Stock market headed for its best week of 2012

BY JOSHUA FREED
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NEW YORK — Stocks rose on Friday after the government said businesses are restocking their shelves faster than analysts had expected, putting the market on track for its biggest weekly gain of the year.

After declining almost 63 points in the morning, the Dow Jones industrial average was up 76 points in afternoon trading, at 12,537. It's now up almost 3.5 percent for the week.

Friday's turnaround came after the Commerce Department said U.S. wholesale stockpiles grew 0.6 percent in April. That's twice as fast as their March growth and a sign that businesses are ordering the goods that should lead to increased factory production and sales. Investors had been braced for more sluggish growth.

Wal-Mart Stores was the biggest gainer in the Dow, up $2.09, or 3.3 percent, at $67.96. Other companies that depend heavily on a strong economy grew too, including Intel Corp., up 46 cents, or 1.8 percent, at $26.41, and General Electric, up 21 cents, or 1.2 percent, to $19.21.

The Standard & Poor's 500 index rose almost nine points to 1,323, and the Nasdaq composite rose 23 points to 2,854. All three market indexes were up 3 percent or more for the week, their biggest gains of the year.

Nine out of ten industry groups in the S&P 500 rose. Only energy stocks declined, following energy prices lower.

Markets also fell in Asia. Shanghai's stock index lost a half-percent, the fifth day of losses. Japan's Nikkei fell 2.1 percent.

Chinese leaders have been showing signs of urgency ahead of May trade and industrial data due out this weekend that might be even weaker than earlier pessimistic forecasts. The Chinese government cut interest rates for the first time in four years and has reduced gasoline and diesel prices for the second time in a month.

Over the long run, that will put more money in the pockets of Chinese consumers. In the short run it's a sign that the government is worried about growth.