

Market tumbles 10% below record for first S&P “correction” since '23

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NEW YORK>> Wall Street's sell-off hit a new low Thursday after President Donald Trump's escalating trade war dragged the S&P 500 more than 10% below its record, which was set just last month.

A 10% drop is a big enough deal that professional investors have a name for it — a “correction” — and the S&P 500's 1.4% slide on Thursday sent the index to its first since 2023. The losses came after Trump upped the stakes in his trade war by threatening huge taxes on European wines and alcohol. Not even a double-shot of good news on the U.S. economy could stop the bleeding.

The Dow Jones Industrial Average dropped 537 points, or 1.3%, and the Nasdaq composite fell 2%.

The Dow hurtled between a slight gain and a drop of 689 points on Thursday.

The turbulence is a result of uncertainty about how much pain Trump will let the economy endure through tariffs and other policies in order to reshape the country and world as he wants. The president has said he wants manufacturing jobs back in the United States, along with a smaller U.S. government workforce and other fundamental changes.

Good news came on both those economic fronts Thursday.

One report showed inflation at the wholesale level last month was milder than economists expected.

A separate report, meanwhile, said fewer U.S. workers applied for unemployment benefits last week than economists expected.