



THE MEM EDGE

July 13, 2025 | Weekly Report

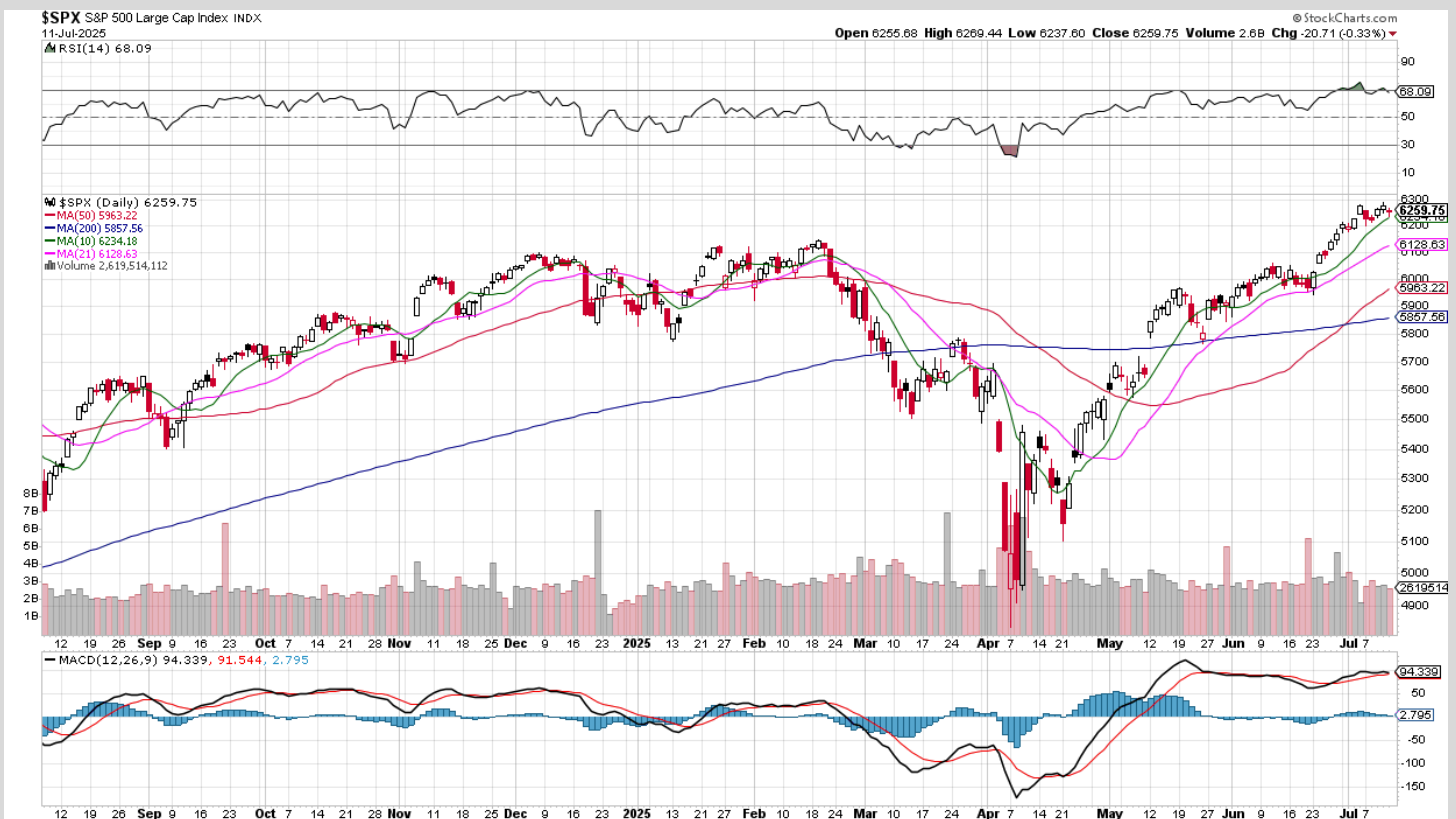
Last Week Events

- FOMC Meeting Notes Show Expectation Of 2 Rate Cuts This Year Is Still In Place
- Trump Imposes 35% Tariff On Imports From Canada

Next Week Events

- Core CPI Data On Tuesday And PPI Data Due Wednesday
- Retail Sales Data On Thursday
- Earnings Season Begins - NFLX, JPM And Others DAL

Daily Chart of S&P 500



The S&P 500 ended the week down slightly, in a move that keeps the near-term uptrend in place. Last week's modest move does not tell the entire story however, as Wall Street upgrades and downgrades, Delta's earnings, and tariff news drove the biggest gainers and losers.

