

World Stocks Rise As Alcoa Sees Stronger Demand

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BANGKOK (AP) — World stock markets rose Wednesday after the fourth-quarter earnings season got off to a positive start in the U.S. with aluminum giant Alcoa forecasting higher demand for 2013.

Demand for aluminum has been hurt by the weak global economy, but Alcoa predicted a 7 percent increase in demand this year, slightly better than the 6 percent increase in 2012. Because Alcoa makes aluminum for so many key industries, investors study its results for clues about the health and direction of the overall economy.

"Regional markets are mostly firmer after the Alcoa result set the tone early in Asia," said Stan Shamu of IG Markets in Melbourne in a market commentary. "Alcoa's results are generally considered a bellwether for the global economy and the fact that the aluminum giant forecasts higher demand in 2013 appeased investors."

European stocks rose in early trading. Britain's FTSE 100 rose 0.4 percent to 6,075.35. Germany's DAX added 0.3 percent to 7,720.34. France's CAC-40 rose 0.4 percent to 3,721.74.

Wall Street appeared headed for gains, with Dow Jones industrial futures up 0.2 percent at 13,291 and S&P 500 futures rising 0.2 percent to 1,454.70.

In Asia, Hong Kong's Hang Seng advanced 0.5 percent to 23,218.47 after a downturn in the prior session, with sentiment helped by gains in mainland Chinese shares.

"Stability in China is helping. We are taking a lot of cues from China-Asia," said Jackson Wong, vice president of Tanrich Securities in Hong Kong.

Japan's Nikkei 225 index opened lower on a strengthening yen but reversed course as the currency slipped against the dollar. The benchmark in Tokyo gained 0.7 percent to close at 10,578.57.

Australia's S&P/ASX 200 added 0.4 percent to 4,708.10. South Korea's Kopsi was 0.3 percent lower at 1,991.20. Benchmarks in Singapore, Taiwan, Thailand, and the Philippines rose. Indonesia and Malaysia fell. Mainland Chinese stocks were mixed.

Analysts at Capital Economics said in a market commentary that "2013 has begun with more optimism about prospects for the global economy."

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Among individual stocks, shares of Australian company Alumina Ltd., a joint venture partner of Alcoa, jumped 4.6 percent. Mitsubishi Heavy Industries Ltd. rose 5 percent in Tokyo. Hong Kong-listed China Railway Group rose 5.1 percent.

Major indexes surged last week after U.S. lawmakers passed a bill to avoid a combination of government spending cuts and tax increases that have come to be known as the fiscal cliff. The deal, however, remains incomplete, and trading has been cautious since then. Politicians will face another deadline in two months to agree on more spending cuts.

U.S. stocks closed lower Tuesday, before Alcoa's earnings report was released.

Benchmark crude for February delivery was down 16 cents to \$92.98 per barrel in electronic trading on the New York Mercantile Exchange. The contract fell 4 cents to close at \$93.15 per barrel on the Nymex on Tuesday.

In currencies, the euro rose slightly to \$1.3085 from \$1.3084 Tuesday in New York. The dollar rose to 87.62 yen from 87.19 yen.

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