



THE MEM EDGE

August 3, 2025 | Weekly Report

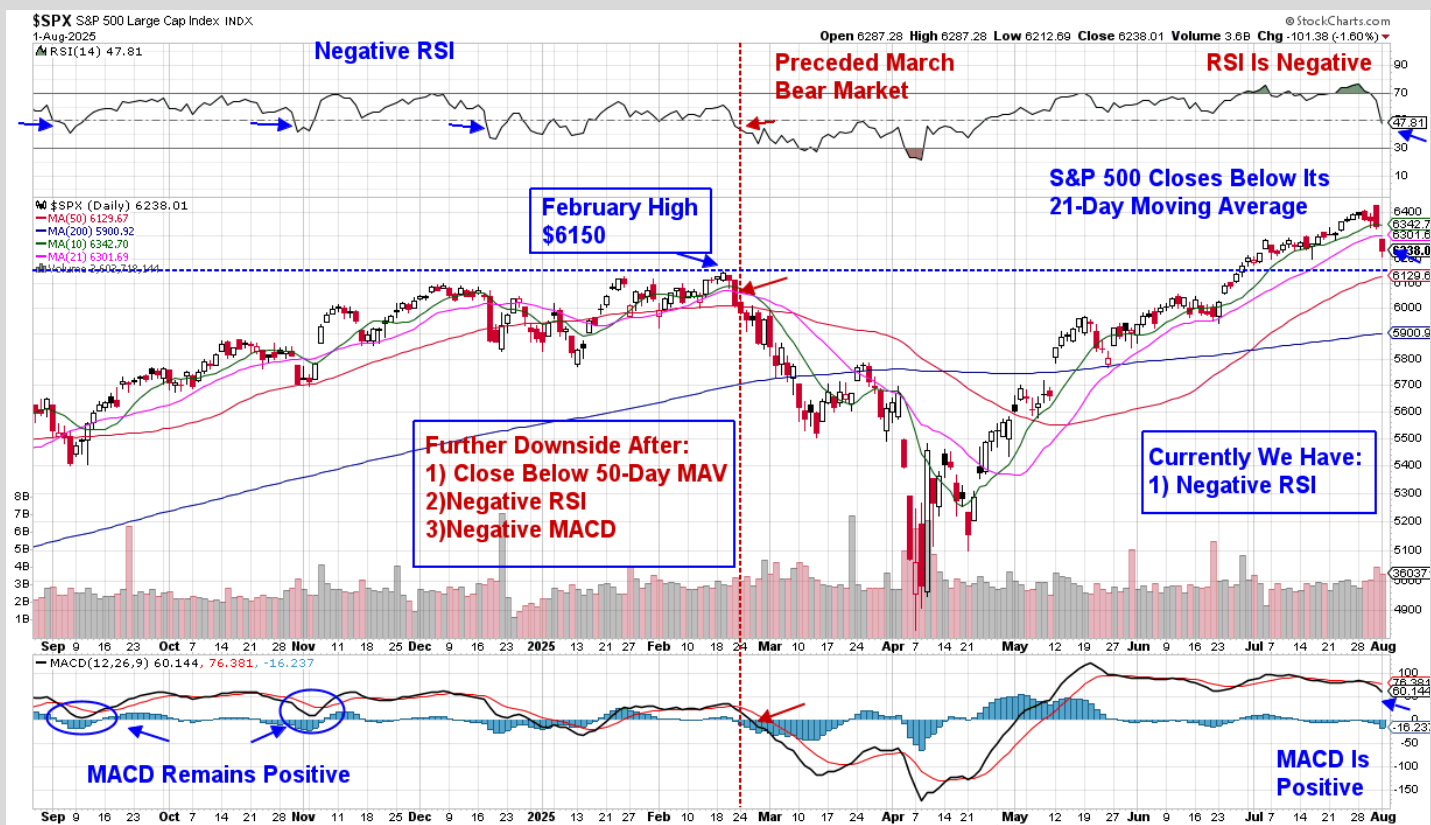
Impactful Data Last Week

- Core PCE Inflation Data Comes In Stronger Than Expected
- July Employment Weaker Than Anticipated
- Volatility Spikes And Interest Rates Drop
- Berkshire Hathaway (BRKB) Reported 4% Decline In Operating Profits
- Trump Increases Reciprocal Tariffs After August 1 Deadline

Upcoming Data Next Week

- AI Heavyweights AMD, ANET, SMCI, and PLTR Due To Report Earnings Next Week

Daily Chart of S&P 500



The S&P 500 fell 2.3% in a move that put this Index below its 21-day moving average. With a now negative RSI on the daily chart, we are slightly cautious on the near-term prospects for the markets. The longer-term uptrend remains in place.

