Strategy Session

August 29, 2025

Dan noted that volume was low ahead of the long Labor Day weekend. He advised against reading too much into the day's price action and predicted heavier volume on Tuesday. He observed that the S&P 500 remains in a healthy, oscillating uptrend, while the NASDAQ is dragging a bit due to the poor performance of Nvidia post-earnings. He reiterated that the NASDAQ and other mega-cap stocks (FANGs) are not going anywhere fast.

Next Steps:

1. Don't read too much into Friday's low-volume price action and expect heavier volume on Monday.
2. Focus on individual stock performance over the major market indices, as this provides a better indication of institutional money flow.
3. Implement a strategy for big winners, such as selling a portion of your position on a large gap-up and saying "thank you very much".
4. Maintain a disciplined trading process with defined guardrails, like stop-losses, to preserve capital.
5. Wait for dips to buy highly volatile assets like Bitcoin, Ethereum, and Solana.
6. Watch for breakouts on stocks that are consolidating, such as Constellation Energy (CCJ) and Rubrik (RBRK).
7. Keep an eye on gold stocks and homebuilders, as they are still performing well.

Transcript:

0:01: I'm, getting this out a little bit early today.

0:03: It's just not a whole lot going on.

0:05: volume's pretty low as it typically is on the Friday before a three-day, weekend.

0:11: So, and I won't, keep you, there's actually not that much to go over here.

0:17: other than, again, volume's light here, don't read anything into this.

0:21: It should be heavier than average on Monday because that's just the way.

0:25: , the, these things go.

0:27: So, anyway, the S&P, we're still tracking it's, it's pretty healthy market.

0:32: I don't really have, I don't really have any complaints, about it at all.

0:38: the NASDAQ is kind of consolidating a bit again, you can see where the spy is, is moving higher and this is all just like micro, stuff here.

0:48: And I think, Nvidia is something like 14%.

0:54: Of, of the NASDAQ 100.

0:58: And so the fact that this is down like it is, really is gonna be a drag, on the, on the NASDAQ.

1:05: So, and with Nvidia, I mentioned, I, I kind of called this.

1:10: , pretty solidly, prior to earnings and then after earnings where if the stock didn't have like these stellar numbers, and they were OK, but they weren't, they didn't blow the doors off at all and there were some other issues, but if it didn't have great numbers, this 200 bucks is a fantasy.

1:31: And so that's what we're seeing this thing now is in this is in this trading range, right?

1:37: Let me stretch this out.

1:39: So it's in this trading range, but there's no, no assurances that this isn't gonna cut through the 50 day moving average at some point.

1:48: all stocks do at one time or another and so you can see how this, how this could pull back here, by quite a bit actually, and there really wouldn't be anything wrong with the stock but I gotta tell you something here.

2:01: Look.

2:02: This has been one hell of a run, no question about it.

2:06: and at some point, Market out performers like super performers become.

2:15: Just outperformers and then after a while they just become market performers that's that's just the way it goes now we've had some interesting, times for a while now with with Microsoft which was an outperformer, meta as I've said, never bet against the sociopath, he'll always do, what needs to be done, to make it, to make it work by the way, if you really want, an interesting book to read, read Careless people.

2:45: It will change your mind about meta.

2:49: It didn't change mine though it confirmed it, but anyway, so Meta, which is on our active trade list again, we don't bet against the crooked guys.

2:58: this is testing the 50 day moving average and so at some point we don't know whether it's here or 3 months from now, but at some point this is gonna dive down below there too and while I'm getting it all the.

3:14: The, the mega stocks here, Google should have been on as an active trade a while ago.

3:21: This is probably the best of the bunch now as far as the way it is, the way that it's tracking, Microsoft, no had a had a heck of an earnings pop, but since then, not so much.

3:34: Apple is trying, Broadcom, is consolidating.

3:40: So if we're looking at these.

3:42: , we, oh, and don't let me forget Amazon, which is also on our list.

3:48: So this is just kind of meandering around.

3:50: So the bottom line is if you're looking at, if you're looking at the, the fangs.

3:57: This isn't going anywhere and it's going nowhere quick.

4:00: It's going nowhere real quick.

4:02: This down 5.5% just today and it doesn't look like much, but it's a triple ETF and so this is what we're looking at.

