Positive signs give investors new hope

Home sales, bank rescue push stock indexes up 7 %

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Stocks soared Monday, with a double dose of encouraging news sending the Dow Jones industrials up almost 500 points.

Investors were encouraged by the government's plan to remove so-called "toxic" assets from banks books and an unexpected increase in home sales.

All the most widely followed indicators were up about 7 percent. The 30-stock Dow climbed 497.48 to 7,775.86, its best finish in more than a month and the biggest one-day gain since Nov. 13.

The Standard & Poor's 500 index moved up 54.38 to 822.92, while the Nasdaq composite index rose 98.50 to 1,555.77

More than 10 stocks rose for every one that fell on the New York Stock Exchange.

The day's results prolonged a rally that began a couple of weeks ago when Citigroup Inc. said it had operated at a profit in January and February.

The Treasury Department announced Monday that its asset cleanup program would draw money from the government's $700 billion rescue fund and involve the Federal Reserve, the Federal Deposit Insurance Corp. and private investors.

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