

6/30/25

Ross LaDuke, CMT
Global Strategist
612-482-8442
Ross@vermilioncap.com

David Nicoski, CMT
Chief Investment Officer
612-682-1900
Dave@vermilioncap.com

Joseph Jasper, CFA
President
612-712-1300
Joe@vermilioncap.com

Eric Anderson
Research Sales
612-482-6622
Eric@vermilioncap.com

Sean Cusick
Director of Quant Systems
612-712-1400
Sean@vermilioncap.com

Vermilion Research LLC
920 2nd Ave S, Ste. 1225
Minneapolis, MN 55402

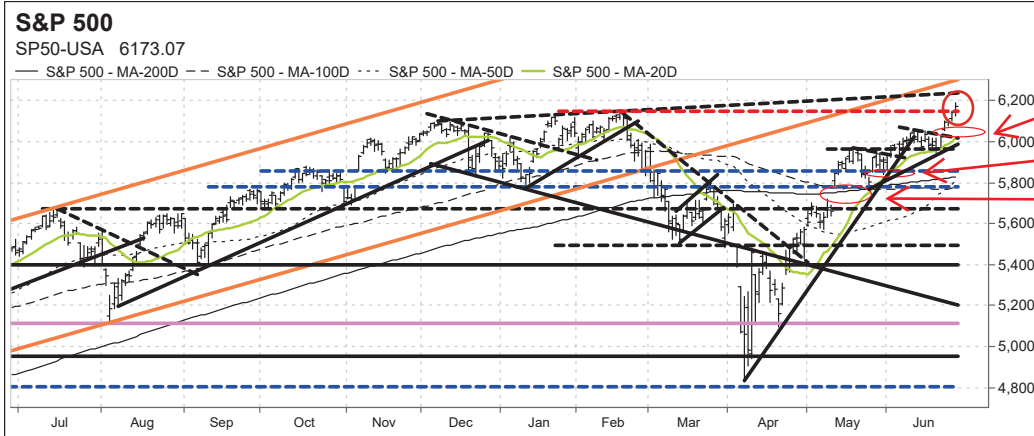
Nasdaq 100 and S&P 500 Breaking Out to All-Time Highs

We remain near-term bullish since our 4/22/25 *Compass*, and our intermediate-term outlook remains bullish as well (as of our 5/14/25 *Compass*). Our *near-term* bullish outlook will remain in place long as the S&P 500 (SPX), Nasdaq 100 (QQQ), and Russell 2000 (IWM) are above their 20-day MAs. We will maintain our bullish *intermediate-term* outlook as long as market dynamics remain healthy and the SPX is above 5700-5785. Short-term support on SPX is at 6028-6059 and the 20-day MA, with additional supports at 5804-5854 and 5700-5785.

- **Index Overview.** The Nasdaq 100 (QQQ) and SPX are breaking out to all-time highs, with the QQQ leading the way. Even laggard areas including the DJIA is breaking above 42,822 resistance, while the Russell 2000 (IWM) and S&P Mid-Cap 400 (IJH) are on the cusp of breakouts above key levels... *see chart below and page 2.*
- **Market Dynamics Remain Risk-On.** In addition to bullish technicals at the index level, other risk-on market dynamics supporting our bullish outlook include: (1) High yield spreads are well-below the important 355bps level. (2) Defensive Sectors (Staples, Utilities, Health Care, Real Estate) are at 3.5+ month RS lows, while (3) Technology (XLK), semiconductors (SMH), and speculative growth areas (ARKW, ARKQ, ARKX, ARKF, etc.) remain leadership. (4) The 10-year Treasury yield is moving lower, as expected, after failing to break above 4.50%. (5) Interest rate volatility (MOVE index) remains near 3-year lows. (6) The U.S. dollar (DXY) remains weak, a clear risk-on signal for global equities (see EM and Int'l Markets below).
- **Actionable Industry ETFs:** ARKX, ARKQ, FNGS, and SMH... *see page 9.*
- **EM and Int'l Markets.** MSCI EM (EEM) and EAFE (EFA) remain bullish as they hold above \$46-\$46.50 and \$84-\$85 base supports, respectively... *see page 10.*
- **Actionable International ETFs:** EWY, EWT, GREK, EIS, EWP, EWG, EWJ, and EWN... *see pages 11-12.*

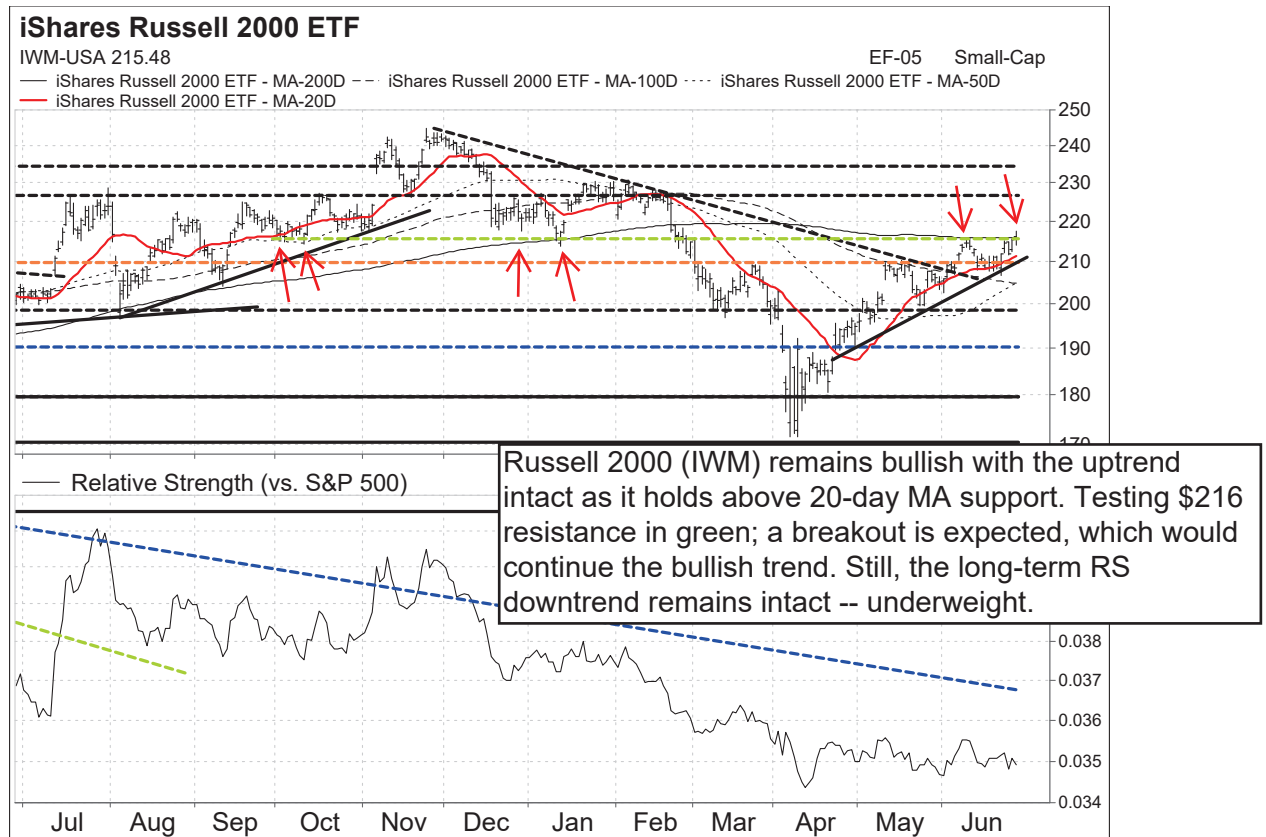
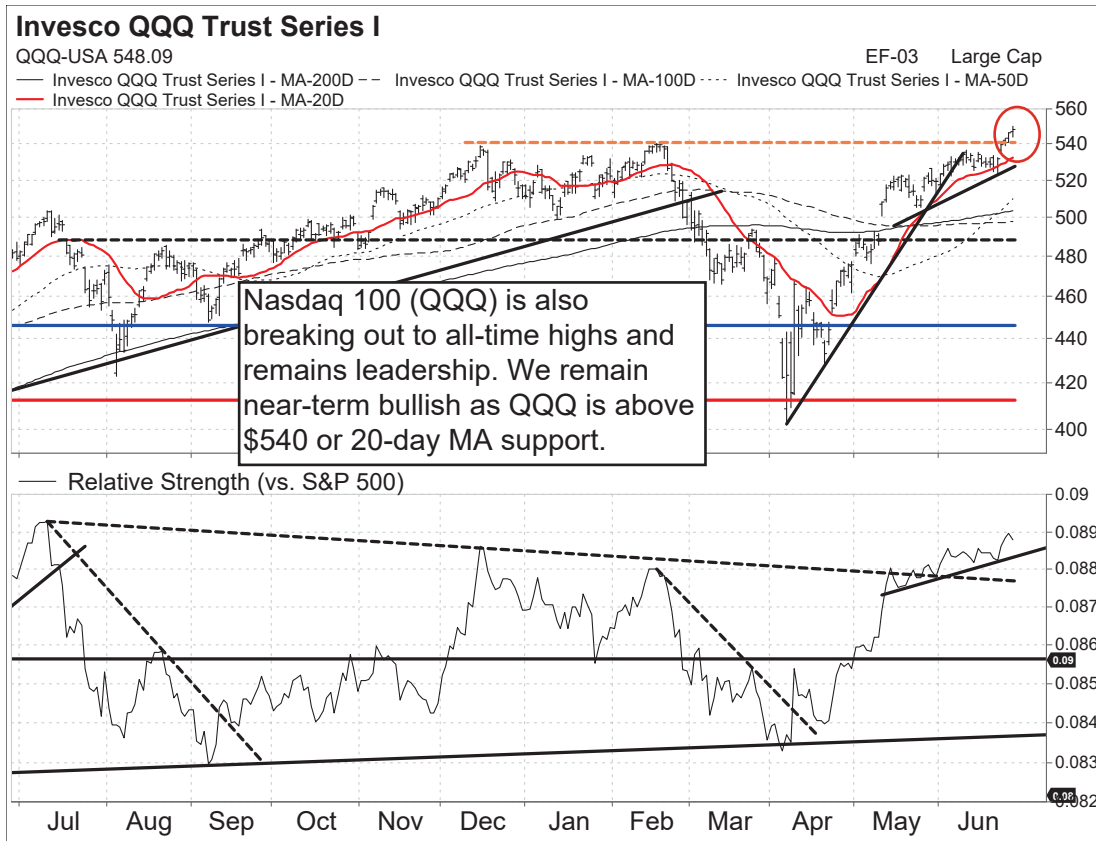
Sector Weighting Recommendations

