

# Investment Committee Report

Creation Date: August 16, 2025

## Investment Idea

**Short NAS100/USD (NASDAQ) at current price 23,724.2**

## Rationale / Drivers

The NAS100/USD is currently at a critical juncture, trading near 23,724.2 as of August 16, 2025. Multiple technical and cyclical factors support a near-term corrective phase:

- **Elliott Wave Analysis:** Completion of a 5-wave impulse pattern across monthly, weekly, and daily timeframes suggests a major ABC correction is imminent. Wave 5 appears to be finishing or starting a larger degree correction around 23,000-23,700.
- **Fibonacci Levels:** Key resistance lies between 24,800-24,900 (October 2025 highs). Immediate support zones are 23,500-23,700 (current consolidation) and major support at 22,700-23,000 (August lows).
- **RSI Divergence:** Bearish RSI divergence is evident with price making higher highs while RSI shows lower highs, indicating momentum exhaustion.
- **Seasonality:** August-September is historically a weak period for tech stocks, aligning with the current timing of a potential pullback.
- **Quant Models & Cyclical Projection:** The cyclical model shows a transition from a bullish phase (June-August) to a corrective phase with increased volatility and lower highs since September 2025.

## Risk / Reward

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Parameter	Details
Targets	1. 23,000 - 23,500 (immediate support/consolidation zone) 2. 22,700 - 23,000 (major support, August lows) 3. 17,500 - 15,500 (medium-term Fibonacci retracements)
Stop Loss	Above 24,900 (October 2025 highs)
Risk/Reward Ratio	Minimum 1:3
Exposure	Limit position size to max 2% portfolio risk per trade; reduce size by 25-30% due to elevated volatility.
Drawdown Impact	Potential drawdown if stop triggered is limited by tight stops and scaling out at targets.

## Timing

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- **Entry Level:** Current price zone 23,700-23,724.2
- **Catalyst:** Confirmation of Elliott Wave completion, bearish RSI divergence, and seasonal weakness.
- **Timeframe:** 1-6 weeks for initial targets; medium-term correction may extend longer.

## Attribution / Context

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- **Model:** Elliott Wave analysis combined with Fibonacci retracements, RSI momentum indicators, and cyclical quant models.
- **Confidence Score:** High confidence in corrective phase initiation based on multi-timeframe technical convergence and seasonal patterns.
- **Book Fit:** This investment idea complements a defensive positioning strategy within the fund, balancing exposure to tech sector cyclical volatility.