



THE MEM EDGE

August 13, 2025 | Midweek Report

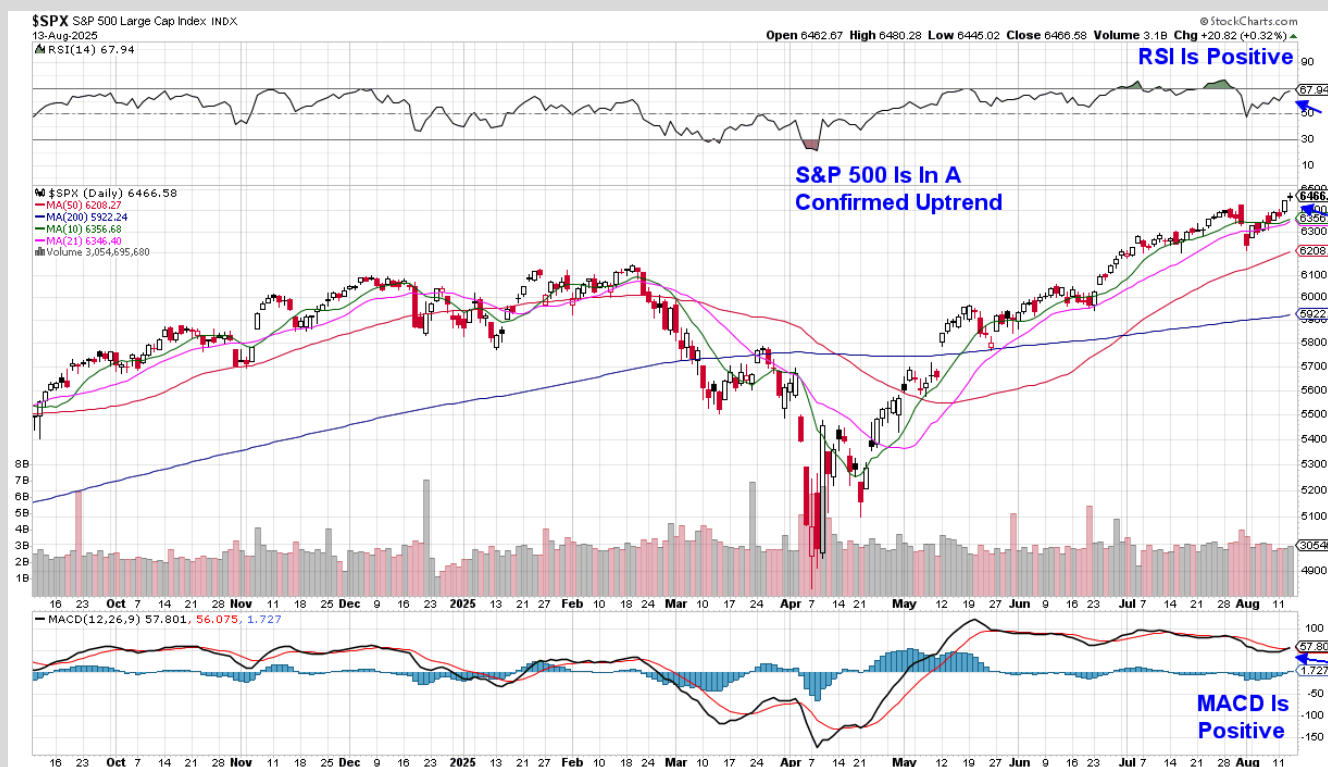
Impactful News This Week

- Interest Rates Drop And Home Builders, Retailers And Others Rally
- Adding Micron Technology (MU) And AppLovin (APP) To Suggested Holdings List
- Removing Quanta Services (PWR) From Suggested Holdings List
- US And China Extend Trade Truce Another 90 Days
- Consumer Price Index (CPI) Data Soothes Inflation Fears
- CME Fedwatch Tool Shows 94% Chance Of Rate Cut In September

Upcoming News Later This Week

- Producer Price Index (PPI) Due Thursday
- Retail Sales And Industrial Production On Friday

Daily Chart of S&P 500



Trade truce news with China, as well as a tame inflation report, have boosted the markets this week. Both the S&P 500 and the Nasdaq are in a confirmed uptrend. That said, on the weekly chart of the Nasdaq, the RSI is close to entering an overbought position.

