U.S. stocks fell, after the Standard & Poor’s 500 Index climbed to within three points of a record, as Federal Reserve officials indicated the central bank is unlikely to slow the pace of stimulus cuts.

Groupon Inc. slumped 22 percent, the most in a year, after the daily deals website gave a profit forecast that trailed estimates. Priceline.com Inc. and Intuit Inc. gained at least 2.5 percent after posting better-than-estimated results. Seagate Technology PLC advanced 1.5 percent after RBC Capital Markets LLC raised its rating on the shares.

The S&P 500 (SPX) dropped 0.2 percent to 1,836.25 at 4 p.m. in New York after earlier gaining as much as 0.4 percent. The equities benchmark retreated 0.1 percent over the past four sessions following two straight weekly advances. The Dow Jones Industrial Average decreased 29.93 points, or 0.2 percent, to 16,103.30. More than 6.5 billion shares changed hands on U.S. exchanges, 2.4 percent above the three-month average.

“The fear might be that they begin to taper too quickly,” Eric Teal, who helps oversee about $4 billion as the chief investment officer at First Citizens BancShares Inc. in Raleigh, North Carolina, said by phone. “The fact that central banks have really agreed to keep policy stimulative should give investors a little bit of reassurance that they’re not going to undo the recovery that’s taken place.”

Fed Comments

The S&P 500 slumped as much as 5.8 percent after reaching a record on Jan. 15 as concern about the Fed’s reductions in stimulus fueled a rout in emerging markets. The benchmark gauge has rebounded 5.4 percent from a Feb. 3 low.

Equities erased gains that sent the S&P 500 up as much as 0.4 percent today as Dallas Fed President Richard Fisher said it’s hard to argue that further expansion of central bank balance sheet has had “much efficacy.”

“This is why I’ve been such a strong proponent of dialing back our large-scale asset purchases
and will continue advocating that we do so,” Fisher said in text of speech in Austin, Texas.

St. Louis Fed President James Bullard, who doesn’t vote on the Federal Open Market Committee this year, said the central bank is on target to continue scaling back stimulus, adding that soft economic data in 2014 is probably due to bad weather.

**Home Sales**

Sales of previously owned U.S. homes dropped in January to the lowest level in more than a year as harsh winter weather combined with a lack of supply, tight credit and declining affordability slowed demand. Purchases decreased 5.1 percent to a 4.62 million annual rate last month, figures from the National Association of Realtors showed. The median forecast of 79 economists surveyed by Bloomberg projected sales would drop to a 4.67 million rate.

Investors have dismissed worse-than-forecast U.S. economic data over the past two weeks, speculating that the coldest January since 2001 explains the weakness in reports such as housing and hiring. The Bloomberg ECO U.S. Surprise Index, which measures how much recent data has beaten or missed economists’ estimates, fell to minus 0.429 today, the lowest since August 2011.

Fed Chair Janet Yellen last week said the economy has strengthened enough to withstand continued cuts to monetary stimulus, adding that only a notable change in the outlook for the economy would prompt the central bank to slow the pace of tapering.

**Earnings Season**

Group of 20 finance ministers and central bankers meeting in Sydney this weekend will seek to minimize volatility as the Fed slows its bond-buying program. The group also aims to find new ways to support global growth in the next five years while maintaining fiscal sustainability, according to a draft document seen by Bloomberg News. The G-20 will release the communique, which may yet change, on Feb. 23.

Earnings beat analysts’ estimates at about 74 percent of the 433 companies in the S&P 500 that have posted results so far this season, according to data compiled by Bloomberg. Analysts estimate earnings for S&P 500 companies grew by 8.6 percent in the fourth quarter of 2013, according to a survey of analysts.

The Chicago Board Options Exchange Volatility Index (VIX), the gauge of S&P 500 options known as the VIX, slipped 0.7 percent to 14.68 today, falling for a second day.

Six out of the 10 main industries in the S&P 500 fell today, as phone companies lost 1.4 percent as a group to pace declines.
Priceline gained 2.5 percent to $1,315.65. The largest U.S. online travel agent reported profit for the fourth quarter that topped analysts’ estimates as Europe’s economic recovery lifts hotel bookings.

**CommScope Rallies**

Juniper Networks Inc. (JNPR) rose 2 percent to $27.95. The technology company, bowing to pressure from activist hedge funds Elliott Management Corp. and Jana Partners LLC, announced plans to return at least $3 billion to shareholders and cut $160 million in expenses.

The plan includes purchasing more than $2 billion of shares through the first quarter of 2015 and paying a dividend of 10 cents a share starting in the third quarter of this year, the company said yesterday in a statement.

Intuit advanced 4.6 percent to $77.24. The software maker reported second-quarter profit and sales that exceeded analyst estimates and said sales of its TurboTax Online program grew 11 percent.

**Seagate, Groupon**

Seagate Technology rallied 1.5 percent to $50.75. RBC Capital Markets upgraded the data storage company to outperform from sector perform, citing an improving PC market and the possibility share buybacks will boost the shares this year.

Barnes & Noble Inc. jumped 5.4 percent to $17.69. G Asset Management proposed buying 51 percent of the company, valuing the maker of the Nook e-reader at $22 a share. G Asset Management said in a statement it is “extremely confident” that separating the Nook segment from the rest of the book-selling business would boost shareholder value.

CommScope Holding Inc. jumped 16 percent to $21.92 after forecasting first-quarter adjusted earnings of 36 cents to 40 cents a share and sales of $860 million to $900 million. Analysts had forecast EPS of 30 cents and sales of $818.3 million. Jefferies Group LLC raised its rating on the shares to buy from hold.

Pharmacyclics Inc. (PCYC) added 6.3 percent to $151.61 after the drugmaker posted fourth-quarter earnings per share of 82 cents and revenue of $123.6 million. That beat analysts’ estimates of 64 cents and $85.8 million.

Groupon tumbled 22 percent to $8.03 after saying higher expenses for acquisitions and marketing will hurt profit. It projected first-quarter adjusted earnings before interest, taxes, depreciation and amortization of $20 million to $40 million. Analysts had estimated Ebitda of $96 million.