

S&P 500 breaks six-week winning streak

The stock market faced some selling pressure after six straight weeks of gains for the S&P 500.



Last Friday's close had the S&P 500 and Dow Jones Industrial Average at record highs, so normal consolidation was part of the story this week.

The S&P 500 closed 1.0% lower this week and the Dow Jones Industrial Average sank 2.7%. The profit-taking activity was fueled by rising market rates. The 10-yr yield settled 16 basis points higher this week at 4.23% and the 2-yr yield settled 15 basis points higher this week at 4.10%. This week's selling in the Treasury market expanded the 2s10s spread by a basis points to 13 bps.

The Nasdaq Composite managed to settle 0.2% higher for the week, benefitting from buying activity in mega caps and semiconductor shares.

Some of the buying in mega cap shares was related to the huge jump in Tesla (TSLA) following impressive Q3 earnings and 2025 vehicle growth forecast.

Other names that reported earnings included blue chip companies like Verizon (VZ), 3M (MMM), GE Aerospace (GE), Lockheed Martin (LMT), General Motors (GM), IBM (IBM), and Honeywell (HON).

- Nasdaq Composite: +0.2% for the week / +23.4% YTD
- S&P 500: -1.0% for the week / +21.8% YTD
- Dow Jones Industrial Average: -2.7% for the week / +11.7% YTD
- S&P Midcap 400: -2.8% for the week / +11.7% YTD
- Russell 2000: -3.0% for the week / +8.9% YTD

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