Historically, an overbought RSI on the weekly chart will precede a pullback (see chart below) with a negative MACD crossover being the initial signal.

We are not in danger of this taking place on the weekly chart at this time; however, we will continue to monitor the situation.

Interest rates are falling lower following Tuesday's report of relatively tame inflation. In turn, economically sensitive areas such as Retail, Semiconductors, Banks, and Home Builders are all on the move higher.

Among retailers on our List, Ulta Beauty (**ULTA**) has gained 6% which pushed the stock out of a 3-week base. A pullback into the \$512 range would put the stock into a buy zone. The stock can be bought on any pullback to the \$525 range.

Dollar General (**DG**) is in a buy zone after pulling back to its 10-day moving average, while Walmart (**WMT**) pulled back to its base breakout at the \$101 level. A close below this level would be negative.

Stocks that are gaining the most this week have been mostly year-to-date underperformers that are beginning to move higher.

On the other hand, stocks hitting a new high are pulling back, with Interactive Brokers (**IBKR**) falling sharply today following news that they will be offering commission-free trading on U.S. stocks and ETFs in Singapore.

While the move is expected to attract more clients, **IBKR**'s revenue growth will become more dependent on other revenue streams.

Buyers did come into **IBKR** during the last 2 hours today, which puts the intraday chart very close to turning bullish near term. A positive RSI on the 15-minute chart would put the stock into a buy zone, with a close above its 10-day moving average on the daily chart, providing further conviction.

Quanta Services (**PWR**) is continuing to pullback after last week's drop pushed the RSI into negative territory. With the stock now below its 50-day moving average, we are removing **PWR** from our Suggested Holdings List.

Semiconductor stocks have regained their uptrend with a 1-month base breakout on heavy volume. In addition, the MACD posted a bullish crossover. (using **SOXX**)

Rambus (**RMBS**) broke out of a 2-week base yesterday, which followed the company's release of earnings 2 weeks ago. The stock is in a buy zone after posting a bullish MACD crossover.

Today, we are adding Micron Technology (**MU**) to our Suggested Holdings List. The producer of high-bandwidth chips that are essential in the AI memory market has advanced very close to a base breakout.

MU raised their growth guidance for the 4th quarter on Monday, which bullishly pushed the stock into a buy zone.

Reddit (**RDDT**) broke out of a 6-month base today following a 9% gain for the week. The stock is gaining on continued price target upgrades following their release of strong results 2 weeks ago.

RDDT is in a buy zone and can be bought on a pullback to its 50-day moving average in the \$221 range.

Oklo (**OKLO**) closed back above its 10-day moving average on Thursday after the release of quarterly results. The stock originally declined after not providing any timeline regarding bringing their SMRs to market.

OKLO went on to rally 9%, after the DOE tapped them for a key federal program. The stock is in a strong buy zone.

