BUSINESS

Stock indexes hit 2009 high

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NEW YORK— Investors are seeing the kind of earnings numbers that make them feel confident about stocks.

The stock market stepped to new highs for the year Monday after a handful of earnings reports bolstered hopes that the economy is coming back sooner than many analysts had thought.

That is helping some investors move past a bout of nerves about whether expectations for the economy are stretched too far. The Dow Jones industrial average rose 96 points, while the Standard & Poor's 500 index rose but ended just shy of 1,100, having topped that level during the day.

Industrial equipment maker Eaton Corp. said it was seeing improvement in key markets and raised its full-year profit forecast, and toy maker Hasbro Inc.'s income rose on cost cuts.

A drop in the dollar also helped push commodity prices higher, which in turn, helped stocks of materials and energy companies.

After the market closed, Apple reported its net income increased 47 percent in the most recent quarter as more people bought Mac computers and gave in to the iPhone craze. The results sent Apple shares surging in extended trading Monday to an all-time high of $200.

Also after the close, Texas Instruments said third-quarter profit and sales Monday inched past the improved expectations the chip maker issued last month, and its largest division, which makes analog chips used in digital music players and other gadgets, saw 20 percent growth for the second quarter in a row.

Caterpillar, Coca-Cola and DuPont are slated to report results before today's opening bell.

Burt White, chief investment officer at LPL Financial in Boston, noted that three of every four companies have topped analysts' expectations for earnings in the third quarter.

While most have yet to report, White said the early results are a sign that companies are holding up better than predicted.

"The recovery is moving faster than analysts can sharpen their pencils and revise their estimates upward," he said.

The Dow rose 96.28, or 1 percent, to 10,092.19. The broader S&P 500 index rose 10.23, or 0.9 percent, to 1,097.91.

The Nasdaq composite index rose 19.52, or 0.9 percent, to 2,176.32.