

CLM Latest on Stocks
HD **U.S. Stocks End Lower**

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NEW YORK--U.S. stocks ended lower on Tuesday, as the market paused in its recent run to record highs.

While the S&P 500 has carved out a series of record highs, traders and investment managers say the market is in a holding pattern until they can get a clearer picture of the U.S. economy's strength. Meanwhile, they're keeping an eye on developments in Ukraine and the pace of growth in **China**, but making little in the way of major new bets.

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Stocks traded little changed for most of the session until a late-afternoon swoon took the benchmark indexes down to the day's lows before they recovered slightly.

The Dow Jones Industrial Average lost 67.43 points, or 0.4%, to end at 16351.25. The Dow was down as many as 93.51 points in intraday trade.

The S&P 500 index lost 9.54 points, or 0.5%, to 1867.63, while the Nasdaq Composite Index gave up 27.26 points, or 0.6%, to 4307.19.

The S&P 500 has gained 0.4% so far in March, after running up 4.3% in February, and it is hovering within range of Friday's record closing high of 1878.04. The Dow was 1.4% away from its Dec. 31 record high of 16576.66.

Tuesday's decline occurred in light volume and wasn't based on any news event, traders said.

Ian Winer, director of **equity** trading at Wedbush Securities, said there wasn't much going on in the market to indicate that the afternoon weakness is anything other than just "typical market gyration."

"We're just bouncing around in a range," Mr. Winer said. "We're in this period, where we're waiting to see what the next big thing is going to be."

Sam Wardwell, investment strategist at Pioneer Investments, which oversees about \$230 **billion**, said that while the situation in Ukraine remains a downside risk, barring military action by Russia, continued improvement in the economy should support further gains. He has been telling clients there is no need to be reducing exposure to stocks at the moment.

"There's no need to take risk off. Do not get defensive now. The market is not imbalanced," Mr. Wardwell said. "As long as we don't have gunshots [in Ukraine], the market will be pretty calm."

On the economic front, wholesale inventories for January rose 0.6% on the month, topping expectations of a 0.4% increase. The National Federation of Independent Business's small-business optimism index for February came in at 91.4, down from 94.1 in January and missing expectations of 93.4.

Krishna Memani, chief investment officer of OppenheimerFunds, which has \$237 **billion** in assets under management, said the market has settled down after a volatile two months and stocks could hold close to current levels for a few more weeks as investors await further readings on the economy.

"We're waiting to see what is the real underlying growth rate of the economy," Mr. Memani said. "We have a fairly stable picture. We need new data points to drive the market."

In general, Mr. Memani said clients haven't been moving money in or out of stocks recently, but "they are just shifting positions" they already own.

The yield on the 10-year Treasury note inched lower to 2.767% from 2.784% late Monday.

Gold futures gained 0.4% to settle at \$1,346.50 an ounce. Crude-**oil** futures fell 1.1% to \$100.03 a barrel, after falling 1.4% on Monday.

The dollar lost some ground against the yen while strengthening slightly against the euro.

European markets were mixed, with the Stoxx Europe 600 edging fractionally higher to snap a three-session losing streak.

Russia's Micex shed 2.3%, and has lost 9.4% so far this month.

Asian markets were mostly higher. Japan's Nikkei Stock Average gained 0.7% after the Bank of Japan left its highly-stimulative monetary policy unchanged. **China's** Shanghai Composite edged up 0.1%.

In corporate news, Jos. A. Bank Clothiers gained 3.9% after agreeing to be acquired by Men's Wearhouse for about \$1.8 **billion**, ending a contentious takeover battle between the rival men's suit retailers. Men's Wearhouse rose nearly 5%.

Dow component McDonald's Corp. rose 3.8% after Chief Financial Officer Pete Bensen said at a conference presentation that the **company** was pushing to stabilize its U.S. operation after four straight months of falling same-store sales.

General Motors slid 5.2% after the auto maker stepped up an internal investigation, seeking to answer mounting questions over why it took nearly a decade to recall 1.6 **million** vehicles for faulty ignitions linked to 13 deaths.

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