July 16, 2025

STOCK & ETF IDEAS

THE STOCK PULSE

Six constructive country ETF charts

South Korea (EWY): Double bottom breakout targets mid-to-upper 80s

The iShares MSCI South Korea Fund ETF (EWY) has broken out above its 2023 and 2024 highs to confirm a 3-year double bottom. Holding the 69.50-67.50 zone would keep this breakout firmly in place and favor further upside to 85-88 (chart levels and pattern count) and potentially back to the 2021 peaks at 94.77-96.22. The improving weekly moving averages (WMAs) from 64.55-63.18 to 59.83-58.64 underpin this bullish backdrop for EWY.

Vietnam (VNM): Builds a big base from late 2022

The VanEck Vietnam ETF (VNM) builds a potential big base from its 2022, 2023, 2024, 2025 YTD lows. Sustaining last week's rally above the declining 200-WMA and chart resistance near 14.00, which reverses its role to a vital support, would boost our conviction. This would also increase the potential for a more important breakout above the 2023 peaks at 15.49-15.64 that would confirm the 2022-2025 big base and favor further upside to 20. The improving 13-, 26- and 40-WMAs from 13.40 to 12.32 buttress this bullish backdrop for VNM.

Austria (EWO): 16-year big base breakout projects to upper 30s to low 40s

The iShares MSCI Austria Index Fund ETF (EWO) has broken out from a massive 16-year big base, reaching its highest level since mid 2008. This bullish breakout remains firmly in place above 27.40-26.85 (prior resistance that has reversed its role to big support) and suggests longer-term upside potential into the upper 30s to low 40s. Rising 26- and 40-WMAs at 26.36 and 24.59, respectively, reinforce this positive setup for EWO.

United Kingdom (EWU): 10-year head and shoulders bottom points higher

The iShares MSCI United Kingdom Index Fund ETF (EWU) has completed a 10-year head and shoulders (H&S) bottom on its upside breakout above the pattern neckline at 38.00. This breakout suggests tactical upside to 43, with chart resistances near 44 (June 2014 peak) and 47 (May 2008 peak), and longer-term potential into the low to mid 50s. Rising 26- and 40-WMAs near 38 and 37, respectively, reinforce the upside breakout on EWO.

Peru (EPU): Breakout from 12-year big base does not rule out low 70s

The iShares MSCI Peru ETF (EPU) has broken out from a 12-year big base. Holding the breakout point and rising 26- and 40-WMAs from 45.00 down to 43.71 would keep the technical setup firmly bullish. EPU shows tactical upside to the late 2010 peak at 51.35 and near-term pattern counts at 53.30 and 55.50 with longer-term upside potential into the low 70s.

United Arab Emirates (UAE): Basing pattern suggests rally to 21 and then 24-25

The iShares MSCI UAE ETF (UAE) is pushing higher from an early 2022 into mid 2025 basing pattern. Sustaining the rally above 18.70 would support the case for upside beyond the April 2022 peak at 19.40 toward 21.60 (2015 peak) and then 24-25 (pattern count, measured move, September 2014 peak). Rising 13-, 26-, and 40-WMAs from 18.39 to 17.00 underpin this bullish backdrop.

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What is The Stock Pulse?

The Stock Pulse provides bullish and bearish stock and ETF ideas

The Stock Pulse highlights bullish and bearish technical setups across common stocks, ADRs, and ETFs. The report emphasizes weekly charts to reduce short-term noise and targets a three-to-six-month investment horizon. We analyze price action and trends from both an absolute and relative perspective. Our relative benchmark is typically the S&P 500, *but we are using **ACWI ex US** in this note on country ETFs.* We focus on the technical, we but encourage investors to evaluate the fundamentals before acting on the ideas presented in The Stock Pulse.

We can categorize these charts as follows:

- **Bullish leadership**: Bullish absolute and bullish relative trends. This technical setup represents a confirmed bullish trend. It also can indicate a bullish momentum stock.
    - *Actions to consider: Buy dips, hold longs, and avoid shorts.*
- **Bearish laggard**: Bearish absolute and bearish relative trends. This technical setup represents a confirmed bearish trend. It also can indicate a bearish momentum stock.
    - *Actions to consider: Sell rallies, hold shorts, and avoid longs.*
- **Bullish weakening**: A bullish absolute trend and a deteriorating to bearish relative trend. The stock has rallied but lags its benchmark. This lack of bullish relative confirmation provides a negative divergence, which is a potential bearish leading indicator for the absolute price chart.
    - *Actions to consider: Protect or reduce absolute longs, consider relative shorts, and if aggressive, initialize an absolute short.*
- **Bearish strengthening**: A bearish absolute trend and an improving to bullish relative trend. The stock has declined, but it has dropped less than its benchmark. This lack of bearish relative confirmation provides a positive divergence, which is a potential bullish leading indicator for the absolute price chart.
    - *Actions to consider: Protect or reduce absolute shorts, consider relative longs, and if aggressive, initialize an absolute long.*

