Strategy Session

August 25, 2025

Dan stated that the uptrend in major indices continues, despite a lack of follow-through from the previous Friday's rally. He highlighted that small and mid-cap stocks, in particular, stand to benefit from a potential interest rate cut by the Federal Reserve, which the market is pricing in at an 84% chance. Fitzpatrick advised against chasing headlines and emphasized that the current market environment is one of consolidation, not FOMO (fear of missing out). He also stressed the importance of being tactical in trading, remembering that "cash is a position," and having a disciplined plan to avoid being shaken out of a trade. In his review of specific stocks, he noted that some, like IREN, Lidos (LDOS), and gold miners (KGC, GDX), are still working well, while others, like Worthington (WOR) and Amazon (AMZN), are doing nothing. He specifically analyzed Palantir (PLTR), stating that as long as it holds above its 50-day moving average, institutions are likely still buying it. He also mentioned that Meta (META) is at a good entry point for long-term investors and that Tesla (TSLA) is getting close to a breakout.

Next Steps:

1. Fill out the survey provided by Stockmarketmentor.com to help them improve their content and services.
2. Continue to monitor the market's consolidation and avoid making trades based on FOMO.
3. Be tactical in your trading and remember that cash is a viable position to be in.
4. Hold positions in stocks that are working well, such as IREN, Lidos, and gold miners, and be aware of potential shakeouts.
5. Watch stocks that are testing key moving averages, like Palantir and Reggetti, as these could signal institutional buying or a shift in trend.
6. For long-term investors, consider Meta as it is at a good entry point near its 50-day moving average.
7. Keep track of Tesla as it is nearing a potential breakout.
8. Avoid overstaying your welcome in a winning trade, using the example of Circle (CRCL), and adhere to a disciplined plan for exiting positions.

Transcript:

0:01: All right.

0:02: let's, let's get rolling here.

0:04: By the way, real quick here, if you have filled out the survey that was sent last week, I really, really appreciate it, very much.

0:12: If you haven't, please do so.

0:15: And I, I just wanna tell you, I read every single one, and I'm getting some, yeah, I'm, I'm getting a lot of positive things and that's great.

0:24: That's, that, that's really encouraging.

0:27: But I'm also hearing a lot of constructive criticism comments, requests, suggestions, whatever you wanna call it and I'm taking all of those to heart and so I just gotta tell you, you have a chance to impact the way we do business here, the way we do content the the things that we put up, how we're tracking things, you have a voice in this and so please.

0:54: Help me out and help you out.

0:56: It's like that Jerry Maguire thing like help me, help you, and it, it only takes you a few minutes to do, just not that much time at all.

1:04: And again, it's totally anonymous, so, say what you wanna say, but just throw me a bone and help me out.

1:12: If you don't.

1:14: Then you kind of forfeiting your right to gripe about anything.

1:18: Well, I'll put it that way.

1:20: OK.

1:20: So, anyway, that's all I gotta say about that, but please do, do that for me.

1:26: You'd really, really be doing it, doing me a big favor.

1:30: OK, so we're just kind of, minding, just the uptrend continues.

1:36: There's been no real follow through.

1:38: From Friday's move after, after Powell turned a lot more dovish, That's all I have to say about that, Yeah, I got nothing else for you on that.

1:53: So the same thing with the Dow if we look at the mid caps.

1:57: Now the mid caps and the small caps are the ones in particular, the small caps that will benefit from lower interest rates.

2:06: I've mentioned that, I've mentioned that a few times, but I recall really emphasizing that, a few, a few videos ago how.

2:15: , it doesn't, a small interest rate cut doesn't seem like that much, but when you look at small businesses who typically are the ones that need the money, any quarter point drop will really, really help.

2:30: So, I think it's a really good thing that the market's reacting to that, to this, but also be mindful.

2:38: right now I mentioned this in this morning's note.

2:41: Which got out a little bit late due to a mix up with Scott, totally my bad, not his, but, there's like an 84% chance this is what the market's pricing in that the Fed is going to cut rates.

2:55: I don't know, as far as like, oh, but then there's an X% chance that it's gonna cut by 50 basis points.

3:02: I don't know about that and since odds always change.

3:06: We're now on April 20, excuse me, August 25th.

3:11: I really don't care very much about what the odds are as far as 50 versus 25.

3:16: What I care about is how stocks are behaving and but also as we get closer to the date when the Fed supposedly is gonna cut rates.

3:28: The market will have priced in that thing.

3:31: The market will have priced it in.

3:33: And so the reason that I'm mentioning that is because I think, I just want you to kind of prepare for this.

3:40: Don't be looking at the headline.