The Nasdaq eked out a slight gain, to keep this Index in an uptrend as well. Helping this Tech-heavy Index out was outperformance in select Semiconductor, Biotech, and Retail stocks. Many Software stocks faltered, which we will review below.

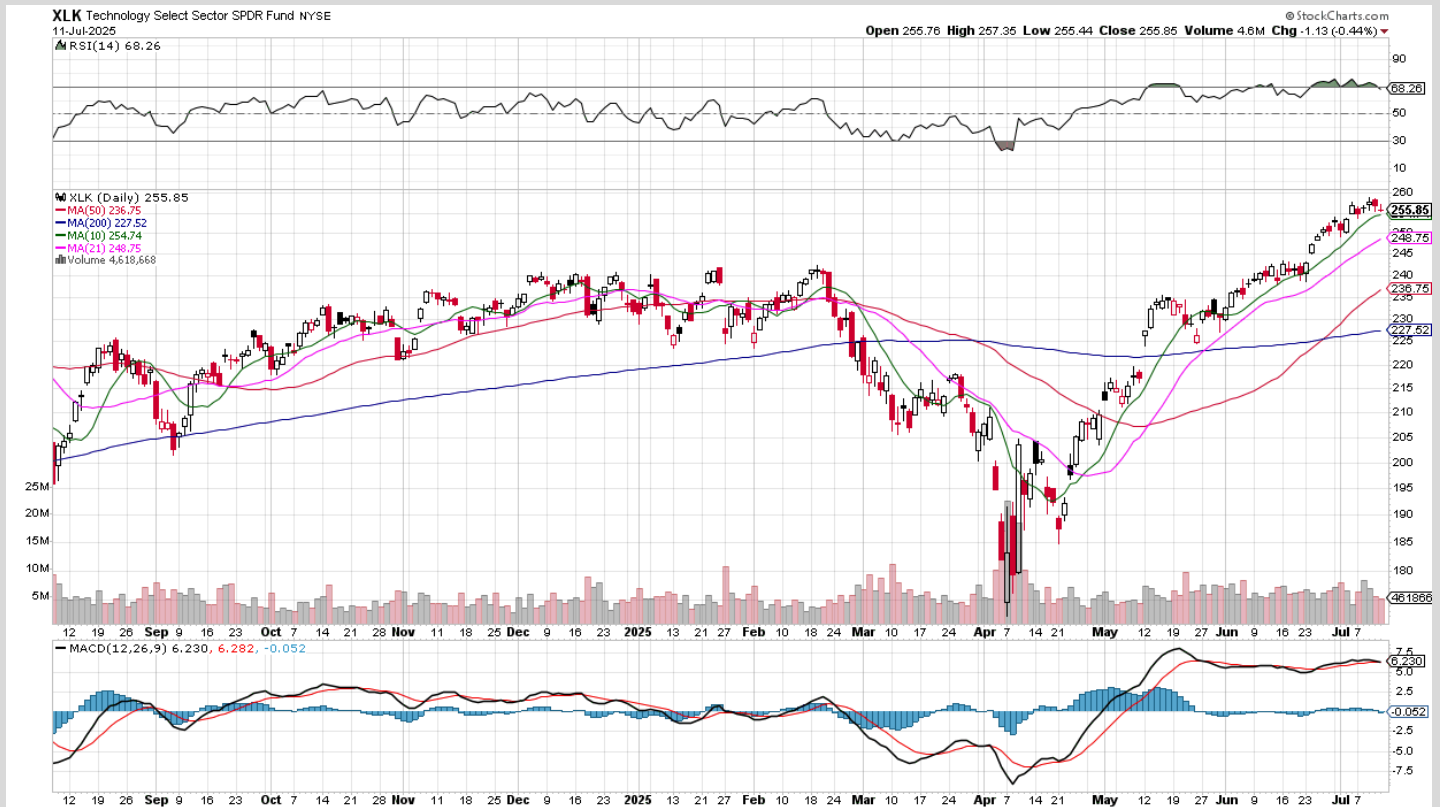
While last week's news of promises of a 35% tariff on Canadian imports to 50% duties on Brazil, investors' response was relatively muted, with metal stocks seeing the sharpest gain amid a 50% duty on copper.

On Saturday, Trump announced plans for a 30% tariff on both the EU and Mexico. While we are currently seeing a modest response to trade news, talks are likely to intensify in the coming weeks as a focus on the new August 1st deadline moves closer.