4:10: This is why to get back on track, I would expect the NASDAQ just to drift around here for a while, focus on your individual positions.

4:21: Not on the market.

4:22: There are many times just if I've got a lot to do during the day looking at a lot of stocks and this and that, I don't even know until the end of the day and it's not deliberate, it's just the way it works out.

4:35: I don't even know.

4:40: I don't even know till the end of the day, Whether, sorry, I got the same person calling me 5 days in a row and for this 5 days in a row, I'm not taking the call.

4:53: Anyway, OK, so What I was saying was, by the end of the day, I don't even know, I haven't looked at the, at the major averages or not.

5:08: However, on most days, if you are sitting here looking at stocks all day long, which a lot of you guys do, some of you don't, you just kind of stick and move, you put your money to work and then move on with your day.

5:20: But if you are, in the market just looking around all day, my bet is that by the end of the day, you will know what you'll have a pretty good assessment.

5:31: As far as whether the market is, is up or down just by the way your stocks have been acting, by the way other stocks have been acting, if we, if you have breakouts and they turn out to work, they keep going.

5:44: You can pretty bet, pretty much bet that there's money coming into the market and stocks are and the S&P, the NASDAQ, whatever are, are working really, really well, particularly if you have in your mind's eye what the patterns look like, like.

6:02: You, you, you should kind of know this, you, you should know that this is where this is.

6:09: You should know.

6:13: That the S&P is just in a, in an oscillating trend in the upper half of the Bollinger band complex.

6:21: You should just know this, just by looking at it and you don't have to look hard or anything, just kind of get a general sense of how the market is trading because I don't know, it's something like 80%.

6:33: Of the movement of stocks is due to institutions.

6:37: It's not you and me so we're just kind of along for the ride so we just need to watch what these guys are doing.

6:43: But when you see and listen to me, I'm giving you pearls here, man, when you see a stock when you see a bunch of stocks, not just one.

6:51: But when you see a bunch of stocks behaving really well, that's telling you that a bunch of institutional money is coming into those stocks.

7:01: On the other hand, if you see one stock behaving very well and the rest of the market kind of tanking.

7:08: Yeah, it's obvious that a lot of money is coming into that one stock, but it's also obvious, even more obvious I would say obviouser I bastardize the English language whenever I get a chance it becomes even obviouser that the market is generally not doing well, that money isn't coming in in a broad way because most stocks aren't doing well.

7:32: So these are just little kind of tells per se.

7:36: That you have if you're just kind of thinking about things, you, you don't have to be a deep thinker.

7:45: 11 of the best traders I know isn't a particularly deep thinker at all.

7:50: he's really not.

7:51: I love the guy, but he's long when things are moving up and when he sells.

7:58: It's because they're not moving up anymore and he looks for something else that's moving up.

8:03: That is his trading style.

8:06: I'd like to be a little more nuanced than that, but generally speaking, that's the deal.

8:10: So you want to be always focused on what your positions are doing first and foremost.

8:17: If your positions are not doing well, then you need to step back and there's one of two things happening and it could be both.

8:25: First, First thing is you're in the wrong stocks.

8:27: There's something wrong with your process.

8:30: Second of all, you're in the right stocks, but the market's not cooperating.

8:35: Now, the third possibility is both of the above, but it all gets down to the same thing.

8:40: How are your stocks doing?

8:42: All right?

8:43: So, we'll get here into these things now, the mid caps and the small caps.

8:48: Are doing their thing.

8:50: This is a really good sign for the market that these stocks that the mid and the small cap stocks are moving up and I'm sure that some of this is in anticipation of reduced interest rates in the mid September meeting.

9:06: I don't know whether it's gonna happen and everything seems to be political these days, so, the market is generally priced in at 25%, yeah, 25 basis point.

9:17: , cut, so hopefully then my loans will go down and so will yours, so anyway, if we get that, that could work now, one thing, II IIt has really rolled over.

9:32: Watch how this looks in relation to just the 50 day moving average.

9:37: This is what I was talking about earlier how sooner or later any stock's gonna fall below its 50%.

9:43: This is what this is doing.

9:45: And be mindful of this.

9:48: This is an ETF based on money flow.

9:50: Yes, it's, it's supposed to track Bitcoin.

9:55: But that doesn't mean it's gonna track Bitcoin tick for tick because this has to do with money flow and there's a heck of a lot more money flowing into and out of Bitcoin as opposed to IBIT.

