

MARKETS | THE TRADER

# The Stock Market Finally Heard Powell's Message Loud and Clear. It Wasn't Pretty.

By [Ben Levisohn](#) [Follow](#) Updated Aug. 27, 2022 11:10 am ET / Original Aug. 26, 2022 8:45 pm ET

Did he ever, and the markets didn't miss the message. The Dow Jones Industrial Average declined 3% on Friday and finished the week down 4.3%, while the S&P 500 **SPX -3.37% ▼** index fell 3.4% to close the week off 4%. It was their worst weeks since June.

And particularly for expensive growth stocks. It shouldn't come as a surprise that the tech-heavy Nasdaq Composite **COMP -3.94% ▼** took the brunt of the damage, falling 3.9% on Friday to end the week down 4.4%. That makes sense, given that [expensive growth stocks](#) are most sensitive to rising interest rates, and stocks like Nvidia **NVDA -9.23% ▼** (ticker: NVDA) and Trade Desk **TTD -4.26% ▼** (TTD), which trade at 42.7 and 57.9 times earnings, respectively, still aren't cheap.