The Nasdaq also fell, with a 2.2% decline that puts this Index below its 21-day moving average. The RSI remains in an uptrend on its daily chart.

The markets were flat going into Thursday; however, a higher-than-anticipated inflation report that day, coupled with weaker-than-expected employment data for June on Friday, pushed the markets lower.

News of Trump's increased tariffs against trading partners also caused selling, as it's anticipated that will raise inflation further.

The weak employment data was particularly impactful, as it renewed fears of a possible economic slowdown, as earlier monthly employment data was also revised lower. In turn, economically sensitive areas were pushed lower.

While broad-based selling took hold, leadership areas remained mostly constructive, with AI-related stocks faring well overall. This is constructive, as a clear sign of a bear market is a breakdown in leadership names.

Next week, this strength in AI stocks will be tested as several heavyweight AI-related stocks are due to report earnings. (see bullet point above)

In the chart of the S&P 500 above, we have highlighted the key events that preceded the March-into-April bear market in red. At this time, a negative RSI is the only event that has taken place.

The first area of possible support for the S&P 500 is the February high of \$6150, which is 1.5% away. The next area of possible support is the 50-day moving average, which is 1.8% below Friday's close.

Another signal we will be monitoring is the Volatility Index (\$VIX), as it jumped to \$20.3 into Friday's close. A move above 18 indicates an elevated level of fear, and if we see this continue to rise, it would be concerning.

At this time, we would stay with stocks that are holding above key support and take profits on stocks that break below their 50-day moving average with a negative RSI. Long-term investors can remain with positions and use the weekly charts as a guide.

STOCKS IMPACTED BY WEAKER ECONOMIC OUTLOOK AND RECIPROCAL TARIFF ENFORCEMENTS

Bank stocks pulled back amid a sharp drop in interest rates following weak economic data, with the group falling over 5%. (using ETF KRE)

Bank of New York (**BK**) held in very well with a 1% decline for the week, and the stock is in a buy zone. While JP Morgan (**JPM**) pulled back further, it posted a bullish close on Friday.

Retailers also fell 5% (using ETF XRT) amid increased tariffs and weak economic data.

Cava (**CAVA**) fell 4.2% and we are removing the stock from our List following its post of a negative RSI. While Amazon (**AMZN**) may have pulled back due to its Retail division, the bigger reason is lower-than-expected sales in their AWS cloud division.

AMZN is being removed from our list after closing below its 50-day moving average with a now negative RSI.

Industrial stocks are another economically sensitive area, and Heavy Construction stocks MasTec (**MTZ**) and Quanta (**PWR**) from our List were hit despite reporting strong quarterly results last week.

Their late-week pullback was also due to peer stock Fluor (**FLR**)'s weaker-than-expected earnings and the company's reduced growth outlook. **FLR** is being removed from our list after its sharp drop pushed it below its 50-day moving average, with a now negative RSI and MACD.

STOCKS DRIVEN BY EARNINGS

Reddit (**RDDT**) popped 26% for the week, with most of its gains coming after the company reported earnings and sales that were much better than expected. The stock is in a strong buy zone after posting a cup with handle base breakout on heavy volume.

Semiconductor stocks are another economically sensitive area, and the group turned negative after falling 2% which pushed the RSI into negative territory.

Both Taiwan Semiconductor (**TSM**) and Tower Semiconductor (**TSEM**) pulled back further than the group, partially due to their ADR status. **TSEM** is due to report earnings on Thursday.

Among Semi's who reported last week, Rambus (**RMBS**) was a big winner following its 15% gain after reporting strong earnings. A late-week pullback has put the stock into a buy zone.

Another earnings-driven move that was outsized was Roblox (**RBLX**)'s 5% gain on the heels of reporting record user growth. The stock is in a buy zone.

Cloudflare (**NET**) gained 1% after posting positive results, and the stock is in a buy zone after finding support at its 10-day moving average.

Software stocks are another economically sensitive area, and outside of names such as **RBLX**, the group pulled back 3.6% with most of the losses in the group taking place on Friday. (using ETF IGV) Snowflake (**SNOW**) fell further than the group, and the stock is being removed from our list after closing below its 50-day moving average with a negative RSI.

Palantir (**PLTR**) is due to report their earnings on Monday, and the results will certainly impact other AI-related stocks.

The Utility sector was the top performing, with a 1.5% gain due to outperformance in names that reported strong earnings due to the increased need for energy to fuel AI growth.

Oklo (**OKLO**) from our List was an exception, as the alternative energy provider lost 5.5%. The pullback took place after Fluor (**FLR**) announced that they are selling most of their stake in rival alt energy provider NuScale Power (**SMR**).

While investors were concerned that **FLR**'s selling was due to valuation concerns, it may well be due to Fluor's weak quarterly results.

