

By Cheow Ming Liang | [cheowml@kenanga.com.my](mailto:cheowml@kenanga.com.my) ; Thin Yun Jing | [thinyl@kenanga.com.my](mailto:thinyl@kenanga.com.my)

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

**Weekly Charting – DJIA**



Source: TradingView

Key Support & Resistance Levels:	
<b>Last Price</b>	: 51,037.09
<b>Resistance</b>	: 51,099 (R1)      52,187 (R2)
<b>Support</b>	: 50,319 (S1)      49,509 (S2)
<b>Weekly view</b>	: Volatile with upward bias

**Dow Jones Industrial Average (DJIA)**

- U.S. equities continued their rally, led by tech stocks, with the NASDAQ, S&P 500, and DJIA up 2.4%, 1.4%, and 0.9%, respectively, last week to fresh record highs, while the S&P 500 marked its ninth consecutive weekly gain. For May, the three major indices climbed 8.4%, 5.1%, and 2.8%, respectively, extending April's strong rebound. Investor sentiment was supported by easing oil prices, as WTI crude fell nearly 10% WoW to around USD88 per barrel amid optimism surrounding U.S.-Iran negotiations. Nonetheless, inflation remained elevated, as April core PCE edged up to 3.3% YoY from 3.2% in March, while headline PCE accelerated to 3.8%. Meanwhile, 1Q U.S. GDP growth was revised down to an annualised 1.6% from 2.0%, reflecting softer consumer spending and investment. Despite these headwinds, analysts raised 2Q earnings forecasts for S&P 500 companies by 2.5% over April and May, according to FactSet, reinforcing confidence in the corporate earnings outlook.
- Looking ahead, investor focus will shift to U.S. jobs report on Friday, with May payrolls expected to increase by 89k (versus April's stronger-than-expected gain of 115k jobs). The data will be closely watched for clues on whether resilient economic growth and persistent inflation could reinforce a more hawkish Fed stance. A stronger-than-expected reading may push Treasury yields higher, and reduce expectations for near-term rate cuts. Attention will also be on Broadcom's earnings on Wednesday, providing another key test of AI-related optimism following the tech sector's strong rally. Meanwhile, developments in U.S.-Iran negotiations and energy prices will continue to influence market sentiment. Overall, while strong earnings momentum and AI enthusiasm remain supportive, elevated valuations, inflation concerns and higher bond yields could lead to increased market volatility in the near term.
- Technically, the DJIA remains in a firm uptrend, trading above all key SMAs within a rising channel. While the weekly stochastic and RSI are nearing overbought territory, the absence of bearish reversal signals and rising Smart MCDX suggest improving institutional participation, supporting further upside momentum in the week ahead.
- In short, we expect higher volatility with upward bias this week. Key support levels are at 50,319 (intraweek low) and 49,509 (5-week SMA), while resistance levels are at 51,099 (intraweek high) and 52,187 (upper bound of its uptrend channel).

This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness. Any recommendation contained in this document does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may read this document. This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement by addressees. Kenanga Investment Bank Berhad accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities. Kenanga Investment Bank Berhad and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies. Kenanga Investment Bank Berhad being a full-service investment bank offers investment banking products and services and acts as issuer and liquidity provider with respect to a security that may also fall under its research coverage.

Published by:  
**KENANGA INVESTMENT BANK BERHAD (15678-H)**  
 Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia  
 Telephone: (603) 2172 0880 Website: [www.kenanga.com.my](http://www.kenanga.com.my) E-mail: [research@kenanga.com.my](mailto:research@kenanga.com.my)

