Warren Buffett Boosts Amazon and the Rest of the Tech Sector



The Oracle of Omaha revealed he was investing in the online retail giant.

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The U.S. economy added 263,000 jobs last month, topping expectations by a wide margin, and the unemployment rate dropped to 3.6 percent, its lowest level since 1969. That strong showing, coupled with good (but not *too* good) wage growth of 3.2 percent, sent the stock market back towards the record highs set last Friday.

Technology stocks led the way. The tech-heavy Nasdaq Composite

index was up 1.58 percent while the S&P 500 and Dow indexes were up 0.96 percent and 0.75 percent respectively. The Entrepreneur Index™ posted a gain of 1.33 percent on the day.

Related: Warren Buffett Recently Invested in Amazon. It Made Him Nearly $250 Million Before.

Amazon, down in the previous four trading sessions, jumped 3.24 percent after Warren Buffett revealed he was investing in the internet and retailing giant. Buffett, once reticent to invest in technology companies he "didn't understand," has apparently gotten up to speed. Along with his Amazon investment, he also owns a 5.3 percent stake in Apple currently worth more than $50 billion. Amazon is up 30.7 percent this year.

The rest of the FAANG stocks on the Entrepreneur index went along for the ride. Facebook, (1.53 percent), Alphabet Inc. (1.96 percent), and Netflix, (1.57 percent), were all up sharply, as were other tech stocks today. TripAdvisor Inc. had the biggest gain in the sector, jumping 5.03 percent after the stock was upgraded by a Deutsche Bank analyst.

Tesla had another good day in the market after it increased its offering of shares and convertible bonds to investors from $2 billion to $2.7 billion. CEO Elon Musk simultaneously announced he would double his purchase of shares in the offering to $25 million. The stock was up 4.45 percent after gaining 4.31 percent yesterday.

Related: Tesla Promises 'One Million Robo-Taxis' in 2020

Other good gains on the index included Estee Lauder Companies, (2.46 percent), Alexion Pharmaceuticals, (2.67 percent), and Hess Corp. (2.1 percent).

Only fourteen stocks out of sixty on the Entrepreneur index declined today, and only two fell by more than one percent.

O’Reilly Auto Parts was down 1.38 percent. The stock dropped sharply last week after the company reported weak results and lowered guidance for 2019.

IT services provider Cognizant Technology had the biggest decline on the index today. The stock was down a whopping 11.05 percent after the company reported poor first quarter results after the market close yesterday and lowered its forecast for the rest of the year. “We had a disappointing first quarter performance,” said CEO Brian Humphries, who was appointed last month. Cognizant shares are now up 9.1 percent for the year and 45.1 percent in the last twelve months.

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