

=DJ TECHNICALLY SPEAKING: Railroads Among Strongest Transports

By Karen Talley

A Dow Jones Newswires Column

NEW YORK (Dow Jones)--Oil's big drop on Wednesday is aiding transportations stocks. But the group, especially railroads, still carries steam of its own, technical analysts say.

The Dow Jones Transportation Average, which contains 20 members, one-quarter of which are rail stocks, appears to be preparing to reach another record high, said independent technical analyst Daniel Chesler.

"We have a fairly reasonable shot of hitting 5400," Chesler said. "I think we'll see that before we see 5000. There is nothing overtly wrong with the chart. The transport average is in an uptrend making new highs on a regular basis and declines tend to be short lived."

Chesler's only concern about the transportation average is if it starts closing below near term support of 5000, its low from the beginning of May.

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