Key inflation data will be released, and earnings season begins next week. At this time, the markets remain in an uptrend, and we have highlighted stocks that are in a buy zone.



Daily Chart of the Technology Sector (XLK)



Technology Sector Pulls Back Slightly Amid Mixed Performance

The Tech sector pulled back 0.5% due to a sharp pullback in many Software stocks.

Cybersecurity names saw the biggest decline as these top performers face the possibility of clients streamlining the number of services they use. In addition, a wave of new startups is taking share from the largest companies.

Cloudflare (**NET**) fell 5% last week, and the stock is now below its 21-day moving average with the RSI sitting just above neutral at 51. The weekly chart remains quite constructive, and the stock can be held. A move back above its 10-day moving average in the \$189 range would be bullish.

A Wall Street downgrade pushed Monday.com (**MNDY**) down 7.4% and we are removing the stock after it closed below its 50-day moving average on heavy volume. In addition, the RSI is now in negative territory.

Snowflake (**SNOW**) fell 4.8% as investors responded negatively to a recent wave of insider selling from top executives. Slowing revenue retention rates and increased competition has been cited as another reason for its weakness.

SNOW is also being removed after posting a negative RSI following heavy volume selling. The weekly chart remains constructive, and long-term investors can stay with the stock.

Palantir Technologies (**PLTR**) gained 5.8% last week as it sidestepped the weakness elsewhere. The company has close ties to the Trump administration, which they have benefited from, as they have helped with streamlining several government agencies. The stock is in a buy zone.

Gaming Software company Roblox (**RBLX**) gained 2% for the week following news that the company's latest game release has been another hit. The stock is in an uptrend, however, the near-term trend is sideways, and the stock can be held.

Semiconductor stocks posted a slight gain, led by a 2.2% gain in Nvidia (**NVDA**), which closed at a new high in price. The advance solidified the company's leadership status after becoming the first company to close with a \$4 trillion market cap. The company now has the greatest weighting in the S&P 500 Index.

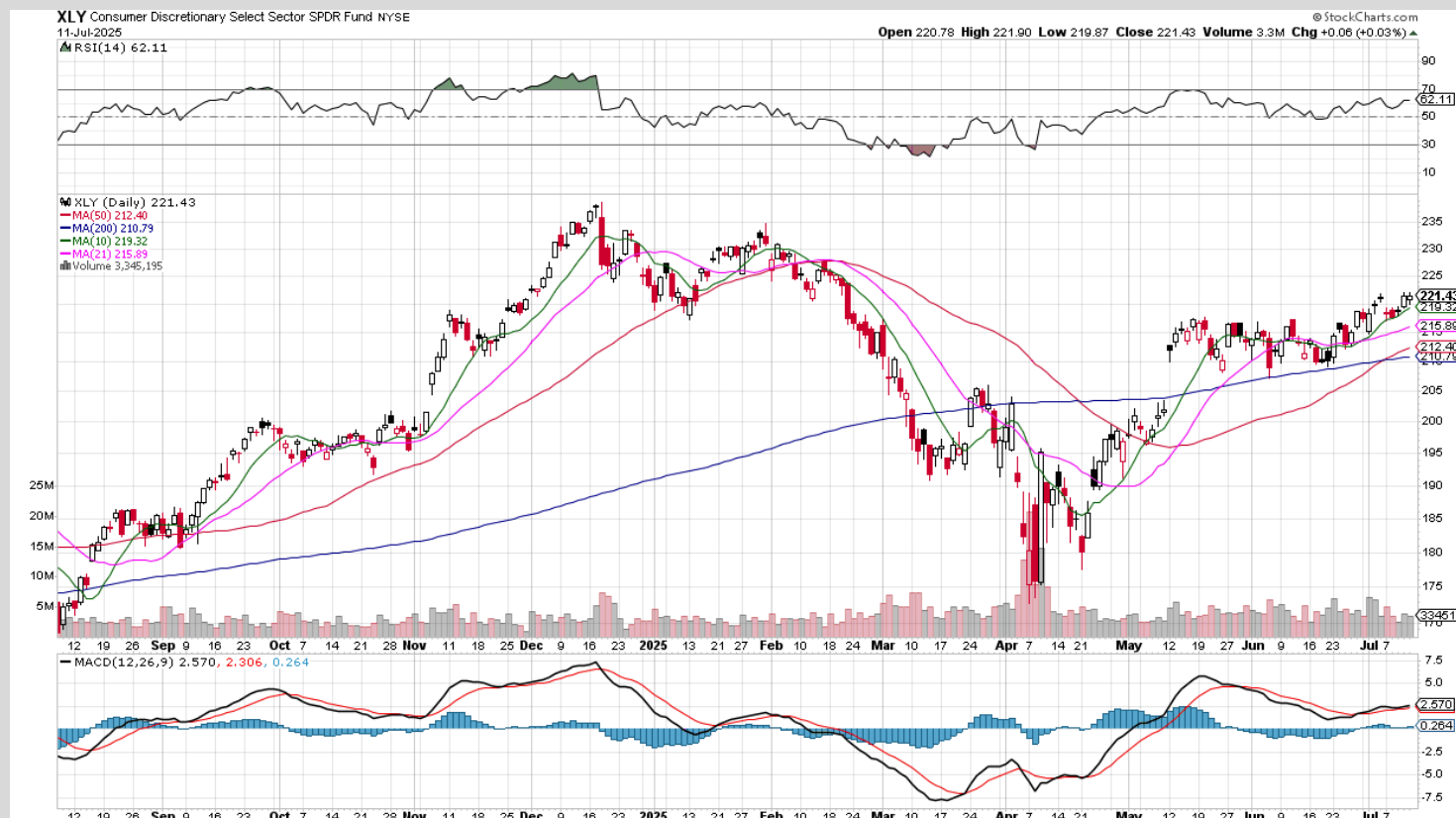
As reported last week, **NVDA** is working on a new China chip while also expanding facilities in Europe. The stock is in a confirmed uptrend as it finds support above its upward-trending 5-day moving average. The weekly chart is particularly bullish and points to further upside over the longer term.