Key indicators

We rely weekly charts – both absolute and relative – with simple weekly moving averages (WMA) and Trend Scores to assess the technical condition of the stocks, ADRs, and ETFS highlighted in this note. In addition, we may also highlight other important indicators and well as provide technical screens.

Weekly moving averages show multiple timeframes on one chart

- The slope of the moving average is more important than whether the price is above or below it
- 13-WMA: Quarterly and tactical trend
- 26-WMA: Half-year and intermediate trend
- 40-WMA: Longer-term trend and similar to the 200-day moving average
- 200-WMA: Long-term or macro trend

Trend Scores

- **Trend Score**: Ranges from -10 to +10 and incorporates the 13-, 26-, and 40-WMAs. Higher scores indicate stronger trends with prices above rising WMAs. Lower scores indicate weaker trends with price below declining WMAs. Longer WMAs are more heavily weighted.
- **Long-term Trend Score**: Ranges from -20 to +20 and includes the 13-, 26-, 40-, and 200-WMAs. Higher scores reflect stronger long-term uptrends, while lower scores indicate long-term downtrends. Longer WMAs carry more weight.

Bullish Asia country ETFs: EWY and VNM

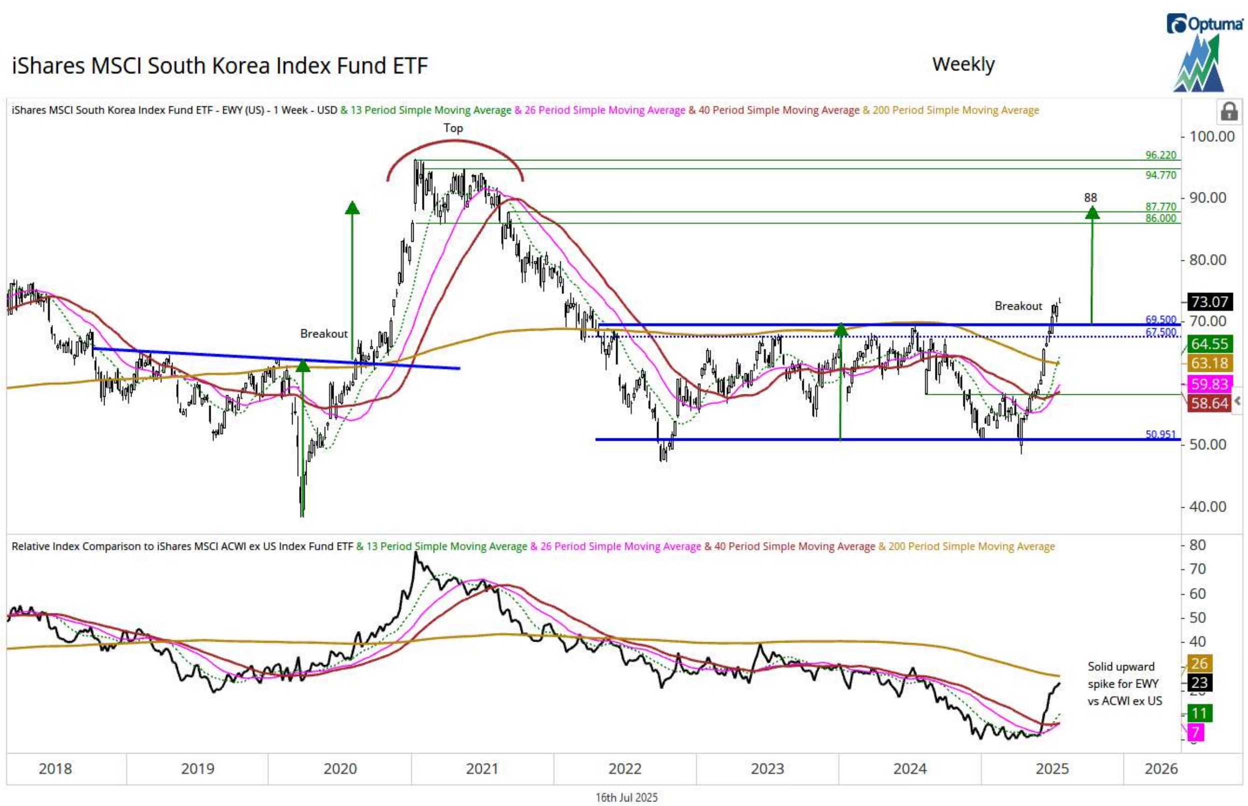
South Korea (EWY): Double bottom breakout targets mid-to-upper 80s

