BUSINESS

Stocks recover on job growth

Major indexes down for week despite Friday's gains for investors

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NEW YORK — The biggest corporate hiring spree in five years ended a weeklong slide in the stock market.

The Labor Department reported Friday that private employers hired 268,000 people last month, the most since February 2006.

Taking into account job cuts of government workers, the economy added a total of 244,000 jobs overall last month, well above the 185,000 jobs that analysts had predicted.

The news on job growth helped lift the dollar, nudged up oil prices and reversed a four-day slump for stocks.

"Everyone was a bit surprised by the jobs number," said Frank Fantozzi, the chief executive of Planned Financial Services, a Cleveland, Ohio-based firm.

"It's a good indication for the markets that we are still in the growth stage," he said.

The Dow Jones industrial average gained 54.57 points, or 0.4 percent, to close at 12,638.74.

The Standard & Poor's 500 index rose 5.10, or 0.4 percent, to 1,340.20. The Nasdaq composite rose 12.84, or 0.5 percent, to 2,827.56.

Industrials companies that benefit from global building and expansion projects led the market following the jobs report. Caterpillar Inc. rose nearly 1 percent. Boeing Co. rose 1.1 percent.

But Friday's bounce failed to make up for losses earlier this week, when fears of an economic slowdown and weaker-than-expected earnings dragged major stock indexes down.

All three ended the week down more than 1 percent.

The Russell 2000, an index of small companies that reached record highs just a week earlier, ended the week down 3.7 percent.

The higher jobs number helped stem a sell-off in commodities brought on by fears that the economy was sputtering. Regular investors and speculators had begun to flee commodities in an effort to lock in profits in case the economy slowed further.