

LATEST NEWS

1:29 P.M. ET

Cerberus bullish about Avon investment, says stock is “undervalued”

1:11 P.M. ET

UPDATED European stocks book best daily gain in a month on dovish Draghi

1:07 P.M. ET

Apple earnings optimism may be ‘detached from reality’

1:07 P.M. ET

Avon shares up 12.8% in Thursday trading

1:03 P.M. ET

CORRECTED Almost half of auditor warning about potential failure are on IPOs

Log In

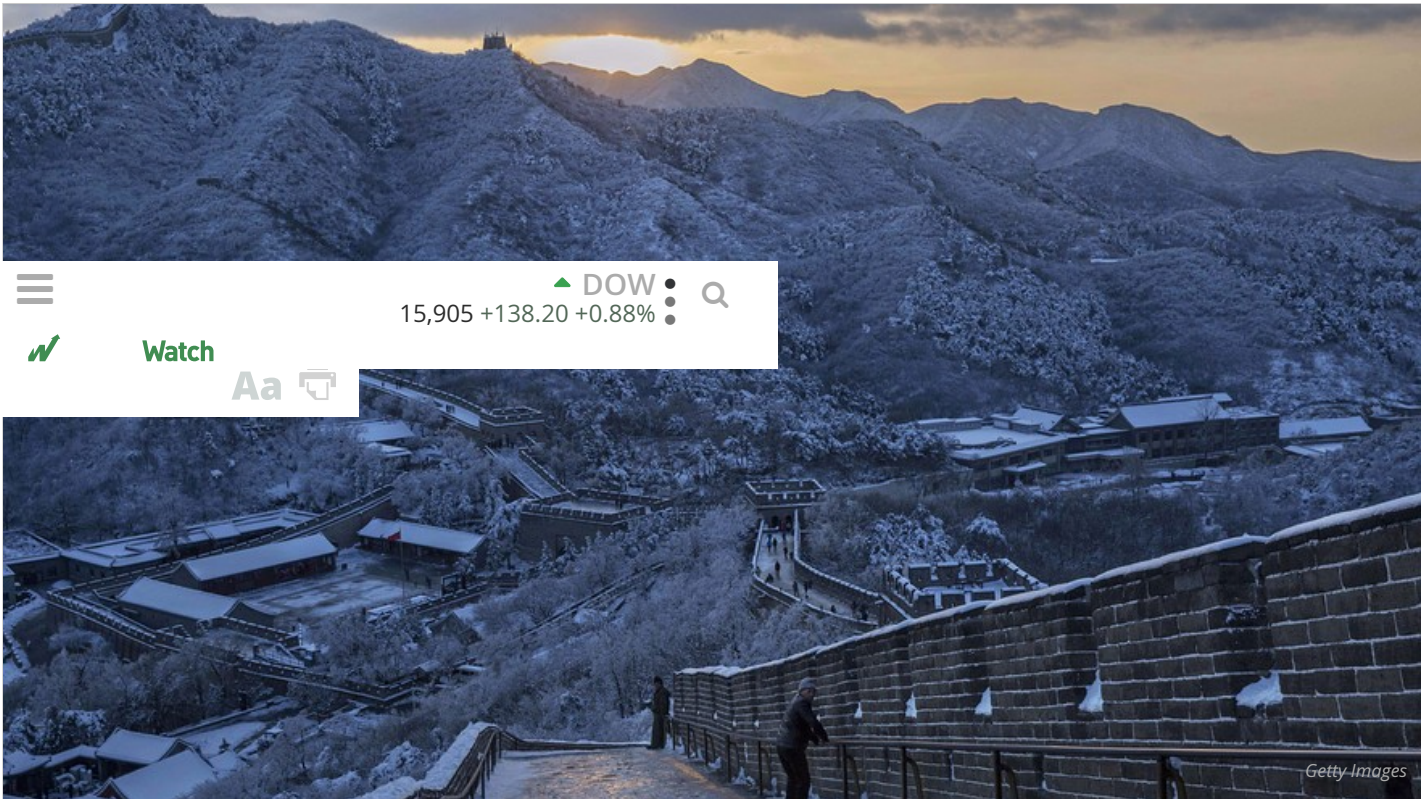
U.S. stocks post worst 10-day start to a year in history

By Joseph Adinolfi and Barbara Kollmeyer

Published: Jan 15, 2016 4:28 p.m. ET

Aa

Dow industrials sinks nearly 400 points



Markets can't get around a wall of China worry

U.S. stocks closed sharply lower Friday, locking in the worst 10-day start to a calendar year ever, as oil prices plunged and investors worried about slowing growth in the U.S.

