

Wow! Dow hits 20,000

■ **Wall Street** levels in its latest milestone moment

■ **Optimism over Trump** actions, policies stirs rally

The Associated Press

The Dow Jones industrial average crossed the 20,000 mark for the first time yesterday, the latest milestone in a record-setting drive for the stock market.

The Standard & Poor's 500 index and Nasdaq composite rose to record highs of their own for the second day in a row.

Yesterday's rally came against a backdrop of optimism on Wall Street that executive actions and policy goals announced by the Trump administration this week on trade, manufacturing and business deregulation will be good for corporate America.

The Dow, which tracks 30 major companies, has risen more than 9 percent since the election. It gained 155.80 points yesterday, or 0.8 percent, to 20,068.51.

"We all remember where we were, or where we were working, when we cross numbers like this," said Michael Driscoll, clinical professor of finance and senior executive in residence at Adelphi University.

The S&P 500 index rose 18.30 points yesterday, or 0.8 percent, to 2,298.37. The Nasdaq added 55.38 points, or 1 percent, to 5,656.34.

Small-company stocks also rose. The Russell 2000 picked up 13.23 points, or 1 percent, to 1,382.44.

Analysts and executives said stocks have risen on the expectation that President Donald Trump and Congress will boost infrastructure spending, businesses and jobs.

"Based on Trump's campaign, he indicated he was going to push business growth and job growth," said Edward P.



Specialist Frank Masiello gets into the spirit at the NYSE yesterday. ■ Video: newsday.com/biz

AP / RICHARD DREW

tive of CJM Wealth Management in Deer Park.

In recent years, "trillions left the equity market and went into the fixed income market," Massimo said. Since the election, "That money came back."

The market has marched higher since bottoming out in March 2009 in the aftermath of the financial crisis. The Dow fell as low as 6,507.

"It seems like, 'wow, we've come so far so fast,'" said Barry Ritholtz, a Locust Valley resident and chairman and chief investment officer of Manhattan-based Ritholtz Wealth Management. "But actually, if you look at the 10 year returns on average they're only OK."

The annual return for the Standard & Poor's 500 index averaged 6.9 percent over the last 10 years, and 6.6 percent over 15 years, he said.

Craig Ferrantino, president of Melville-based financial planning firm Craig James Financial Services, said companies "that will do well under a Trump presidency" include those in the construction, infrastructure, energy and steel industries.

Investors have been leery of the stock market for years, unable to stomach the prospect of losing more than 50 percent of their money for a second time if another financial crisis hits.

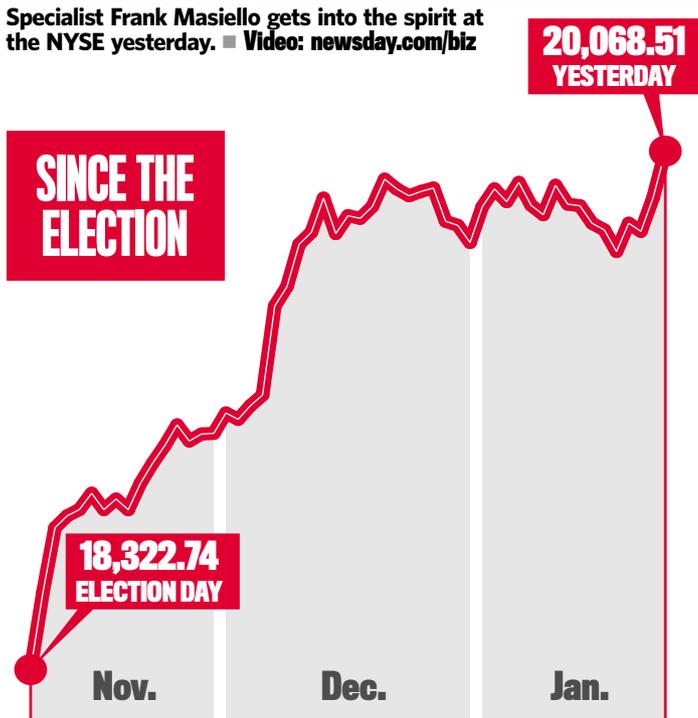
However, a \$10,000 investment in the largest U.S. stock mutual fund made a decade ago, before the Great Recession began, would now worth nearly \$20,000.

With *Daysi Calavia-Robertson, Maura McDermott, David Reich-Hale and Ken Schachter*

Inside

What the milestone means to Long Islanders
A29

YESTERDAY'S CLOSE
20,068.51



Paternostro, the president and chief executive at Westbury-based credit union NEFCU. "The financial markets are reflecting that."

Investors hope that Trump will cut corporate taxes, said Michael Kresh, owner and chief investment officer of Is-

landia-based Creative Wealth Management. The 35 percent maximum corporate tax rate in the United States is one of the highest in the world, he said.

Also, large institutional investors have shifted what they're investing in, said Charles Massimo, chief execu-

Milestones

100	Jan. 12, 1906
500	March 12, 1956
1,000	Nov. 14, 1972
2,000	Jan. 8, 1987
3,000	April 17, 1991
4,000	Feb. 23, 1995
5,000	Nov. 21, 1995
6,000	Oct. 14, 1996
7,000	Feb. 13, 1997
8,000	July 16, 1997
9,000	May 6, 1998
10,000	March 29, 1999
11,000	May 3, 1999
12,000	Oct. 19, 2006
13,000	April 25, 2007
14,000	July 19, 2007
15,000	May 7, 2013
16,000	Nov. 21, 2013
17,000	July 3, 2014
18,000	Dec. 23, 2014
19,000	Nov. 22, 2016

Source: Federal Reserve

CLOSE ON JAN. 5, 1901
49.58