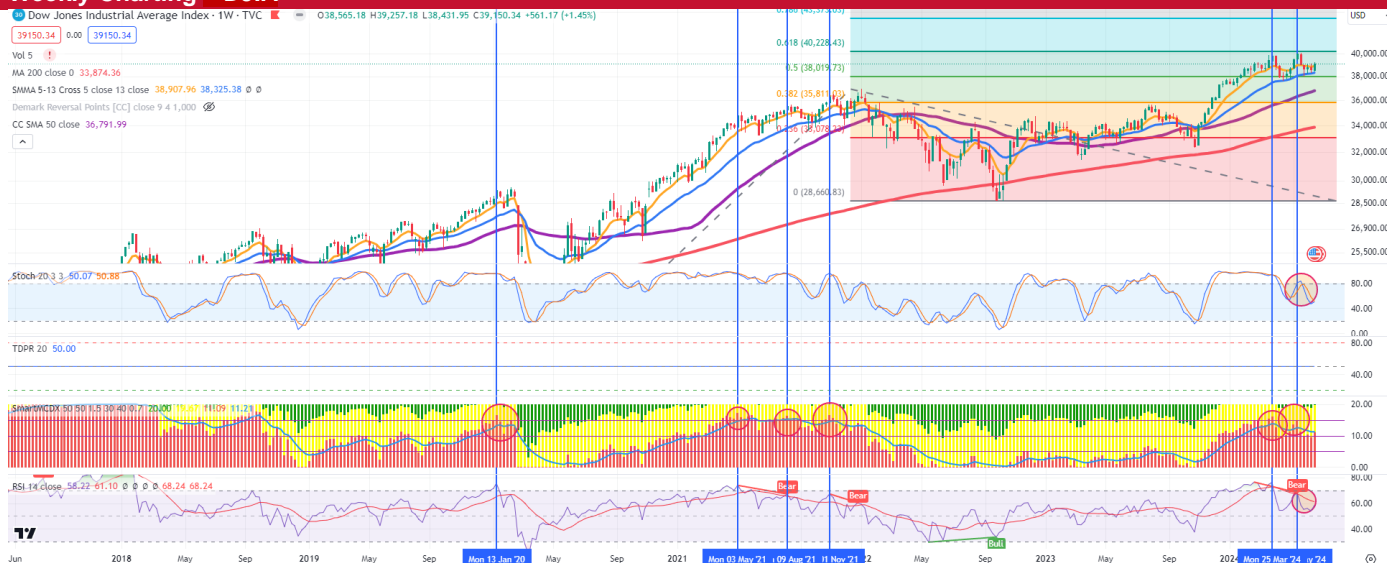


24 June 2024

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

**Weekly Charting – DJIA**



Source: *TradingView*

Key Support & Resistance Levels:	
Last Price	: 39,150.34
Resistance	: 40,077 (R1)      40,228 (R2)
Support	: 38,907 (S1)      38,325 (S2)
Weekly view	: Volatile with downside bias

**Dow Jones Industrial Average (DJIA) (Volatile with downside Bias)**

- The S&P 500 and NASDAQ reached new record levels, posting fractional gains and recording their eighth positive week out of the past nine. The Dow climbed over 1% but remains 2% below its record high from last month. Information technology and communication services continued to lead the market in 2024, with YTD gains of nearly 29% and 25%, respectively. US crude oil prices rose for the second consecutive week, trading around USD81/barrel, up from a low of less than USD73/barrel on 5 June.
- Looking ahead, this week's market focus will likely be on: (i) the sustainability of the recent tech sector sell-off, (ii) Micron's earnings report on Wednesday, and the Personal Consumption Expenditure (PCE) report on Friday, (iii) latest US banking industry stress test results, and (iv) the quarter-end Russell 2000 rebalancing on Friday.
- Technically, the DJIA rebounded from its crucial 13-week SMA last week and crossed above the 5-week SMA at 38,907. Although the latest DJIA technical setup, along with the S&P 500 and NASDAQ reaching new all-time highs, is bullish, the risk-reward ratio suggests a potential pullback. The sustainability of the recent tech sector pullback will be key in determining the overall market direction in the near term.
- We expect the market to be volatile and lean towards the downside this week. Disappointments from key economic data or an AI sector valuation reset could push the index to re-test its 5-week SMA support at 38,907 and the crucial 38,325 level. Conversely, continued bullish momentum in tech could boost overall market sentiment and drive the index to test its all-time high of 40,077 and potentially reach 40,228.

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