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# Wall Street climbs for second week

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NEW YORK — Wall Street's mid-March rally is on hold, but the Dow Jones industrial average still managed its first two-week gain in close to a year.

After starting Friday mixed, stocks veered lower in the afternoon as financial stocks fell and investors collected profits from the advance that saw the Dow rise 14 percent over seven trading days. One reason for the market's pause after such a big surge: It ran out of upbeat economic and corporate news the past two days.

The major indexes did eke out a gain for the week. The Fed jolted the market this week with an announcement of plans to buy hundreds of billions of dollars worth of debt securities in hopes of reviving lending. Stocks initially jumped on Wednesday when the plans were announced but then fell Thursday and Friday as investors became concerned that the huge injection of money into the economy could cause inflation.

Other markets had a tumultuous week as well. In just two days, the dollar fell 5 percent versus the euro and 3 percent versus the yen. Oil prices soared 7 percent Thursday above $51 a barrel to the highest level this year.

Many analysts believe stocks were due for some retrenchment.

"You get a run-up like that you're going to get a pullback," said Doreen Mogavero, president of the New York floor brokerage Mogavero, Lee & Co.

The stock market began to rally off of 12-year lows beginning two weeks ago after several banks reported being profitable in the first two months of the year. Even after Thursday's retreat, the Dow was still up 13 percent from its lows, and the Standard & Poor's 500 index was up nearly 16 percent.

The question on Wall Street is whether there will be enough good news in the coming days to keep stocks rising.

Michael Binger, portfolio manager at Thrivent Investment Management in Minneapolis, said the market's overall move is signaling that the economy is hitting bottom. He said it shouldn't be too difficult for stocks to resume their climb because expectations have fallen so low.

"I think the stock market is saying that fourth quarter of 2008 and first quarter of 2009 may be the trough in negative news," he said.

The Dow industrials fell 122.42, or 1.7 percent, to 7,278.38.

Broader stock indicators also lost ground. The S&P 500 index fell 15.50, or 2 percent, to 768.54, and the Nasdaq composite index fell 26.21, or 1.8 percent, to 1,457.27.

The Russell 2000 index of smaller companies fell 13.15, or 3.2 percent, to 400.11.

Declining issues outnumbered advancers by about 3 to 1 on the New York Stock Exchange. Volume came to a heavy 2.5 billion shares as various types of options contracts expired, adding to trading levels.

For the week, the Dow rose 0.8 percent, its first back-to-back weekly increase since the period ended May 2, 2008.

The S&P rose 1.6 percent; it logged slight gains for two weeks in a row in December.

