

Non-Consensus Alpha

— PROFITS BEYOND CONSENSUS —



By

Weekly Newsletter for June 30, 2025

Market Sentiment

Use market sentiment to gauge your overall market exposure.

The week ending June 27 saw strong, broad-based gains driven by a powerful tech-led rally, easing geopolitical/trade tensions, upbeat corporate earnings, and renewed hopes for a dovish Fed. All three major indexes closed at historic highs, marking a spectacular rebound from April's turbulence and setting markets up for what could be a strong July.

Weekly Performance:

- **Nasdaq Composite:** +4.25%
- **S&P 500:** +3.4%
- **Dow Jones Industrial Average:** +3.8%

Key Market Drivers:

2. **Tech-Led Rally and AI Optimism:** Stocks in big-tech—especially the “Magnificent Seven” (Apple, Microsoft, Nvidia, Amazon, Alphabet, Meta, Tesla)—spearheaded the rally, adding nearly \$4.7 trillion in market cap since early April . Sector performance was impressive: S&P 500 tech up about 40%, communication services up approximately 28%.
3. **Easing Geopolitical and Trade Tensions**
 - A fragile cease-fire between Israel and Iran eased investor fears .
 - A pause in tariffs and signs of a renewed trade framework with China and EU helped sentiment .
 - Mixed signals from Canada: Canada’s digital services tax and U.S. response created a brief scare, but markets shrugged it off quickly
4. **Robust Corporate Earnings**
 - Nike surged about 15% after strong Q4 results, leading the Dow’s performance .
 - Tech and data-center names—like Oracle, HPE, Juniper—also saw solid gains

5. Fed Outlook, Inflation and Economic Data

- A cooler CPI and dovish hints from the Fed bolstered hopes for rate cuts
- The 10-year Treasury yield eased back toward early-May lows

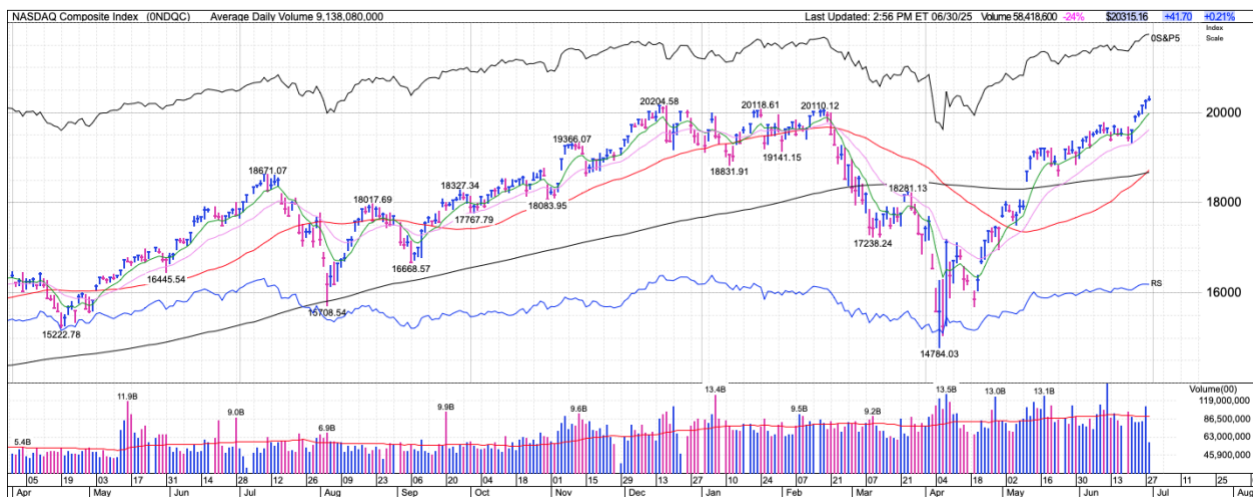
The markets moved decisively higher last week and seem to have moved past challenging headlines as those appear to be priced in. As the major indexes are breaking out of record levels, this may attract institutional and retail buying. Additionally, many stocks are breaking out of technical consolidation patterns which often triggers buying from algorithmic and momentum-based strategies.

Dovish Federal Reserve expectations and strong Q2 earnings momentum could also help push stocks higher. Money is starting to rotate from overbought tech leaders into lagging sectors like financials, industrials and small caps which will broaden market participation which is a bullish signal for overall sustainability of a rally.

