

## Stocks Are Mixed in Quiet Trading

by AP-News

NEW YORK — Stocks were narrowly mixed in quiet trading Friday as investors awaited further signs about the health of the economy. Falling oil prices and a contract win for Boeing Co. offered some support to the market.

Energy and materials stocks were weaker Friday, while utilities and financials fared better and generally moved higher. The muted trading Friday followed a sell-off Thursday after Democrats wrested control of Congress from Republicans and touched off concern about sectors from health care to defense.

"Oil prices have fallen off a bit and that's a positive but there just doesn't seem to be anything to give the markets a boost," said Ed Peters, chief investment officer at PanAgora Asset Management Inc. "I think the market is just taking a rest here."

In late afternoon trading, the Dow Jones industrial average fell 7.92, or 0.07 percent, to 12,095.38.

Broader stock indicators were higher. The Standard & Poor's 500 index was up 0.56, or 0.04 percent, at 1,378.89, and the Nasdaq composite index was up 8.95, or 0.38 percent, at 2,384.96.

Bonds rose, with the yield on the benchmark 10-year Treasury note falling to 4.58 percent from 4.63 percent late Thursday. The dollar was mixed against other major currencies, while gold prices fell.

Light, sweet crude was down \$1.55 at \$59.61 a barrel on the New York Mercantile Exchange after the International Energy Agency lowered its forecast for worldwide demand this year.

Peters contends Wall Street will need economic news to really move the markets now that earnings season is largely over. He cited such news as minutes from the Federal Reserve's last meeting, which are set for release next week. Retail sales figures are also due next week.

"I think there is still a concern that interest rates will be rising, that the Fed will tighten further," he said. Investors want the economy to show adequate signs that it is slowing so the central bank will lower short-term interest rates.

Boeing won out over Lockheed Martin Corp. and United Technology Corp.'s Sikorsky division in securing a contract worth as much as \$13 billion to build combat search and rescue helicopters for the U.S. Air Force. Boeing was up 66 cents at \$85.77, while Lockheed was up 47 cents at \$85.84 and United Technologies was up 9 cents at \$65.

In other corporate news, insurance company American International Group Inc. rose \$1.81, or 2.7 percent, to \$69.85 after its third-quarter profit more than doubled due to higher sales and a quiet hurricane season.

Tanox Inc., a drug developer, jumped \$6.04, or 44.3 percent, to \$19.68 after it agreed to be acquired by pharmaceutical company Genentech Inc. for \$919 million. As is typical for companies making the acquisition, Genentech fell and was down 32 cents at \$81.03.

Hormel Foods Corp. rose 93 cents, or 2.7 percent, to \$35.76 after the meat processor raised its forecasts for the fourth-quarter as well as 2006 and 2007 amid strength in its specialty foods division.

InfoSonics Corp., which makes mobile phones, fell \$1.46, or 25.2 percent, to \$4.34 after its third-quarter profit fell from the year-earlier period, which benefited from a gain.

Advancing issues outnumbered decliners by about 3 to 1 on the New York Stock Exchange, where volume came to 1.08 billion shares compared with 1.38 billion traded at the same point Thursday.

The Russell 2000 index of smaller companies was up 5.39, or 0.71 percent, at 767.45.

Overseas, Japan's Nikkei stock average closed down 0.53 percent. Britain's FTSE 100 closed down 0.37 percent, Germany's DAX index was down 0.01 percent, and France's CAC-40 was down 0.02 percent.

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