During the course of the session, the S&P 500 broke below its Aug. 24 low—which several market strategists said would be

tantamount to a major sell signal—to trade at its lowest level since October 2014. The Dow Jones Industrial Average was briefly down as much as 537 points.

Oil appeared to be the main driver of concern. Both the U.S. **US:CLG6** **UK:LCOG6** and global benchmarks settled below \$30 a barrel, as investors feared that supplies will continue to rise as Iran prepares to enter the market and Russia continues pumping oil to help support its flagging economy.

"There's not a lot of people willing to take their foot off the gas and prices are adjusting accordingly," said David Meier, portfolio manager at Motley Fool Asset Management. "As a result of that you're seeing fear just creep in."

The Dow **DJIA, +0.88%** slumped 390.97 points, or 2.4%, to 15,988.08, while the S&P 500 **SPX, +0.60%** slid 44.85 points, or 2.3%, to 1,876.99, led lower by the financial, technology and energy sectors. The Nasdaq Composite **COMP, +0.32%** tumbled 126.59 points, or 2.7%, to 4,488.42.

All Dow components ended in negative territory, as were all 10 sectors on the S&P 500.

Follow MarketWatch's stock market live blog.

Read: Why oil could plunge to \$20 a barrel, but probably not \$10

Selling began in China after official data showed that new bank loans were lower than expected in December as lenders sharply curtailed activity amid worries about slowing growth and bad debt. In a bid to boost liquidity, China's central bank said it pumped \$15 billion of funds into the market via a medium-term lending facility on Friday.

The Shanghai Composite SHCOMP, -3.23% dropped 3.5% and is down 20% from a Dec. 22 high, which by one definition puts it in a bear market.

All of this was exacerbated as options stopped trading ahead of their expiration on Saturday. Dave Lutz, head of ETFs at JonesTrading, said because of how the market was positioned, options dealers needed to sell more futures to hedge their positions as stocks fell.

Intel Corp. **INTC, +0.61%** was the biggest loser among Dow components, plunging 8.9%, after earnings late Thursday, and major oil companies Chevron Corp. **CVX, +1.94%** and Exxon Mobil Corp. **XOM, +1.20%** also were big losers.

Both the Dow and S&P 500 finished the week down more than 2%, while the Nasdaq shed more than 3% of its value this week.

Read: Goldman's Abby Joseph Cohen says stocks are the best place to be

Trump and Cruz clashes dominate Republican debate (2:34)

GOP front-runners Donald Trump and Sen. Ted Cruz exchanged jabs and dominated the airtime at the sixth Republican presidential debate.

Economic signals: A spate of disappointing U.S. data show that both manufacturing and consumer spending are in trouble. Empire State factory index declined sharply in January to its lowest level since the recession. Retail sales declines by 0.1% in December a report on industrial production compiled by the Federal Reserve showed that activity declined for the third straight month.

The cost of producing goods and services dropped again.

The lone bright spot was a report on consumer sentiment in January, which rose to 93.3 from a preliminary reading of 92.6 in the University of Michigan's preliminary January reading.

Read: Why U.S. retail sales will be weak again in December

New York Fed President William Dudley remained upbeat when he spoke Friday, saying he still expected the economy to push the unemployment rate down further and for growth to be slightly above the long-term trend.

Stocks to watch: Despite J.P. Morgan Chase & Co.'s **JPM, -0.02%** upbeat results, the bank's shares were off 2%.

Shares of BlackRock Inc. **BLK, +0.07%** were down 4.3% even after the firm said its earnings rose on the back of higher fees.

Wells Fargo & Co. **WFC, +0.93%** shares were 3.6% lower, after the bank posted a profit that was flat as low oil prices hurt the country's fourth-largest bank by assets.

Citigroup Inc. **C, +0.11%** profit soared last quarter as litigation costs fell. But its shares were ended 6.4% lower.

Shares of Analog Devices Inc. **ADI, +0.24%** slumped 1.4% after it cut its revenue outlook late Thursday.

General Electric Co. **GE, +2.27%** said it has made a deal to sell its appliance unit to Shanghai-listed Qingdao Haier Co. **600690, +1.43%** in which Chinese appliance maker Haier Group owns a key stake, for \$5.4 billion. Shares of GE finished down 2%.

