S&P 500 at 5-year high

Jobs report gives stocks an early lift

Associated Press

NEW YORK — The Standard & Poor's 500 closed at its highest in five years Friday after a report showed that hiring held up in December, giving stocks an early lift.

The S&P 500 finished up 7.10 points at 1,466.47, its highest close since December 2007.

The index began its descent from a record close of 1,565.15 in October 2007, as the early signs of the financial crisis began to emerge. The index bottomed out in March 2009 at 676.53 before staging a recovery that has seen it more than double in value and move to within 99 points of its all-time peak.

The Dow Jones industrial average finished 43.85 points, or 0.3 percent, higher at 13,435.21. It gained 3.8 percent for the week, its biggest weekly advance since June. The Nasdaq closed up 1.09 point at 3,101.66.

Stocks have surged this week after lawmakers passed a bill to avoid a combination of government spending cuts and tax increases that have come to be known as the "fiscal cliff." The law passed late Tuesday night averted that outcome, which could have pushed the economy back into recession.

The Labor Department said U.S. employers added 155,000 jobs in December, showing that hiring held up during the tense fiscal negotiations in Washington. It also said hiring was stronger in November than first thought. The unemployment rate held steady at 7.8 percent.