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**Weekly Technical Highlights – Dow Jones Industrial Average (DJIA)**

**Weekly Charting – DJIA**



Source: *TradingView*

Key Support & Resistance Levels:	
<b>Last Price</b>	: 38,799.00
<b>Resistance</b>	: 38,911 (R1)                      40,077(R2)
<b>Support</b>	38,228 (S1)                      37,611(S2)
<b>Weekly view</b>	Choppy with potential downside bias

**Dow Jones Industrial Average (DJIA)**

- US stocks are kicking off the month of June on a positive note, with the NASDAQ and S&P 500 hitting record highs driven by AI enthusiasm. The DJIA improved marginally by 0.3% WoW. Crude oil prices fell to their lowest in four months at USD73/barrel before recovering to USD75/barrel due to phased production cuts. The European Central Bank approved its first rate cut since 2019, citing progress in reducing inflationary pressures in the Euro zone.
- Investors remain resilient, buying dips into mega caps like MSFT, NVDA, and AAPL, which now account for over 20% of the S&P 500's value for the first time since 2000. Market breadth indicates shorter term weakness, with less than half of S&P 500 companies trading above their 50-day SMA. Key economic data to watch this week includes the Fed meeting and inflation reports, which could bring volatility. Bond yields above 4.50% might jeopardize the equity rally.
- Despite June typically being a weaker month, the market showed surprising resilience last week. Investors should continue to monitor mega caps and market reactions to economic data. While the DJIA remains above its critical 13-week SMA last week, concerns arise from RSI divergence and softening SmartMCDX indicators, which measure buyer activity based on volume and price movement. These signs could indicate market fatigue. A similar concern also be seen in the S&P 500 and NASDAQ.
- In short, we expect a choppy trading week with potential downside bias, especially on Wednesday and Thursday, due to anticipated market volatility from key economic data releases. Disappointments could lead the index to retest its 13-week SMA at 38,228 and possibly 37,611. Conversely, surpassing the immediate 5-week SMA resistance at 38,911 could drive the index to test its all-time high of 40,077. Investors should be prepared for increased volatility and closely monitor these key levels.

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