10:08: Now it's almost 38 million shares traded here, so.

10:12: You, you can multiply 38 million times 6144 and where I come from, that's a lot of money, but it really is nothing compared to the money that changes hands in Bitcoin during the same period of time.

10:25: So my point is if there's a lot of selling.

10:28: In this, this can go down even though Bitcoin might be going up and let's use a hypothetical.

10:34: Maybe somebody's really bullish on Bitcoin.

10:37: They got a huge position in IBI here, but they decide, you know what, I want to go for the real thing.

10:43: I'm a coke guy, and so.

10:46: I'm gonna go ahead and sell my iBI and put my money into Bitcoin that will cause a teeter totter effect just in this right here.

10:54: Like I said, that's a, a hypothetical, but you get the point here.

10:58: So, somebody was asking about.

11:03: About this position in in I bid I think oh no it was in micro strategy how micro strategy was going lower first of all, who gives a rip about the enterprise software business that they have it doesn't mean anything.

11:17: This is a Bitcoin bank and so if we look at this.

11:22: And then sorry then you can look at this this the daily chart of Bitcoin you can see this is has lost this range completely and now I guess you could say it's back to kind of this level or so, but it could certainly fall.

11:40: There's no reason to think that it's not gonna fall, to 10 to 1000, 100,000.

11:47: There's no reason to think it's not at all.

11:49: This is why I.

11:52: Think that if you are going to be putting your money into Bitcoin, Ethereum, Solana, or anything else, wait for dips.

12:06: Period, especially if you're looking to hold for longer term, for longer term positions always be waiting for dips because these are volatile enough to where you will get the dips and look, it's pretty.

12:22: It's pretty thin gruel for somebody who wanted to buy this 121 breakout, bought at 122, and now this is almost, what is this about 15%, below where it is, where you bought it from, and there's literally nothing wrong with the trend.

12:41: And so, Like you could see this is really in a really, really nice uptrend here, but I would as I'm looking at this and this really goes to any stock as I'm looking at this at 107 bucks and I see the way this is trading along this moving average and this is just a weekly chart, but it's still.

13:02: , that like the 50 day moving average just times 5.

13:08: So this isn't that, it's, it's not the typical moving average that we look at.

13:12: However, Doesn't this look pretty reliable?

13:17: So if I'm looking to buy this, this, I'm gonna want to wait until it gets down another 5000 bucks or so, and then I'm gonna buy it.

13:26: I don't feel an urge to just get in here and, and buy and just buy the stock, just buy the stock right now.

13:34: Sorry, I didn't mean to do that.

13:37: so the bottom line is this, look, you want to always be waiting.

13:41: , for these pullbacks and they will.

13:45: They will come.

13:46: You get the pullbacks.

13:48: You don't have to be waiting for these to come back up and break out and by then, not on this kind of stuff.

13:54: It's just too volatile.

13:55: So micro strategy, what I had mentioned was when he's going like I'm gradually selling my micro strategy and my point was.

14:05: I'm not understanding why you're gradually selling it unless the reason is you kind of are prolonging the pain by just taking a little bit of pain on a regular basis with the hope that it's gonna turn around rather than just taking, taking it all like you're, you're gonna feel pain either today or tomorrow you're gonna feel pain.

14:29: , all at once or gradually, so what's it gonna be?

14:35: And also my feeling is that.

14:39: It's, I look, I've sold, I've dumped, losing positions before taking losses bigger than I wanted, but I will tell you this, it's a lot of pain to take those losses, but a very short period of time later you realize, OK, I'm not in pain anymore.

14:58: I, I just have regret over what I did, damn it.

15:02: And then when you get to the regret stage.

15:05: Now you're saying, OK, how can I avoid doing that again?

15:10: and now you start the process of rebuilding, your, your psychology, your psyche, that type thing you gotta be working on that but I think if you're wrong on something then freaking admit that you're wrong and get out you can always buy it back.

15:29: , but I will say, look, I've done it both ways, and there have been times when I've just sold a little bit.

15:36: I've just kind of gradually, gradually liquidated my position, but before I got it all liquidated, The stock turned around and I was able to liquidate at a little bit higher price.

15:49: Still at a loss, but I got a little bit better than just dumping it all.