On Thursday, **NVDA** chipmaker Taiwan Semiconductor (**TSM**) will release their earnings, and the results will certainly impact **NVDA** as well as other chip stocks. **TSM** pulled back to its 10-day moving average ahead of the release and remains in an uptrend.

Broadcom (**AVGO**) pulled back from a Thursday high in price, and the stock found support at its 10-day moving average. The stock has lost its sharp upside momentum since hitting a new high 2 weeks ago. **TSM's** earnings may shift this dynamic. For now, the stock can be held.

Recently added Small Cap stock Tower Semiconductor (**TSEM**) pulled back from a cup with handle base breakout on Monday amid a lack of news. A close back above \$47 would put the stock into a strong buy zone.

Daily Chart of the Consumer Discretionary Sector (XLY)



Consumer Discretionary Sector Ends Flat

Discretionary stocks received a continued boost from Homebuilders, which briefly entered an uptrend before a pullback on Friday. The group is highly economically sensitive, and a rise in rates and renewed inflation fears due to tariffs gave them pause.

Green Brick Partners (**GRBK**) regained its uptrend with a midweek rally that pushed the stock back up above its 200-day moving average. The stock is in a buy zone as it finds support above its upward-trending 5-day moving average.

Amazon (**AMZN**) ended the week on a high note

after receiving a major Wall Street price target upgrade on Friday. The bullish nod is due to accelerating growth in their cloud computing division.

In addition, the company announced record sales during their Prime Day deals, which took place last week. The stock is in a strong buy zone.

Ulta Beauty (**ULTA**) ended the week down slightly after pulling back from a cup with handle base breakout following news of their acquisition of a UK-based beauty retailer. The stock remains in an uptrend and can be bought. A close above \$492 would put the stock into a strong buy zone.

