

MARKETS

The Stock Market's 'Everything Rally' Has Been Impressive. What's Next.

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Dec 15, 2023 1:00 am EST

performance for the [S&P 500](#).

The main driver of the gains has been the decelerating pace of inflation, which has led the Federal Reserve to refrain from further interest-rate hikes over its past two meetings. The central bank signaled this week that it [might even cut interest rates](#) in 2024. That would enable the economy to continue [growing](#) and keep companies' sales and profits on the rise. Lower rates also make future profits and dividends more valuable, lifting valuations for all sorts of companies from high-dividend payers to high-growth technology firms.