks have been edging downward over the past week, and investors have been trying to determine what that means for the market and the economic outlook.

"On one hand, it could be seen as good for consumer spending, good in terms of relieving inflationary pressures," Hyman said. "But the market is also starting to make the case that with the bond market suggesting a recession, maybe the price of oil and gold is falling because global demand is slowing."

One advantage of money coming out of oil and gold stocks - which have led the advance over the last few years - is that it could bring more money into growth sectors like tech.

U.S. light crude oil for October delivery fell 65 cents to \$65.60 a barrel on the New York Mercantile Exchange. Oil prices had fallen even more in the morning after oil cartel OPEC vowed to keep production at current levels to help drop prices worldwide.

Exxon Mobil (down \$1.83 to \$64.98, Charts) lost 2.8 percent, and the Amex Oil (down 26.31 to 1,063.93, Charts) index fell 2.6 percent.

Natural gas stocks fell, too, sending the Amex Natural Gas (Charts) index down 2.4 percent.

COMEX gold for December delivery slumped \$19.50 to \$597.80 an ounce.

Gold stocks slumped as well, with the Amex Gold Bugs (down \$25.62 to \$312.35, Charts) index losing almost 7 percent.

Silver stocks also fell, sending the iShares Silver Trust (down \$10.43 to \$110.87, Charts) index down 8.7 percent.

Aluminum makers Alcoa (down \$1.49 to \$27.19, Charts) and Alcan (down \$2.19 to \$41.50, Charts) both tumbled as well.

Investors also took in morning comments from Boston Federal Reserve President Cathy Minehan, who said that the risks of slower economic growth and higher pressure on inflation have both risen this summer, making the Federal Reserve's job trickier.

Minehan is not a voting member of the Fed's policy-making committee

Treasury prices were lower, with the yield on the 10-year note rising to 4.80 percent from 4.77 percent late Friday. Bond prices and yields move in opposite directions.

In currency trading, the dollar rose versus the yen and fell versus the euro.

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