

Dow Jones futures were little changed early Friday morning, along with S&P 500 futures and Nasdaq futures ahead of Friday's jobs report. The stock market rally continued to power higher, with Tesla stock and especially **Nvidia** ([NVDA](#)) pushing the Nasdaq into extended territory. But the Dow Jones and Russell 2000 fell, as falling oil prices and Treasury yields took a toll on energy and financial stocks.

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Nvidia stock skyrocketed as Wells Fargo sees the chipmaker making a [big metaverse push](#).

Tesla ([TSLA](#)) and Nvidia stock are now greatly extended themselves, but their rapid breakouts have triggered the "[eight-week hold rule](#)."

Bill.com ([BILL](#)), **Datadog** ([DDOG](#)), **Cloudflare** ([NET](#)), **Fortinet** ([FTNT](#)), **Airbnb** ([ABNB](#)), **Expedia** ([EXPE](#)), **Progygy** ([PGNY](#)) and **Peloton Worldwide** ([PTON](#)) were notable earnings after the close.

BILL stock soared late on earnings, signaling a bullish gap up on Friday. FTNT stock rose modestly, perhaps near an alternate entry. ABNB stock moved slightly higher after moving into buy range on Thursday. EXPE stock jumped, signaling at least an aggressive entry.

NET stock and especially Datadog rallied on results overnight, and are already extended.

On the downside, PGNY stock fell sharply from near a buy point. PTON stock crashed to a 52-week low.

Tesla stock, Nvidia, Airbnb and Datadog are on [IBD Leaderboard](#). FTNT stock is on [IBD Long-Term Leaders](#). DDOG stock, Tesla, Nvidia and Cloudflare are on the [IBD 50](#). ABNB stock was the [IBD Stock Of The Day](#).

The video embedded in this article discussed the market rally and reviewed Nvidia stock, **Applied Materials** ([AMAT](#)) and **Crane** ([CR](#)).

Dow Jones Futures Today

Dow Jones futures fell slightly vs. fair value. S&P 500 futures and Nasdaq 100 futures edged higher.

Remember that overnight action in [Dow futures](#) and elsewhere doesn't necessarily translate into actual trading in the next regular [stock market](#) session.

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Stock Market Rally

The stock market rally was technically mixed Thursday, but the overall tone was positive as the S&P 500 and Nasdaq composite set fresh all-time highs.

The Dow Jones Industrial Average dipped 0.1% in Thursday's [stock market trading](#). The S&P 500 index rose 0.4%. The Nasdaq composite climbed 0.8%. The small-cap Russell 2000 hit a new high intraday but reversed lower for a fractional decline.

The 10-year Treasury yield fell nearly 6 basis points to 1.52%. But the two-year yield slumped 5 basis points to 0.43%, so the yield spread didn't narrow much.

U.S. crude oil futures sank 2.5% to \$78.81 a barrel, back below \$80 after hitting \$83.42 intraday. That follows a sharp drop on Wednesday on higher U.S. crude inventories. OPEC+ agreed to continue slowly unwinding pandemic-era supply cuts on Thursday, despite concerns that this would not be enough to keep up with rebounding demand.

Tesla Stock Rises, Nvidia Soars

Nvidia stock shot up 12% to an all-time level. Wells Fargo sees the chipmaker on Tuesday launching Omniverse Enterprise, helping to enable a wide variety of metaverse applications. **Meta Platforms** ([FB](#)) (formerly Facebook) and **Microsoft** ([MSFT](#)) see a big future in immersive virtual reality and lifelike avatar interactions.

Meanwhile, Tesla stock rose 1.3% to 1,229.91, hitting a new high, on track for its 11th straight weekly gain. From their recent breakouts less than two weeks ago TSLA stock and Nvidia have surged 37% and 29%, respectively.

A pullback in these hot names would not be a surprise, but when a stock rallies 20% within two or three weeks of the breakout, investors should try to hold onto the position. The eight-week hold rule, more of a guideline than a rule, encourages investors to hold TSLA stock and Nvidia for eight weeks from their breakouts — and then reevaluate. That is, if they don't give up all or nearly all of their recent moves.

ETFs

Among the [best ETFs](#), the Innovator IBD 50 ETF ([FFTY](#)) rose 1.5%, while the Innovator IBD Breakout Opportunities ETF ([BOUT](#)) edged up 0.6%. The iShares Expanded Tech-Software Sector ETF ([IGV](#)) climbed 1%. NET stock, Datadog, Bill.com and Fortinet are all IGV members.

