

US stocks rise on energy, financial gains

US stocks were led higher Tuesday by energy and financial shares as the price of crude oil reached another record high and restrictions were eased on government-backed mortgage lender Fannie Mae.

Fannie Mae's government regulator said it would drop its capital requirement for the largest US lender from 20 percent to 15 percent once Fannie Mae raised \$6 million in cash, helping financial stocks rebound from a weak opening.

The relaxed requirement would allow Fannie Mae to provide more home loans. Falling housing prices, which resulted in a record number of home foreclosures, has prompted huge losses at banks and a tightening of credit conditions.

Crude oil for June delivery topped \$122 per barrel on the New York Mercantile Exchange, sending stocks in energy companies higher.

The blue-chip Dow Jones Industrial Average climbed 51.29 points or 0.4 percent to 13,020.83. The broader Standard and amp; Poor 500 Index was up 10.77 points or 0.77 percent to 1,418.26. The technology-heavy Nasdaq Composite Index rose 19.19 points or 0.78 percent, to 2,483.31.

The dollar edged lower to 64.39 euro cents from 64.53 euro cents Monday, and to 104.77 Japanese yen from 104.83 yen.

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