

A trader wearing "Happy New Year" glasses works on the floor at the New York Stock Exchange in New York on Monday. SETH WENIG/AP

STOCKS SOAR ON FINAL DAY

ASSOCIATED PRESS

NEW YORK -- Stocks rallied in the final hours of trading for the year as a budget deal takes shape in Washington.

The Dow Jones industrial average jumped 166 to end at 13,104 Monday. It had waffled through much of the morning, then shot higher at midday after news began to emerge that negotiators were homing in on a deal.

The Dow is coming off five straight days of losses. For the year, it gained 7 percent.

The Standard & Poor's 500 index rose 23 to end the year at 1,426. That's a gain of 13 percent for the year.

The Nasdaq composite rose 59 to 3,019.

Rising stocks outnumbered falling ones six to one on the New York Stock Exchange. Trading volume was higher than in recent days, 3 billion shares.