Shares drifted up Thursday as investors took stock of a Greek refinancing deal and continued improvement in the U.S. labor market.

The Dow Jones Industrial Average rose 6.51 points, or 0.1%, to 12890.46. The Standard & Poor's 500-stock index gained 1.99 points, or 0.1%, to 1351.95, and the Nasdaq Composite edged up 11.37 points, or 0.4%, to 2927.23.

Technology and consumer-staple stocks led sector gains. United Technologies was strongest among Dow members, rising 2.5%.

U.S. stocks advanced as investors digested news that Greece's political leaders reached an agreement on austerity measures to secure a bailout. If the deal is adopted, Greece will receive $172 billion to keep it from defaulting on debts next month. Final details are still being worked out.

"There's some optimism about Europe. I don't know whether it's justified or not from one day to the next," said John Carey, portfolio manager at Pioneer Investment Management in Boston. "I think people are probably waiting for the details. There've been so many stories in the past that the issue was resolved, so people are rightly skeptical until the details are there."

In the U.S., separate readings on jobs and business activity were better than projected. Initial unemployment claims fell more than expected last week, down 15,000 to 358,000, compared with a consensus estimate of 370,000. And U.S. wholesale inventories rose 1% to $473.17 billion in December from the prior month, more than the expected 0.5% increase, a signal businesses restocked at the end of last year to meet rising demand.

In corporate news, Diamond Foods tumbled 37% after the company said the company's audit committee...
concluded financial statements for fiscal 2010 and 2011 will need to be restated and noted "material weaknesses" in the company's internal controls. The company said it was taking corrective actions, including appointing a new chief executive, chief financial officer and chairman of the board.

**Groupon** slumped 14% after the company reported a fourth-quarter loss against expectations of a slight profit.

**Lorillard's** fourth-quarter earnings jumped 20% as the cigarette maker reported higher shipments and gains in Newport and Maverick brands. Shares gained 9.7%.