▼ $29.10 SCANSOURCE
▼ $7.02 BANK OF AMERICA
▼ $32.78 SYNNEX
▼ $46.49 FLUOR
▼ $85.52 CATERPILLAR

Jobs report tanks stocks

Poor job creation, hiring create market stampede

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Wall Street regurgitated most of what was left of its gains for the year after Friday's dreadful jobs report showed scant hiring across the nation in May.

An hour before the markets opened, the Labor Department said that U.S. employers added just 69,000 jobs in May, the fewest in a year, with the jobless rate ticking up to 8.2 percent from 8.1 percent. Economists had predicted a gain of 158,000 jobs.

The unemployment report, the key economic indicator every month, also revealed that hiring in March and April was considerably weaker than originally thought.

That sent stocks down for their worst day of the year, with the Dow industrials tumbling 275 points, its biggest one-day dive since November.

Both the Standard & Poor's 500 index and the Nasdaq composite index dropped more than 3 percent, with the Nasdaq down more than 10 percent since its peak. It is now in what market analysts term a correction.

The Dow is down 0.8 percent for the year, and down more than 8 percent the past two months. The S&P 500 and Nasdaq are both barely up for the year.

Stocks of local interest generally behaved like the rest of the market. ScanSource was off 87 cents to $29.10, Bank of America fell 33 cents to $7.02, Synnex lost 57 cents to $32.78, Fluor finished down 39 cents to $46.49, and Caterpillar dropped $2.10 to $85.52.

John Silvia, chief economist at Wells Fargo Securities, said that employment gains "remain disappointing compared to prior economic recoveries."

The stampede away from stocks kept the bond rally going, with the yield on the 10-year Treasury note hitting another record low. Meanwhile, gold prices spiked $50 an ounce.