

DOW JONES, A NEWS CORP COMPANY

Nikkei **22369.30** 0.28% ▲Hang Seng **26650.13** -1.20% ▼U.S. 10 Yr **1/32 Yield** 2.937% ▲Crude Oil **68.12** 0.55% ▲Yen **110.95** -0.07% ▼

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<https://www.wsj.com/articles/global-stocks-pause-ahead-of-jobs-report-1536306717>

U.S. MARKETS

U.S. Stocks Slump on Fears of New China Tariffs

S&P 500, Dow industrials retreat; tech stocks recover some of their recent losses

By Corrie Driebusch and Ben St. Clair

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Asian stocks finish with weekly loss

Emerging markets slip into bear territory

U.S. stocks lower following jobs report

A rough week for technology stocks battered the Nasdaq Composite, dragging the index to its worst week since March.

The tech-heavy index slipped Friday after President Trump said tariffs on an additional \$267 billion in goods imported from China could be implemented on short notice. The ramped-up rhetoric around the trade dispute reverberated through the stock market, sending major indexes lower. Shares of technology companies, which had been trading higher earlier in the session, erased gains.

“If you’re looking at trade war escalation, expect tech stocks to be hurt the most because of China supply issues,” said Justin Wiggs, managing director in equity trading at Stifel Nicolaus.

The Nasdaq Composite fell 20.18 points, or 0.3%, to 7902.54, putting its weekly decline at 2.6%—its worst performance since the week ended March 23 when Facebook’s data-privacy scandal erupted. The S&P 500 shed 6.37 points, or 0.2%, to 2871.68 on Friday, while the Dow Jones Industrial Average lost 79.33 points, 0.3%, to 25916.54.

Fears of tariffs, increased government regulation and pricing pressures have weighed on tech companies in recent sessions. Internet companies such as Facebook and Twitter tumbled earlier this week as executives testified before Congress about foreign influence on their platforms in the 2016 presidential election. On Thursday, semiconductor stocks slumped on lowered analyst expectations and ongoing worries about how resilient their revenue will be if the U.S. trade dispute with China grows.

Twitter’s stock declined 32 cents, or 1%, to \$30.49, putting its weekly loss at 13%. Facebook shares edged up 51 cents, or 0.3%, to 163.04 Friday, but ended the week down 7.2%.

And shares of Tesla dropped 17.71, or 6.3%, to 263.24 following executive departures and an interview that appeared to show Chief Executive Elon Musk smoking marijuana.

More broadly, stocks wobbled Friday after the August jobs report showed a pickup in hiring and healthy wage growth, bolstering the case for the Federal Reserve to continue raising rates at its current pace.

The Federal Reserve closely watches wage growth as an indicator of inflation, and some analysts have said the rise in wages could encourage more short-term rate increases from the Fed.

“We could see some jitters in markets,” said Kristina Hooper, chief global market strategist for Invesco, adding that when wages last grew at nearly as high a pace earlier this year, it caused some turmoil in the stock market. “If inflation is going up too much, instead of the Fed pausing, it could need to tighten more,” she said.

Labor Department data showed the U.S. added 201,000 jobs in August, ahead of forecasts for 192,000 additional jobs. Average hourly earnings were up 2.9% from a year earlier, while the unemployment rate held steady.

Yields on 10-year U.S. Treasuries edged higher to 2.944%, up from 2.877% Thursday. Yields move inversely to prices.

As the payout on Treasury bonds rises, the returns from utilities and real-estate company stocks, which offer bond-like distributions, can seem less attractive—and more risky—in comparison. Shares of utilities and real-estate investment trusts declined Friday.

The dollar turned higher against a basket of currencies; the ICE Dollar Index was recently up 0.3%.

Around the globe, fears of contagion in emerging markets and ongoing trade tensions have helped push Asian and European stocks lower this week. On Thursday, the MSCI Emerging Markets Index fell into bear market territory, defined as a 20% drop from a recent peak.

The Stoxx Europe 600 rose 0.1%, though banking stocks declined.

Shares in Deutsche Bank fell 1.5% after reports that Chinese conglomerate HNA Group, one of the bank's largest shareholders, planned to sell its 7.6% stake in the bank.

In Asia, Hong Kong's Hang Seng was flat and the Shanghai Composite Index rose 0.4%. Meanwhile, South Korea's KOSPI fell 0.3% and Japan's Nikkei dropped 0.8%, with the Japanese index closing lower for the sixth consecutive trading day.



Nonfarm payrolls rose a seasonally adjusted 201,000 in August, while the unemployment rate was 3.9% last month, the Labor Department said Friday. PHOTO: MANDEL NGAN/AGENCE FRANCE-PRESSE/GETTY IMAGES

In commodities, U.S. crude fell 2.9% to \$67.75 a barrel for the week after a report showed U.S. inventories of petroleum products were already starting to rise as the lower-demand fall season nears.

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