The VanEck Vectors Semiconductor ETF ([SMH](#)) vaulted 4.1%. Nvidia stock had a huge influence on SMH, but many chip names had big days.

SPDR S&P Metals & Mining ETF ([XME](#)) retreated 0.45% and Global X U.S. Infrastructure Development ETF ([PAVE](#)) rose 0.5%. U.S. Global Jets ETF ([JETS](#)) declined 0.6%. SPDR S&P Homebuilders ETF ([XHB](#)) gained 0.9%. The Energy Select SPDR ETF ([XLE](#)) edged up 0.1% and the Financial Select SPDR ETF ([XLF](#)) sank 1.3%.

Reflecting more-speculative story stocks, ARK Innovation ETF ([ARKK](#)) dipped 0.2% and ARK Genomics ETF ([ARKG](#)) edged up 0.5%. Tesla stock is the No. 1 holding across ARK Invest's ETFs.

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Key Earnings

Airbnb earnings easily beat consensus while the online rental firm guided in line for Q4 revenue. ABNB stock climbed 1% in overnight action. Airbnb stock rose 3.2% to 178.45 on Thursday, topping a 177.06 buy point from a short [flat base](#) within a longer consolidation. ABNB stock may have rallied on strong earnings from **Hyatt** ([H](#)) and **Choice Hotels** ([CHH](#)), as well as **Booking Holdings** ([BKNG](#)).

Expedia earnings easily beat profit and revenue views. EXPE stock shot up 12% in extended trade. Shares fell 2.9% to 157.55 on Thursday, back below the 200-day line and 50-day. A rebound from those key levels could offer an early entry, perhaps above Thursday's intraday high of 166.74. The official handle [buy point](#) is 157.57

Bill.com earnings beat forecasts with the software maker giving a bullish Q4 outlook. BILL stock jumped 15% in late action. Shares edged higher Thursday after finding support at its 50-day line. A stronger 50-day line bounce and clearing the past several weeks of consolidation would offer a BILL stock entry.

[Fortinet earnings](#) topped estimates, along with revenue and billings. Guidance also was strong. FTNT stock rose 2.5% in extended trade. Fortinet stock climbed 2.6% to 338.40 on Thursday, after holding within range of a flat-base buy point of 322.10 for the past few weeks, according to [MarketSmith analysis](#). FTNT stock could move out of buy range Friday, but investors could use its recent mini-consolidation as another resistance area to buy or add shares.

[Datadog earnings](#) cleared estimates while the software maker also guided higher. DDOG stock leapt 13% overnight, well beyond possible buy points. Datadog stock rose 2.6% to 166.95 on Thursday.

Cloudflare earnings beat with the networking and security software maker guiding up. NET stock rose 5% in extended trade, well past legitimate entries.

Progyny earnings topped but revenue fell short. PGNV stock slumped 7% in after-hours action. Shares fell 1.7% to 60.28 on Thursday, consolidating below a 64.45 cup-with-handle buy point.

Peloton reported a wider-than-expected loss as connected bike sales tumble and existing owners use their bikes less. PTON stock crashed 30% overnight to a 52-week low. Peloton stock, one of the great pandemic winners, has been struggling for months.

Market Rally Analysis

The stock market rally continues to advance, hitting new highs. The Nasdaq has now rallied for nine straight sessions. It's now 6% above its 50-day line. The Nasdaq 100, which includes Tesla, Nvidia and other nonfinancial big-cap Nasdaq-listed names, is 6.7% above its 50-day. The 6% mark is getting extended, raising the risk of a pullback and that any such retreat could be larger.

It's less worrisome when a stock market rally is only a few weeks old, as the current uptrend is. But this new rally also followed a relatively minor correction.

The stock market rally can be extended for an indefinite period, interrupted with only minor retreats. But it's something for investors to consider.

A pullback in Tesla and/or Nvidia could be healthy for those stocks and the market rally. But if they fall significantly — and drag down the EV and chip sectors with them — the Nasdaq could see significant losses.

The upside is that a market pullback could create new buying opportunities in leading stocks.

[Time The Market With IBD's ETF Market Strategy](#)

What To Do Now

There's nothing wrong with letting your positions work. You can trim some extended winners and cut some losers, but simply enjoying the uptrend can be highly profitable. It may not be a great time to buy growth stocks, given the Nasdaq being extended. But, so far, there's no real need to pull back exposure significantly.

Investors could consider buys in emerging sectors, such as retail, travel or industrials.

Keep your emotions in check. With the market running up for a fifth straight week, don't let your ego expand faster than your portfolio. Keep a level head in good markets and bad.

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