TODAY'S MARKETS

Nasdaq Tops 4000 in Broad Rally

Oil Prices Fall on Iran Nuclear Deal; Europe Markets Gain

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The Nasdaq Composite Index breached 4000 for the first time in 13 years as U.S. stocks kicked off the week slightly higher.

The Dow Jones Industrial Average rose 10 points, or 0.1%, to 16075 in recent trade. The S&P 500 Index was nearly flat at 1804. The Nasdaq Composite Index rose as high as 4007 in early trading, though it recently reversed course to slip two points, or 0.1%, to 3989.

A surprise deal over the weekend to curb Iran's nuclear program in exchange for a loosening of economic sanctions boosted sentiment during a holiday trading week, particularly with few other market movers on tap Monday, investors said.

News of the deal sent oil prices falling more than 1% and lifted European markets.

"In light of the fact that you have fewer people around, modestly positive news such as the Iran deal becomes more positive," said Dan Greenhaus, chief global strategist at BTIG. "All else equal, lower oil prices are better than higher oil prices."

The Nasdaq Composite's push through the 4000 level has been driven largely by stocks outside the technology sector. Health-care and consumer stocks increasingly comprise the bulk of the index, which has climbed 33% this year, a full 10-percentage-point lead over the Dow industrials.

Despite the recent gains, though, the Nasdaq remains a full 25% below its all-time high, even as the Dow repeatedly touches new record highs. The Nasdaq index peaked at 5048.62 on March 10, 2000.

On Friday, the Dow rose 55 points, or 0.3%, to a sixth record high close in eight sessions. The Dow also posted a seventh-straight weekly gain, the longest such stretch since January 2011.

The S&P 500 closed above 1800 Friday for the first time to post its 37th record high close of the year.

The Federal Reserve's easy-money policy, low inflation, a slow-but-steady economic expansion and a shrinking number of attractive alternatives have helped fuel the stock market's push into record territory in recent months, investors said.

"The path of least resistance is higher," said Wayne Kaufman, chief market analyst at Rockwell Securities. "The economy has been doing pretty well ... We're fine into next quarter, but the market is definitely becoming more selective."
The yield on the 10-year Treasury note inched lower to 2.738% from 2.754% late Friday.

In Europe, the Stoxx Europe 600 rose 0.5% to trade just below 5 1/2-year highs reached early last week. Also bolstering sentiment, data showed that French business confidence in November was unchanged from October levels, versus expectations of a slight decline.

Germany's DAX 30 index rallied 0.9%, France's CAC tacked on 0.5% and the U.K.'s FTSE 100 rose 0.2%.

January crude-oil futures slid 1.3% to $93.63 a barrel, as the weekend deal will make it easier for Iran to export some of its crude oil to international markets. December gold futures shed 0.8% to $1,234.70 an ounce and hit a 4 1/2-month low earlier in the session, as the deal weighed on assets seen as safe havens.

The dollar rose, reaching a six-month high against the yen and edging higher against the euro.

Asian markets were mostly higher, highlighted by the 1.5% rally in Japan's Nikkei Stock Average to a six-month high. Chinese stocks bucked the regional trend, with China's Shanghai Composite slipping 0.5% after gaining 2.8% last week.

In corporate news, J.C. Penney shrugged off news late Friday that S&P Dow Jones Indices would strike the retailer's stock from the benchmark S&P 500 Index, and move it to the S&P MidCap 400.

The decline in crude-oil prices was benefiting some airliner stocks. Delta Air Lines gained touched an all-time high early in the session. U.S. Airways Group also advanced.

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