3:43: And see a squirt in stocks or something and then just pile in because you want to get in before everybody else does if there is kind of a, if, if there is a move higher in in equities.

3:58: In response to the Fed's announcement that they're gonna cut and by the way, they may not, I don't know, I'm not in those board meetings, but all I'm saying is that right now I like the fact that we're consolidating that this is down a little bit after the kind of Friday we had if you look at the at the weekly charts, you kind of get a better sense of you kinda get a better sense of what's going on.

4:22: , and we're still, we're still in, kind of a trading range here.

4:27: If you look at the S&P, hitting all-time highs here, Dow, same thing.

4:34: , hang on just a sec.

4:37: Sorry about that.

4:41: The NASDAQ, same thing.

4:42: These are the weekly charts.

4:44: So on the weekly, charts, everything's working well.

4:49: I like the fact that we're kind of pinching here.

4:53: It's, it can be, it's very fun when things just go up and up and up, but, As they say, what is it the, the before pride comes before the fall or whatever, I will put it this way, parabolic moves come before the blow up.

5:10: we're not in one of these now.

5:12: I think we're, I think everything's working just fine, but the fact that this is kind of consolidating and if you have some kind of a process as far as what you're looking for.

5:23: , then I'll say, this isn't a, this isn't a FOMO market, you know, fear of missing out, you can chase some of the big huge outperformers and you're gonna get burned on that stuff, but if you just wait for the consolidation to take place and know that, first of all, cash is a position and but second of all, you can buy any stock at any time, but once you're in.

5:54: Then you're in and so now you're involved in the position and so people tend to wanna do that they wanna tend to buy a stock because I mean frankly because they get a dopamine hit and now they're hey yeah I'm, I'm, I hope this goes higher and all that.

6:13: So I guess you could say that's FOMO, but I'd say more it's like a FAFO, you know, fart around and find out.

6:20: So we wanna just kind of stick to our knitting, the stocks that are working, we stay in them and if they're not working, we can get out.

6:28: However, always be aware that there is such a thing as a shakeout.

6:34: And that means that you can get stopped out of a position, the stock can turn right around and make you feel like a fool for getting out of the position.

6:44: If you're not doing that once in a while, then you're not trading well because that's just the way the market is.

6:50: It does tend to have an ability to make us look silly, so.

6:57: Anyway, just keep that in mind.

6:59: , and, and you're gonna, you're gonna do all right.

7:03: So, this is I'll put it this way and then I'm not gonna belabor the point.

7:09: OK, we're when we're in this kind of market, you see this, this thing just running up that's when the real money is made when everything's going up, your stuff's going up and this is the real money is being made here.

7:22: But once we get to this type of environment where it's like this, this is where the money can be given back this is where the money you make here can be given back, right here and, and you don't, you don't wanna do that and so the way to counteract that is just to be very, very tactical in your trading and as I mentioned a few minutes ago, remember that having cash is a position and if you don't understand that.

7:52: Then you're always gonna struggle.

7:54: You're always gonna struggle because you're always gonna feel like you're out of the game if you're, if you're in cash and you're really not, you're playing the game well.

8:03: OK.

8:04: So, let me get to it and I'm gonna be making some changes.

8:08: , in the active trade list as far as the way it's administered, and this is partially in response to some of the comments that I've received from our survey and then some of it is, just in response to my brilliant brain.

8:26: And me thinking about different ways to accomplish what I wanna accomplish in a very in a shorter and more efficient way which helps you, frankly it helps me too but it it helps you so I'll talk more about that later.

8:42: So, IREN this.

8:45: one I put on the list at 20 bucks a couple days later, it, it got stopped out here but you can see the stock still working and I know some of you guys are still in this stock and I'll say stay in it.

8:57: it's working really well.

8:59: One thing that I was, I just kind of going through a list of things and so the stock that came after.

9:07: Iran is what's this Sofi it's like they're the they're the same chart, almost the same exact chart.

9:17: this one has a couple more whoop de dos in it, but so I was just looking at Sofi there's nothing to do on this.

9:24: I'm just pointing it out to you.

9:26: it's working really well.

9:29: Up at new highs.

9:30: And so it's something that I'll be watching.

9:33: I'm, I'm gonna go ahead and set an alert like right up here.

9:37: , yeah, just to kind of bring my attention back to it, maybe I'll set another alert down here in case the stock does pull back.

9:48: I just kind of want to get notified of that and then I don't need to be looking at this after that.

9:53: So, OK, so I put on, I just saw this this morning and.

9:58: If, if you see a stock that, if I see a stock that's that's working, that's breaking out, I'm gonna let you know, but I'm also gonna keep a pretty tight stop on it.

