

Worries over weak holiday sales send US stocks lower

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NEW YORK (AFP) - Worries about a weak holiday shopping season hit retail-sector equities on Monday (Nov 30), pushing US stocks lower at the start of a heavy news week.

Most leading retailers finished down, with global behemoth Wal-Mart Stores losing 1.8 per cent and big-box rival Target falling 1.3 per cent. Others to decline included Macy's, Gap and Williams-Sonoma.

Online shopping giant Amazon lost 1.3 per cent. Best Buy was among the few winners, rising 1.0 per cent. For the day, the Dow Jones Industrial Average dropped 78.57 points (0.44 per cent) to 17,719.92.

The broad-based S&P 500 fell 9.70 (0.46 percent) to 2,080.41, while the tech-rich Nasdaq Composite Index shed 18.86 (0.37 percent) to 5,108.67. "The concern is that the consumer isn't going to show up," said Mr Art Hogan, chief market strategist at Wunderlich Securities.

A weekend report from analytics company ShopperTrack estimated lower sales in brick-and-mortar stores on Black Friday, compared with last year.

However, Hogan said such benchmarks have become less telling because of the growth of online sales and the lengthening out of the shopping season.

"We're probably in a very average Christmas shopping season and we're probably going to look at it at first blush and say, 'Oh, this is very disappointing'," he said.

The market decline kicked off a busy news week that includes European Central Bank meeting, speeches by Federal Reserve chair Janet Yellen, and the US October jobs report.

"Investors are looking ahead to Friday's jobs report, which is the last report we'll get prior to the Fed's decision in December," said Mr David Levy, portfolio manager at Kenjol Capital Management.

"We're primarily in a holding pattern until then."

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