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## MARKET MOVERS

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# Long Weekend for Job-Data Review

## Investors Have Time To Digest Figures; Which Way to Go?

By **KAREN TALLEY**  
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Investors' long weekend may seem even lengthier as they consider the implications of the March employment report that was released on Good Friday, when the stock market was closed.

Some analysts say the stock market might have fallen Friday, had it been open, on the bet that interest rates won't be falling soon; others say the economy's indicated strength might have caused a rally.

(The bond market, which was open briefly on Friday, made its own statement: a plunge in Treasury prices, pushing up yields.)

The employment data showed virtually across-the-board strength. But it also aided the case for rate inaction by the Fed for a while, a number of economists said.

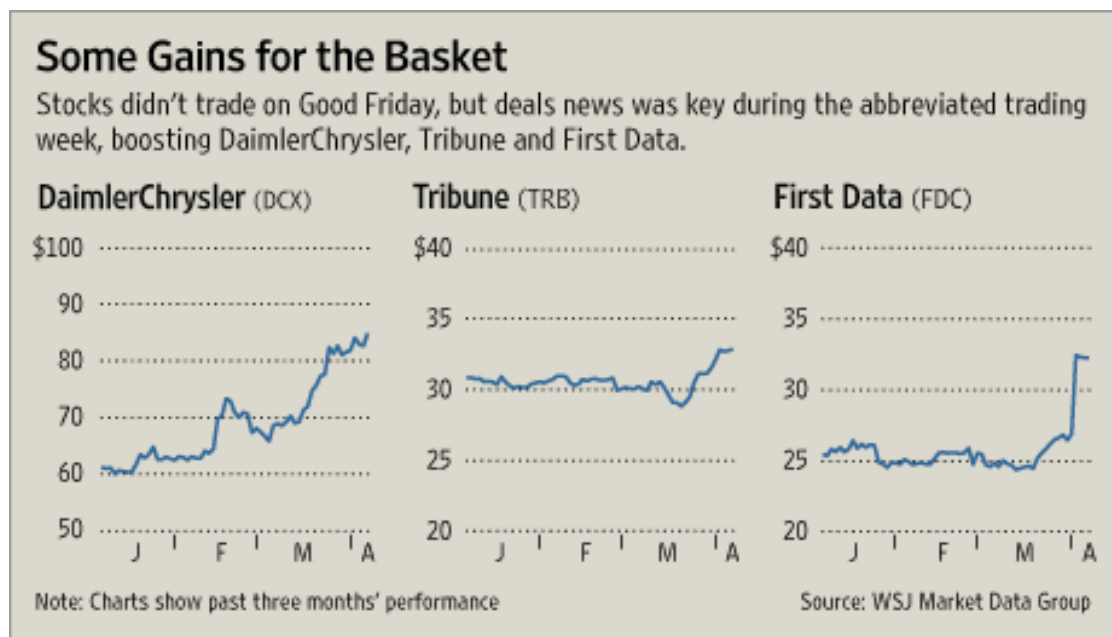
"The strength of the report was unexpected, and there may be some sense of panic at first [on Monday]," said Doug Roberts, chief investment strategist at Channel Capital Research. "Then it becomes a question of how much. My guess is it will be short-lived."

A "slight" selloff could range from two hours to two days or so, but then the market will likely bounce back,

Mr. Roberts said.

That's because a realization will return. Fed Chairman Ben Bernanke wants to stay on hold in terms of interest rates as long as possible, Mr. Roberts said. "He doesn't react to one thing, he looks at trends."

Those who figure stock investors will buy, rather than sell include Georges Yared, chief investment strategist at Yared Investment Research. If the stock market had been open on Friday and the employment report was traded on immediately, "The knee-jerk reaction would have been pretty pronounced and pretty quick, to the upside," he said.



He said investors will "react positively because the report is showing that U.S. businesses are hiring in anticipation that economic growth will not slow as much as the investing world has been anticipating."

Tim Hartzell, chief investment officer at Kanaly Trust Co., is on the same page: "I believe Monday will be strong, because the report confirms there is strength in the economy and even with the inflation in wage growth, if the Fed holds steady, businesses are still in a position to make good financial decisions."

He expects companies to continue buying back their stock.

Merger-related activity has also been serving as a solid underpinning for the stock market, and the deal flow continues. Thursday brought one of the biggest overtures to date. Billionaire investor Kirk Kerkorian raised the prospect of a more intense bidding war for **DaimlerChrysler** AG's Chrysler Group with an unexpected offer to buy the ailing auto maker for \$4.5 billion in cash.

Earlier in the week, Chicago billionaire Sam Zell won the bidding war for Tribune, as the newspaper company agreed to go private and sell the Chicago Cubs baseball team.

Also, Kohlberg Kravis Roberts & Co. agreed to purchase credit-card and payments processor **First Data** Corp.

Not everyone is seeing stock market action as cut and dry.

Richard Bernstein, chief U.S. investment strategist at Merrill Lynch, moved up to the top end of his return expectation for the S&P 500 index. But he also expects "volatility to increase" during the year.

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