The iShares MSCI South Korea Fund ETF (EWY) has broken out above its 2023 and 2024 highs to confirm a 3-year double bottom. Holding the 69.50-67.50 zone would keep this breakout firmly in place and favor further upside to 85-88 (chart levels and pattern count) and potentially back to the 2021 peaks at 94.77-96.22. The improving weekly moving averages (WMAs) from 64.55-63.18 to 59.83-58.64 underpin this bullish backdrop for EWY.

Chart notes:

- EWY has rising 13-, 26, and 40-WMAs relative to the iShares MSCI ACWI ex US Index Fund ETF (ACWIX) and has a bullish turn versus the ACWIX while above these WMAs. The next step: regaining the 200-WMA vs. ACWIX.
- Any pullbacks that hold the WMAs would form higher lows within the context of a bullish trading cycle (rising 26- and 40-WMAs) for EWY on both an absolute price basis and relative to the ACWIX. However, if the 2025 breakout rhymes with the mid 2020 upside breakout, EWY could continue to rally without these "buy-the-dip" opportunities.

Chart 1: iShares MSCI South Korea Fund ETF (top) and iShares MSCI ACWI ex US Index Fund ETF (bottom)



Source: Optuma

Vietnam (VNM): Builds a big base from late 2022

The VanEck Vietnam ETF (VNM) builds a potential big base from its 2022, 2023, 2024, 2025 YTD lows. Sustaining last week's rally above the declining 200-WMA and chart resistance near 14.00, which reverses its role to a vital support, would boost our conviction. This would also increase the potential for a more important breakout above the 2023 peaks at 15.49-15.64 that would confirm the 2022-2025 big base and favor further upside to 20. The improving 13-, 26- and 40-WMAs from 13.40 to 12.32 buttress this bullish backdrop for VNM.

Chart notes:

- VNM has broken out from a 1-year head and shoulders bottom relative to the ACWIX. This is bullish and points to a shift to leadership for VNM. The next step: testing and potentially regaining the 200-WMA vs. ACWIX.
- Any pullbacks that hold the WMAs would form higher lows within the context of a bullish trading cycle (rising 26- and 40-WMAs) for VNM on both an absolute price basis and relative to the ACWIX. However, if the 2025 breakout rhymes with the late 2020 upside breakout, VNM could continue to rally without these "buy-the-dip" opportunities.

Chart 2: VanEck Vietnam ETF (top) and iShares MSCI ACWI ex US Index Fund ETF (bottom)

Source: Optuma

Constructive Europe country ETFs: EWO and EWU

Austria (EWO): 16-year big base breakout projects to upper 30s to low 40s

The iShares MSCI Austria Index Fund ETF (EWO) has broken out from a massive 16-year big base, reaching its highest level since mid 2008. This bullish breakout remains firmly in place above 27.40-26.85 (prior resistance that has reversed its role to big support) and suggests longer-term upside potential into the upper 30s to low 40s. Rising 26- and 40-WMAs at 26.36 and 24.59, respectively, reinforce this positive setup for EWO.

Chart notes:

- EWO is bullish with the potential for a decade-plus bottom relative to ACWI ex US.
- Any pullbacks that hold the WMAs would form higher lows within the context of a bullish trading cycle (rising 26- and 40-WMAs) for EWO on both an absolute price basis and relative to the ACWIX. However, given the big upside breakout, EWO could continue to rally without these “buy-the-dip” opportunities.

