Markets hit new high on fed plan

Investors jump back into stocks as $600 billion stimulus sparks rally

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Stocks sparkled Thursday as investors cheered the Federal Reserve's announcement of a $600 billion plan to boost the struggling economy.

Major stocks indexes closed at their highest levels of the year.

The Dow Jones Industrial Average rose 219.71 points, or nearly 2 percent, to close at 11,434.84. The broader S&P 500-stock index rose 23.10 points, or 1.93 percent, to 1,221.06. The technology-heavy Nasdaq Composite gained 37.07 points, or 1.46 percent, to 2,577.34.

In stocks of local interest, Fluor Corp. was up 24 cents to $49.80, ScanSource Inc. gained $1.02 to $30.22, and World Acceptance added 42 cents to $43.52.

Also, Ford Motor Co. was up 68 cents, or 4.5 percent, to $15.86. The automaker said its U.S. sales rose 19.2 percent in October, thanks to robust demand for its trucks and small cars.

And Whole Foods Market Inc. jumped $6.20, or 15.1 percent, to $47.27. Shares hit their highest point since 2007, and the grocer raised its guidance for the year.

Shares of major retailing companies also were sharply higher. Gap Inc. rose 6 percent while Macy's Inc. advanced 6.6 percent.

Wednesday, the Federal Reserve announced it plans to buy $600 billion in bonds in an effort to spur spending and ultimately lower the unemployment rate.

Much of Thursday's gains came as a result of the government's effort to stimulate the economy, said Joe Kinahan, the chief derivatives strategist at TD Ameritrade.

Economists say

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Carolina's economy is trying to lurch forward but is being hampered by a stubbornly high unemployment rate.

According to the South Carolina Department of Employment and Workforce, the state's jobless rate dropped to 11 percent in September, the latest month available, from a revised rate of 11.1 percent in August.

Over the month, the number of employed persons increased by 6,219, or 0.3 percent, and the number of unemployed declined by 652, also 0.3 percent. That resulted in an increase in the labor force, employed plus unemployed, of 5,567 to 2,153,870, state officials said.

Nationally, the September unemployment rate was unchanged at 9.6 percent.

Last week, Mark Vitner and Tim Quinlan, economists for Wells Fargo Securities, said, "The biggest drag on current economic conditions is the stagnant job market."

They said the percentage of consumers reporting jobs were hard to get in October rose 0.3 percentage points to 46.1 percent, while the percentage of consumers reporting jobs were plentiful fell by the same amount to 3.5 percent.

The Fed's plan will increase the supply of dollars held by banks and most likely push the value of the currency down.

The dollar is at its lowest level since December 2009 against a broad basket of currencies, and was down 0.8 percent against that index Thursday. Energy prices jumped, sending oil up $1.80 to $86.49.

On the New York Stock Exchange, five stocks rose for every one that fell Thursday.