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Weekly Technical Highlights – Dow Jones Industrial Average (DJIA)

Weekly Charting – DJIA

Source: TradingView

Key Support & Resistance Levels:

Last Price	:	51,834.17	
Resistance	:	52,149 (R1)	52,801 (R2)
Support	:	51,522 (S1)	51,129 (S2)
Weekly view	:	Modest upward bias	

Dow Jones Industrial Average (DJIA)

- U.S. equities ended higher last week, with the DJIA, S&P 500 and Nasdaq gaining 0.3%, 1.2% and 2.1%, respectively. Stronger-than-expected U.S. manufacturing and services activity reinforced expectations that interest rates could remain elevated, pushing the 10-year Treasury yield to 5.16%, while the 30-year and 2-year yields rose to 5.49% and 4.85%, respectively. Meanwhile, WTI crude eased to around USD92/bbl as signs of easing Middle East tensions reduced concerns over energy supply disruptions. The U.S. dollar also strengthened following the recent Fed rate hike. Despite the positive weekly performance, elevated bond yields and still-high oil prices remained key constraints on risk appetite.
- Looking ahead, investor's focus will first turn to the PCE inflation report and Micron's results on Wednesday for further clues on the Fed's policy outlook and AI-related memory demand. Attention will then shift to the ISM manufacturing data on Thursday, before culminating in the September non-farm payrolls report on Friday. A stronger-than-expected jobs print or renewed wage pressures could push Treasury yields higher and weigh on equities, while softer data may provide some relief to rates. With seasonality turning more favourable as September ends, we expect the market to trade with a moderately bullish bias, provided Treasury yields stabilize.
- Technically, the DJIA retains a modestly positive bias despite the recent pullback. The latest session formed a bullish engulfing pattern near the lower end of its recent range, suggesting some dip-buying interest has returned. Daily stochastic is also in oversold territory, while the index remains above its key longer-term moving averages, suggesting there could be room for a gradual rebound.
- In short, we expect the DJIA to trade with a modest upward bias this week, supported by an oversold daily momentum and signs of dip-buying. Key support levels are seen at 51,522 (13-week SMMA) and 51,129 (intraweek low), while resistance levels are at 52,149 (50-week SMA) and 52,801 (50-day SMA).

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