FOOTWEAR & APPAREL · INVESTMENT INSIGHTS

Fit for *Summer.*

As temperatures soar across the Northern Hemisphere — though nowhere near as much as the AI infrastructure names — it's time to bring out the running shoes. And what better way to fund them than to invest in some of the direct beneficiaries.

ONON **NKE** **DECK** • SPORTS APPAREL & FOOTWEAR • USD · TACTICAL

THE THESIS

Once high-flying names, the sports apparel and footwear segment has seen a dramatic pullback across the board — from **Nike (NKE; down 75% from peak)** to **On Holdings (ONON; down 40% from peak)**, to **Deckers (DECK; down 50% from peak)**. While the decline in share prices is attributable to a combination of both structural (NKE) and cyclical (ONON, DECK) factors, they have also borne the brunt of margin erosion resulting from higher costs in a post–Liberation Day tariff world.

That was then. The question for investors is whether this is changing. **Are the fundamental problems priced in?** A cyclical revival — and a potential contrarian bet on NKE — are pre-requisites to investing. *While narratives will follow, it's price that leads the narratives* — and price is beginning to show signs of life across all three companies.

> *Whether this is a tactical opportunity or the start of a long-awaited revival, time will tell — but for now, all three stocks are catching a bid and, at the minimum, present* **an opportunity to be long with tight stops.** *Within the space, ONON appears best placed.*

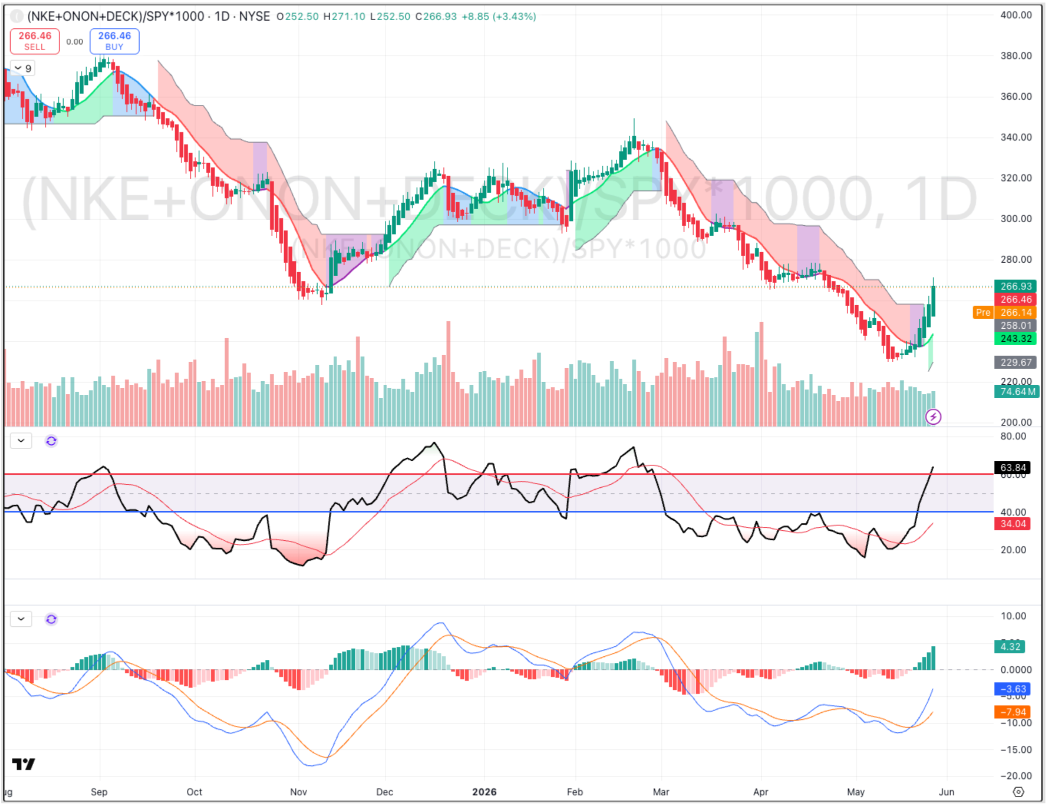
THE SET-UPS

- **ONON ($39.4)** — Momentum and trend strength — both absolute and relative to SPY. Trading opportunity with $34 stop loss.
- **NKE ($45.9)** — Bouncing off $42 lows in the early stages of a trend reversal, backed by momentum strength (absolute and relative). Trading opportunity with $41.5 stop loss; above $47, add to positions.
- **DECK ($114.2)** — Momentum and trend strength — both absolute and relative to SPY. Resistance in the $122–125 area — add to positions above the resistance zone. Stops at $100.

