BUSINESS

Slow and steady rally



CRAIG RUTTLE / The Associated Press

Trader Lewis Vande-Pallen, right, with Seaport Securities works on the floor of the New York Stock Exchange on Wednesday.

Stocks start year with 'healthy' gains

Analysts upbeat about numbers

By Tim Paradis
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NEW YORK — The stock market is taking some ages-old advice to heart: everything in moderation.

Stocks on Wednesday ended a first quarter that many investors and analysts would describe as healthy. The Standard & Poor's 500 index is up 4.9 percent by amassing a string of steady gains that were far from the supersized jumps seen in 2009. The Dow Jones industrials are up 4.1 percent, but with unremarkable gains of 50 points here and 15 there. They've had few of the triple-digit swings that used to be commonplace.

The market's relative tranquility has made many analysts upbeat about the chances that its gains will hold. They say investors now have realistic not overoptimistic expectations. And the market has gotten used to the idea of a bumpy economic recovery, including the continuing struggles of the housing market. But analysts warn, for stocks to extend their January-March gains, investors will need to see employers hiring again.

Even then, the market is expected to take its time.

Three months ago, the quarter looked like it might be difficult. Starting in early January, the Dow fell 5 percent in about five weeks and investors eared that the stock market's 2009 leap was another bubble about to pop.

Investors are still cautious about the economy, especially as the government winds down some of the programs it implemented in 2008 and 2009 to help the economy.

The immediate concern, however, is jobs. The Labor Department issues its March employment report on Friday.