Sector	Under-Weight	Market-Weight	Over-Weight
Comm. Services (XLC)			X
Cons. Discretionary (XLY)			X
Cons. Staples (XLP)		X	
Energy (RSPG, XLE)		X	
Financials (XLF)		X	
Health Care (XLV)	X		
Industrials (XLI)		X	
Materials (XLB)	X		
Real Estate (XLRE)		X	
Technology (XLK)			X
Utilities (XLU)			X



The SPX is breaking out to all-time highs as it continues to hold above 20-day MA support (solid green line, currently 6015); we remain near-term bullish as long as the 20-day MA holds. We would get near-term cautious if 6028-6059 or the 20-day MA breaks, as we would expect a pullback to 5804-5854 or 5700-5785. Still, as long as 5700 support holds, our intermediate-term outlook remains bullish.

Nasdaq 100 Leading and Breaking to ATH; Russell 2000 Testing \$216 Resistance

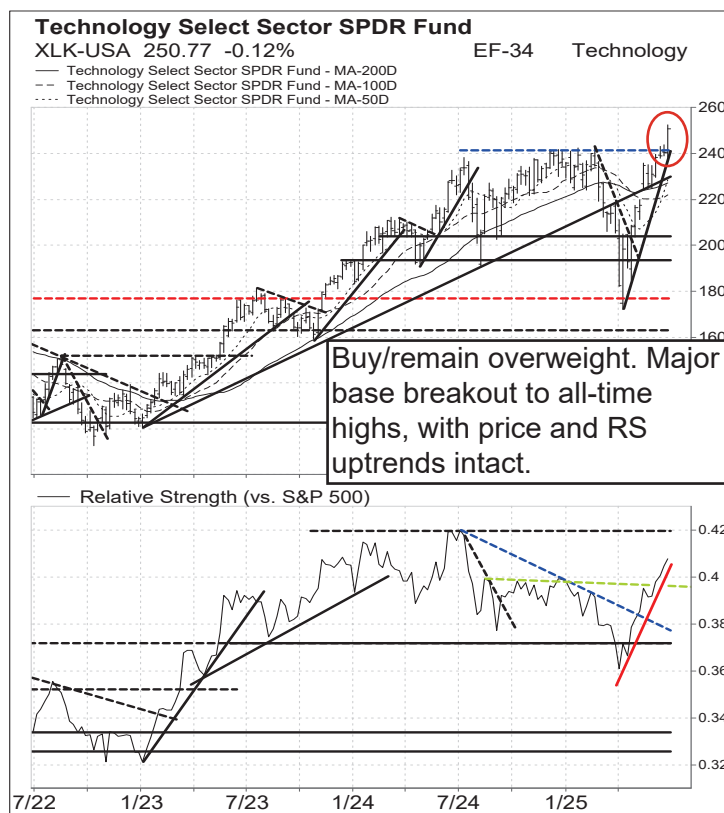


Technology (XLK): Overweight (upgraded 6/16/25 from Market Weight)

- *Cap-weighted* Technology (XLK) remains in a RS uptrend, and price is breaking above \$243 resistance to all-time highs. As long as it stays above \$242-243, this is very bullish for the Sector and broad market. We discussed in our 6/16/25 *ETF Pathfinder* how we expected a breakout, and we are getting it. Buy/stay long.
- Semiconductors (SMH, SOXX) remain leadership. Buy/stay long: AVGO, KLAC, LRCX, NVDA, AMD, MCHP, MU, ADI, TXN, and bottom-fishing candidates AMAT, MPWR, and NXPI.
- Also attractive: STX, WDC, CRWD, INTU, MSFT, NOW, ORCL, PLTR, IBM, VRSN, DELL, ANET, CSCO, and SMCI.

