

# The Stock Market Rally Isn't Just Big Tech Anymore. Why Investors Still Should Be Cautious.

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Nov 27, 2024 2:27 pm EST

... beyond Big tech. (MICHAEL NAGLE/BLOOMBERG)

Not necessarily. Many on Wall Street remain optimistic about the possibility

of more upside ahead. A key reason? The rally is broadening out. It's no longer just [Nvidia](#) [↑ NVDA +2.15%](#) and the rest of the [Nasdaq](#) [↑ COMP +0.83%](#)'s [Magnificent Seven](#) leading the way.

In fact, the difference between the number of stocks on the New York Stock Exchange hitting new 52-week highs versus those notching new 52-week lows is now at its widest level since early 2021, Dean Christians, senior research analyst with SentimenTrader, noted in a recent report. In other words, more stocks are advancing than declining.

Typically, that phenomenon bodes well for the entire stock market. It's a sign of [better market breadth](#), meaning that the major indexes aren't being led by just a small handful of stocks.

... That may be true. But given how long it has been since Wall Street has faced any significant obstacle, it isn't entirely clear what might happen if market or economic conditions suddenly head south.

There is now an undeniable air of complacency in the market. Yes, investors are hopeful that earnings will keep growing in the wake of expected corporate tax cuts, deregulation efforts, and fiscal stimulus from the [incoming Trump administration and Republican Congress](#). But they seem to be ignoring the possibility that expanded [tariffs](#) could upset the apple cart and ignite [a trade war](#).