The pullback has put **OKLO** at its 10-day moving average and in a strong buy zone.

Summary

Last week, the economic and earnings calendar was very heavy. The August 1st tariff headline also loomed and eventually impacted the markets, as higher restrictions against select countries brought back inflation fears.

At this time, the Nasdaq remains constructive near term, with the S&P 500 showing the first signs of weakness with a negative RSI.

We will continue to monitor the markets for further signals of weakness, such as a break →

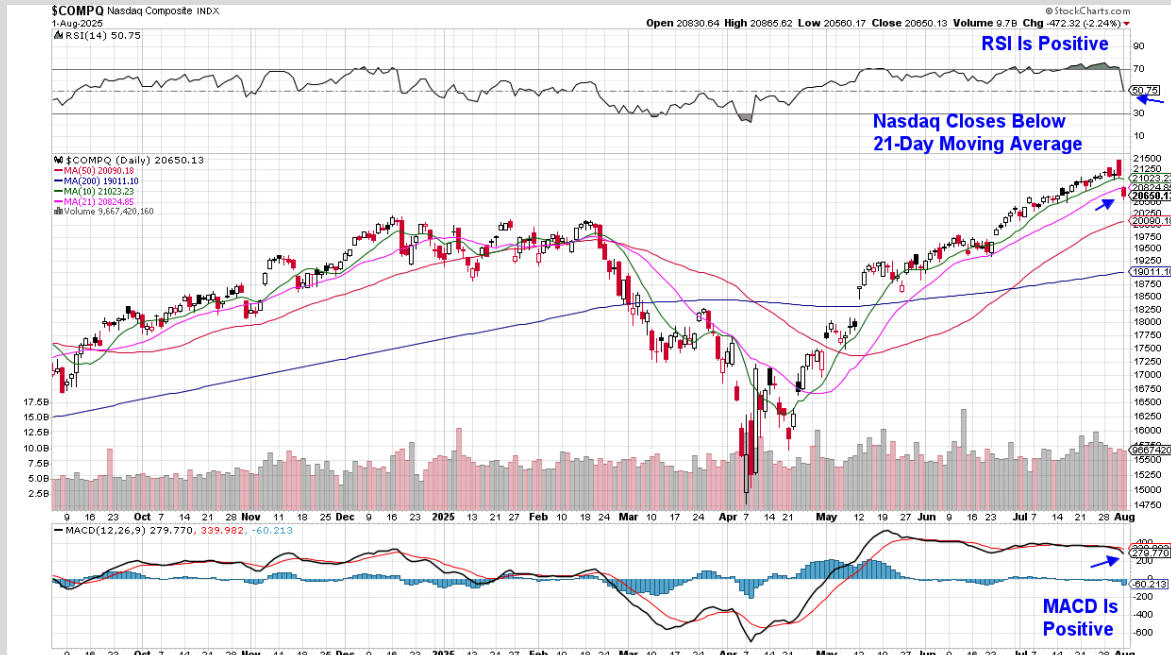
below key support and in particular, a loss of strength in leading AI-related stocks.

We will continue to remove stocks as they fall below their 50-day moving average on volume. A close of the S&P 500 above its 10-day moving average, coupled with a positive RSI, would restore our bullish bias for the near term.

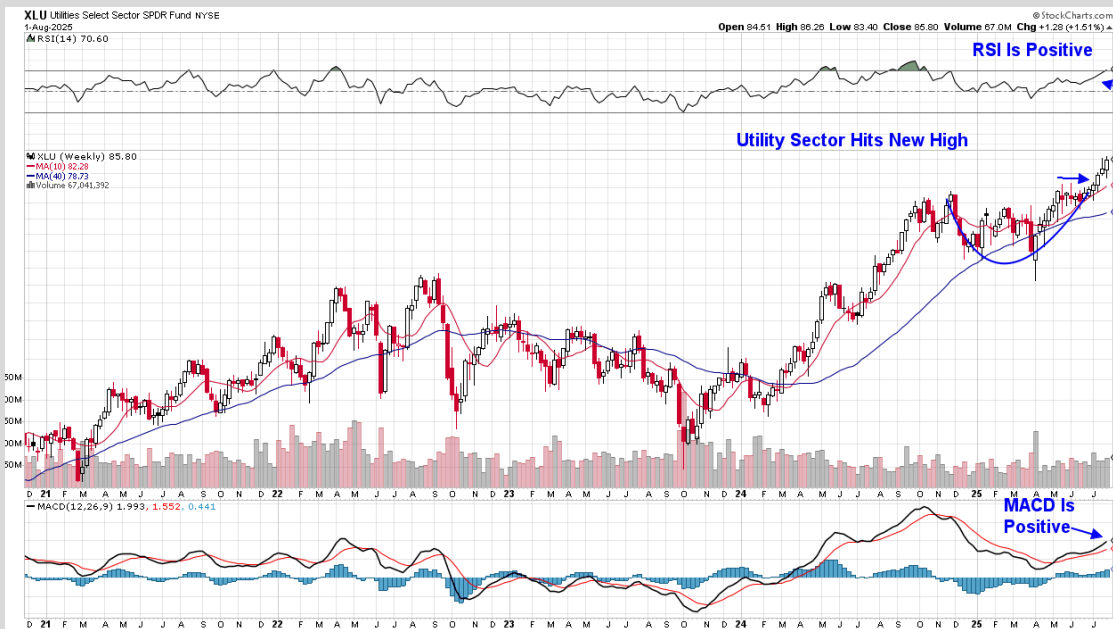
Longer term, the uptrend in the markets remains in place.