Top 10 Holdings (XLK)

Ticker	Weight (%)	Ticker	Weight (%)
NVDA	14.8	PLTR	2.8
MSFT	14.2	CSCO	2.8
AAPL	11.6	IBM	2.7
AVGO	4.9	CRM	2.6
ORCL	3.4	AMD	2.4

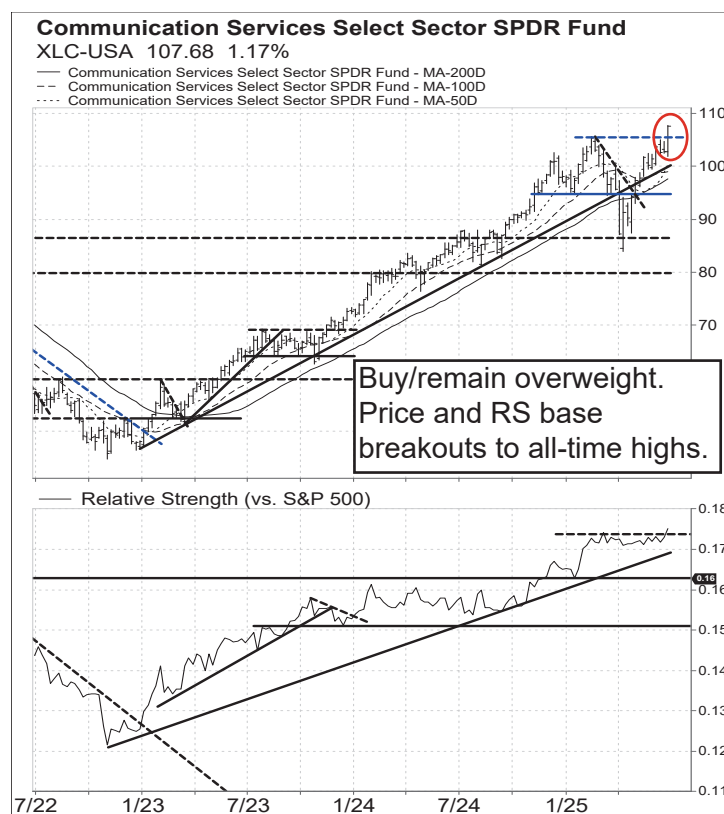


Communication Svcs (XLC): Overweight

- *Cap-weighted* Communications (XLC) is breaking out to all-time highs after reclaiming the crucial \$95 level, something we discussed was a very bullish development in our 5/19/25 *ETF Pathfinder*. \$104-\$105, \$102, and \$100 are short-term supports. RS is breaking out to new highs within a long-term uptrend; stay overweight.
- Internet names (FDN, ARKW) remain leadership -- buy pullbacks/stay long. Attractive names include: NFLX, META, and GOOGL (bottom-fishing candidate).
- Additional attractive names include: TTWO, TKO, DIS, LYV, and T.

Top 10 Holdings (XLC)

Ticker	Weight (%)	Ticker	Weight (%)
META	18.8	TTWO	4.5
GOOGL	9.9	DIS	4.5
NFLX	8.7	TMUS	4.4
GOOG	8.0	CMCSA	4.4
EA	4.7	CHTR	4.4



Utilities (XLU): Overweight

- RS is testing support at the gradual uptrend from the February 2024 lows on *cap-weighted* Utilities (**XLU**); as long as the RS uptrend holds, our overweight recommendation is appropriate. Price on the XLU remains constructive as long as it holds above \$80.
- Independent power production stocks remain leadership. Remain overweight these names. Buy pullbacks/stay long: **NRG**, **VST**, and **CEG**.
- Additional attractive names include: **ETR**, **EVRG**, and **NI**.

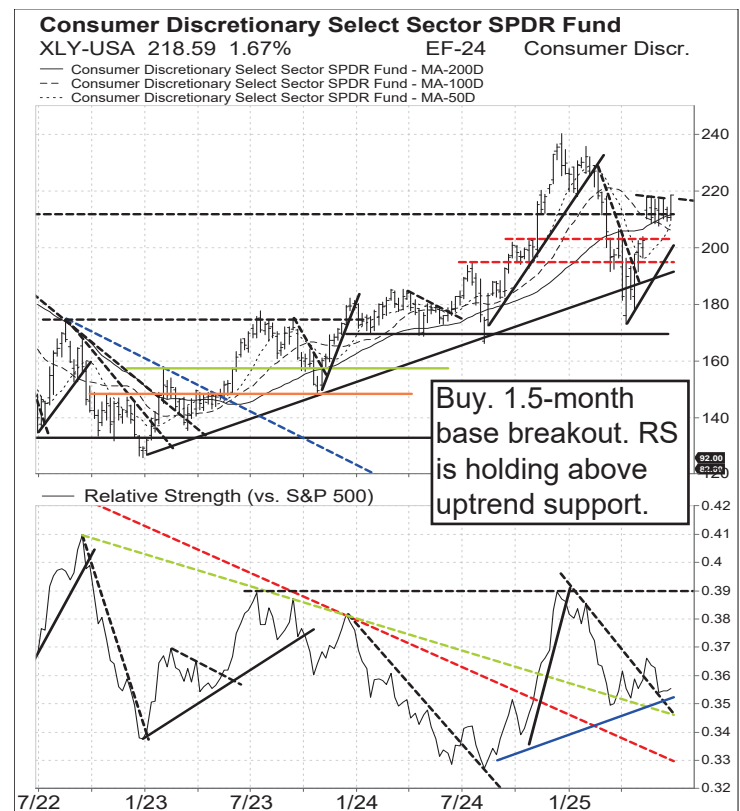
Top 10 Holdings (XLU)			
Ticker	Weight (%)	Ticker	Weight (%)
NEE	11.7	AEP	4.4
CEG	8.0	SRE	3.9
SO	8.0	D	3.8
DUK	7.3	EXC	3.5
VST	5.3	PEG	3.3



Consumer Discretionary (XLY): Overweight (upgraded 6/16/25 from Market Weight)

- RS on *cap-weighted* Consumer Discretionary (**XLY**) is testing support at the 10-month uptrend; as long as it holds, our overweight recommendation remains appropriate. Price remains bullish as long as it holds above short-term support on XLY at \$208-\$210, which is also its 200-day MA. Additional support is at \$205. Price appears to be breaking out from a 1.5-month consolidation above \$218 -- buy.
- Cruises, travel, resorts, and casinos are attractive. Buy pullbacks/stay long: **BKNG**, **RCL**, **CCL**, **HLT**, **MAR**, and bottom-fishing candidates **LVS** and **WYNN**.
- Additional attractive names include: **DASH**, **AMZN**, **EBAY**, **HAS**, **ULTA**, **RL**, **TPR**, **TSLA**, and bottom-fishing candidates **APTV** and **CMG**.

Top 10 Holdings (XLY)			
Ticker	Weight (%)	Ticker	Weight (%)
AMZN	23.6	TJX	3.6
TSLA	16.6	LOW	3.2
HD	6.7	SBUX	2.7
BKNG	4.6	NKE	2.2
MCD	4.3	DASH	2.1

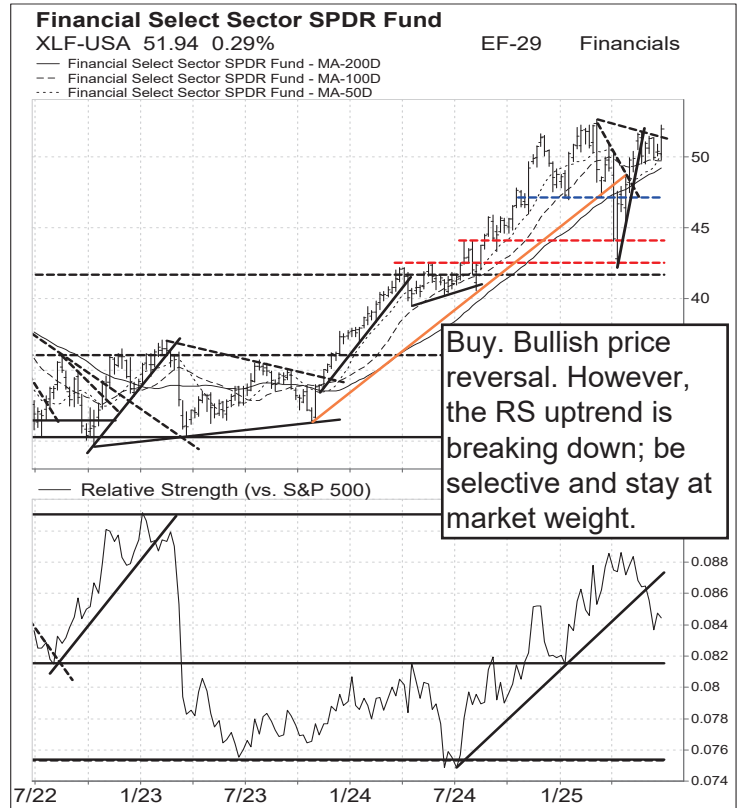


Financials (XLF): Market Weight (downgraded 6/16/25 from Overweight)