15:54: for me, The way you get around that is just to have guardrails know exactly where you're gonna sell, in order to preserve your capital.

16:04: If you know when you're gonna sell, at what price you're gonna sell, it literally takes the discretion away from you.

16:12: It's, it's like I was telling Arushapiri, who works for, IBD and I'm gonna be speaking at the Founders Club.

16:20: A conference in Las Vegas, which you can actually attend.

16:24: I think it's a couple 1000 bucks or whatever for non-founders club members, but anyway, we were, we were talking about about this type of thing.

16:34: And how having a trading process that includes position size, you know, entry position size, takings, losses, stuff like that, like stop losses are pretty important if you have those out front, that's basically that's just like racing cars.

16:58: On a track, NASCAR, I was gonna say NASDAQ, NASCAR, Indy 500, any of those things, when you are racing, when you are racing your cars.

17:12: You can't go off the track too far, at least to the right, because the walls there, that's your guardrail.

17:19: You can't stop, you can't pull off to the right and go get a hot dog and a coke or a beer, maybe.

17:26: you can't do that.

17:27: And so those are your guard rails in racing.

17:30: Now you can go as fast as you can, as fast as you want.

17:34: As long as you're on the track, but the guard rails will keep you from going off the track, guys, your trading process is the same way.

17:42: If you have guard rails, you can, your steering wheel can be a little wobbly, but you're still gonna stay on the track.

17:50: So anyway, I hope that helps.

17:52: I hope I haven't digressed, too much, for, for those who want, you know, who, who'd kind of like these to be a little more efficient, and that's, that is what I'm going for.

18:03: I get it.

18:04: So we'll go through a few, not everything, but a few of the stocks on the active trade list.

18:09: just know this, just remember this, that I do have on the ATI.

18:16: Now I've instituted these notes and I don't keep these up.

18:20: I'm not gonna put new notes on this every day just so you know, but if I do starting like here I put a note yesterday and and dated it same thing here, and I may screw this up sometimes, but, one thing you have to know too is if we're keeping these stocks on for a while like Alovin, like let's say we have it on for a month or 2 or 3.

18:43: You're not gonna see this big long string of all these different notes, once I have the next one to say something else to say, it's just gonna start right up here.

18:53: So I'm making this as efficient as possible and so I hope you guys, I hope you guys can, can handle that.

19:00: I hope you like it.

19:01: I, let me know if you do, because I think it's a big development, for us.

19:07: OK, let me get the notes back on here.

19:09: That's a lot.

19:10: OK, so, Alon is doing just fine.

19:15: Lidos I mentioned, about taking some maybe some off the table.

19:21: You could even take it all off.

19:23: the stock's still working pretty well.

19:25: It's along the eight day moving average, but it's pretty tired.

19:28: You can see volume is pretty low, so, I think you should at least have taken some off if not closed the entire position.

19:37: Totally depends on how you trade it.

19:39: This isn't exactly a clear move, up to, up to 200.

19:45: It's, it's pretty choppy and sloppy here.

19:48: , I just think there's better, places to put your money, but you can just kind of hold a pilot position, OK?

19:55: All the gold stocks are working well.

19:58: That's really where we want to be just this up, another, another 3%, today, so we're up on this, over 12%.

20:09: , and then on the gold miners, this is another almost 3% today and we're up,, we're up over 12% here, on this, and I think I, when I mentioned, yeah, KGC I'm, I goofed up, we're up 17% on that and then gold, which I just put on today, we're basically flat on that with the 31,670 entries.

20:35: So gold is really gold is an asset class and you wanna have some of your, some of your money in there you can.

20:43: , and the nice thing is it doesn't dive down.

20:47: It, it can move up really quickly, but it doesn't really have a lot of volatility to the downside, and that's, you don't have to have every position in your account running around with your hair on fire.

21:00: Sometimes, you know, you just want some that are kind of moving up.

21:03: , one thing that comes to mind is, is this one.

21:10: You just want something that's kind of moving up here from here up to here, it's a few months, right?

21:17: 6 6.5% move at one point, up over 8% in a nice steady steady steady move.

21:25: I don't know what this is.

21:27: It probably got take bought, I don't know, but just an example.

21:30: So anyway, that's what we got going, with gold, reghetti.