CHARTS WE ARE WATCHING

Daily Chart of Nasdaq Composite (\$COMP)



Daily Chart of Utilities Sector (XLU)



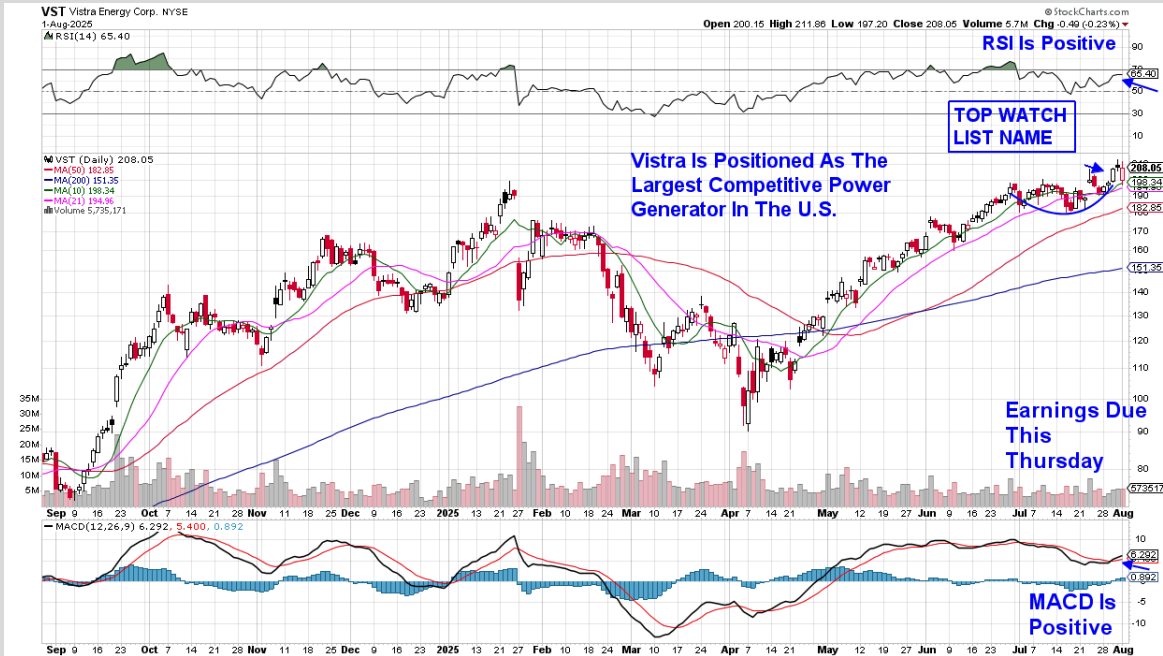
NEW BUY IDEAS

Daily Chart of Vertiv Holdings, LLC (VRT)