- RS has entered a consolidation phase on *cap-weighted* Financials (**XLF**), after the 9.5-month RS uptrend violation -- stay at market weight. With that said, price remains bullish and is breaking above the 3.5-month downtrend. Watch for potential resistance at the all-time highs at \$52-\$52.50, but we believe a breakout is likely. Be selective. Avoid insurance stocks (**KIE**).
- Banks (**KRE**, **KBE**) are bullishly inflecting, while investment banks (**IAI**, **KCE**) remain leadership. Attractive names include: **GS**, **JPM**, **BAC**, **C**, **CFG**, **WFC**, **BK**, **MS**, and bottom-fishing candidates **FITB**, **KEY**, **MTB**, **PNC**, **RF**, and **TFC**.
- Also attractive: **AXP**, **COF**, **SYF**, **BEN**, **BLK**, **COIN**, **NDAQ**, **NTRS**, **SCHW**, **STT**, and **KKR**.

Top 10 Holdings (XLF)

Ticker	Weight (%)	Ticker	Weight (%)
BRK.B	12.2	WFC	3.5
JPM	10.9	GS	2.9
V	8.2	AXP	2.4
MA	6.1	MS	2.4
BAC	4.2	SPGI	2.2

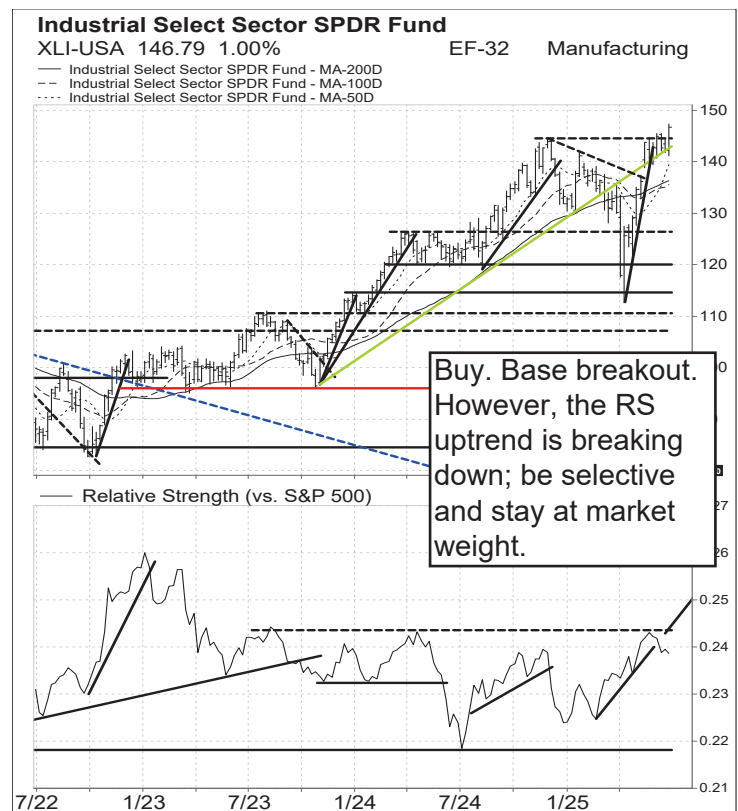


Industrials (XLI): Market Weight

- Price on the **XLI** remains bullish following the reclaim of \$126.50 resistance, and is now hitting all-time highs -- stay long/buy pullbacks. With that said, RS appears to be rolling over after testing resistance; be selective and stay at market weight.
- Aerospace/defense (**ITA**, **XAR**, **PPA**) remains leadership. Buy pullbacks/stay long: **AXON**, **BA**, **GE**, **HWM**, **LHX**, **RTX**, **TDG**, and bottom-fishing candidates **HII**, **GD**, and **TXT**.
- Additional attractive names include: **PWR**, **EMR**, **ETN**, **GEV**, **ROK**, **UBER**, **CAT**, **DE**, **PH**, **PNR**, **WAB**, **URI**, **JCI**, **TT**, **CTAS**, **CARR**, and bottom-fishing candidates **GNRC** and **HUBB**.

Top 10 Holdings (XLI)

Ticker	Weight (%)	Ticker	Weight (%)
GE	6.0	HON	3.3
RTX	4.3	GEV	3.2
UBER	4.3	UNP	3.1
CAT	4.0	ETN	3.1
BA	3.6	DE	2.9



Real Estate (XLRE): Market Weight

- RS on *cap-weighted* Real Estate (XLRE) is back to test crucial support within its 1+ year horizontal range. Stay at market weight, but we would downgrade to underweight on a RS breakdown. Price failed to break above resistance at the 7-month downtrend -- be extremely selective.
- Attractive names include: **WELL** , **CBRE**, and **IRM** (bottom-fishing candidate).

Top 10 Holdings (XLRE)

Ticker	Weight (%)	Ticker	Weight (%)
AMT	9.6	O	4.8
PLD	9.2	SPG	4.6
WELL	8.9	PSA	4.3
EQIX	7.2	CCI	4.1
DLR	5.1	CBRE	3.8

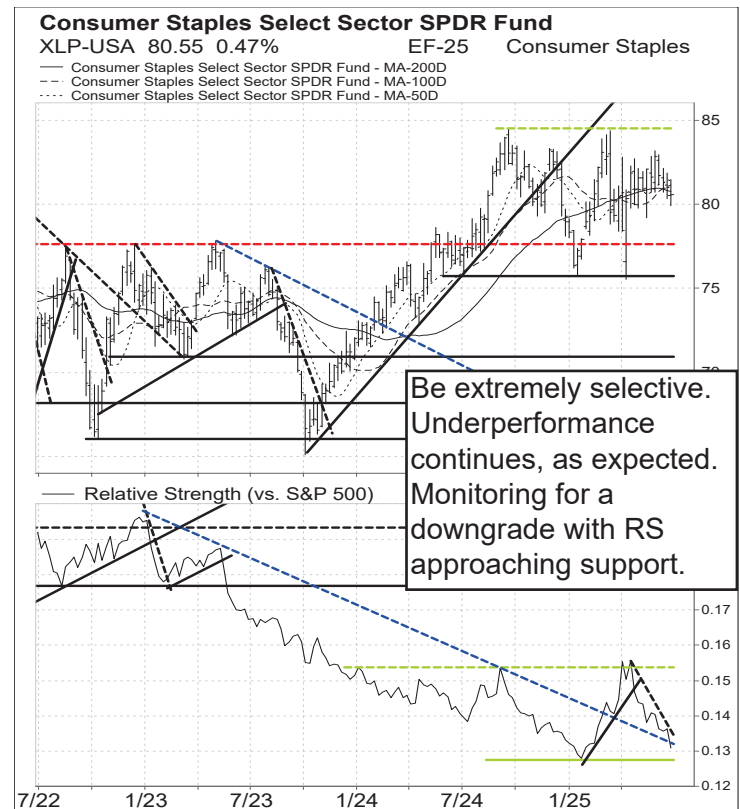


Consumer Staples (XLP): Market Weight

- RS remains in a horizontal range on Consumer Staples (XLP) -- stay at market weight. We discussed in our 5/19/25 *ETF Pathfinder* how we would not be surprised to see underperformance continue following the steep 3-month RS uptrend violation, and the Sector has continued to meaningfully underperform -- be very selective. Continued new RS lows for Staples is very bullish for the broad equity market. Price has held above major support in the \$76-\$77.50 range, but is still neutral at best.
- Dollar stores remain leadership. Buy pullbacks/stay long **DG** and **DLTR**.
- Additional attractive names include: **PM**, **COST**, **WMT**, and **EL** (bottom-fishing candidate).