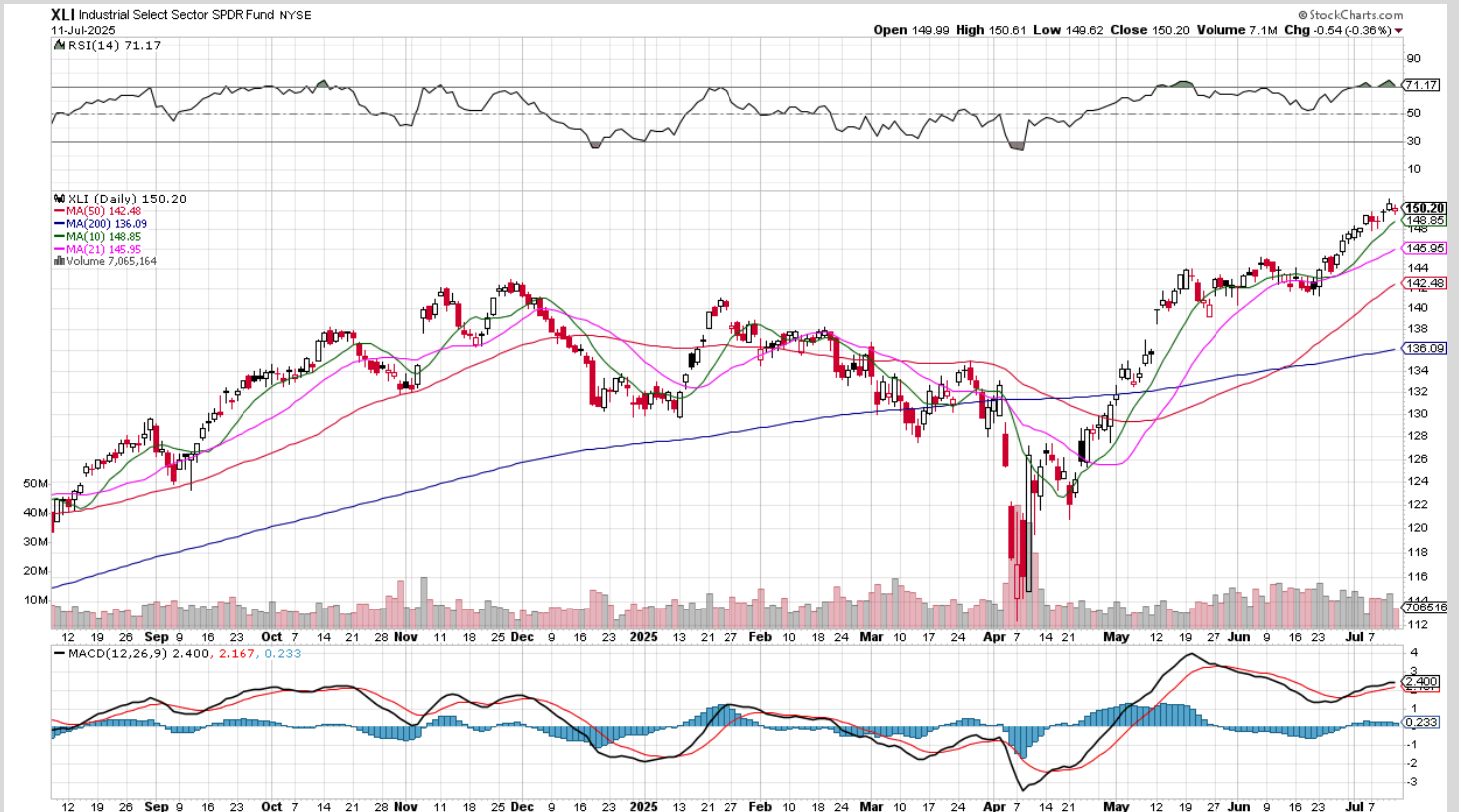
CAVA Group (**CAVA**) traded 3% higher after being added to our List on Wednesday, The company has recently received upgrades due to their growth story as they plan to reach 1,000 locations by 2032. The stock is in a buy zone.

While the Consumer Discretionary sector is in an uptrend, increased tariff activity is expected to dampen returns over the near term.

Last week, Delta Airlines (**DAL**) reported earnings ahead of estimates while also guiding growth prospects higher. While airline stocks are not in the Consumer Discretionary sector, the news guided other consumer-facing stocks higher. Unfortunately, inflation fears amid renewed tariffs had the sector ending on a weak note.



Daily Chart of the Industrial Sector (XLI)



Industrial Sector Outperforms Amid Mixed Week

The Industrial sector continues to trend higher led by gains in select stocks following the release of a defense department memo, which stated funding will be funneled out of fighter planes and into unmanned aircraft.