Other markets: European stocks were unable to escape the downward trend from other markets, and the Stoxx Europe 600 index **SXXP, +1.93%** lost 2.8%. The dollar **USDJPY, +0.48%** fell to a one-year low vs. the yen. Gold **GCG6, -0.83%** rose \$22.40, or 2.1%, to \$1,096.20 an ounce.

Treasury yields fell to a 3-month low **TMUBMUSD10Y, +1.71%** with the 10-year yield briefly falling below 2%.

More from MarketWatch

[Here are the other winners in the \\$1.6 billion Powerball lottery...](#)

[A bear market in stocks will be over before you know it](#)

[Loonie may weaken if BOC cuts rates Wednesday](#)

Related Topics

[U.S. Stocks](#) [Markets](#) [NY Stock Exchange](#) [NASDAQ](#)

QUOTE REFERENCES

Sponsored by

DJIA

+138.20 +0.88%

COMP

+14.31 +0.32%

SPX

+11.24 +0.60%

SHCOMP

-96.21 -3.23%

[SHOW ALL REFERENCES](#) ∨

MORE NEWS FROM MARKETWATCH



Top Stories

Trending

Recommended



Playboy Mansion for Sale, and You Get Hefner Too!



Rubio: Hillary Clinton Disqualified From Being President



Stock market bloodbath wasn't the final flush, indicator suggests



If you live in these 3 states, your nest egg could be compromised



Is bitcoin broken? Prominent developer cashes out

Recommended by

MARKETWATCH PARTNER CENTER



\$100 in Transfer Fees
Refunded.
\$0 Set-Up Fees.



MORE TOOLS. LESS FEES.

CONTENT FROM OUR SPONSORS



So What Now? 10 Mega-Cap Stocks that Paid...

Dogs of the Dow



Could this Stock be the Stock Pick of the Year.

NeutraCorp - Home



Ron Paul Issues Warning About Gold

The Crux



80% Stock Market Crash To Strike in 2016...

The Sovereign Investor

Recommended by

WE WANT TO HEAR FROM YOU

Join the conversation

COMMENT

SPONSORED RESULTS

Best IRA Investment Options	10 Best Cars of 2016
401k Retirement Plans	How do I Buy Stock
Top 10 Credit Cards	Best Diesel Cars
Top Solar Energy Companies	Average Retirement Income

EUROPE



George Soros says the EU is 'on the verge of collapse'

[View More](#)

MARKETS



Cheapest places to buy gas, in one map

[View More](#)

MANSION GLOBAL



Listing of the day: High-altitude living in Aspen

[View More](#)

PERSONAL FINANCE



Familiar auto features go the way of the Dodo

[View More](#)

SPONSORED HEADLINES



Next Big Potential High Tech Stock

[Venture Capital News](#)



The 10 Richest People On The Planet

[Interesticle](#)



Could this Start-up be the Next Big Thing?

[Venture Capital News](#)



A jaw-dropping 6% cash back card is here

[NextAdvisor](#)



This New Fuel Could Kill Big Oil As Soon As 2016

[Money Morning](#)

Recommended by

MARKETWATCH

[Site Index](#)

[Topics](#)

[Help](#)

[Feedback](#)

[Newsroom Roster](#)

[Media Archive](#)

[Premium Products](#)

[Mobile](#)

COMPANY

[Company Info](#)

[Code of Conduct](#)

[Corrections](#)

[Advertising Media Kit](#)

[Advertise Locally](#)

[License our Content](#)

[Broker Center](#)

[Your Ad Choices](#)

DOW JONES NETWORK

[WSJ.com](#)

[Barron's Online](#)

[BigCharts](#)

[Virtual Stock Exchange](#)

[Financial News Online](#)

[WSJ.com Small Business](#)

[realtor.com](#)

[Mansion Global](#)

[Back to Top](#)

Copyright ©2016 MarketWatch, Inc. All rights reserved.
By using this site you agree to the [Terms of Service](#), [Privacy Policy](#), and [Cookie Policy](#).

Intraday Data provided by SIX Financial Information and subject to terms of use. Historical and current end-of-day data provided by SIX Financial Information. Intraday data delayed per

exchange requirements. S&P/Dow Jones Indices (SM) from Dow Jones & Company, Inc. All quotes are in local exchange time. Real time last sale data provided by NASDAQ. More information on NASDAQ traded symbols and their current financial status. Intraday data delayed 15 minutes for Nasdaq, and 20 minutes for other exchanges. S&P/Dow Jones Indices (SM) from Dow Jones & Company, Inc. SEHK intraday data is provided by SIX Financial Information and is at least 60-minutes delayed. All quotes are in local exchange time.