Top 10 Holdings (XLP)

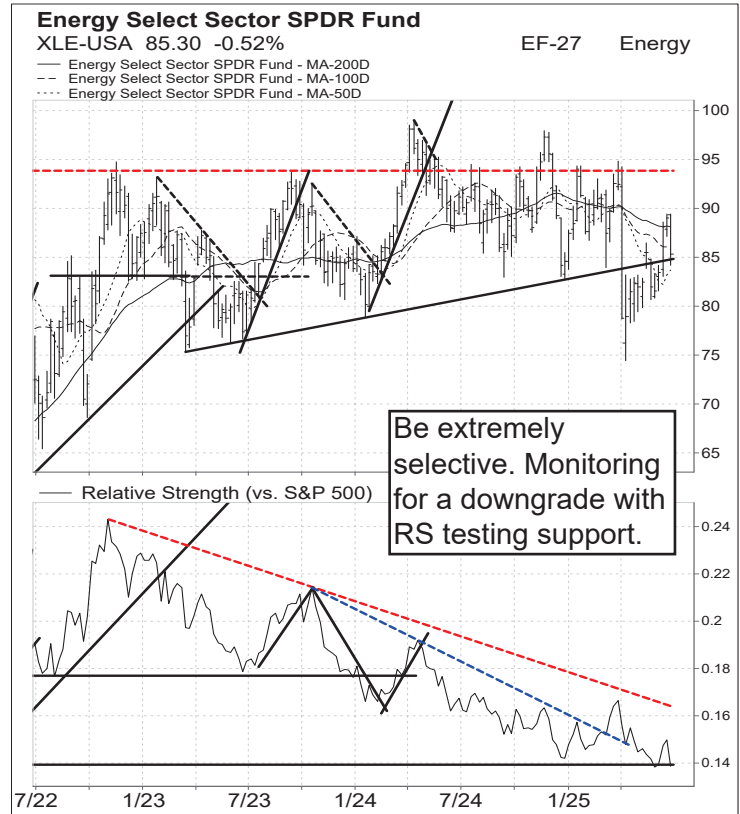
Ticker	Weight (%)	Ticker	Weight (%)
COST	10.0	MDLZ	4.6
WMT	9.6	PEP	4.6
PG	8.6	MO	4.4
PM	6.4	CL	4.4
KO	6.2	TGT	2.8



Energy (XLE, RSPG): Market Weight

- Long-term RS downtrends (bottom clip at right, in red) remain intact on *equal-weighted* and *cap-weighted* Energy (**RSPG, XLE**). With that said, RS is holding above long-term support on the XLE, and we would only downgrade on a RS breakdown. WTI crude oil is back to test \$64-65 support, and price on the XLE has pulled back to test support at \$83-\$84. Be very selective.
- Natural gas and midstream stocks remain attractive. Buy/stay long: **EQT, EXE, KMI, and WMB**.
- Additional attractive names include: **MPC** and **VLO** (bottom-fishing candidate).

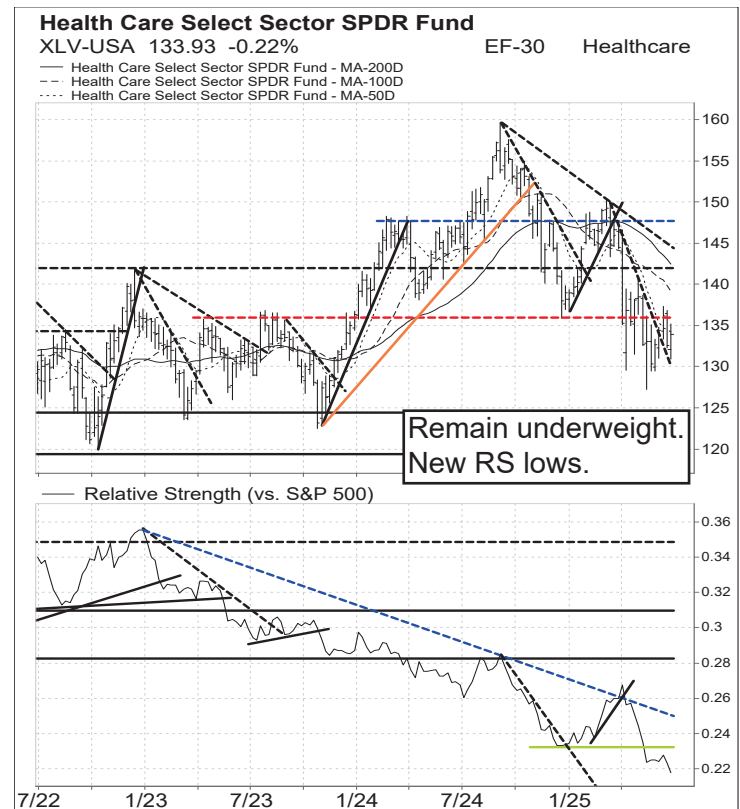
Top 10 Holdings (XLE)			
Ticker	Weight (%)	Ticker	Weight (%)
XOM	23.1	KMI	4.2
CVX	14.9	MPC	3.8
COP	7.2	OKE	3.8
WMB	4.8	PSX	3.6
EOG	4.5	SLB	3.4



Health Care (XLV): Underweight

- Remain underweight Health Care with RS downtrends intact on the *cap-weighted XLV* and *equal-weighted RSPH*. Price on the XLV remains in a 10-month downtrend. Be very selective.
- Health Care distributors remain leadership. Buy/stay long **CAH, COR, and MCK**.
- Additional attractive names include: **DGX, LH, HCA, GILD, BSX, IDXX, PODD, and CVS** (bottom-fishing candidate).

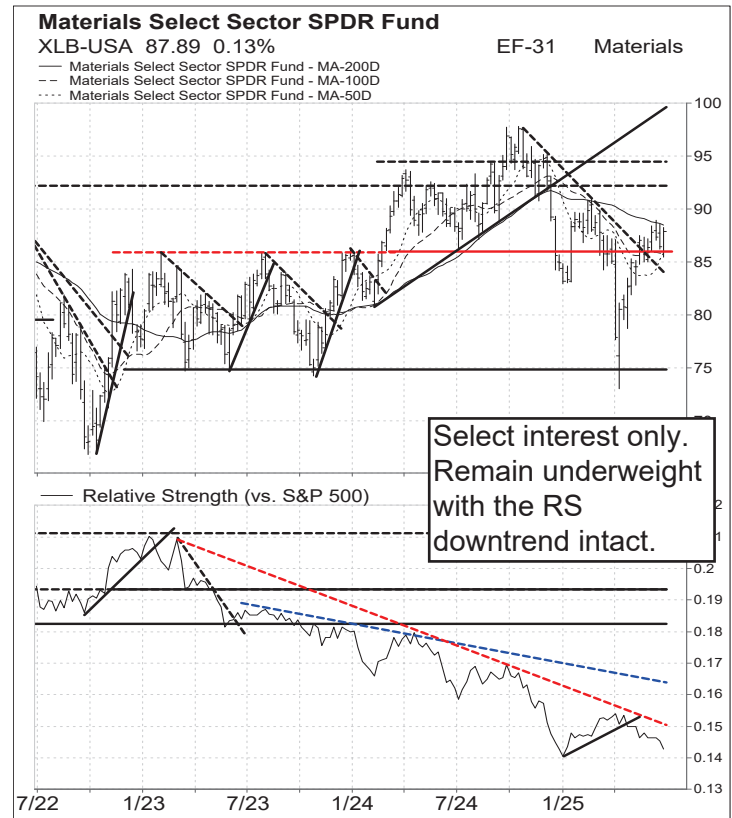
Top 10 Holdings (XLV)			
Ticker	Weight (%)	Ticker	Weight (%)
LLY	12.5	MRK	4.1
JNJ	7.5	ISRG	3.9
ABBV	6.6	BSX	3.2
UNH	5.8	TMO	3.2
ABT	4.8	AMGN	3.1



Materials (XLB): Underweight

- RS on *cap-weighted* Materials (**XLB**) remains in a downtrend -- remain underweight. Price on the XLB has consolidated after breaking above the multi-month downtrend and \$86 level (top clip at right, in red) -- add selective exposure.
- Gold miners (**GDX**) are starting to break -- sell.
- Attractive names include: **CTVA**, **MOS**, and bottom-fishing candidates **FCX** and **NUE**.