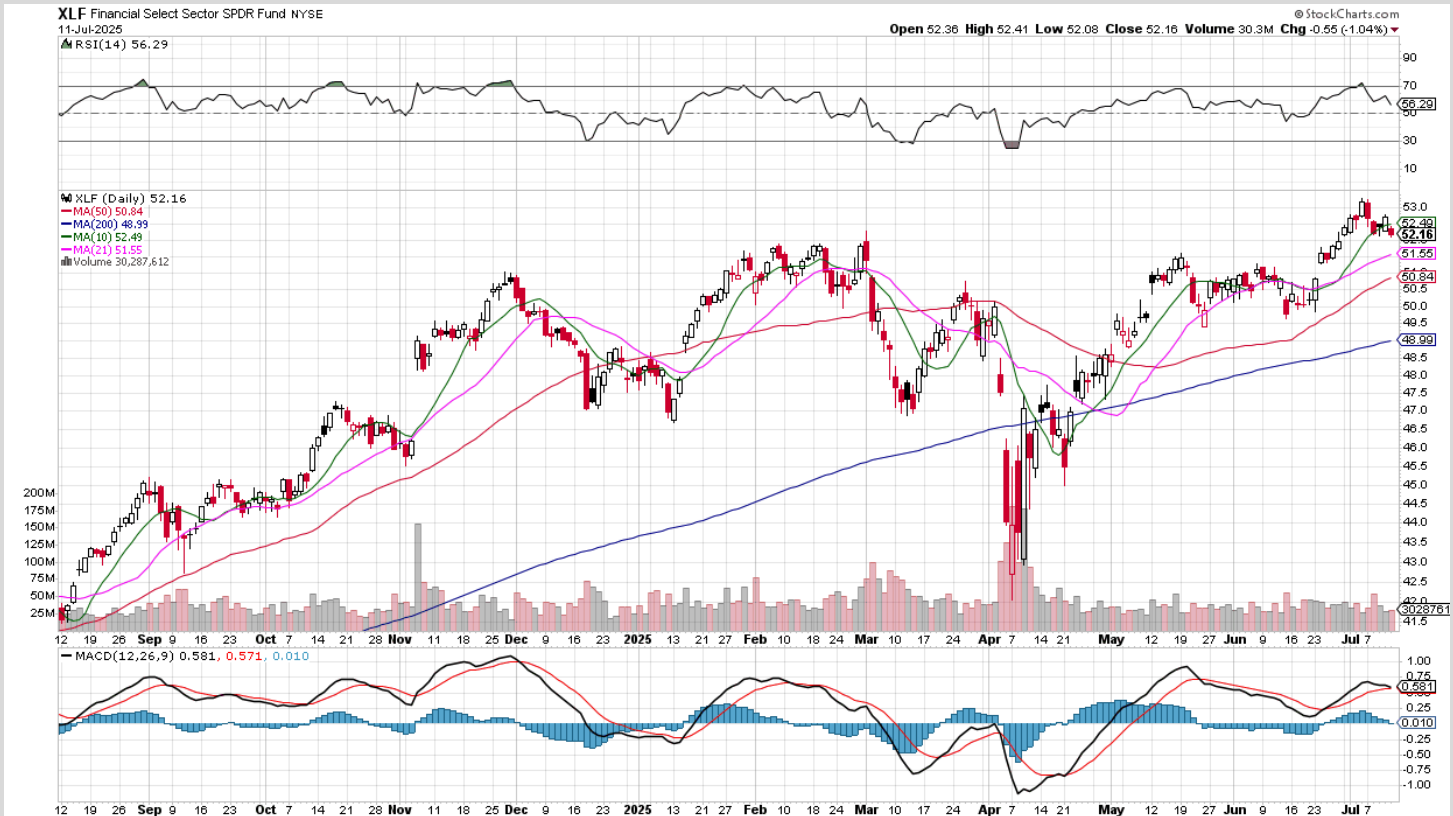
The Friday news pushed Aerovironment (**AVAV**) 11% higher on the day. The company is a leader in unmanned aircraft manufacturing, and they work closely with the government.

The gain pushed **AVAV** back into an uptrend after closing back above its 5-day moving average. The heavy volume gain points to further upside, and **AVAV** is in a buy zone.

Heavy Construction stocks pulled back last week, with each of the names on our List down almost 1%. Mastec (**MTZ**), Quanta Services (**PWR**), and Fluor (**FLR**) each closed the week above their 10-day moving average ahead of the release of their earnings at the end of this month.

These stocks are consolidating after they each gained over 5% the prior 2 weeks. The stocks can be bought, however, we are on the lookout for a bullish MACD crossover (black line up through the red) to provide confirmation that a new uptrend is in place.

Daily Chart of the Financial Sector (XLF)



Financial Sector Among Weaker Areas

Financials pulled back after a drop in large Bank stocks. Specifically, JP Morgan (**JPM**) was cited as advancing too much going into their earnings report and the stock ended the week down 4%.

JPM will be releasing results this Tuesday, and the stock was in an overbought position as the RSI was above 80. Last week's pullback may put the stock in a better position from which to advance should earnings be strong. A close above its 10-day moving average would put **JPM** into a buy zone.

