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Weekly Technical Highlights – Dow Jones Industrial Average (DJIA)

Weekly Charting – DJIA



Source: *TradingView*

Key Support & Resistance Levels:	
Last Price	: 50,872.08
Resistance	: 51,665 (R1) 52,367 (R2)
Support	: 50,100 (S1) 49,782 (S2)
Weekly view	: Higher volatility with downward bias

Dow Jones Industrial Average (DJIA)

- U.S. equities snapped their nine-week winning streak, led by a sharp late-week sell-off in semiconductor names that dragged the broader market lower. The S&P 500 fell ~2.5% WoW, the Nasdaq slid 4.7%, while the DJIA edged down 0.2%. Rates also moved higher after a stronger-than-expected May jobs report revived the bond sell-off, with the 2-year Treasury yield rising to 4.16% from 4.00% a week earlier. Labour data also stayed firm—May payrolls rose 172k, with upward revisions lifting the three-month average to 188k, the strongest since March 2024. Rate futures have turned more hawkish, implying roughly a 72% probability of a 25–75bp Fed hike by year-end versus 27% odds of no change and <1% chance of a cut, according to FedWatch. Despite the pullback, fundamentals remain supportive: 1Q S&P 500 earnings rose 28.6% YoY, the strongest since 4Q21 and the sixth straight quarter of double-digit growth, led by Information Technology (+54.0%).
- Looking into next week, several swing factors could keep volatility elevated with potential liquidity overhang for existing listed tech universe, whether IPO-related fund-raising (e.g., SpaceX) continues to pressure risk assets, and the trajectory of rates, particularly with the 2-year yield at 4.16%, a fresh 52-week high. Markets will also watch whether buyers defend the PHLX Semiconductor Index (SOX) around its 13-day SMA (as they did in mid-May), Apple’s AI messaging at WWDC on Monday, and next week’s CPI/PPI prints, especially after recent firm PPI readings.
- Technically, while the DJIA remains on its broader uptrend, weekly stochastic and RSI are still in overbought territory despite last week’s pullback, implying a higher risk of further mean reversion if overall sentiment softens, particularly should the SOX fail to hold on to key supports. Notably, the SOX drew strong dip-buying interest during the mid-May pullback when it tested its 13-day SMA, which helped extend the broader market’s bullish tone. It will therefore be important to see whether buyers step in again on this retracement, as the SOX reaction could be pivotal for near-term risk appetite.
- In short, we expect higher volatility with downward bias this week. Key support levels are at 50,100 (the lower bounce of the current upward channel) and 49,782 (5-week SMA), while resistance levels are at 51,665 (intraday high) and 52,367 (upper bound of its uptrend channel).

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