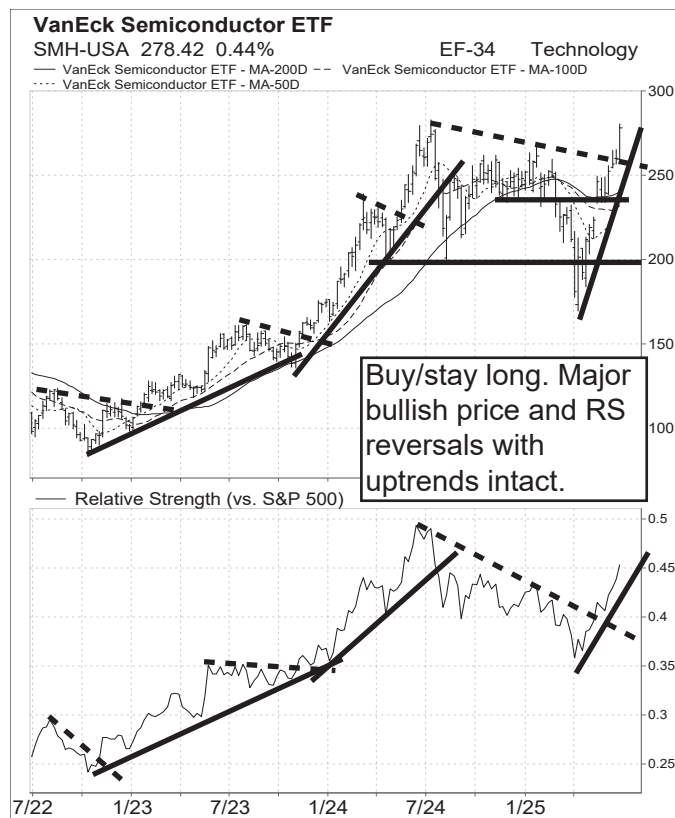
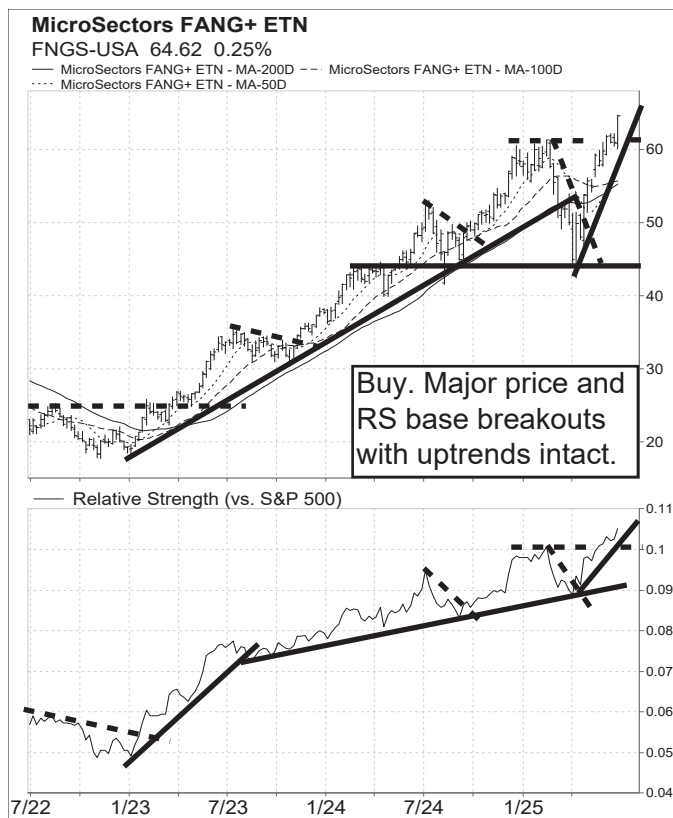
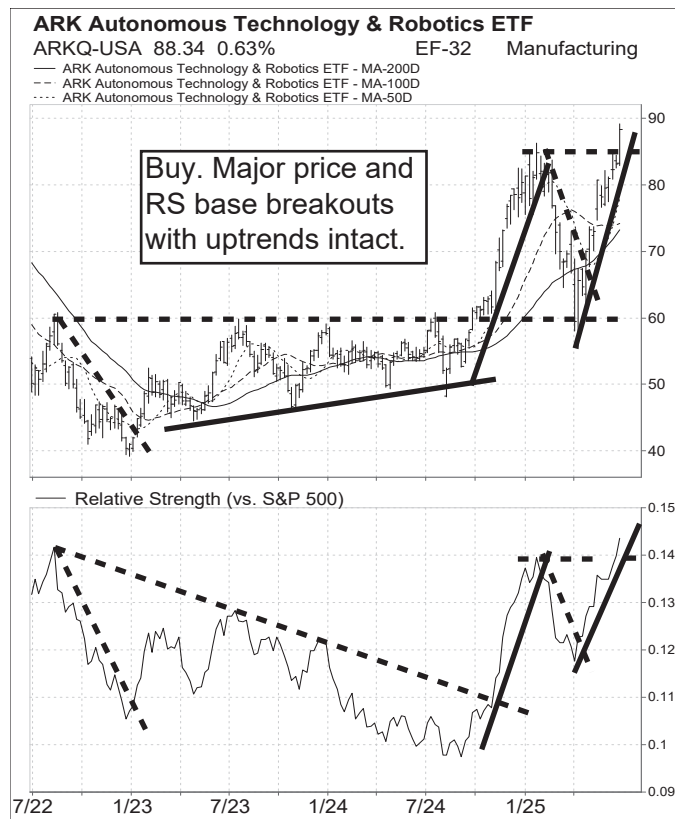
Top 10 Holdings (XLB)			
Ticker	Weight (%)	Ticker	Weight (%)
LIN	16.3	APD	4.7
SHW	6.0	CTVA	4.6
ECL	5.0	MLM	4.5
FCX	4.8	VMC	4.5
NEM	4.8	NUE	4.3



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Actionable Industry ETFs

- Below we highlight industry-specific ETFs with timely technical patterns.
- Highlighted charts: ARKX, ARKQ, FNGS, and SMH



Emerging Markets

MSCI EM (**EEM**) is breaking above crucial resistance at \$46-\$46.50 -- buy. Immediate support is at \$46-\$46.50 followed by \$44.50-\$45.50 (in blue). RS (vs. MSCI ACWI) is testing its 2.5-year RS downtrend (in blue), but remains in a well-defined 4-year RS downtrend (in red); remain underweight EM (vs. MSCI ACWI).