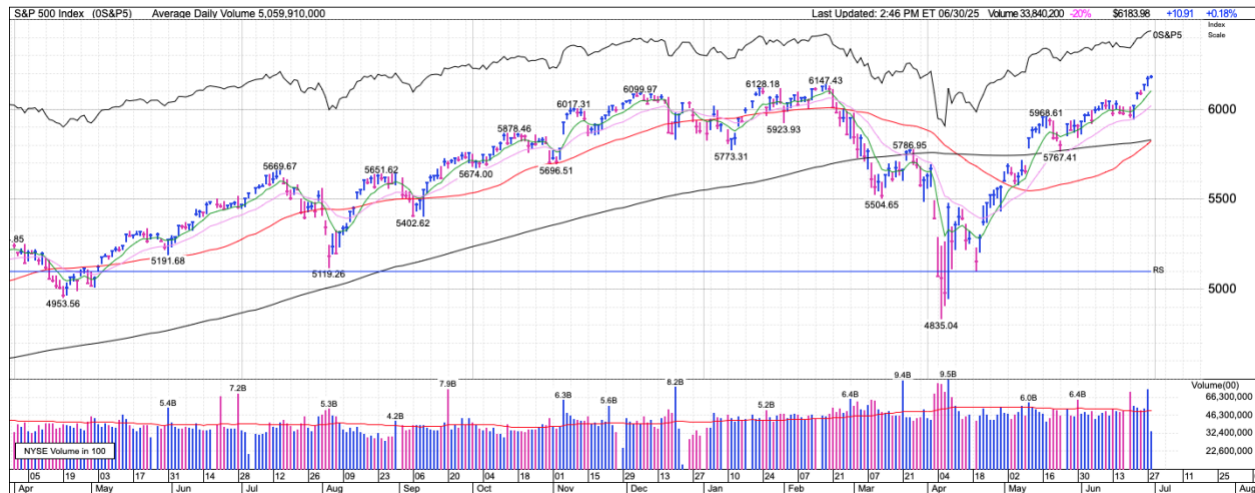
In this market environment investors could be 80% invested. Although the market continues to be relatively resilient through challenging headlines, political and world events investors should continue to manage downside risk limits by establishing and observing stop losses on all investments.

Important: All of our ideas noted in the newsletter are only buys if the market environment is conducive to being invested.

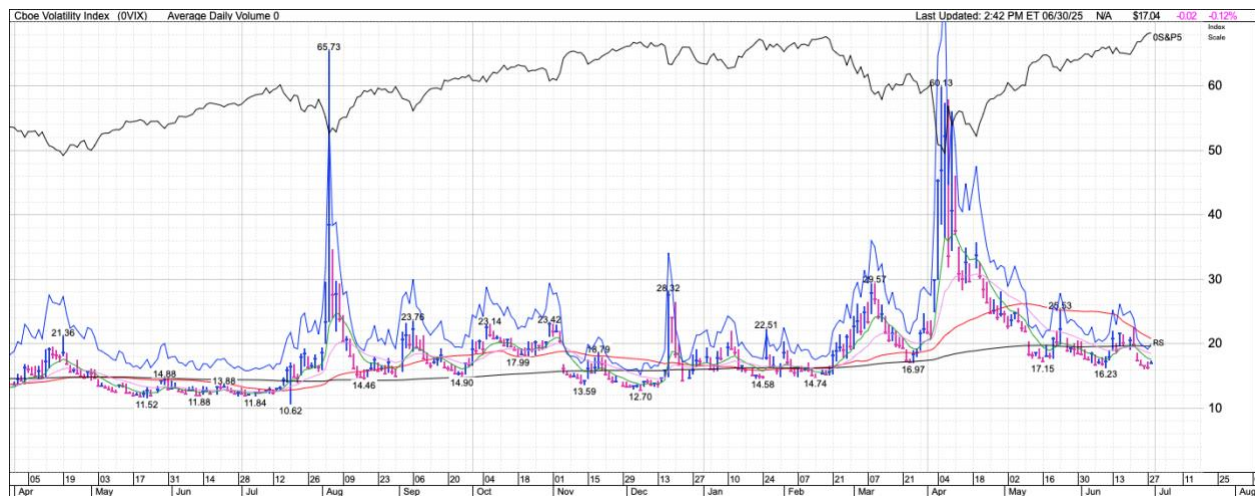
Nasdaq – Green – The index rallied higher last week to record highs. The index continues to behave relatively well showing good resiliency.



