



# Dual Wave Capital, LLC

## 2025 Mid-Year Review

July 25, 2025

Written By: Sierra Xiang (Analyst, Investment Operation), Rhys Xiang (Analyst, Portfolio Analytics)

### **About Dual Wave Capital**

Dual Wave Capital is a research-driven investment firm focused on identifying alpha- and beta-generating opportunities across public equities, early-stage venture investments, and real estate.

In the equity space, we concentrate on small- and mid-cap companies, leveraging fundamental and data-intensive analysis to uncover value across sectors such as healthcare technology, media, consumer products, and REITs.

We also invest as early-stage (angel) investors in technology-driven startups, with a focus on consumer-facing applications that address unmet behavioral or social needs.

On the real estate side, we pursue a multi-layer asset investment approach with a current emphasis on single-family and multi-family residential properties in high-growth U.S. regions.

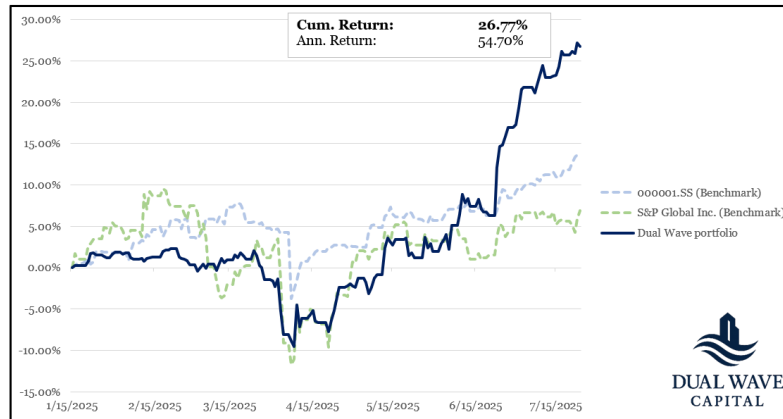
We partner with institutional investors and global family offices to deliver actionable, multi-asset insights that drive long-term portfolio construction.

### **Part 1: Public Equity Portfolio Performance (Jan 15 – Jul 24, 2025)**

Starting from January 15, 2025, Dual Wave Capital officially launched the current round of its public equity strategy, marking the beginning of a new capital deployment cycle with a focus on concentrated, research-intensive stock selection across global markets.

As of July 24, 2025, the portfolio delivered a cumulative return of **+26.77%**, equivalent to an annualized return of 54.70%, while maintaining a disciplined volatility of 14.26%. These results significantly outperformed key benchmarks, including S&P Global Index of +5.71% and Shanghai Stock Exchange Composite Index of +12.42%.

Looking ahead to the second half of 2025, we expect U.S. equity markets to enter a more range-bound and volatile environment, driven by a combination of macro uncertainty, valuation compression, and potential earnings deceleration across key sectors. In response, we plan to adopt a more conservative allocation posture, tightening exposure to high-beta names, raising selective cash buffers, and increasing the bar for new ideas entering the portfolio.



## Part 1.1: Key Position Highlights



Symbol	Holding Allocation %	Performance %
LEGN	17.42%	(+) 32.63%
VOO	15.50%	(+) 12.44%
SPXX	14.13%	(+) 1.75%
NKE	12.59%	(+) 5.79%
SOXL	9.61%	(+) 31.46%
LMT	9.20%	(-) 13.23%
TEM	3.84%	(+) 25.55%
CFLT	3.79%	(+) 4.49%
AAPU	3.73%	(+) 0.52%
AMDL	3.41%	(+) 65.45%
XYZ	2.80%	(+) 14.77%
WRD	1.78%	(+) 9.40%
AMZN (Call)	0.98%	(+) 15.93%
EL	0.88%	(-) 5.92%
BABA (Call)	0.34%	(-) 1.82%

- LEGN:** Legend Biotech's fundamental outlook remains positive, driven by its flagship CAR-T therapy Carvykti (for multiple myeloma) which is seeing robust uptake (about \$369M in Q1 2025 sales, indicating strong demand). Wall Street analysts are staying bullish: Morgan Stanley recently raised its PT to \$81 (Overweight) and H.C. Wainwright reiterated a Buy with a \$75 PT, citing Carvykti's expanding potential after the FDA lifted certain risk controls, as well as Legend's broad pipeline beyond myeloma. We confirm that Legend Biotech remains a holding in the portfolio, reflecting confidence in its long-term growth prospects.
- AMDL:** In 2025, AMD is solidifying its position as the clear No. 2 player in AI data-center hardware, narrowing Nvidia's lead with competitive new products (e.g. MI300X accelerators now deployed at Microsoft, Meta, Oracle, and Dell) and an open-ecosystem approach. Analysts highlight AMD's impressive data-center growth (driven by Instinct GPU and EPYC CPU sales) and improving AI revenue outlook (>\$8B expected in 2025 vs. ~\$6B



prior), which has spurred bullish institutional sentiment (HSBC recently doubled its price target to \$200). While U.S. export curbs on advanced chips briefly posed a headwind (a one-time \$800M inventory charge), a recent policy reversal allowing AMD's MI308 shipments to China will reopen a key growth market – combined with robust hyperscaler demand and new product catalysts, these factors underscore a positive long-term outlook justifying a continued holding.

