

# REUTERS

## Wall Street rallies and Apple approaches \$1 trillion value

By Noel Randewich  
May 10, 2018

(Reuters) - Wall Street jumped on Thursday, and Apple inched closer to a \$1 trillion stock market value, as tepid inflation data eased worries of faster U.S. interest rate hikes this year.

Fueled by a \$100 billion buyback plan unveiled last week, Apple rose 1.43 percent to a record high close of \$190.04, lifting the S&P 500 more than any other stock. The iPhone maker is about 7 percent away from becoming the first company ever to have a market capitalization of \$1 trillion.

The U.S. Labor Department's consumer price index increased 0.2 percent in April, less than economists' expectations, as rising costs for gasoline and rental accommodation were tempered by a moderation in healthcare prices.

Core CPI, which excludes food and energy components, edged up 0.1 percent in April, slower than the previous two months, and did little to alter traders' expectations of a June rate hike. [MMT/]

A higher inflation number could have increased fears of more aggressive interest rate hikes by the U.S. Federal Reserve.

**"The CPI came in at a level where it's not so alarming as far as what the Fed is thinking," said Mark Kepner, an equity trader at Themis Trading in Chatham, New Jersey. "There's comfort that the Fed won't have to move too quickly."**

The U.S. stock market rallied broadly, with all 11 major S&P sectors posting gains.

With investors setting aside concerns about a trade war with China, the S&P 500 has risen 3.55 percent in the past week, its strongest five-session showing since February. The S&P 500 reclaimed its 100-day moving average for the first time since April 19, suggesting to some traders that the market may move higher.

The Dow Jones Industrial Average rallied 0.8 percent to end at 24,739.53 points, while the S&P 500 gained 0.94 percent to 2,723.07, its highest level since mid-March.

The Nasdaq Composite added 0.89 percent to 7,404.98.

CenturyLink gained 7.54 percent after its first-quarter report. That helped the telecoms sector jump 1.9 percent, more than any other sector.

AXA Equitable Holdings, the U.S. division of French insurer AXA, rose 1.7 percent in its market debut. Although its offering raised less than targeted, it was still the biggest U.S. IPO this year.

The top losers on the S&P 500 included Victoria's Secret owner L Brands, which fell 7.15 percent, and Booking Holdings, formerly called Priceline, which dropped 4.74 percent. Both companies gave disappointing outlooks.

Advancing issues outnumbered declining ones on the NYSE by a 2.57-to-1 ratio; on Nasdaq, a 1.65-to-1 ratio favored advancers.

The S&P 500 posted 37 new 52-week highs and two new lows; the Nasdaq Composite recorded 165 new highs and 36 new lows.

Volume on U.S. exchanges was 6.7 billion shares, compared with the 6.6 billion-share average over the last 20 trading days.

Additional reporting by Sruthi Shankar and Savio D'Souza in Bengaluru; editing by Chizu Nomiyama and Jonathan Oatis