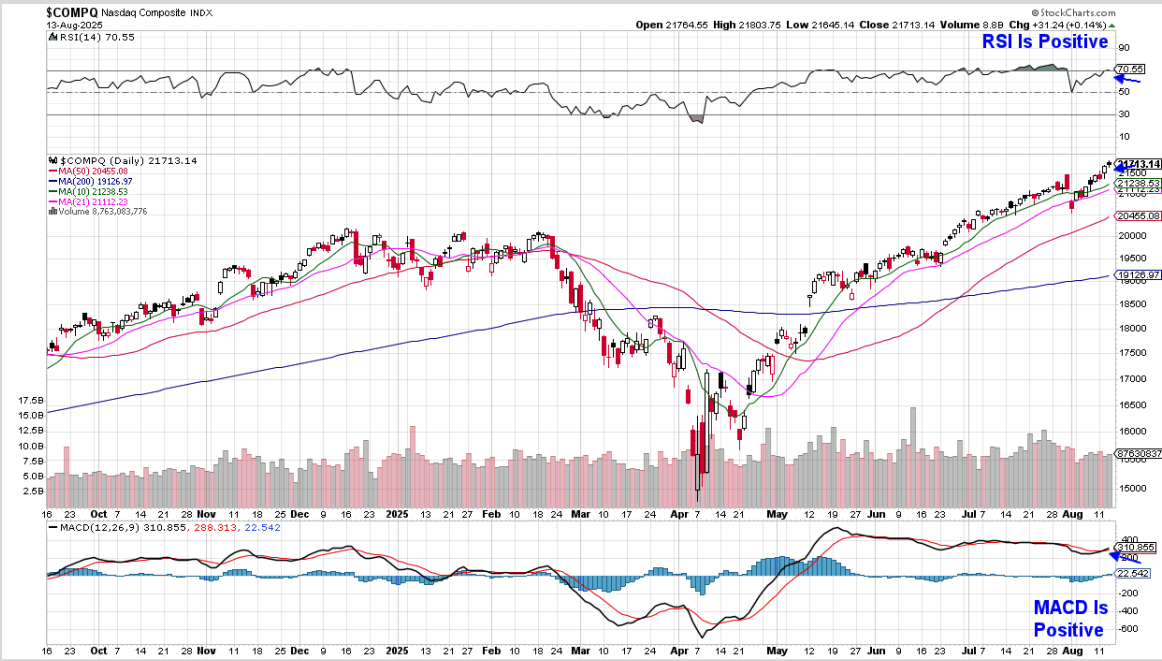
We are also adding Applovin (**APP**) to our Suggested Holdings List after last week's base breakout following their release of strong earnings. The developer of mobile apps has seen interest pick up considerably, as they continue to incorporate AI into new product development.

Tomorrow, additional key inflation data will be released with the Producer Price Index (PPI) due. These numbers are useful for gauging inflation going forward as produced items are released. Any hint of higher inflation than expected may give the markets pause.

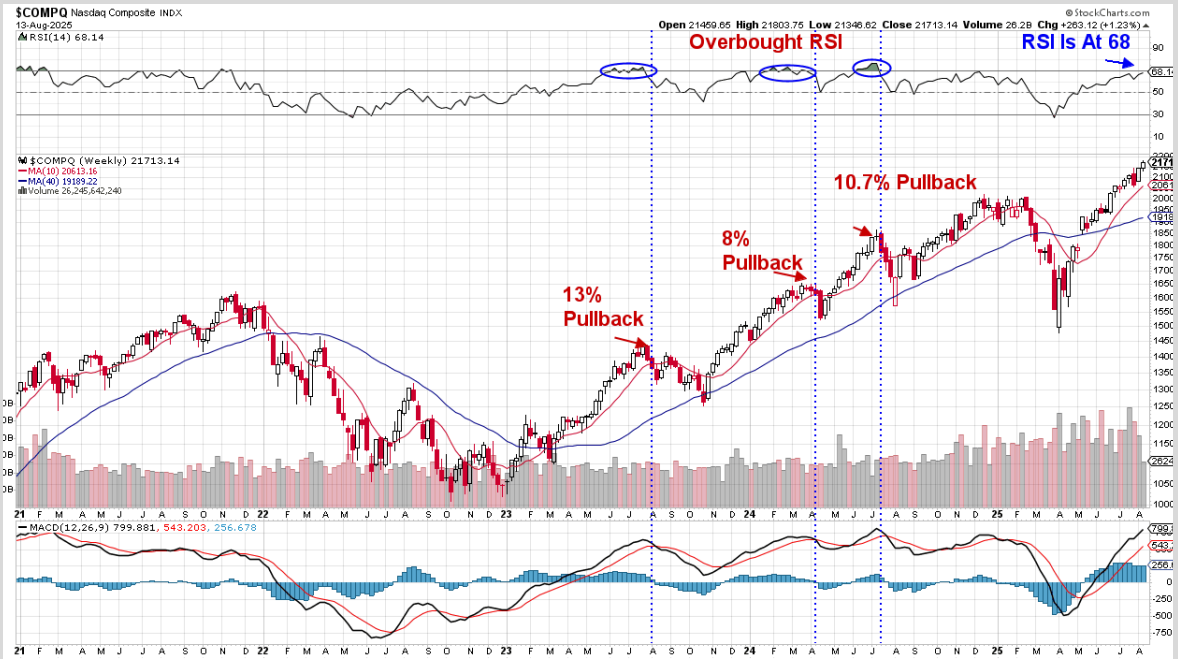
For now, however, the markets remain in a confirmed uptrend.