THE CHARTS

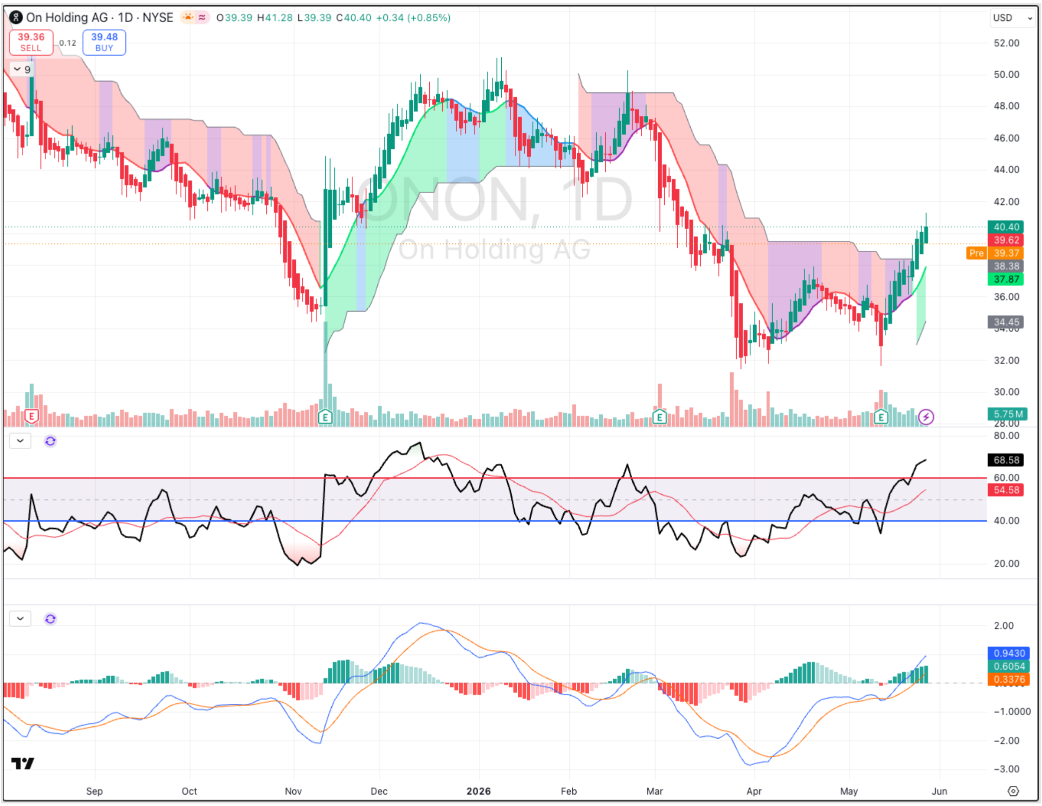
NKE + ONON + DECK — RELATIVE TO SPY — TURNING AROUND

Source: TradingView



ON HOLDINGS — REVERSING UP!

Source: TradingView



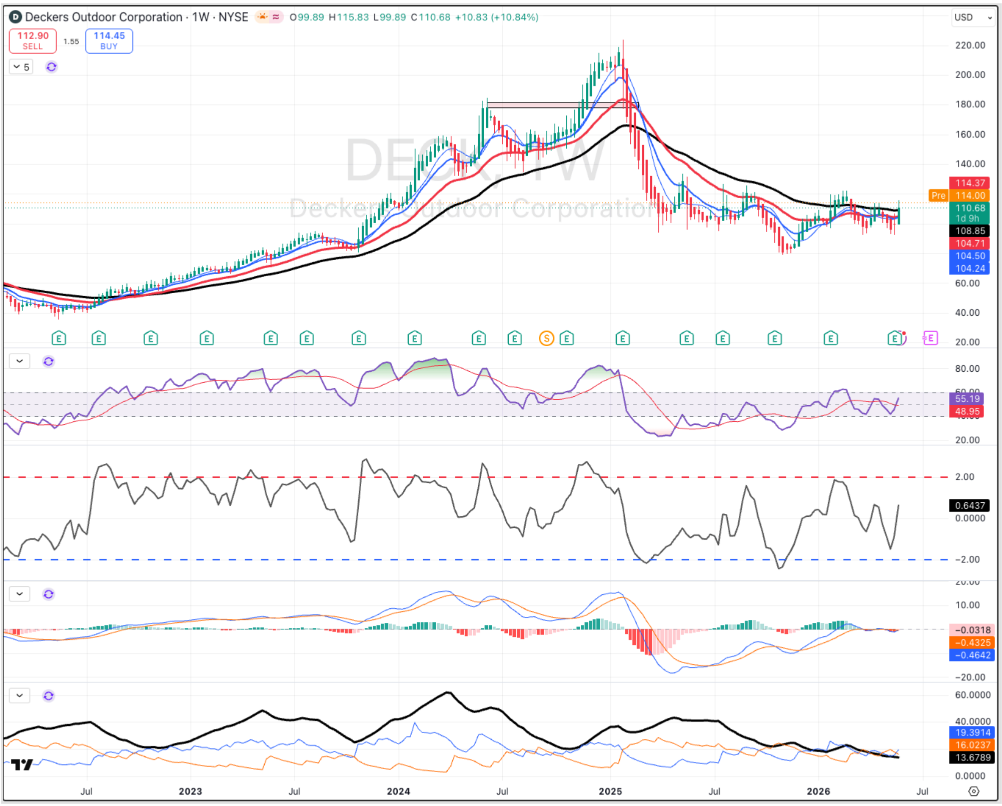
THE CHARTS — *continued*

NIKE — BASING — IS THE WORST OVER?

Source: TradingView

DECKERS — TIME TO HOKA?

Source: TradingView



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