10:07: And so here, the stock broke out, it was looking really, really nice, and I base this stop off of the volume weighted average price as opposed to anything else.

10:18: And so, it's a 50, 50 cent loss if you got in this stock and just held it down to where it was stopped out.

10:27: The thing about this is.

10:30: You want to we want to continue to watch this stock because this type of thing, over 2 million shares traded, this is not just kind of a one hit wonder.

10:40: There's something going on here and so it, it's very, very likely that we could see this grind around here for a while and then take off, take off, sometime soon.

10:52: So, so you definitely want to be, just be watching for this kind of thing.

10:58: , Set it there, OK.

11:03: I don't wanna wait until this thing gets up to 11 bucks and then be notified.

11:08: So, anyway, so that, that'll that's like that was officially on the list and officially off the list in about an hour.

11:16: So I'm gonna go through the rest of these real quick here.

11:20: Lidos, you can see where this these stops are up to date here.

11:23: it's still working just fine.

11:25: it's kind of slowing momentum.

11:27: , and you wanna be aware of that, but it is still working and so this is one of those where if you're long the stock and you have, if, if, and you have a good position in it, you have a good profit in it, it's a winner.

11:40: Just know that when you sell a winner.

11:43: Then the next thing you need to do is you're back at, at even Steven, flip a coin looking for another winner.

11:51: And so a lot of times the best thing to be doing is just hang on to the position that you have, or Certainly be considering taking partial profits so you can stay involved in the rest, I bet so this is not we're stopped out of this back here but I wanna emphasize something this is not an active trade here this is.

12:20: This is my way of saying Bitcoin is a real thing, so I kind of, I wanna stay involved in this, and I am, you guys know this, we've been, Bitcoin owners for many, many, many years and we'll continue to own it as, as an investment.

12:36: We look at it as an asset class.

12:38: So I'm gonna go ahead and take this off of the list and.

12:43: I, I don't have a problem doing that because I always monitor what Bitcoin and Ethereum and Salon are doing every day anyway, my good buddy Scott helps me with that.

12:53: So, this one, Ken Ross Gold, you see, I bumped the stop up 1860.

12:58: This is working really well right along the eight day EMA, so just hang in there with that.

13:05: similarly, With, with GDX, this is working well, just let it run.

13:14: Don't, this is an, gold is like an asset class too.

13:17: you'll hear, you'll see.

13:21: People talk about various things like OK well the Fed did this or this happened and that happened whatever I'm not putting all of this on the Fed and you'll always hear OK gold gold got crushed or gold went higher Bitcoin did this or Bitcoin did that and so the market's really looking at gold and bitcoin.

13:45: As separate asset classes, I think there's a certain amount of correlation between gold and Bitcoin, but don't hold me to that because I don't have a chart to show you.

13:59: I think I'll, I'll look and see that.

14:01: I'll find that before Wednesday's, training session, which is after the close on on Thurs excuse me, on Wednesday it'll be at.

14:11: , 4:30.

14:14: Eastern or maybe 450 I don't know one of the two I'll let you know but I think that the market looks at gold and Bitcoin as separate asset classes and so just be aware of that that's all I, I think a little bit of a little bit of knowledge goes a long way, a lot of knowledge goes even more.

14:32: , but, a huge amount of knowledge can sometimes make you buy off on your own BS and think that you know more than you do.

14:40: So we just follow the charts here.

14:42: So, Worthington, stop is at 6250, nothing going on here.

14:48: Amazon.

14:50: Nothing going on here.

14:52: Palantir.

14:53: OK, had this big old dumpage here, but if you really look at this.

14:59: Like on the, on the weekly chart, this is just the same old thing, same old, same old, at some point we're gonna see this pull back.

15:09: I heard, somebody I, I mentioned this morning I was kind of, I, I wasn't really joking about it.

15:15: I was in a, a hotel room with my wife, which if you're.

15:21: Gonna be in a hotel room with a woman damn well better be your wife anyway so I was watching just CNBC because there was nothing else that I was interested in and I heard some of the most inane and shallow analysis of Pallanttier and some other, some, some other stocks on the market that I've heard in a long time and it just reinforced.

15:50: , the idea that, that LG and Samsung and Sony are not gonna be getting any more business from me that it was a total waste of time and I felt like my IQ points dripping out of my ear.

16:05: one thing that these guys were saying with respect to Palantirer was, well, you really need to be watching the fundamentals.

16:12: You need to be watching the fundamentals.

16:14: OK.

16:16: Thank you for that blinding insight, but what we really want to be doing here, this is the earning slope here, so this is working well.

16:26: OK, to just say oh I wanna watch the fundamentals doesn't tell you anything.

16:32: What we want to see is this line continuing to move up earnings showing it continuing to move up if it starts to flatten out.