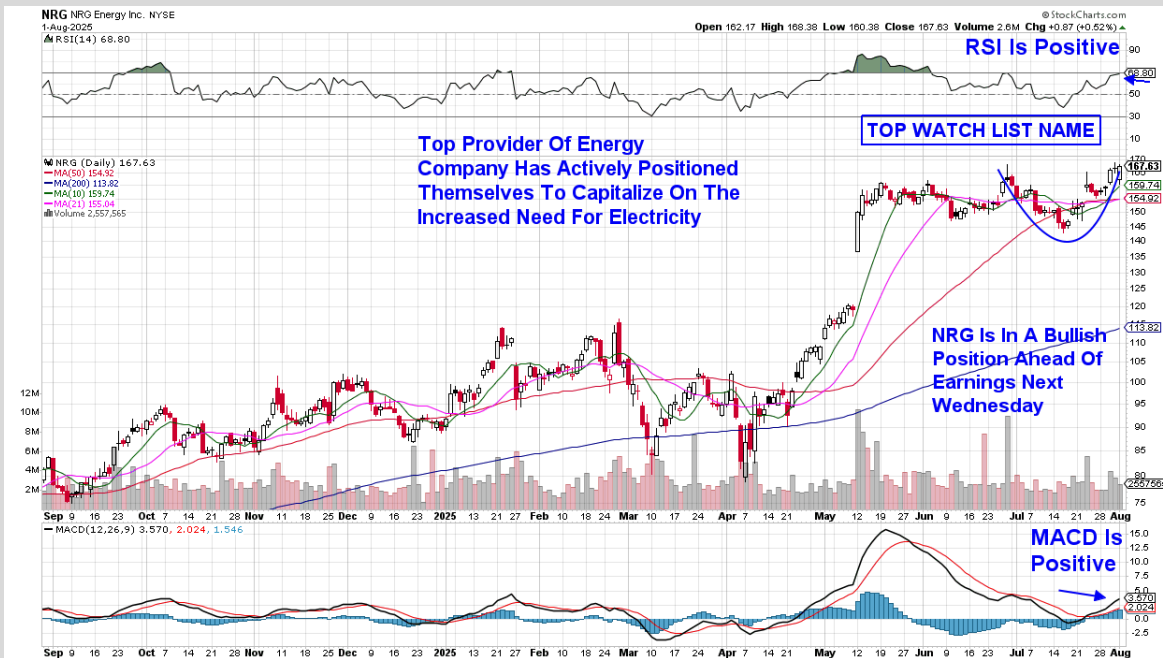


TOP WATCH LIST STOCKS

Daily Chart of Vistra Energy Corp. (VST)



Daily Chart of NRG Energy Inc. (NRG)



