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# Apple, other tech stocks weigh on Wall St.

BY TANYA AGRAWAL



Traders work on the floor of the New York Stock Exchange shortly after the opening bell in New York, July 21, 2015.

REUTERS/LUCAS JACKSON

Wall Street declined in late morning trading on Wednesday, with the tech-heavy [Nasdaq](#) composite falling more than 1 percent after disappointing results from technology giants including Apple, the world's largest publicly traded company.

Apple ([AAPL.O](#)) shares slumped as much as 6.7 percent to \$121.99, a day after the iPhone maker's revenue forecast for the fourth quarter fell below expectations.

The stock was the biggest drag on all three major indexes and contributed 40 points to the Dow's overall decline.

[Microsoft](#) ([MSFT.O](#)) fell as much as 4 percent to \$45.35 after reporting its biggest quarterly loss, as the company wrote down its Nokia phone business and demand fell for its Windows operating system.

Yahoo ([YHOO.O](#)) was down 1.4 percent at \$39.18 after it forecast lower-than-expected revenue for the current quarter as it struggles to revive its core online advertising business.

While markets are near record highs, June-quarter earnings of S&P 500 companies are expected to dip 1.5 percent, according to Thomson Reuters data, well below the 5.9 percent gain forecast on Jan. 1.

So far, 70 percent have reported earnings above analyst expectations, above the 63 percent average beat rate since 1994.

However, only 55 percent have topped revenue forecasts, below the 61 percent average beat rate since 2002. U.S. companies are expected to post their worst sales decline in nearly six years in the second quarter, in part due to the strong dollar that reduces the value of U.S. companies' overseas income.

"The question now is if the markets are fully valued and can they move higher without earnings growth," said Jerry Braakman, chief investment officer of First American Trust in Santa Ana, California, which oversees \$1.1 billion.

Braakman said today's moves could have been worse but positive results from big names such as [Boeing](#) and Coca Cola were helping offset some of the losses.

"Ultimately, it's earnings that drive the market not revenue and a lot of the growth in earnings is expected to come in the second half of the year."

Adding to the day's weakness, commodities resumed their downward spiral with gold and oil prices under pressure.

At 11:13 a.m. ET (1513 GMT), the Dow Jones industrial average [.DJI](#) was down 74.43 points, or 0.42 percent, at 17,844.86, the S&P 500 [.SPX](#) was down 4.59 points, or 0.22 percent, at 2,114.62 and the Nasdaq Composite [.IXIC](#) was down 36.62 points, or 0.7 percent, at 5,171.50.

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Six of the 10 major S&P 500 sectors were higher with the utilities index .SPLRCU leading the advancers with a 0.72 percent rise. The technology index .SPLRCT was the biggest laggard with a 1.45 percent fall, its biggest drop in a week.

Dow components Coca Cola ([KO.N](#)) was up marginally at \$41.21 while Boeing ([BA.N](#)) was up 0.4 percent at \$145.57 after the companies reported results above expectations.

Thoratec ([THOR.O](#)) jumped as much 10.3 percent to record high of \$63.51 after St. Jude Medical ([STJ.N](#)) agreed to buy the smaller rival for \$3.4 billion. St. Jude was little changed at \$76.77.

Declining issues outnumbered advancers on the NYSE by 1,577 to 1,301. On the Nasdaq, 1,334 issues fell and 1,254 advanced.

The [S&P 500](#) index showed 28 new 52-week highs and 34 new lows, while the Nasdaq recorded 58 new highs and 100 new lows.