21:36: Sounds like an Italian dish, still working pretty well, it's range bound, BMO Bank of Montreal, this was a really, really nice move here, guys, a really nice move.

21:50: I didn't, I haven't even annotated this.

21:52: I need to do this, but after the breakout, let's see, we're in at 11,850, 118.

22:01: 15, so right there.

22:09: Right there, so we're in there stock hovered around for a few days and now it's running up, to keep going.

22:15: So, I like this trade.

22:17: Our stop on this is at 11695.

22:22: So we got a pretty tight, we got a really tight stop on it, like right there.

22:27: it's not, I, I think this is gonna turn out to be a pretty good trade.

22:32: If or when this runs a little bit higher, I want to start raising the stop so that we take a loss out of the equation or at least reduce the magnitude of the loss that we would take if the stock, reversed.

22:46: OK.

22:47: Palanter, still holding the 50, nothing to talk about their hood.

22:53: Same deal.

22:53: This looks like it might be more of a smooth landing.

22:56: I'll bet if Bitcoin picks up, Hood's gonna pick up, meta down at the 50 day moving average again, it's all I have to say about that.

23:06: OK, a few stocks that aren't on the list.

23:08: This one used to be, this one I mentioned this morning when this popped so much, I said, hey, you know, maybe you wanna take some.

23:15: Take some profits on this kind of move.

23:17: I mean, at one point it was up, it was up over 20%, like 25% or so.

23:24: When you get a, when you're long a stock and it gaps up like that, you, you need, there's four words that you need to say.

23:32: Thank you very much and you need to sell some or all of that position.

23:38: Once a stock opens up like this, after 5 or 10 minutes in the market.

23:43: The chances of it continuing to run are not as great as the chances that it'll continue, that it will fall back like this ultimately did, but it's gonna wiggle and jiggle a lot like just look at this in the 5 minute chart so it gaps up here looked like, oh well maybe it wants to go higher and then oh crap but it goes lower this is where you'd really have wanted to be selling.

24:07: , right about here, like 2678, I think was where I mentioned just a little bit below this low, yeah, 2678 is the low, like, so literally like 2675.

24:20: And then at one point, this stock was.

24:23: 4.5% below that level, so you could have given this all the room in the world by using the lowest intraday range like the on a 5 minute bar chart, the lowest price using that as a stop level and you'd be 4.5% more to the good right now.

24:44: So when you get a stock that runs up like this, you gotta say thank you very much.

24:49: You have to, you have to express appreciation for the stock.

24:53: Same thing here with a firm, this is another pop and drop.

24:57: This looks like really like kind of a climax top.

25:01: It's gonna have a hard time, moving higher from here.

25:04: Look at the massive volume here and I look at this as, I look at this as a very weak day.

25:10: This is a bearish movie, even though it's up almost 10% relative to the way this opened, it's up here, it's down like 13% from its intraday high.

25:23: That's a lot of selling pressure.

25:26: now, CCJ just a few more.

25:29: CCJ still in consolidation, nothing to do there.

25:33: I've mentioned that a couple of times, like watch for a breakout, still watching.

25:38: OK.

25:38: And then, Rubric also watching for a breakout on that, a tour.

25:44: , we got the breakout.

25:45: This is holding pretty well.

25:47: I think this can go higher.

25:49: You look at the green skyscrapers here, big, big volume on big high moves, big moves up.

25:55: So we wanna definitely wanna be involved in this.

25:58: If you're still holding it, that's great because I've covered it a few different times.

26:03: This was kind of a textbook squeeze here.

26:05: I'm gonna end with this, guys.

26:08: This was a real textbook squeeze.

26:10: , pretty tight, pretty tight Bollinger bands, stock running along the 50, almost one boom, that was the breakout right there.

26:21: That's the breakout day right here.

26:23: Look at the massive volume and then what do we have?

26:26: We got a few days more and a continuation.

26:29: So this is the breakout.

26:31: it's up about 8% or so more than the breakout.

26:35: So at this point, just to be responsible, I think if you want to get in.

26:41: Take a little mental health by if you want, but I would personally want to see some kind of a pullback, some kind of consolidation so that I have a better chance to get a little lower entry here.

26:53: OK.

26:53: So look, that's all I got for you.

26:56: I hope you guys had a good week, have a great, Labor Day.

27:01: Weekend and I'll see you back on Tuesday.