Growth, spending figures lift stocks

By Matthew Craft
Associated Press

NEW YORK — Slightly better economic growth and stronger housing sales nudged the stock market higher Wednesday. The Dow Jones industrial average managed a four-point gain.

The U.S. economy expanded at a 1.7 percent annual rate from April through June thanks to rising consumer spending and exports. That's an improvement from the initial estimate of 1.5 percent, but not enough to put a dent in the jobless rate.

The National Association of Realtors said its index of sales for previously owned homes increased 2.4 percent in July, reaching its highest level since April 2010, the last month buyers could qualify for a federal tax credit.

"It's a mixed message overall," said JJ Kinahan, chief derivatives strategist at TD Ameritrade. "We all know we need 2 percent (economic) growth. And you can't continue to improve on housing if the unemployment picture doesn't improve. At some point, the numbers have to match."

The Dow added 4.49 points to close at 13,107.48. The Standard & Poor's 500 index added 1.19 points to 1,410.49, while the Nasdaq composite index gained 4.05 points to 3,081.19.

Crude oil lost 84 cents to finish at $95.49. Hurricane Isaac made landfall Tuesday night, but its winds and rain aren't expected to cause extensive damage to oil production and refinery operations in the Gulf of Mexico.

Markets have slipped into a late-summer lull. Indexes have barely budged amid some of thinnest trading days this year. After three days of minuscule moves, the S&P 500 index is down less than one point for the week.