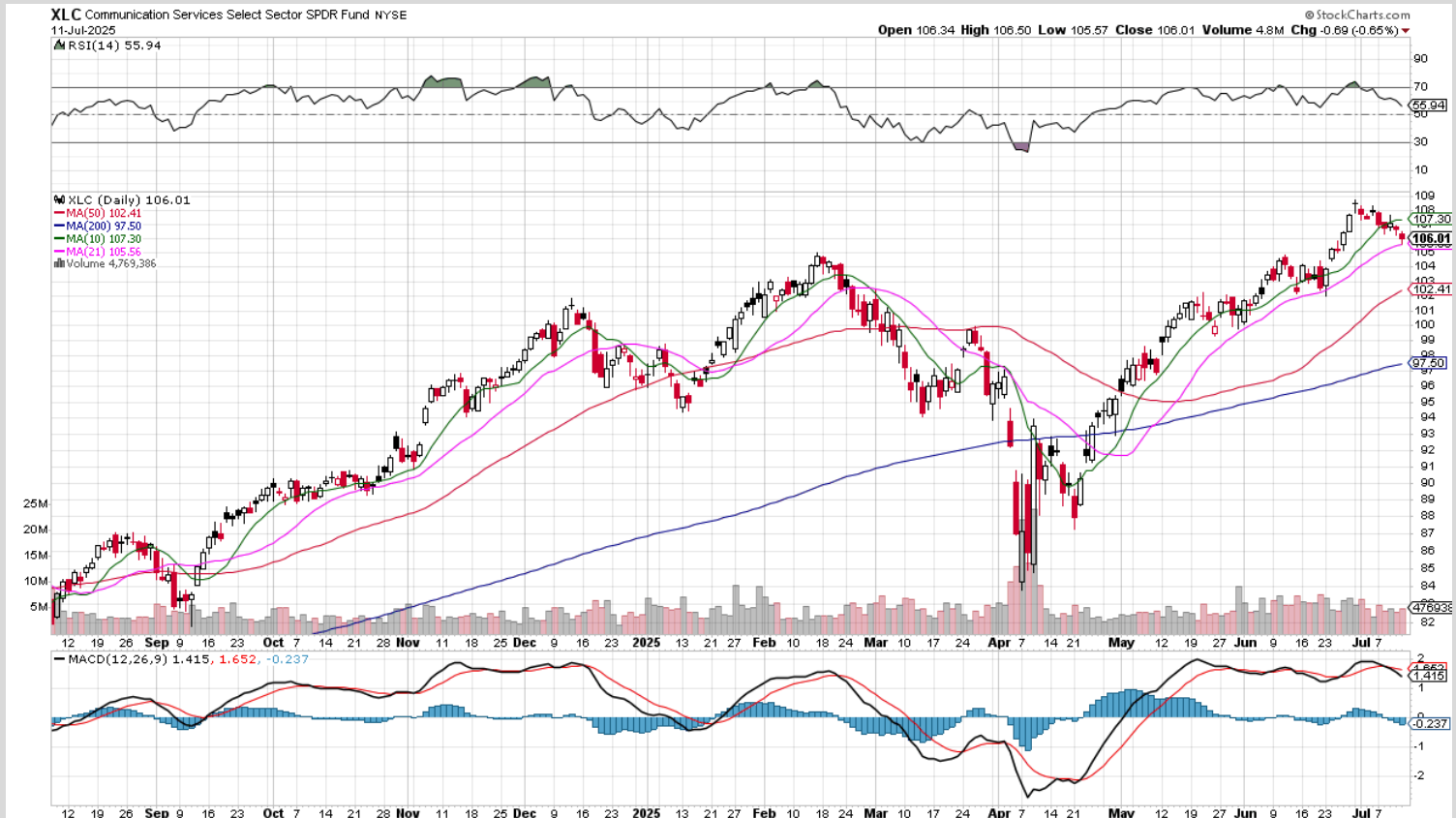
Bank of New York (**BK**) has been underperforming of late after speculation that they may be acquiring Northern Trust Bank. The stock gained 1.4% last week, and the stock is in a very bullish position from

which to trade higher. The company is due to release earnings on Tuesday.

Interactive Brokers (**IBKR**) is on the cusp of a 5-month base breakout at the \$59 level. The company is due to report results on Thursday, and analysts have been bullishly revising earnings estimates higher going into the results.

Capital One (**COF**) ended the week up slightly as the stock consolidated following its recent sharp advance. The company is due to report earnings later this month and is poised for further consolidation going into the release.

Daily Chart of the Communications Services Sector (XLF)



Communication Services Sector Is Worse Performing

Internet-related stocks struggled last week, led by Netflix (**NFLX**), which fell 4%.

Reddit Inc. (**RDDT**) pulled back to its 21-day moving average with the RSI and MACD in positive territory. The price action pushed the RSI out of an overbought position, and a close above its 10-day moving average in the \$149 range would put **RDDT** into a buy zone.