S&P 500 – Green – In line with the Nasdaq the S&P 500 rallied to record highs last week.



VIX – Green – The VIX closed the week at 16 and although it recently spiked in connection with the confrontation between Israel and Iran we expect further settling.











Key index ranges and market interpretation is as follows:

- Below 15 – Indicates low volatility and a stable market environment.
- Between 15 and 30 – Indicates moderate volatility and an uncertain market sentiment.
- Above 30 – Indicates high volatility and heightened fear in the market. It often aligns with market corrections or sharp downturns.

Newsletter Stock Highlights

Below are some of the highlights from our newsletter recommendations this year. A full list of all of our recommendations will be available on our website.

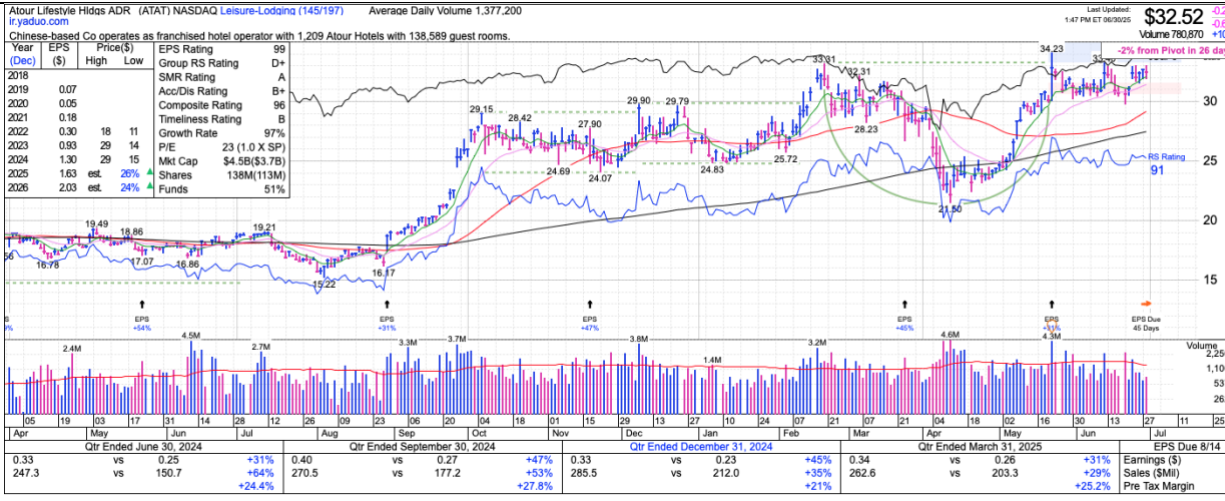
Stock Recommendation	Recomm. Date	Rec. Price	Trader Target		Investor Target		Return
			Low	High	Low	High	
 ODDITY TECH LTD (XNAS:ODD)	3/10/25	\$ 49	\$ 56.35	\$ 61.25	\$ 63.70	\$ 73.50	50%
 ZSCALER, INC. (XNAS:ZS)	4/29/25	\$ 218	\$ 250.70	\$ 272.50	\$ 283.40	\$ 327.00	43%
 ROBINHOOD MARKETS, INC. (XNAS:HOOD)	6/2/25	\$ 68	\$ 78.20	\$ 85.00	\$ 88.40	\$ 102.00	37%
 Amer Sports, Inc (XNYS:AS)	3/24/25	\$ 29	\$ 33.35	\$ 36.25	\$ 37.70	\$ 43.50	34%
 VEEVA SYSTEMS INC. (XNYS:VEEV)	2/17/25	\$ 215	\$ 247.25	\$ 268.75	\$ 279.50	\$ 322.50	33%
 AGNICO EAGLE MINES LIMITED (XNYS:AEM)	3/10/25	\$ 100	\$ 115.00	\$ 125.00	\$ 130.00	\$ 150.00	25%
 GENERAL ELECTRIC COMPANY (XNYS:GE)	3/24/25	\$ 213	\$ 244.95	\$ 266.25	\$ 276.90	\$ 319.50	21%
 MERCADOLIBRE, INC. (XNAS:MELI)	5/6/25	\$ 2,200	\$ 2,530.00	\$ 2,750.00	\$ 2,860.00	\$ 3,300.00	19%
 BROADCOM INC. (XNAS:AVGO)	5/27/25	\$ 237	\$ 272.55	\$ 296.25	\$ 308.10	\$ 355.50	16%
 Meta Platforms, Inc. (XNAS:META)	5/27/25	\$ 663	\$ 762.45	\$ 828.75	\$ 861.90	\$ 994.50	11%
 CROWDSTRIKE HOLDINGS, INC. (XNAS:CRWD)	5/6/25	\$ 456	\$ 524.40	\$ 570.00	\$ 592.80	\$ 684.00	11%