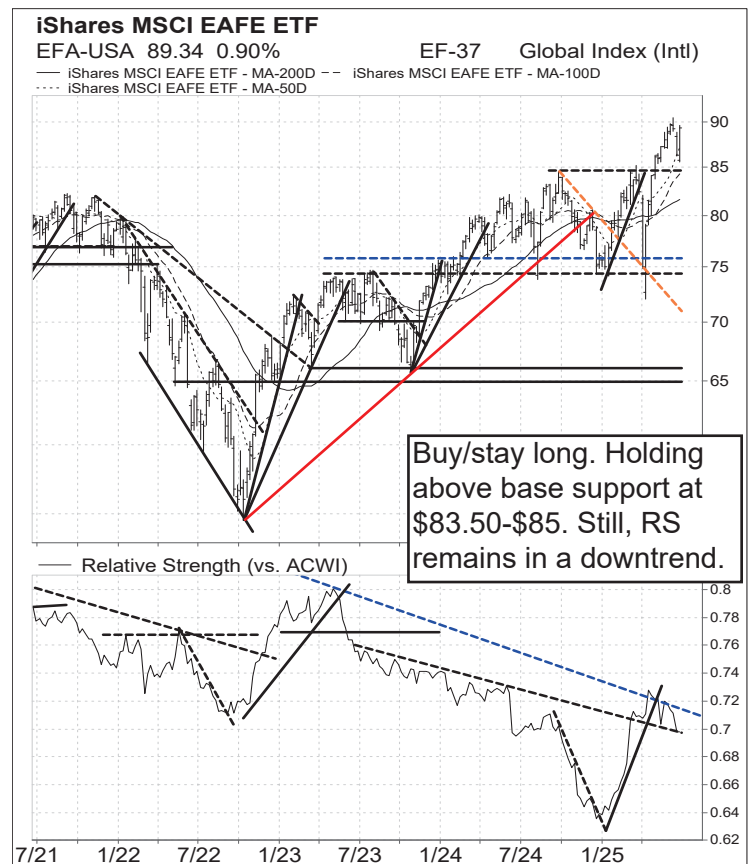
EM countries/regions highlighted to buy/stay long: Korea (**EWY**), Taiwan (**EWT**), and Greece (**GREK**)... see charts on page 11.



Developed Int'l Markets

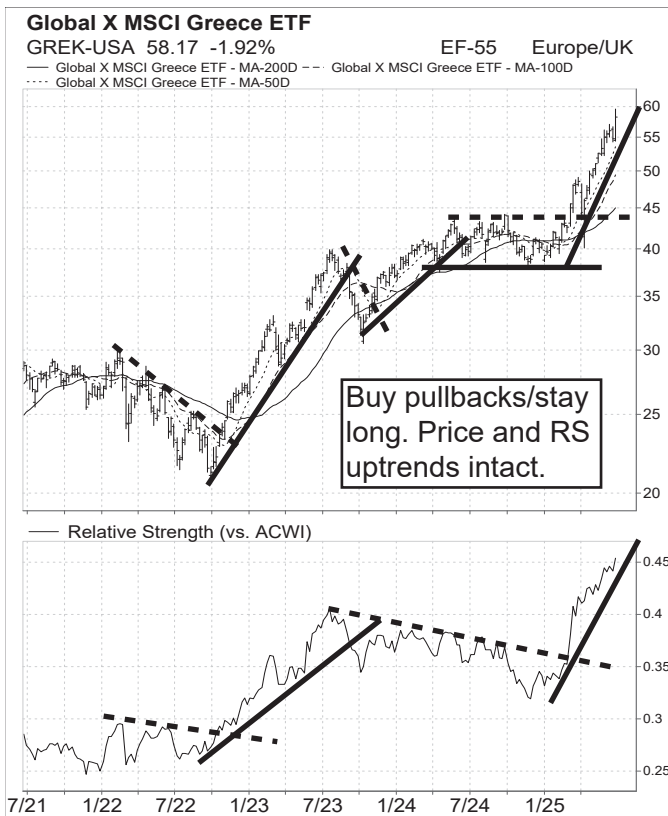
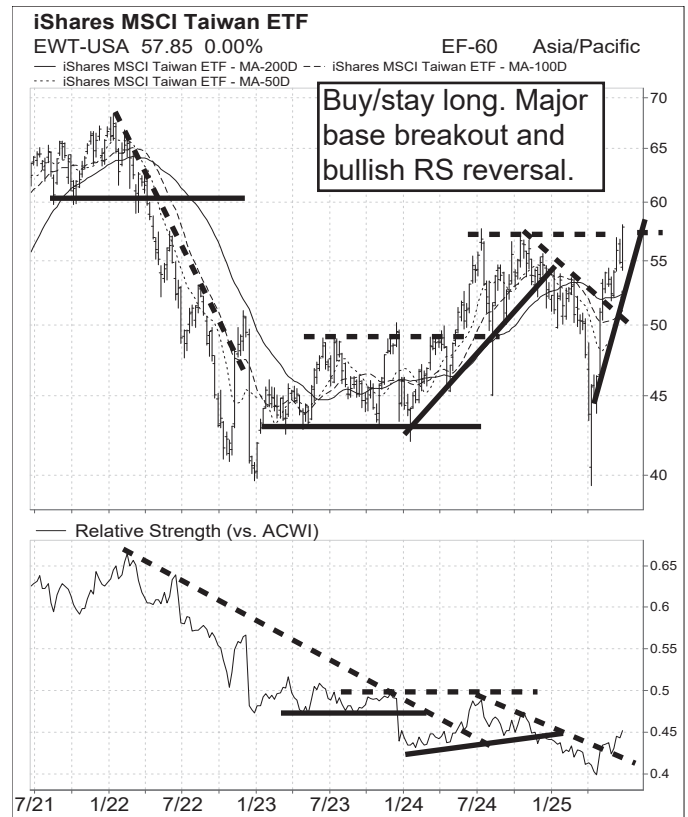
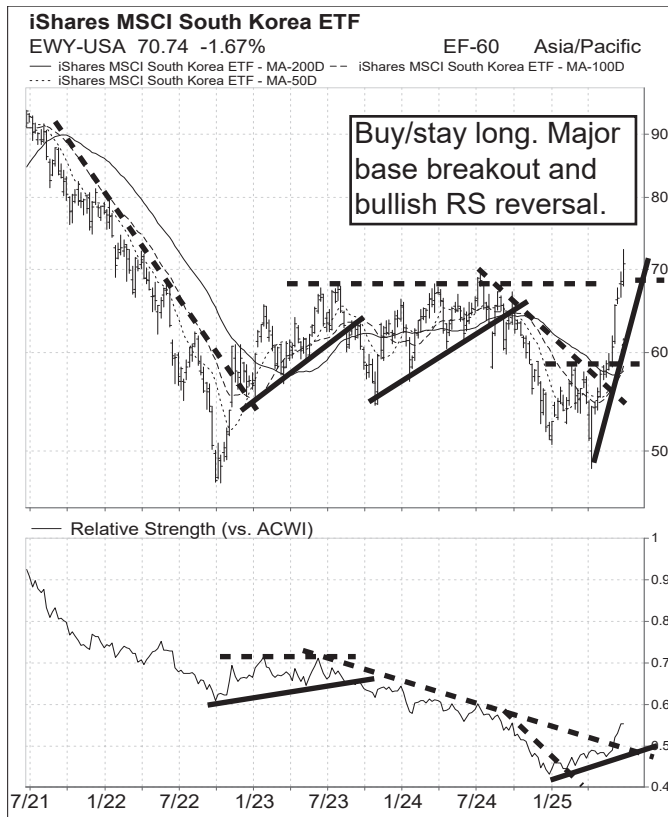
MSCI EAFE (**EFA**) remains topside the base and is still bullish from a price perspective -- buy pullbacks/stay long. Support is at \$83.50-\$85. With that said, stay underweight EAFE (vs. MSCI ACWI) with RS below the long-term downtrend.

Developed int'l countries/regions highlighted to buy/stay long: Israel (**EIS**), Spain (**EWP**), Germany (**EWG**), Italy (**EWI**), and Netherlands (**EWN**)... see charts on pages 11-12.