- **NKE:** Nike appears to be in recovery mode, delivering better-than-feared results after a challenging year – Q4 sales fell 12% year-on-year but beat consensus (\$11.1B vs \$10.7B expected) and EPS topped forecasts, aided by aggressive inventory clearance and stabilization in key markets like China (regional revenues met guidance). The new CEO's strategic reset (cutting reliance on China manufacturing to trim tariffs and rebuilding wholesale partnerships) has boosted confidence that the worst is behind, and analysts have turned optimistic: Nike's stock jumped ~10% on its improved outlook, 11 brokerages raised their price targets post-earnings, and consensus views the business as stabilizing with a gradual margin recovery ahead. Nike remains a portfolio holding, underscoring the view that its sales and margins are poised to rebound and that institutional sentiment has broadly shifted back to bullish.
- **TEM:** Tempus AI has delivered a standout performance post-IPO, rising over 60% since entry, driven by growing investor conviction in AI-driven healthcare. As a company focused on oncology, Tempus offers a highly vertically integrated algorithmic architecture and a unique multimodal data advantage, fusing pathology imaging, genomic sequencing, and clinical records into a unified clinical decision platform. Dual Wave Capital initiated a position to capture its first-mover advantage in precision medicine and real-world data integration. The recent acquisition of Deep 6 AI further enhances its capabilities and signals Tempus's ambition to become a category leader in healthcare analytics. We continue to hold TEM based on its long-term AI data advantage and platform scalability.

### **Part 1.2: Key Exited Positions**

- **TSLA (+33.85%):** We exited our position after the stock fell below a key support level amidst heightened volatility. Forward guidance came in below expectations, and we believe the fundamentals require a refreshed thesis before reentry.
- **NET (+30.75%):** Dual Wave Capital initiated a forward-looking position in Cloudflare based on two converging trends: AI infrastructure deployment and growing enterprise cloud security demand. The company's continued innovation in AI gateways and edge security solutions has positioned it as critical infrastructure for AI workloads, with 78% of leading AI companies already integrated on its platform and enterprise customer growth compounding at 31% annually. We expect revenue to grow at 25%+ CAGR over the next two years, reflecting strong long-term penetration potential. After reaching our internal price target, we rotated capital into under-owned AI and semiconductor beneficiaries that demonstrated stronger momentum and valuation support during Q2.



- **AI (+1.40%)** – While we were temporarily up over 15%, a sudden leadership change triggered both market and internal concerns. Given the volatility and strategic uncertainty, we exited the position to revisit our due diligence and protect capital.
- **LYFT (–8.10%)** – Despite constructive forward guidance, the stock breached our firm-level stop-loss threshold. Given our concentrated approach with limited AUM, we chose to reallocate capital to higher-conviction ideas and revisit Lyft under a more favorable setup.

## **Part 2: Venture Capital Portfolio Highlights**

In the first half of 2025, Dual Wave Capital continued to support and incubate early-stage technology ventures with strong consumer use cases and scalable monetization potential. Our venture strategy emphasizes founder-market fit, product-led growth, and diversified monetization in underserved categories.

- **Social Connectivity App (Targeting Loneliness & IRL Engagement):** We invested in and are actively supporting the development of a social media application incubated within a top U.S. university innovation lab, designed to address loneliness by facilitating real-world human connection. The app features multi-threaded revenue channels (including subscriptions, data insights, and B2B partnerships) and is set to launch in early August 2025. It has already secured several B2B pre-signups, with a committed team of 10 founding members driving development and go-to-market execution.
- **Pet Companion Assistant App (Urban Working Dog Owners & First-Time Pet Parents):** We also backed the early development of a pet wellness and product assistant platform, targeting urban pet owners with demanding work schedules and first-time dog parents seeking to reduce the trial-and-error cycle in food, gear, and supplement selection. The app aims to streamline decision-making and shorten the learning curve through data-driven recommendations. The team has grown to 7 founding members, and the product is currently in the active build phase.

## **Part 3: Team Background**

Dual Wave Capital was founded by an alumnus of the Wharton School MBA program. Our team brings together experience from leading global consulting firms, data science institutions, top-tier asset management companies, and international investment banks. With a deep understanding of both U.S. and China markets and cross-asset research capabilities, we are committed to combining cutting-edge research, rigorous modeling, and disciplined execution to build a long-term capital platform rooted in global insight and local relevance.

## **Part 4: Contact**

Dual Wave Capital welcomes like-minded researchers, operators, and long-term capital partners to connect with us in exploring opportunities for durable value creation.

- Email: [info@dualwavecapital.com](mailto:info@dualwavecapital.com)