CHARTS OF NAMES ON OUR SUGGESTED HOLDINGS LIST

Daily Chart of AMZN



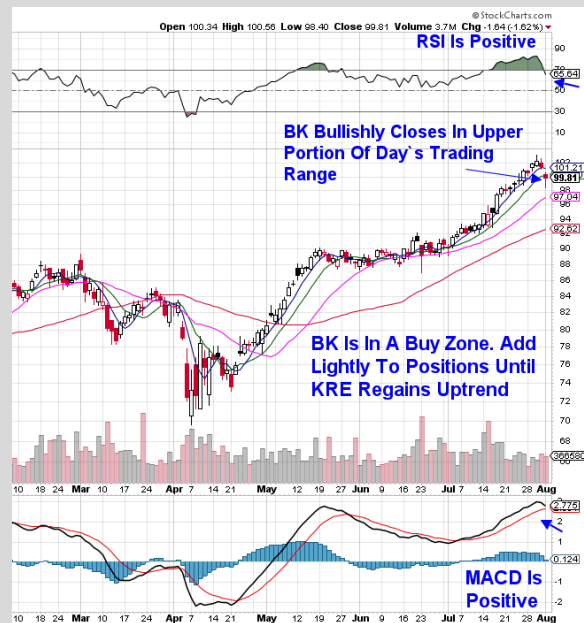
Daily Chart of AVAV



Daily Chart of AVGO

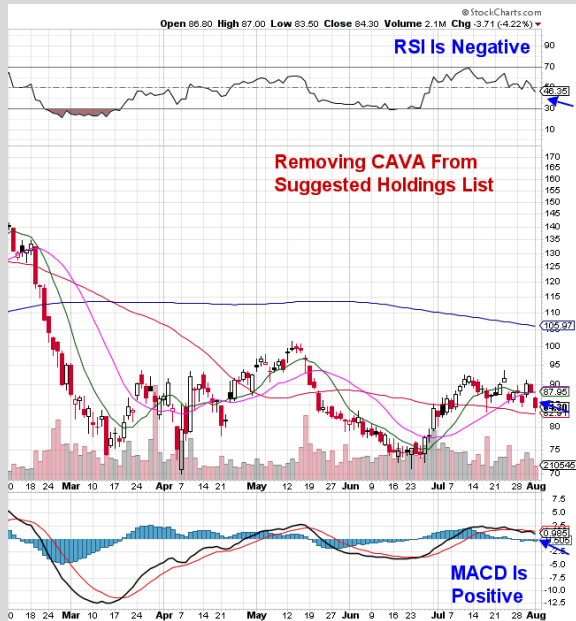


Daily Chart of BK



CHARTS OF NAMES ON OUR SUGGESTED HOLDINGS LIST

Daily Chart of CAVA



Daily Chart of COF



Daily Chart of FLR

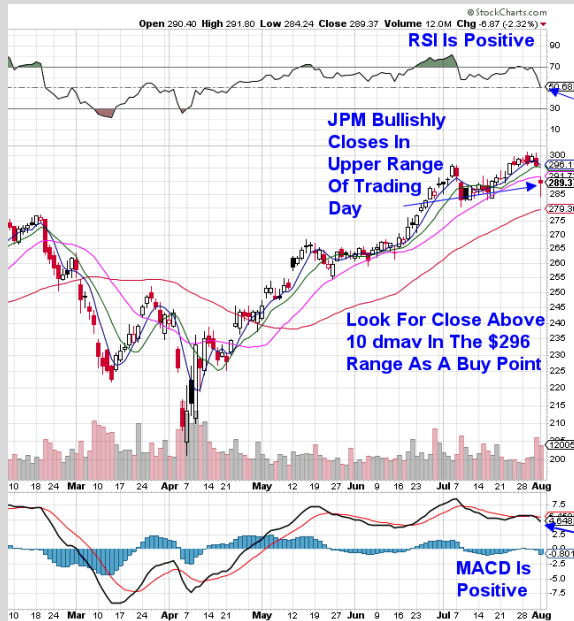


Daily Chart of IBKR



CHARTS OF NAMES ON OUR SUGGESTED HOLDINGS LIST

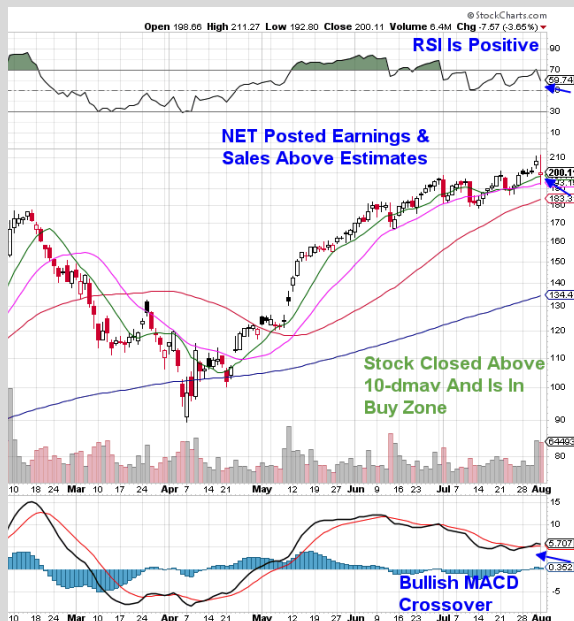
Daily Chart of JPM



Daily Chart of MTZ



Daily Chart of NET



Daily Chart of NVDA

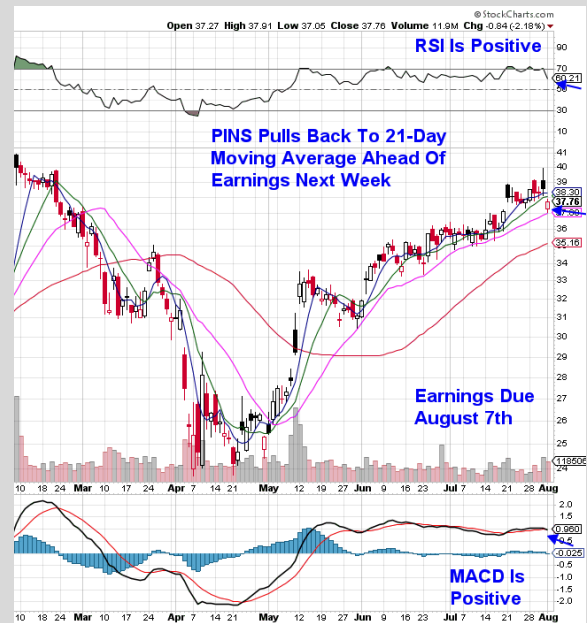


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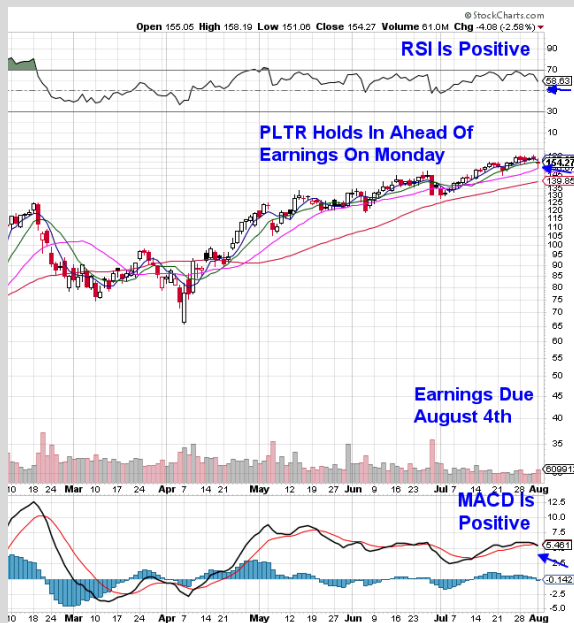
Daily Chart of OKLO