Chart 3: iShares MSCI Austria Index Fund ETF (top) and iShares MSCI ACWI ex US Index Fund ETF (bottom)

Source: Optuma

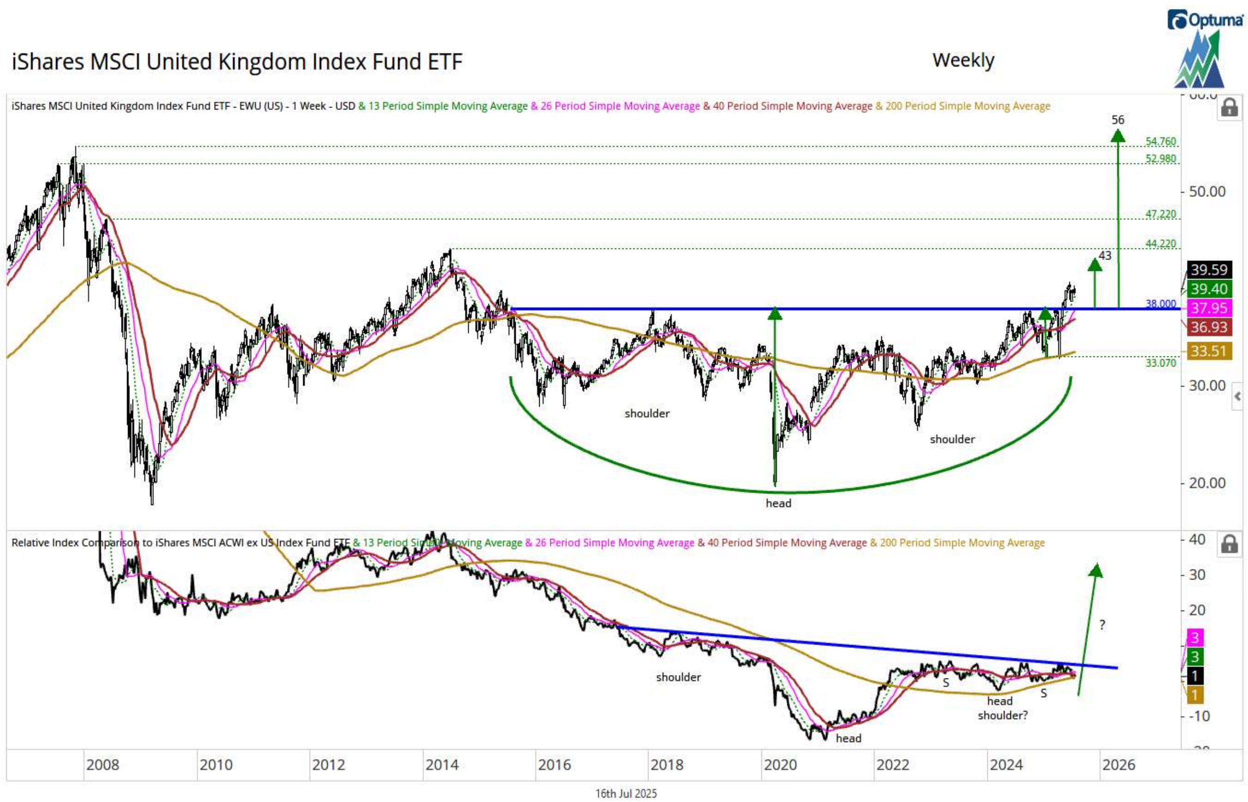
United Kingdom (EWU): 10-year head and shoulders bottom points higher

The iShares MSCI United Kingdom Index Fund ETF (EWU) has completed a 10-year head and shoulders (H&S) bottom on its upside breakout above the pattern neckline at 38.00. This breakout suggests tactical upside to 43, with chart resistances near 44 (June 2014 peak) and 47 (May 2008 peak), and longer-term potential into the low to mid 50s. Rising 26- and 40-WMAs near 38 and 37, respectively, reinforce the upside breakout on EWO. We view 38-37 as significant risk management support.

Chart notes:

- EWU is forming a 2018 to 2025 H&S bottom relative to ACWIX. A rising 200-WMA on the right shoulder bodes well for this pattern. Completing the H&S bottom on an upside breakout above the neckline would bode well for a more sustained shift to leadership from EWU vs. the ACWI ex US.

Chart 4: iShares MSCI United Kingdom Index Fund ETF (top) and iShares MSCI ACWI ex US Index Fund ETF (bottom)



Source: Optuma

Constructive Latin America country ETF: EPU

Peru (EPU): Breakout from 12-year big base does not rule out low 70s

The iShares MSCI Peru ETF (EPU) has broken out from a 12-year big base. Holding the breakout point and rising 26- and 40-WMAs from 45.00 down to 43.71 would keep the technical setup firmly bullish. EPU shows tactical upside to the late 2010 peak at 51.35 and near-term pattern counts at 53.30 and 55.50 with longer-term upside potential into the low 70s.

