Housing makes a comeback



AP

Home prices in major U.S. cities have risen for the first time in eight months, boosted by an annual flurry of spring buyers.

Rising home prices lift Dow

Investors hope for Greek solution

By Fancesca Levy
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NEW YORK — News that U.S. home prices rose for the first time in eight months sent stocks higher Tuesday morning.

Home prices rose in April in 13 of the 20 cities tracked by the Standard & Poor's/Case-Shiller index.

The index hit record lows in March.

Falling home prices and foreclosures have been a drag on the U.S. economic recovery.

The Dow Jones industrial average rose 80 points, or 0.7 percent, to 12,12 in early trading. The Standard & Poor's 500 index rose 8, or 0.6 percent, to 1,288. The Nasdaq composite rose 19, or 0.7 percent, to 2,706.

Investors are hoping Greece can avert a debt default as lawmakers there debate new austerity reforms.

Greece must pass the cost-cutting measures before the European Union and International Monetary Fund can release the next installment of emergency loans.

Without the funds, Greece is likely to default on its debt. That could cause credit to seize up in other European countries that also have heavy debt loads such as Portugal and Spain.

On Monday, a decision by French banks to give Greece more time to pay its debts offered hope that Greece would find a way out of its crisis.

Investors weren't fazed by a report from a private research group that U.S. consumer confidence slipped to a seven-month low, largely because of jobs worries.

Nike Inc. rose nearly 8 percent after the sneaker maker reported that its earnings jumped 14 percent, beating analyst expectations.

Tobacco company Altria Group fell 2 percent after the Food and Drug Administration announced it is reviewing research to determine the public health impact of menthol cigarettes.