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Weekly Technical Highlights – Dow Jones Industrial Average (DJIA)

Weekly Charting – DJIA



Source: TradingView

Key Support & Resistance Levels:	
Last Price	: 45,577.47
Resistance	: 45,666 (R1) 46,562 (R2)
Support	: 45,371 (S1) 44,938 (S2)
Weekly view	: Downward

Dow Jones Industrial Average (DJIA)

- U.S. equities declined for a fourth consecutive week, with major indexes falling around 2% as persistent inflation concerns and rising bond yields weighed on sentiment. Bond markets remained under pressure, pushing the 10-year Treasury yield to 4.39%, its highest level in about eight months, as stronger-than-expected PPI print reinforced expectations that inflation may remain elevated and limit rate cuts. The Federal Reserve kept rates unchanged, in line with market expectations, while signalling only one additional cut this year, with other major central banks including the BoJ and ECB also holding rates steady amid ongoing price pressures. Meanwhile, geopolitical tensions in the Middle East continued to drive market volatility, with equities increasingly moving inversely to oil prices, which remained near USD99 per barrel (YTD +74%). Gold prices, however, retreated sharply by 10% WoW amid tighter financial conditions.
- Looking ahead, market direction is expected to remain largely driven by developments in the Middle East conflict, particularly Iran-related tensions and their impact on global energy supply. Elevated crude prices are likely to sustain inflation pressures and delay expectations for policy easing, reinforcing the inverse relationship between equities and oil prices. Rising Treasury yields add further pressure, as higher borrowing costs and reduced rate-cut expectations weigh on valuations. While corporate fundamentals remain supportive, backed by projected 12.5% YoY S&P 500 earnings growth for 1QCY26, according to FactSet, geopolitical uncertainty and energy-driven volatility suggest limited near-term upside. As such, markets are likely to remain volatile and highly sensitive to developments in the Middle East and oil price movements.
- Technically, the DJIA has broken below its 200-day SMA and closed just below its 50-week SMA, reinforcing a bearish shift in trend. Momentum remains weak, with weekly stochastic in oversold territory and RSI trending lower, indicating continued downside pressure. The lack of stabilisation suggests that further weakness or consolidation is likely in the near term.
- In short, we expect continued market weakness this week, unless geopolitical tensions in the Middle East begin to de-escalate. Key support levels are at 45,371 (23.6% Fibonacci retracement) and 44,938 (lower bound of the descending channel), while resistance levels are at 45,666 (50-week SMA) and 46,562 (200-day SMA).

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