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**Stocks (mostly) rally as Wall Street cheers Biden's stimulus package**

By [Paul R. La Monica](#) and [Allison Morrow](#)

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New York (CNN Business) — Wall Street was in rally mode Monday — for the most part. Tech stocks and other momentum darlings — the so-called FAANG stocks — weren't invited to the party.

The [Dow](#) rose more than 300 points, or 1%, as investors cheered the [Senate's passage](#) of a Covid-19 relief package that aims to bolster the US economy. The [S&P 500](#), the broadest measure of Wall Street, fell about 0.5% though.

And a selloff in tech stocks continued Monday, dragging the [Nasdaq](#) down 2.4%. In fact, Apple ([AAPL](#)), Microsoft ([MSFT](#)), Salesforce ([CRM](#)) and Intel ([INTC](#)) were among the few Dow stocks that were in the red.

And Tesla, down 6%, was one of the big laggards in the S&P 500. Tesla ([TSLA](#)) has now fallen nearly 20% so far this year.

Investors appear to be worried about what will happen to [big techs and other growth stocks](#) in an environment when inflation pressures are creeping up and bond yields are heading higher.

The 10-year Treasury yield rose to about 1.6% after the Senate cleared President Biden's \$1.9 trillion stimulus proposal, paving the way for the sweeping legislation [to be signed into law early this week](#).

Long-term rates are still relatively low, but investors are alarmed by how rapidly bond yields have climbed. The 10-year yield began the year around 0.9%. And some experts are forecasting that they could soon head as high as 2%.

"Runaway inflation worries have been a stumbling block for stocks as of late. Because of this, there could be more market weakness ahead as investors grapple with the short- and long-term effects of stimulus," said Lindsey Bell, chief investment strategist for Ally Invest, in a report Monday.

"High-flying stocks like tech and the 'stay at home' stocks may be hit the hardest," she added. To that end, Zoom ([ZM](#)), Teladoc ([TDOC](#)) and Peloton ([PTON](#)) were all down significantly Monday and they have all plunged between 15% and 25% in just the past week.

Still, at least one "stay at home" couch potato stock rose sharply on Monday.

ViacomCBS ([VIAC](#)), which has already surged this year thanks to optimism about its newly relaunched Paramount+ streaming network, soared nearly 13% to an all-time high on the news of the [blockbuster ratings](#) for Sunday night's CBS [interview of Prince Harry and Meghan Markle by Oprah Winfrey](#).

And an improving economy should be good news for investors — even if big tech stocks continue to pull back.

Investors may be engaging in what's called sector rotation: flocking to find new market leaders that should benefit from

Optimism about Covid-19 vaccines is also giving Wall Street hope that consumers can soon return back to more normal lives and do things like go to movies, take vacations and go shopping more freely again.

Along those lines, Disney ([DIS](#)), Coca-Cola ([KO](#)), Walgreens ([WBA](#)) and Home Depot ([HD](#)) were among the top Dow gainers Monday.

Some investors also think that the recent sell-off in big tech may be overdone.

"There is a rotation — but the good tech stocks are still attractive, so that is frustrating," said Randy Warren, CEO of Warren Financial. "Do you really think Apple is no longer a good company? Google, Microsoft and Amazon are still making a ton of money."

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