16:45: Like let's say it's it's like this and then like let's say maybe it flattens out a little more or something that's important for us to know but you'll still hear some of these chuckleheads on TV talk about how much how much money it's making or this or that and it's important to understand that we're not buying the damn company.

17:08: We're investing in the stock and the stock is absolutely meaningless to us.

17:15: You, you don't get a coupon in the mail.

17:17: , Peter Thiel is not gonna send you a Christmas card.

17:22: you get nothing.

17:23: What we are buying is the chart, and we're buying these things that institutions are buying because institutions have more money than we do and they tend to know more than we do about a lot of different things and I will say this.

17:41: That you would be better off.

17:44: Reading and listen to me, I'm giving you pearls here.

17:48: You would be better off reading everything you can.

17:53: About a particular company that you own and that you like, the prerequisite is that the chart looks like this.

18:01: It's gotta be moving up, otherwise what are you doing here?

18:05: so if you like, if you like Palantirer, for example, read everything you can on Palantirer and there's a crap load of stuff on the internet you can, you can become the world's second foremost expert.

18:19: In anything if you just read enough stuff for free on the internet, but what you'll find when you do that is as long as you always give way to the charts, what you will find is that you're more competent in making the decisions that that you're making and you don't get sucked into every little wiggle and jiggle in the stock, but to get on point here for what I'm really talking about is.

18:47: You will see the stock react to future.

18:52: Fundamental developments you will see this stock.

18:57: Start to roll over before you see the fundamentals start to deteriorate.

19:03: For example, if this was moving, you know, if this was moving down, I'm sorry about all these flashes here, if, if this was moving down like this, while the earnings line continued to move up, then that's a real red flag.

19:20: That's a it's very, very, it makes this a very, very dangerous stock but as long as it's not doing that then right now all systems are go.

19:30: Now does that mean, oh, I think it's you need to buy Pallanttier now?

19:34: Hell no, I wouldn't, you know, I, I wouldn't be piling in here, not with earnings, what a, a few months away?

19:43: I'm kind of joking.

19:45: The bottom line is Palantirer's gonna continue to do well.

19:49: Listen to me.

19:51: Up until the time that it doesn't and so as long as it's holding above this 50 day moving average and you can see it's kind of starting to flatten just a little bit, but as long as it's holding above this 50 day moving average, then in my mind every time it hits the 50 day.

20:08: Moving average that's your entry and I'm not talking about an entry, but just before it runs up to new highs, I'm talking about building a position at key by points which are along the 50 day moving average here so anyway that's the way.

20:27: That's the way I'm looking at, at Pallanttier, but there's no real catalyst for this thing to run higher now.

20:33: I think it's just gonna churn here for a while, but as long as it's holding the 50 institutions are buying this stock.

20:40: If they're not buying the stock, you will know it because the stock will not hold the 50.

20:46: Robin Hood, nothing to do on this except do nothing.

20:50: Reggetti.

20:50: , this is a little bit palantirish, testing the 50 day moving average.

20:57: I would just be watching this, just watch it like a hawk.

21:00: If it starts falling, if it falls below the 50 and stays there for more than a couple days, then you want to be taking another look at this.

21:09: But for now, this is fine.

21:11: , meta, another one right along the 50 day moving average, you always want to bet on the sociopath and so always be looking to meta to go higher.

21:23: This is probably a good entry point for somebody with a long term time horizon as an active trade.

21:30: This, there's nothing special about this right now.

21:32: It's got a lot of overhead, resistance here.

21:36: And then one other thing, Tesla is getting really close to breaking out here.

21:41: So it's definitely something that you want to keep track of.

21:44: It's all I'm gonna say about that, OK?

21:47: And then just a couple more here.

21:48: , circle.

21:51: OK, we made a gob of money on this when it came out like we were 6R 7R.

21:57: We, we had a, I think we went up as far as $9 for every dollar risk.

22:02: This was a massive trade for us, but this is what happens when you overstay your welcome.

22:09: This is what happens when.

22:11: You, you all you're always looking back saying oh I should have sold here I should have sold here I should have sold here when it gets back to where I should have sold, then I'll sell.

22:21: You can ride this thing all the way down.

22:24: The way to avoid that is have your rules, have your discipline, and when it's time for Elvis to leave the building, just say thank you very much and, and get out of there.

22:34: It's just as simple as that, OK?

22:36: And then one other thing.

22:39: Homebuilders are still in play.

22:42: That's all.

22:43: We'll, we'll look more at that in the days to come, but home builders are still in play, so.

22:51: They're still in play.

22:52: That's all I got for you guys.

22:53: I'll see you tomorrow.