Daily Chart of PINS



Daily Chart of PLTR

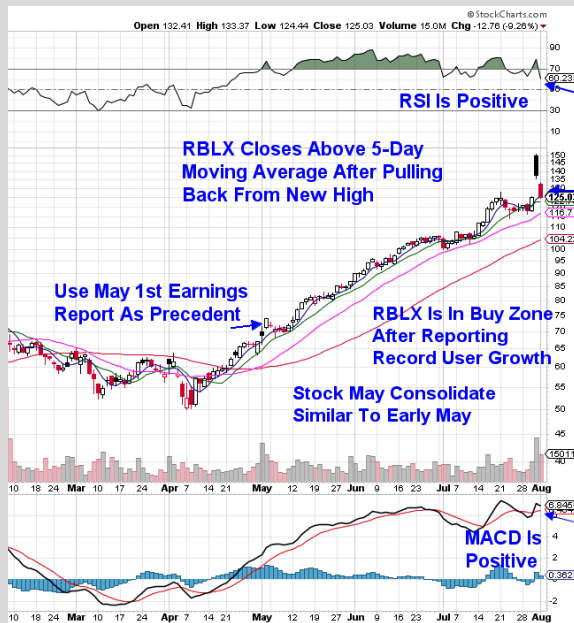


Daily Chart of PWR



CHARTS OF NAMES ON OUR SUGGESTED HOLDINGS LIST

Daily Chart of RBLX



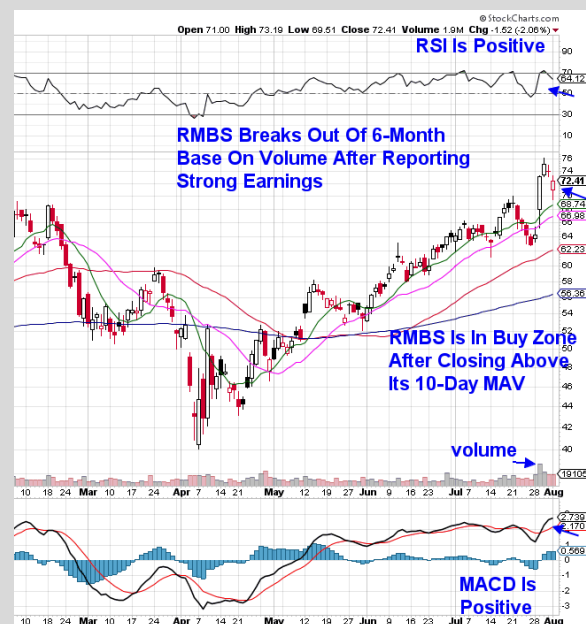
Daily Chart of RDDT



Daily Chart of RIOT



Daily Chart of RMBS



CHARTS OF NAMES ON OUR SUGGESTED HOLDINGS LIST

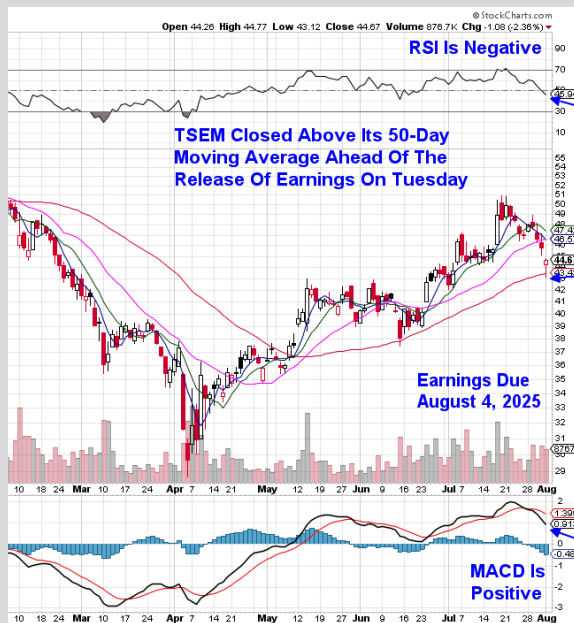
Daily Chart of SNOW



Daily Chart of TER



Daily Chart of TSEM

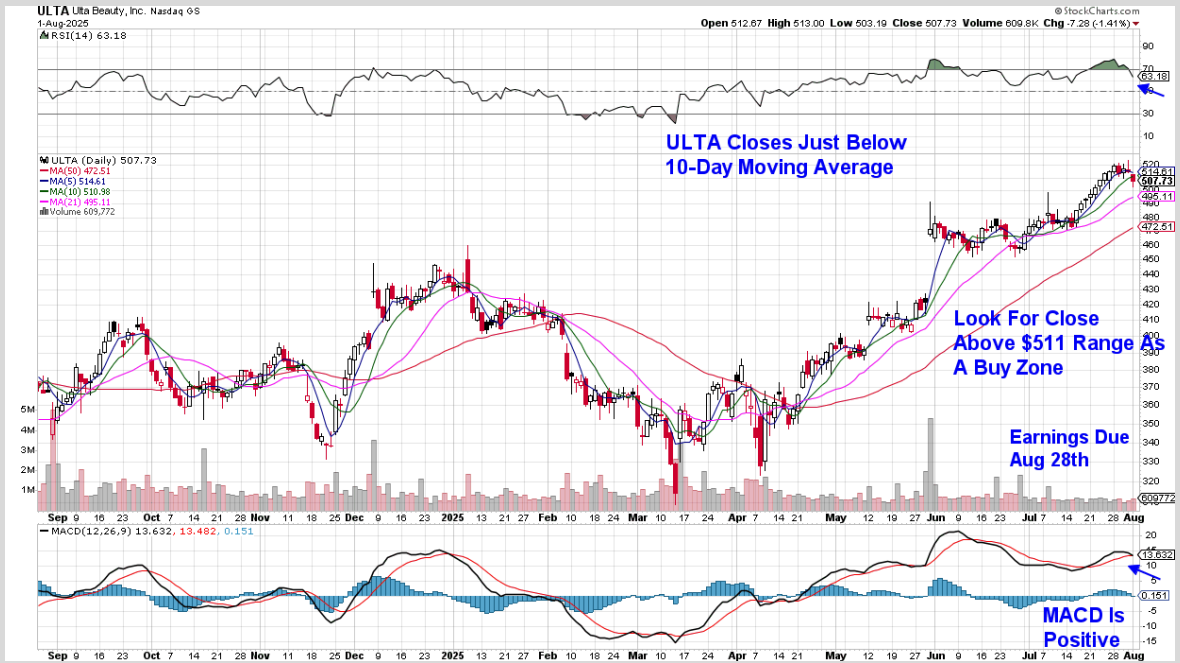


Daily Chart of TSM



CHARTS OF NAMES ON OUR SUGGESTED HOLDINGS LIST

Daily Chart of ULTA



MEM EDGE REPORT SUGGESTED HOLDINGS LIST

Stocks With Emerging Leadership Characteristics

\$ = Earnings Due	Buy Zone	Strong Buy		Buy on Pullback	Removed From List
SYMB	COMPANY	PRICE	DATE ADDED	PERFORMANCE	EARNINGS DUE
CONSUMER DISCRETIONARY					
AMZN	Amazon	\$213.50	6/8/2025	5.5%	already reported
CAVA	CAVA Group	\$89.50	7/9/2025	-6.0%	Aug-19
ULTA	Ulta Beauty	\$477.80	7/6/2025	0.5%	Aug-24
TECHNOLOGY					
AVGO	Broadcom	\$190.30	4/27/2025	49.0%	Sep-4
NET	Cloudflare Inc.	\$132.30	5/11/2025	52.0%	already reported
NVDA	Nvidia	\$135.30	5/14/2025	26.0%	Aug-27
PLTR	Palantir	\$100.80	4/23/2025	58.5%	Aug-7
