

Apple hit on sales worries as US shares edge lower

NEW YORK - Wall Street extended losses in early trade on Tuesday with Apple shares pressing lower on a report suggesting iPhone 6s sales are weaker than hoped.



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Also weighing on the market was a downbeat forecast by huge clothing retailer Gap, where sales in its namesake and Banana Republic brand stores fell in October.

About 30 minutes into trade, the Dow Jones Industrial Average was down 5.28 points (0.03 percent) at 17,725.20.

The broad-based S&P 500 lost 0.13 points (0.01 percent) at 2,078.45, while the tech-rich Nasdaq Composite dropped 21.10 (0.41 percent) to 5,074.20.

After a six-week winning streak, buyers appeared on hold for a second day in US markets amid signs of slow corporate sales growth and weak global economic expansion.

Patrick O'Hare of Briefing.com said the market had become more conscious of "stretched valuations, rising interest rates, and weak trade data out of China."

In addition, fresh data showed the downward pressure on inflation has not eased, despite steady US growth. Non-fuel

import costs were down 3.2 percent year-on-year in October, the largest decline in six years.

"The import price data doesn't necessarily help the Fed's case for a December rate hike," said O'Hare.

There were signs that mainstream US businesses continue to struggle with weaker-than-expected sales.

Apple shares fell 2.7 percent after Credit Suisse cut its forecasts for iPhone sales next year, citing an evident slowdown in parts orders by the company, according to CNBC.

Gap lost 5.7 percent on its poor October sales and a weaker outlook than expected for earnings for the quarter ended November 1.

Shares of industrial manufacturer Rockwell sank 3.8 percent as it reported a 9.8 percent fall in revenues in the third quarter.

On the positive side, two homebuilders turned in strong quarters, with revenues surging in double digits. Shares of DR Horton, the industry leader, added 1.6 percent while small rival Beazer Homes gained 2.6 percent.

Source: AFP

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