

New Home Sales Jump 14.8% in April

Sales of new homes posted another large gain in April as buyers rushed to sign contracts before government tax credits expired.

The Commerce Department says sales of new single-family homes jumped 14.8 percent to a seasonally adjusted annual rate of 504,000 units. The April gain followed a 29.8 percent surge in March, the biggest monthly increase in 47 years.

Activity in both months was pushed higher by a stampede of buyers trying to sign sales contracts before tax credits expired on April 30. The concern, however, is that sales will slump in coming months given all the problems still facing households.

In a separate report, the Commerce Department says demand for durable goods increased 2.9 percent in April 30 on a rebound in demand for commercial aircraft. It's the best showing in three months and more than double what was expected.

The reports are helping stocks bounce back from yesterday's sell.

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