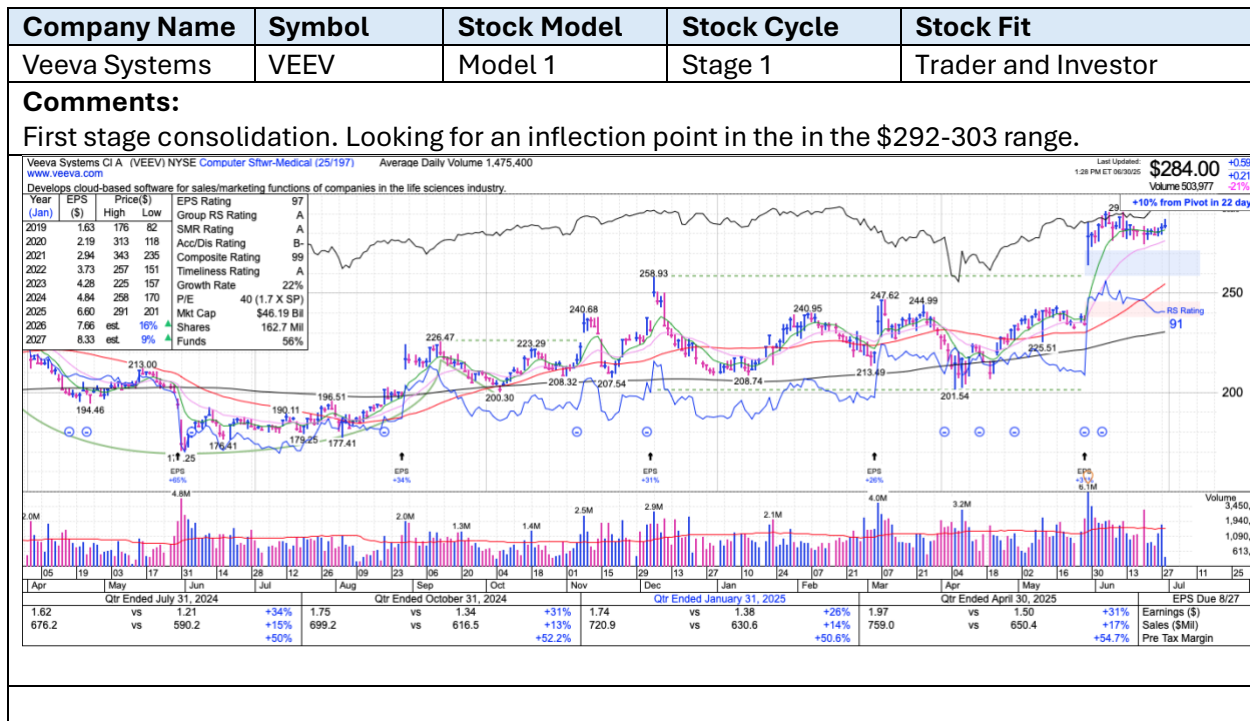
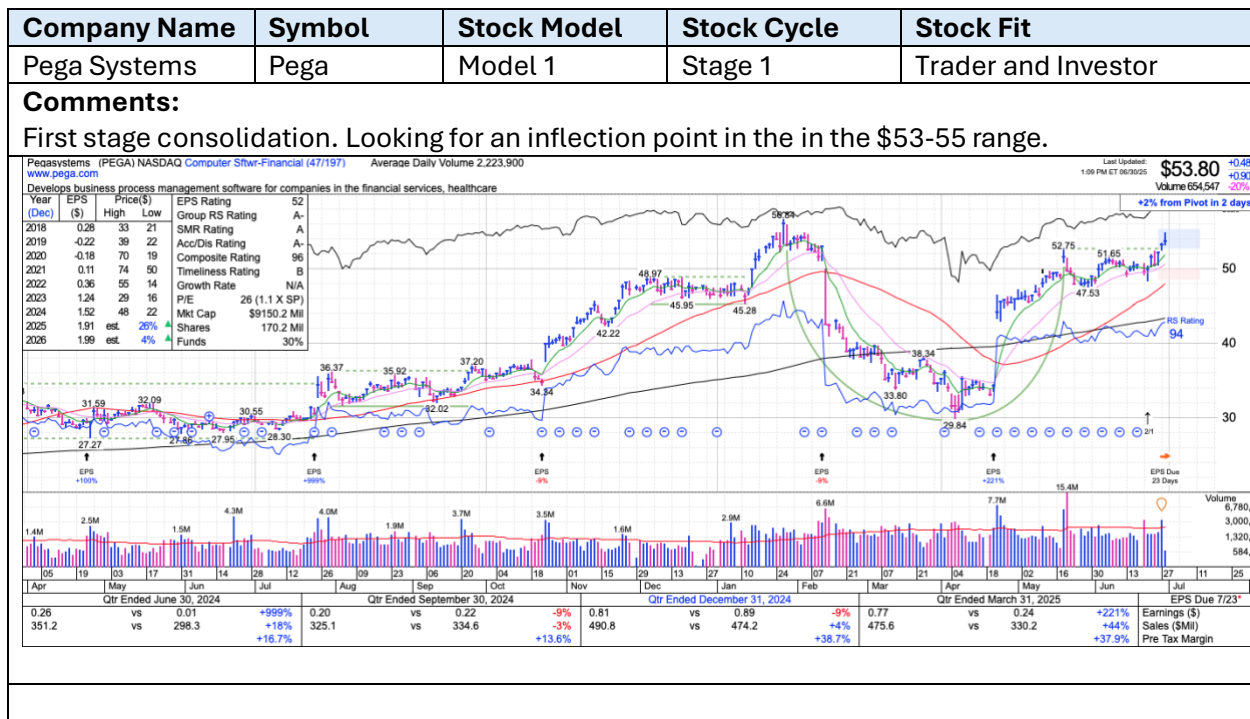
Watch List Ideas

