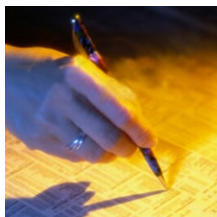


18 July 2005



By:

[Stocks Edge Up on Mild Optimism](#)

Thomson Financial says

According to Thomson Financial, stocks turned higher late in the session, erasing early losses prompted by a weak forecast from General Electric, among others. A positive outlook from McDonald's, mostly pleasing earnings reports from bellwethers so far this week and encouraging economic data lured investors. Except for basic material, industrial and energy shares, all key sectors rose, led by health care issues. Treasury prices were mixed.- The Nasdaq Composite Index added 3.96 to 2156.78, while the Dow Jones Industrial Average rose 11.94 to 10640.83. The S&P 500 Index gained 1.42 to 1227.92. The 10-year Treasury note was up 1/32, yielding 4.18%.- Turning to other industrials, Euro Tech Holdings swelled on news it is mulling joint ventures with some of its suppliers and has hired a consultant to locate potential acquisitions. Adding strength, Cintas tallied fourth-quarter profits and forecast 2006 results above expectations.- Supporting the Dow, McDonald's surged after reporting a 3.8% jump in June same-store sales and saying its second-quarter earnings should exceed Street estimates.- Among other consumer-related shares, the European Commission cleared Procter & Gamble's \$57 billion acquisition deal for Gillette. P&G will have to sell its battery toothbrush operations. Electronic Arts plummeted, after the firm delayed the release of its "The Godfather" game by a quarter.-In tech land, Hewlett-Packard was active to the upside on news reports that it might announce a restructuring next week, including layoffs.- However, mixed results and outlooks limited gains for tech stocks. Rambus fell after warning that the second half of the year is a challenge to forecasts due to the number of patent-license agreements and renewals it is currently negotiating. The firm posted in-line second-quarter net earnings. Also, First Data's lower second-quarter results disappointed, while Symbol Technologies cut its second-quarter revenue guidance and announced that Chief Financial Officer Mark Greenquist had resigned.- Out of the financial sector, Citigroup said its president and chief operating officer, Robert Willumstad, will leave the bank to become chief executive of another public company. The stock slumped. Also, Investors Financial Services tumbled after cutting its 2005 EPS growth forecast. On the upside, National City gained after posting a higher second-quarter profit that blew past analyst estimates.