



GLOBAL MARKETS-Tech boosts Nasdaq, S&P as Treasury yields dip further

By Stephen Culp

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NEW YORK (Reuters) - A tech-led rally pushed Wall Street higher on Thursday and Treasury yields extended their pull-back from recent peaks as market participants digested the U.S. Federal Reserve's pledge to stay the course with its dovish monetary policy.

The Nasdaq was sharply higher while the S&P 500, while up more modestly, was on track to notch another record high. But the blue-chip Dow was in the red, though only slightly, weighed down by financials and industrials.

European stocks touched all-time highs on growing optimism about a global stimulus-driven economic revival and reassurances from the Fed. Emerging market stocks and equities in Asia, aside from Japan, also rose.

"The momentum for stocks will continue largely because of the stimulus that's been brought into the economy and the multiplier effects that will continue to keep the economy going," said **Bernard Baumohl, managing director and chief global economist at the Economic Outlook Group** in Princeton, New Jersey. "The returns in the stock market will be better than fixed income."

Tech- and tech-adjacent market leaders, which outperformed throughout the global health crisis, once again led the rally.

"The demand for tech will remain strong even as the economy recovers," **Baumohl** added. "(Many workers) will continue to work remotely and the drop-off in corporate travel will also be lost for ever."

Minutes of the Fed's last policy meeting, published on Wednesday, showed board members felt the economy was still short of target and reiterated their accommodative monetary stance.

Fed Chairman Jerome Powell is due to speak on Thursday at an International Monetary Fund event, where he is expected to reiterate the central bank's dovish outlook.

A report from the U.S. Labor Department showed jobless claims unexpectedly increased last week, a blemish among a string of otherwise upbeat recent economic data.

The Dow Jones Industrial Average fell 34.39 points, or 0.1%, to 33,411.87, the S&P 500 gained 8.18 points, or 0.20%, to 4,088.13 and the Nasdaq Composite added 96.58 points, or 0.71%, to 13,785.42.

The pan-European STOXX 600 index rose 0.45% and MSCI's gauge of stocks across the globe gained 0.30%.

Emerging market stocks rose 0.28%. MSCI's broadest index of Asia-Pacific shares outside Japan closed 0.53% higher, while Japan's Nikkei lost 0.07%.

U.S. Treasury yields fell on Thursday, pressured by weaker-than-expected initial weekly jobless claims and continued short-covering following a sell-off in the last month that took benchmark 10-year rates to more than one-year peaks.

Benchmark 10-year notes last rose 2/32 in price to yield 1.6474%, from 1.654% late on Wednesday.

The 30-year bond last 1/32 in price to yield 2.3362%, from 2.336% late on Wednesday.