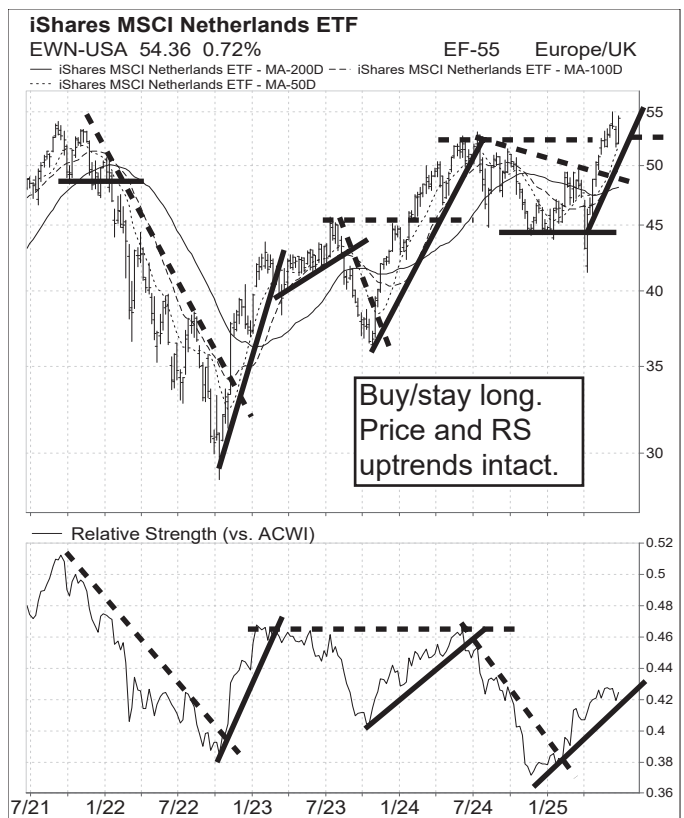
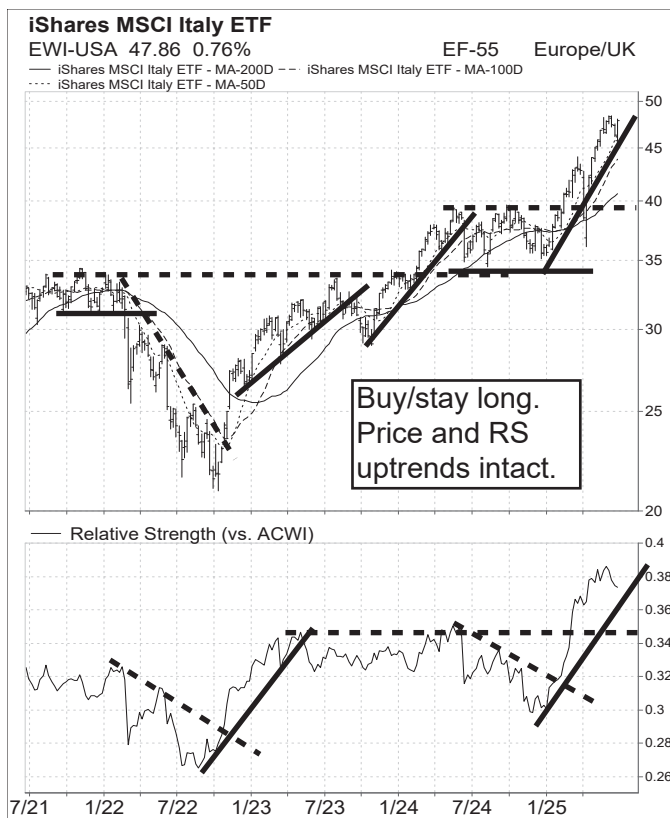
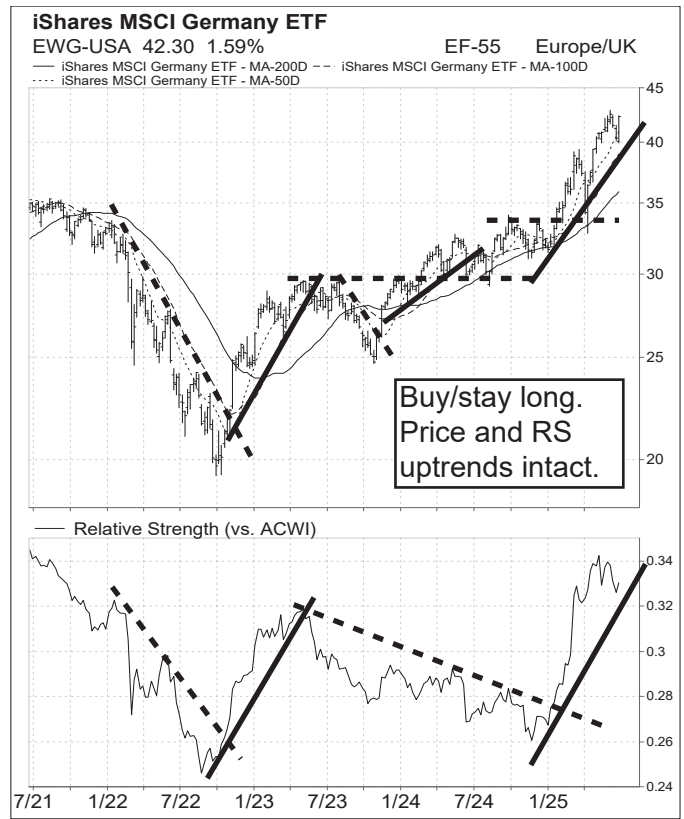
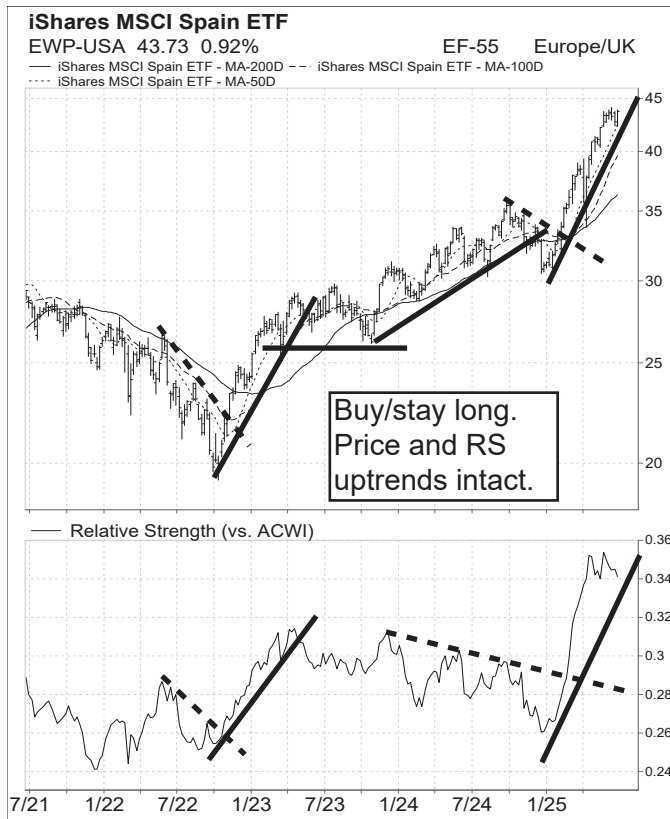
Actionable International ETFs

- Below we highlight international-focused ETFs with timely technical patterns.
- Highlighted charts: EWY, EWT, GREK, EIS, EWP, EWG, EWI, and EWN



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David P. Nicoski, CMT
612-682-1900
dave@vermilioncap.com

Joe W. Jasper, CFA
612-712-1300
joe@vermilioncap.com

Ross W. LaDuke, CMT
612-482-8442
ross@vermilioncap.com

920 Second Avenue S., Ste. 1225 • Minneapolis, MN 55402 • 612-482-6800 • www.vermilioncap.com

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