

# Stock Market News for Monday, Aug. 5, 2024: Stocks Tumbled Amid Global Selloff

**The Dow, S&P 500, and Nasdaq closed above their lowest levels but still down on recession fears.**

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Stocks plunged, extending last week's drop that left the Nasdaq Composite in correction territory.

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Traders, fearing that the Federal Reserve has waited too long to cut interest rates and that the economy is already in a downturn, flocked to the safety of U.S. government debt. The market's so-called fear index surged to [its highest level since 2020](#). A slowing economy would create challenges for companies' earnings.

While today's selloff was bad, it [wasn't the worst](#) on record and corrections [aren't that unusual](#) during bull markets.