People throw around "the stock market" like it's one single thing, but the NYSE and Nasdaq operate completely differently under the hood. NYSE still uses a hybrid model with designated market makers physically involved in price discovery, even in this digital age. Feels almost old-fashioned, honestly, but it works.



Nasdaq is pure electronic matching No trading floor drama, no people in colored jackets waving at each other. Orders get matched electronically through market makers competing on price. This structure historically attracted tech companies — Apple, Microsoft, Amazon all list here — which is why Nasdaq gets treated as the tech-heavy index even though plenty of non-tech names trade there too. Listing requirements differ between the two exchanges, and this surprises people. NYSE traditionally demanded higher earnings and shareholder equity thresholds, US stock trading for global investors positioning itself as the exchange for established, blue-chip companies. Nasdaq's requirements historically ran a bit more flexible, which opened doors for growth companies before they'd proven years of consistent profitability. The S&P 500 isn't an exchange, it's an index This trips up beginners constantly. The S&P 500 tracks 500 large-cap companies across both NYSE and Nasdaq, weighted by market capitalization. It's the number financial news references most often when talking about "the market" broadly, and for good reason — it captures a wider slice of the economy than either exchange alone. Dow Jones Industrial Average gets mentioned just as often, but it's a different animal entirely. Only 30 companies, and it's price-weighted rather than market-cap weighted, meaning a stock trading at $500 moves the index more than one trading at $50, regardless of company size. That's a genuinely odd design choice that dates back to 1896 and just never got updated. Nasdaq Composite covers more ground than people assume It's not just tech. Thousands of companies list under this index, spanning biotech, retail, industrials — the tech reputation comes from market cap concentration, not actual company count. A handful of massive names skew perception of what's really in there. Trading hours matter too, particularly for anyone trading US markets from Malaysia. Regular sessions run 9:30am to 4pm Eastern, which lands in the evening through early morning Malaysian time depending on daylight saving shifts. Pre-market and after-hours sessions exist on both exchanges, but liquidity thins out considerably outside regular hours, and price gaps can be sharper than people expect.