

19 January 2026

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Weekly Technical Highlights – Dow Jones Industrial Average (DJIA)

Weekly Charting – DJIA



Source: TradingView

| Key Support & Resistance Levels: | |
|----------------------------------|---|
| Last Price | : 49,359.33 |
| Resistance | : 49,633 (R1) 50,000 (R2) |
| Support | : 49,219 (S1) 48,416 (S2) |
| Weekly view | : Choppy market with sideways-to-lower bias |

Dow Jones Industrial Average (DJIA)

- U.S. equities slipped modestly last week as the market struggled to extend the prior week's gains. The DJIA traded in a tight range and ended about 0.3% below the record high set on Monday. Early 4Q earnings reports from the major U.S. banks were mixed, and sector expectations remain uneven with Financials projected to deliver 6.6% earnings growth in 4Q vs. 8.2% for the broader S&P 500. Information Technology, meanwhile, was seen as the strongest contributor and Consumer Discretionary the weakest, according to FactSet. On the macro front, inflation prints were largely steady—headline CPI held at 2.7% YoY in December, while core CPI remained at 2.6%, with wholesale prices also indicating a stable price backdrop. Over the weekend, President Trump also announced 10% tariffs on imports from eight European countries starting 1 Feb 2026, with the rate set to rise to 25% on 1 Jun if no resolution is reached—adding a fresh layer of trade-policy uncertainty for markets.
- Looking ahead, attention should remain on 4Q earnings updates, with a particular focus on mega-cap technology given its expected outsized contribution to S&P 500 earnings growth this quarter. Markets will also be watching Thursday's release of the PCE Price Index—the Fed's preferred inflation gauge—which will be a key input ahead of the next FOMC meeting ending 28 January. While inflation has been moderating, it remains above the Fed's 2% long-run target, keeping the policy outlook data-dependent.
- Technically, while the broader setup remains constructive, near-term price action may turn choppy and more mean-reverting given still-elevated conditions. From an indicator standpoint, the weekly stochastic remains deeply overbought (c.93), while RSI is firmer but not extreme at around 66.
- Overall, we expect a choppy market with sideways-to-lower consolidation. Key supports are at 49,219 (5-day SMA) and 48,416 (5-week SMA), while resistances are at 49,633 (all-time intraday high) and the 50,000 psychological level. Key upside risks include a continued broadening trade and/or stronger-than-expected earnings guidance that sustains risk appetite.

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