Pinterest (**PINS**) continues to trade sideways amid a lack of any news. We would underweight the stock at this time.

Netflix (**NFLX**) pulled back again this week, in a move that pushed the RSI below 50. The company's decline ahead of the release of their earnings on Thursday took place amid valuation concerns following the stock's recent advance.

NFLX is now 2.4% away from its 50-day moving average, and a close below this moving average would have us removing the stock from our Suggested Holdings List.

Summary

Next week, earnings season begins, with many well-known Banks and Asset Management firms due to report results. Netflix's numbers are also due.

Last quarter's robust earnings season helped propel stocks higher, with the markets now sitting at a new high. With valuations stretched, any disappointing news will be met with selling. Estimates for the next 2 quarters will also be closely watched.

At this time, there's a bullish bias among investors as stocks outside of M7 names are faring well. In fact, the Equal Weighted S&P 500 is moving close to a new high in price. This broadening out of the market bodes well for a continuation rally.

Earnings season may shift things however, and as always, we would not be a buyer of stocks going into their release of results.



MEM Edge Report Suggested Holdings

Stocks With Emerging Leadership Characteristics

\$ = Earnings Due	Buy Zone	Strong Buy	Buy on Pullback	Removed From List
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SYMB	COMPANY	PRICE	DATE ADDED	PERFORMANCE	EARNINGS DUE
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CONSUMER DISCRETIONARY					
AMZN	Amazon	\$213.50	6/8/2025	5.0%	Jul-31
CAVA	CAVA Group	\$89.50	7/9/2025	3.0%	Aug-19
GRBK	Green Brick Partners	\$55.60	7/2/2025	2.0%	Jul-30
ULTA	Ulta Beauty	\$477.80	7/6/2025	0.0%	

TECHNOLOGY					
AVGO	Broadcom	\$190.30	4/27/2025	43.5%	Sep-4
MNDY	Monday.com	\$307.90	6/29/2025		Aug-18
NET	Cloudflare Inc.	\$132.30	5/11/2025	41.5%	Jul-31
NVDA	Nvidia	\$135.30	5/14/2025	21.0%	Aug-27
PLTR	Palantir	\$100.80	4/23/2025	50.0%	Aug-4
RBLX	Roblox	\$65.70	4/24/2025	58.0%	Aug-7
SNOW	Snowflake	\$158.60	4/24/2025	34.0%	Aug-20
TSM	Taiwan Semiconductor	\$202.40	6/4/2025	16.0%	Aug-5
TSEM	Tower Semiconductor	\$46.40	7/6/2025	2.5%	

FINANCIAL					
BK	Bank Of New York Mellon	\$85.90	5/11/2025	10.0%	Jul-15
COF	Capital One Financial	\$211.10	6/29/2025	5.5%	Jul-22
IBKR	Interactive Brokers Group	\$53.90	6/29/2025	8.5%	Jul-17
JPM	JP Morgan Chase	\$275.00	6/22/2025	3.5%	Jul-15

INDUSTRIAL					
AVAV	AeroVironment Inc.	\$147.60	4/20/2025	68.0%	
FLR	Fluor	\$52.70	7/6/2025	-1.0%	Aug-1
MTZ	MasTec	\$140.90	5/4/2025	20.0%	Jul-31
PWR	Quanta Services	\$323.60	5/7/2015	18.0%	Jul-31

COMMUNICATION SERVICES					
NFLX	Netflix	\$973.00	4/20/2025	27.0%	Jul-17
PINS	Pinterest	\$34.00	6/8/2025	3.5%	Aug-5
RDDT	Reddit	\$138.10	6/22/2025	6.0%	Jul-31

Glossary of Terms Used From Our Suggested Holdings

Buy Zone

This means the stock is in a confirmed uptrend and is finding support at its upward-trending key moving averages and can be bought. If you own the stock, stay with it.

Strong Buy

This means we have slightly more conviction in the ability of this stock to outperform the markets over the next week. The stock may be poised to break out of a base, it may be in a strong industry group or there may be recent good news. In other words, the stock has some edge that should help propel the stock higher.

Buy on Pullback

In this case, the stock is a bit over-bought (or extended) and may need to come in a little before buying. This is usually following a particularly strong week where the stock was up a lot. We would look for a pullback to the stock's upward-trending 10-day moving average as an optimal entry point.

Not Highlighted

These are stocks that remain positive and can be held if you own them. However, they currently do not appear poised to have an upward move. The stock may be consolidating after a large advance or be in an industry group that is not in favor. The longer-term uptrend remains in place however.

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