Chart notes:

- EPU looks bullish and trades within a 1-year bullish ascending triangle within a long-term bottoming process for EPU relative to ACWI ex US.

Chart 5: iShares MSCI Peru ETF (top) and iShares MSCI ACWI ex US Index Fund ETF (bottom)

Source: Optuma

Constructive Middle East country ETF: UAE

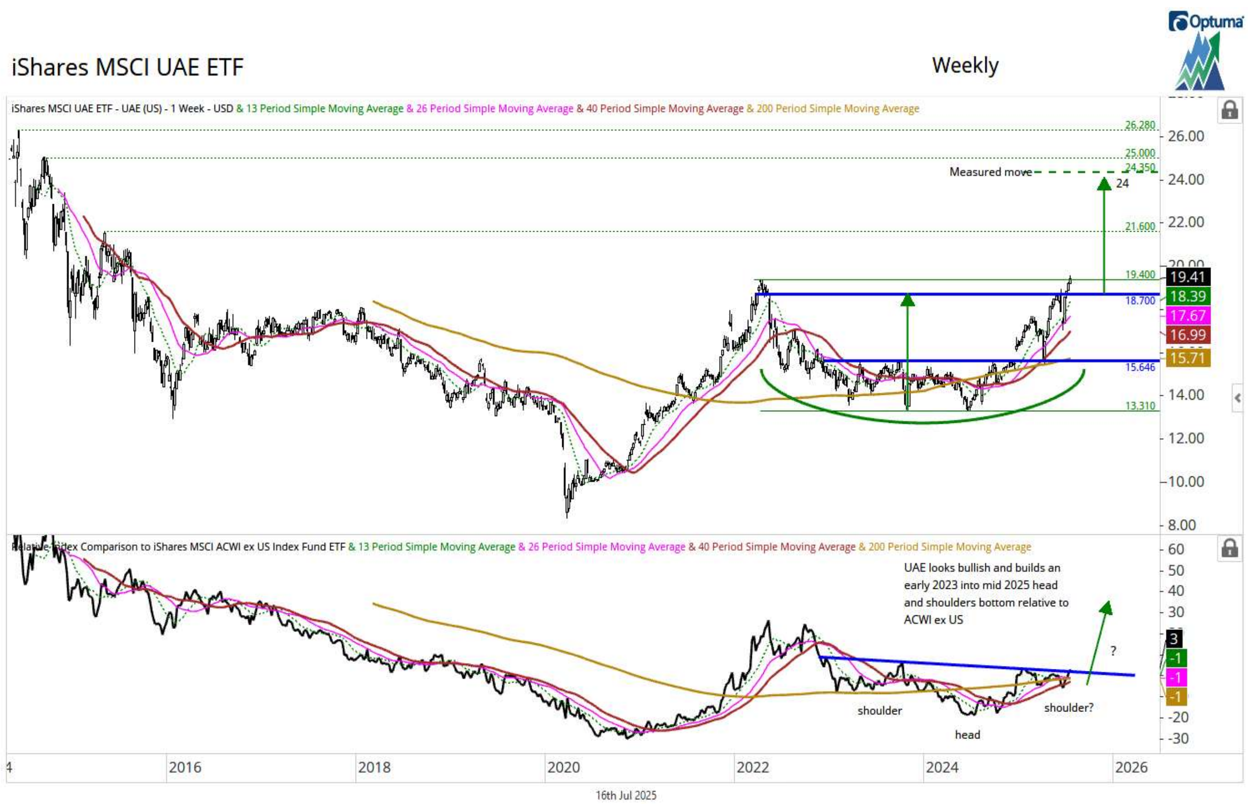
United Arab Emirates (UAE): Basing pattern suggests rally to 21 and then 24-25

The iShares MSCI UAE ETF (UAE) is pushing higher from an early 2022 into mid 2025 basing pattern. Sustaining the rally above 18.70 would support the case for upside beyond the April 2022 peak at 19.40 toward 21.60 (2015 peak) and then 24-25 (pattern count, measured move, September 2014 peak). Rising 13-, 26-, and 40-WMAs from 18.39 to 17.00 underpin this bullish backdrop.

Chart notes:

- UAE looks bullish and builds an early 2023 into mid 2025 head and shoulders bottom relative to ACWIX. A decisive breakout above the neckline is imminent and would point to sustained leadership for UAE.

Chart 6: iShares MSCI United Arab Emirates ETF (top) and iShares MSCI ACWI ex US Index Fund ETF (bottom)



Source: Optuma

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