RBLX	Roblox	\$65.70	4/24/2025	76.5%	already reported
RMBS	Rambus	\$68.20	7/20/2025	7.0%	already reported
SNOW	Snowflake	\$219.50	7/27/2025	-6.0%	Aug-20
TSM	Taiwan Semiconductor	\$202.40	6/4/2025	18.5%	already reported
TSEM	Tower Semiconductor	\$46.40	7/6/2025	1.5%	Aug-4
FINANCIAL					
BK	Bank Of New York Mellon	\$85.90	5/11/2025	17.5%	already reported
COF	Capital One Financial	\$211.10	6/29/2025	0.0%	already reported
IBKR	Interactive Brokers Group	\$53.90	6/29/2025	17.5%	already reported
JPM	JP Morgan Chase	\$275.00	6/22/2025	4.5%	already reported
RIOT	Riot Platforms	\$12.60	7/16/2025	-9.0%	already reported
INDUSTRIAL					
AVAV	AeroVironment Inc.	\$147.60	4/20/2025	66.5%	already reported
FLR	Fluor	\$52.70	7/6/2025	-27.0%	already reported
MTZ	MasTec	\$140.90	5/4/2025	24.0%	already reported
PWR	Quanta Services	\$323.60	5/7/2015	21.0%	already reported
COMMUNICATION SERVICES					
PINS	Pinterest	\$34.00	6/8/2025	8.0%	Aug-5
RDDT	Reddit	\$138.10	6/22/2025	34.0%	already reported
UTILITIES					
OKLO	Oklo Inc.	\$64.30	7/16/2025	11.5%	Aug-19
VRT	Vertiv	\$141.60	8/3/2025		already reported

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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