

Dow surges over 900 points amid coronavirus vaccine progress as lockdowns ease

Drugmaker Moderna received positive coronavirus trial results

U.S. equity markets soared Monday after drugmaker Moderna announced progress toward a COVID-19 vaccine and as lockdowns continued to ease nationwide.

Ticker	Security	Last	Change	Change %
I:DJI	DOW JONES AVERAGES	24597.37	+911.95	+3.85%
SP500	S&P 500	2953.91	+90.21	+3.15%
I:COMP	NASDAQ COMPOSITE INDEX	9234.82807	+220.27	+2.44%

The Dow Jones Industrial Average gained as many as 1,023 points before paring its advance in the final hour of trading.

The S&P 500 registered its best day since early April, rising 3.15 percent, while the Nasdaq Composite climbed 2.44 percent.

Investors also reacted favorably to Federal Reserve Chairman Jerome Powell, who said the central bank will continue to support the U.S. economy for as long as necessary.

Powell also warned that while the U.S. economy will return to growth in 2020, it may not reach pre-crisis levels until late next year and that a full recovery may hinge on the discovery of a COVID-19 vaccine.

TEXAS FEARS LOSING OIL-RICH LANDS IN CHINESE TAKEOVER OF WEAKENED ENERGY COMPANIES

“For the economy to fully recover, people will have to be fully confident. And that may have to await the arrival of a vaccine,” Powell said on CBS’ “60 Minutes.”

He added the central bank is “not out of ammunition by a long shot” and that “there’s a lot more” that can be done to support the economy.

At least 14 U.S. states eased lockdown restrictions on Monday, including Florida, which allowed gyms and fitness centers to reopen at 50 percent capacity and restaurants and retailers to increase their volume to 50 percent. Massachusetts will begin opening businesses with a phased plan on May 18.

Looking at stocks, drugmaker Moderna received positive results from a Phase 1 clinical trial for its experimental COVID-19 vaccine.

Ticker	Security	Last	Change	Change %
MRNA	MODERNA INC.	80.00	+13.31	+19.96%

Automakers Ford, General Motors and Fiat Chrysler reopened vehicle assembly plants on Monday at limited capacity. The industry employs about 1 million workers and makes up 6 percent of U.S. economic activity.

Ticker	Security	Last	Change	Change %
F	FORD MOTOR COMPANY	5.31	+0.41	+8.37%
GM	GENERAL MOTORS COMPANY	24.81	+2.18	+9.63%
FCAU	FIAT CHRYSLER AUTOMOBILES N.V.	8.47	+0.65	+8.31%

Apple will reopen 25 U.S. stores this week, 12 in Canada and 10 in Italy. Anyone entering the locations will be subject to temperature checks and be required to wear face coverings.

GrubHub has rejected Uber's latest all-stock takeover offer of 1.9 Uber shares for each GrubHub share, saying the offer undervalued the company. Talks remain ongoing.

J.C. Penney filed for Chapter 11 bankruptcy protection following Friday's closing bell. The retailer earlier on Friday announced it had made a \$17 million interest payment as it weighed strategic alternatives.

Ticker	Security	Last	Change	Change %
AAPL	APPLE INC.	314.96	+7.25	+2.36%
GRUB	GRUBHUB INC	57.67	+2.70	+4.91%
UBER	UBER TECHNOLOGIES INC.	33.62	+1.15	+3.54%
JCP	J.C. PENNEY	0.18	-0.05	-23.02%

West Texas Intermediate crude oil spiked 8.12 percent to \$31.82 per barrel and

gold slipped 1.23 percent to \$1,732 an ounce.

U.S. Treasurys slipped, causing the yield on the 10-year note to climb to 0.741 percent.

European markets were higher across the board with Germany's DAX up 5.67 percent, France's CAC higher by 5.16 percent and Britain's FTSE adding 4.29 percent.

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In Asia, Hong Kong's Hang Seng gained 0.58 percent and China's Shanghai Composite edged up 0.24 percent. Meanwhile, the Nikkei added 0.48 percent after government data showed the Japanese economy entered a recession in the first quarter.

Source: <https://www.foxbusiness.com/markets/us-stocks-may-18-2020>

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