

Stocks rise sharply on signs of economic growth

BY DAVID K. RANDALL
ASSOCIATED PRESS

NEW YORK — **Job** growth in the U.S. and signs of global manufacturing expansion sent stocks sharply higher Wednesday. Bond prices and the dollar fell as investors moved money into riskier assets.

European stocks got a boost after European Central Bank President Jean-Claude Trichet suggested that the bank could buy bonds issued by struggling countries within the European Union. That, along with a better-than-expected bond auction by Portugal, pushed the euro

higher. The Euro Stoxx 50, which tracks blue chip companies in Europe, rose 2 percent.

The Dow Jones industrial average closed nearly 250 points higher.

Signs that the U.S. job market thawed in November jumpstarted the gains. ADP Employer Services, a payroll company, said small businesses added the largest amount of workers in three years last month, well ahead of what analysts had forecast.

"The U.S. economy is all about jobs and anything that leads folks to believe that there's a better job market will be good for equities," said Paul Zemsky,

the head of asset allocation at ING Investment Management.

All 30 stocks in the Dow index rose. Home Depot Inc. and United Technologies Corp. and Microsoft Corp. each rose more than 3 percent. All 10 industry groups that make up the Standard and Poor's 500 index rose, led by energy, industrial and technology companies.

Bond prices fell sharply, pushing their yields higher. The yield on the 10-year Treasury bond rose to 2.92 percent from 2.80 percent late Tuesday. That yield is a widely used benchmark for loans including mortgages.