

Stocks up on Boeing, Amazon.com; housing eyed

By Ellis Mnyandu

July 25, 2007 (Reuters) – Stocks rose on Wednesday, bouncing back from the prior session's tumble, as solid profits and outlooks from Boeing Co and Amazon.com Inc. quashed concerns about the housing slump.

Financial company shares, which declined sharply on Tuesday, also underpinned the market's rebound, with Citigroup rising 1.1 percent to \$49.87.

Aircraft manufacturer Boeing's shares jumped more than 3 percent to a record \$107.80 as it led advances on the Dow, while Internet retailer Amazon.com shares gained more than 21 percent to lead gainers on both the Nasdaq and the S&P 500.

Investors will seek direction from data on existing-home sales in June due at 10 a.m. (1400 GMT). Sales are forecast to have fallen to 5.87 million units at an annual rate from 5.99 million in May, according to a Reuters poll of economists.

"You're still seeing enough growth in the economy where well-run companies are coming through with good growth and earnings. Boeing and obviously Amazon.com are good illustrations of that today," said Alan Lancz, president of Alan B. Lancz & Associates Inc., an investment advisory firm in Toledo, Ohio.

The Dow Jones industrial average was up 69.42 points, or 0.51 percent, at 13,786.37. The Standard & Poor's 500 Index was up 10.16 points, or 0.67 percent, at 1,521.20. The Nasdaq Composite Index was up 19.36 points, or 0.73 percent, at 2,659.22.

The rebound follows stocks' worst one-day performance in four months on Tuesday, fueled by disappointing earnings and fear about spreading losses in the mortgage market.

Shares of Amazon.com climbed to \$84.20 on the Nasdaq. Several brokerages raised their ratings on the stock.

In other earnings news, manufacturer Rockwell Automation Inc also reported a profit above Wall Street's expectations on strong foreign demand for its industrial control systems. Its stock rose 2.9 percent to \$72.77.

Shares of iPod and iPhone maker Apple Inc., among Tuesday's biggest losers, were up 1.1 percent at \$136.37 ahead of the company's quarterly results due after the close.