CHARTS WE ARE WATCHING

Daily Chart of Nasdaq Composite (\$COMPQ)



Weekly Chart of Nasdaq Composite (\$COMPQ)

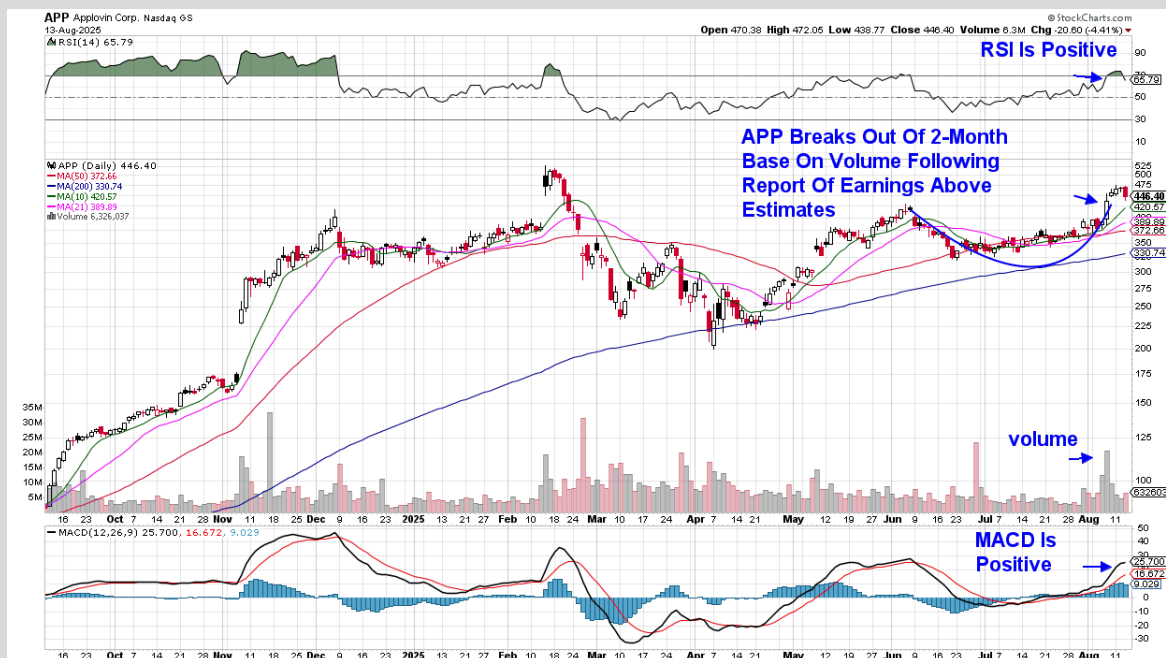


NEW BUY IDEAS

Daily Chart of Micron Technology, Inc. (MU)

