

Apr 04, 22:38

Peter Wells in New York

## **Big Tech, banks and small caps end week in bear market territory**

A wild two-day sell-off has left some of Wall Street's closely followed equities gauges tracking tech, banks and small caps in so-called bear market territory.

The Nasdaq Composite became the latest index to join the club as its 5.8 per cent drop on Friday left it 22.7 per cent below its record high in mid-December.

Big Tech stocks suffered much of the damage. An index tracking the Magnificent Seven had tumbled into bear market territory on Thursday and is now down more than a quarter since peaking on Christmas Eve.

A bear market is typically defined as a drop of 20 per cent from a peak.

# Several US equities indices are in 'bear market' territory

Relative performance, %, since recent record closing highs

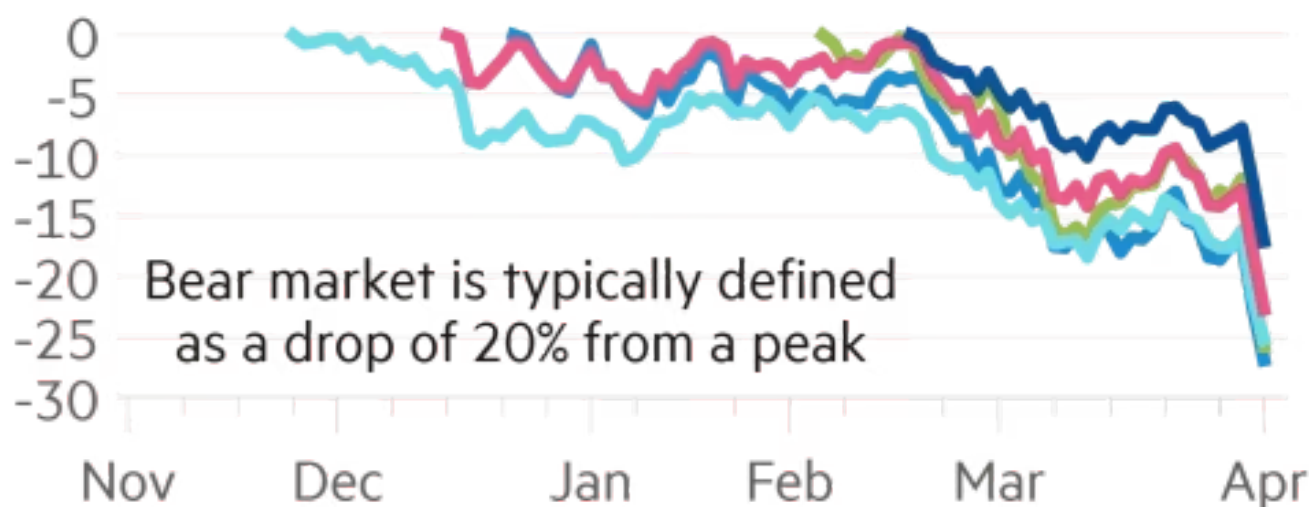
— S&P 500

— Nasdaq Composite

— Russell 2000

— KBW bank index

— Magnificent Seven



Russell 2000 and KBW bank index calculated from recent cyclical peaks; their record highs pre-date 2024

Sources: @\_PeterWells, Bloomberg

The KBW bank index, which tracks two dozen big US lenders, reached a record high in January 2022. A few weeks after November's US presidential election, the index hit a cyclical peak and is now down more than a quarter since then.

The Russell 2000, which tracks small-cap stocks that are sensitive to domestic economic growth, is also down more than a quarter since a cyclical peak in late November.



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Apr 04, 22:05

George Steer in New York

## **S&P 500 closes 6% lower as Trump's tariff announcement rattles markets**

Wall Street stocks closed sharply lower as Donald Trump's so-called liberation day tariffs continued to reverberate through financial markets and fan concerns about a global economic recession.

The S&P 500 ended Friday's session down 6 per cent, with all 11 sectors in negative territory, after tumbling 4.8 per cent on Thursday. The tech-heavy Nasdaq Composite lost 5.8 per cent.

For the week, the S&P 500 dropped 9.1 per cent, and the Nasdaq dropped 10 per cent, their biggest weekly drops since March 2020.

# Tariff concerns drag Wall Street stocks to level hit last May

## S&P 500



Source: LSEG via markets.ft.com



Apr 04, 20:47

Peter Wells in New York

# Wall Street stocks on course for worst week since 2020 Covid crisis

US stocks were headed for their biggest weekly drop in five years, as China's move to [introduce retaliatory tariffs](#) against the US kicked off a global trade war and spurred another steep sell-off in global equities markets.

The S&P 500 was down 5.4 per cent in afternoon trading on Friday, failing to recover from a 4.8 per cent drop on Thursday in the wake of Donald Trump's 'liberation day' tariff announcement. The back-to-back drops are set to wipe about \$5tn in market capitalisation from the benchmark index.

Investors received few concrete signs of imminent support from the Federal Reserve, as chair [Jay Powell on Friday warned](#) the tariff increases "will be significantly larger than expected" and would stoke "higher inflation and slower growth".

The tech-heavy Nasdaq Composite was down 5.5 per cent in afternoon trading. That followed a 6 per cent drop on Thursday, setting the stage for back-to-back declines of greater than 5 per cent for only the fourth time on record.

Over the past five sessions, the S&P 500 has declined 8.9 per cent and the Nasdaq has dropped 9.8 per cent. Those are on course to be the indices' biggest weekly drops since March 2020.

The Nasdaq on Friday entered so-called bear market territory, meaning the index has fallen at least 20 per cent from a recent high. The Russell 2000 index, which tracks small-cap stocks that are more exposed to domestic growth, entered bear market territory on Thursday as investors fretted about the outlook for the US economy.