

Cincinnati stocks climb as markets soar for third straight day

Mar 26, 2020, 11:41am EDT Updated: Mar 26, 2020, 4:35pm EDT

Greater Cincinnati stocks shared in the gains as stocks skyrocketed for a third straight day Thursday after the Senate unanimously passed a huge coronavirus assistance package, putting the Dow Jones Industrial Average on pace for its strongest week since the Great Depression.

The Dow soared 1,352 points, a 6.4% gain, to close Thursday at 22,552. That put the benchmark index up 18% for the week, which would be its best week since 1931. The index has gained 21% in three days. The three-day streak of increases is the first since a four-day win streak through Feb. 6.

The S&P 500 jumped 6.1% to 2,627. The Courier Greater Cincinnati Index of locally based stocks joined in, climbing 6.2%.

The Senate unanimously passed a \$2 trillion economic stimulus package late Wednesday night. Anticipation of that package passing drove the Dow to a record one-day point gain Tuesday. The gains continued Wednesday and into today as optimism the nation can withstand the coronavirus impact rose.

But to put the stock market's gains in perspective, the S&P 500 is still down 23% from its all-time high set just more than five weeks ago.

Nineteen of the 22 locally based stocks that trade regularly on an exchange rose Thursday.

Community bank operator Cincinnati Bancorp Inc. surged 18% to lead locally based stocks. Fifth Third Bancorp (Nasdaq: FITB) soared 17%, while TV and digital media operator E.W. Scripps Co. (NYSE: SSP) jumped 14%. Chemed Corp. (NYSE: CHE) gained 11%, commercial lighting company LSI Industries Inc. (Nasdaq: LYTS) rose 10%, diversified manufacturer Hillenbrand Industries Inc. (NYSE: HI) climbed 9% while clinical contract research organization Medpace Holdings Inc. (Nasdaq: MEDP) increased 8%.

The biggest local decliner was department store operator Macy's Inc. (NYSE: M), down 10%.

Greater Cincinnati's two largest stocks also rose Thursday. Consumer products giant Procter & Gamble Co. (NYSE: PG) gained 6.4% while supermarket operator Kroger Co. (NYSE: KR) rose 3.8%.

Jason Jackman, president and chief investment officer at Cincinnati-based Johnson investment Counsel, said the market has been reacting positively this week to Federal Reserve action, the prospect of the economic stimulus bill passing the House on Friday and optimism about COVID-19 growth rate trends in China, Italy and New York.

"However, we do not anticipate this marking the end of the challenging stock market environment for investors," Jackman said. "Stock market rallies within the context of recessionary bear markets are quite common and often do not indicate a market bottom. The stock market volatility that we expect and that which has already occurred has created opportunities for portfolio re-positioning. Stocks and bonds of quality corporations are becoming attractively priced and offer real value. But what is most important for investors is that they stick to their long-term investment plan and avoid the temptation to time the market.

"The dangers of market-timing are real. The market's best days often occur when the news is still bad and the outlook is still bleak, as we saw on Tuesday when the Dow rose more than 11%, its best day since 1933. Investors who are out of the market



MIK11991

Stocks are soaring again Thursday for a third straight day, and Cincinnati companies are joining in the gains.

even for a short time severely curtail their returns and miss out on much-needed rebounds off the bottom."

Steve Watkins

Staff Reporter

Cincinnati Business Courier