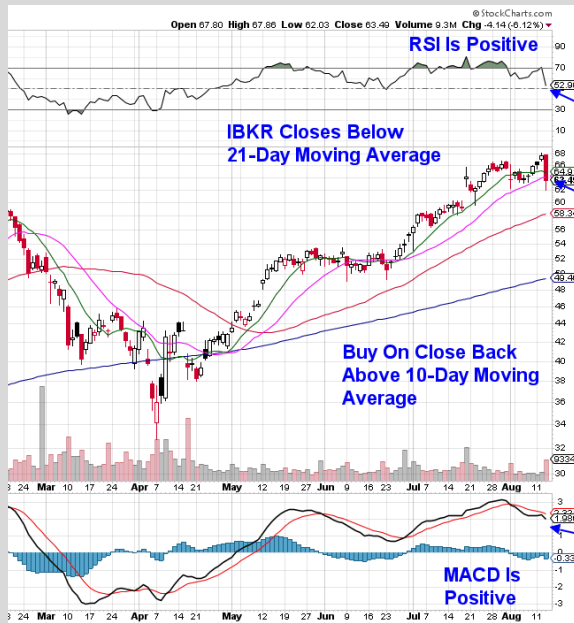


Daily Chart of Applavin Corp. (APP)



STOCKS ON THE MOVE THIS WEEK

Daily Chart of IBKR



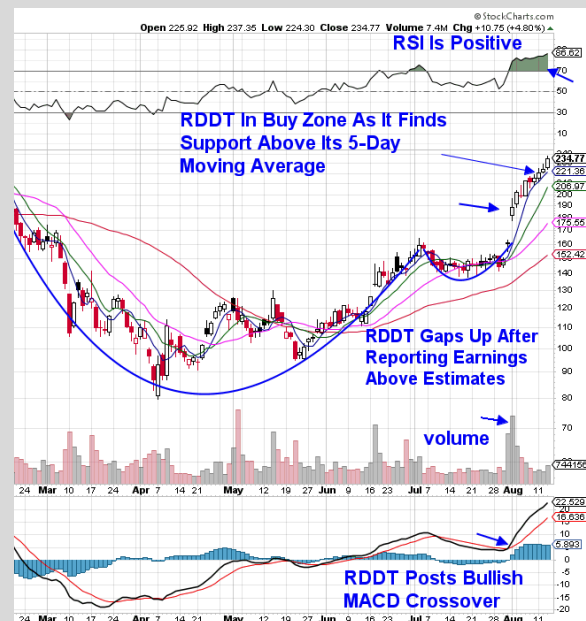
Daily Chart of OKLO



Daily Chart of RMBS

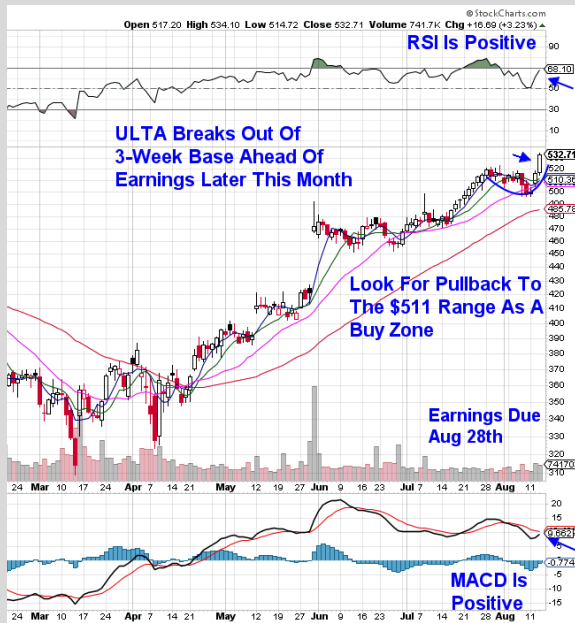


Daily Chart of RDDT



STOCKS ON THE MOVE THIS WEEK

Daily Chart of ULTA



Daily Chart of PWR (removed)



Daily Chart of WMT