Disclaimer: RTS Capital Management may trade in and out of the positions mentioned below. Our positions can change quickly in alignment with market fluctuation and stock behavior.

(For definitions of the Stock Model, Stock Cycle, Stock Fit and other terms, see the end of the newsletter.)

Company Name	Symbol	Stock Model	Stock Cycle	Stock Fit
Atour Lifestyle	ATAT	Model 1	Stage 1	Trader and Investor

Comments: First stage consolidation. Looking for an inflection point in the in the \$34-36 range.				
				



Comments:

First stage consolidation. Looking for an inflection point in the in the \$173-180 range.



Terms and Definitions

Stock Model Type	Definition
Model 1	The stock meets current and annual earnings as well as the revenue growth standards for our investment model
Model 2	The stock meets our current earnings and revenue growth model expectations.
Model 3	The stock meets the revenue growth expectations model.
Model 4	The stock meets the high relative strength investment model. Does not yet meet the earnings or revenue growth standards.

Stock Cycles	Definition
Stage 0	The stock is in a notable downtrend and should be avoided. Usually trading below the 150 day moving average.
Stage 1	Stock is in discovery showing the first sign of consolidation usually coming off a bottom. Stock has crossed the 150 day moving average and is trending with or extending above the average.
Stage 2	The stock is in continuation of its upward trend from its discovery. The stock may experience periods of consolidation but the overall trend is up.
Stage 3	The stock is beginning to climax. The moving averages are beginning to flatten out and the stock is trading inconsistently above and below the moving average.

Stock Fit	Definition
Trader	Short-term investment horizon (holding period is days to months) Recommended Target Trader Strategy <ul style="list-style-type: none">• Stop Loss – 5%-8%• Upside Target – 15%-25%
Investor	Longer-term investment horizon (holding period is months to years) Recommended Target Investor Strategy <ul style="list-style-type: none">• Stop Loss- 10%-16%• Upside Target – 30%-50%

Market Trend Definitions

1. **Uptrend** – The longer-term trend of the market is up although there may be some short-term trend changes.
 - a. **Confirmed Uptrend** – The market is trending higher than the normal trajectory of the larger market upwards movement.
 - b. **Pullback** – The market is in a short-term downward movement within a longer-term upward trajectory.
2. **Downtrend** – The longer-term trend of the market is down although there may be short-term rallies withing the longer term decline.
 - a. **Confirmed Downtrend** – In the short-term, the market is trending lower than the current longer-term downward trajectory.
 - b. **Rally** – The market is in a short-term rally within a long-term trajectory.