



Chart of the Day Still in Nvidia (\$NVDA)? I have thoughts

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Dan Fitzpatrick from stockmarketmentor.com discussed the psychology of Nvidia's stock performance, emphasizing the importance of monitoring the 50-day and 200-day moving averages. He advised traders to be cautious and consider exiting the stock if it falls below the 200-day moving average, and mentioned the possibility of shorting the stock for those with a longer time horizon. Dan emphasized the importance of preserving trading capital and using good judgment in trading decisions.

Next Steps:

1. Dan to set an alert for Nvidia stock reaching \$80.
2. Viewers to preserve trading capital and avoid hoping for Nvidia's recovery.
3. Traders to consider shorting Nvidia stock for those with longer time horizons.
4. Investors to watch for Nvidia potentially dropping to \$100 and then possibly \$80.
5. Traders to track their trades and use good judgment in the current market conditions.

Transcript:

All right. Hey, everybody! Dan Fitzpatrick here, stockmarketmentor.com. I'll make this short because everybody hates the market today, so I'm not going to bore you too much instead. I just want to look at Nvidia. You'll notice this is back in January of 2025, and this is still trading sideways. Reason I'm mentioning this is because it has taken a while

for me to not get a constant influx of questions about Nvidia is this time to buy stuff like that. What do you think about Nvidia? All that kind of jazz? And so I want to just kind of go through the psychology here. 1st of all, you know, Nvidia, for the longest time, and it's been a long time.

would run up really, really nicely, and then trade sideways for quite a while, like 3, 4 months in a row, and it was doing that here, trading sideways for almost 3 months, you'll notice the 50 day and the 200 day moving average are in a nice separation. However, both of them are kind of flattish, and we've seen this flat 50 day moving average on occasion.

But one thing we don't see when the 50 day moving average is flat

is the stock just screaming higher. It just does. That's not the way the stock trades. And so it just kind of takes a while to get going. So the point is like, you're looking at this stock right now. And that's great.

Okay, good for you. Then it falls to the 200 day. Okay, that's different.

And then, well, crap this, this could lead you to say under your breath, oh, shit below the 200 day moving average. Right? So now we're into February. Okay, look what's happening to the 50 day moving average. It's drifting still lower. 200 day, still rising. But you'll notice they're getting closer together. Now, this is a lower high relative to these 140. Okay, well, that's been resistance in the past. Yeah.

But 150 then was so 140 doesn't really mean a lot like 150 does, and this is nowhere near that. So now it's back below it gapped up, and then it's back below the 200 day moving average. And this was on earnings. Okay, the market didn't like the earnings numbers. So this is down by now.

You should be out of this stock. I mean, you should have been out of it a long time long before, and I've had been coaching my members about that, too, like Nvidia's done. Nvidia's done. I was looking at 140 as a top, and it turns out I was correct about that all the way up until the time that it ran up to 150, but still I'll take it. So this is the kind of anatomy of

how to get out of a trade before it really goes belly up on you. So we've got a downtrending 50. We've got almost a flat 200 day. But you look and say, Oh, okay, well, but the 50 is still above the 200. So isn't that what, Dan? Isn't that what Mark Minervini? Isn't that what a lot of guys really like, okay, fine. So then, we keep going here



each day that the stock is down below the 50 and the 200 is adds to the math equation that the average price is lower. So this is gradually coming back. And you see what's happening here. We're about to get a bearish crossover a death, I think they call it a death crossover or something I don't know. But right about here you should be at least be looking at this and saying, All right.

I've been like the last of the Mohicans. I thought Nvidia was going to do better. I've been hoping and hoping and praying and engaging in all this magical thinking. But that's not the case. So finally.

Boom, we get this day here.

which is just a couple weeks ago, right? We get this day here when they're pretty close together, like within 30 cents, 29, actually. And now, finally, on this day, they're

essentially right on top of each other. And so at this point, this is the day on

the 28 days ago. This is the day that at the very latest you should be saying like, Okay, I'm out of this stock. By the way, those that are interested in shorting and have a longer time horizon.

This would be a pretty good time to be shorting the stock, too, and as it turns out, it would have been a correct short. Here's the thing. You can get this kind of information really, really easily, by just looking at a weekly chart as opposed to always being fixated on the daily stuff like I was just showing you. If you just look at the weekly chart, you can see this is kind of like a

I don't know, like a like a rocket ship that's finally blown its fuel and is starting to come back to Earth. My bet is you're going to get

this thing I'm telling you. This thing could come down to 80 bucks. I think it's definitely got a hundred dollars definitely has a hundred dollars print on it here. It's just not that far away. But once this starts to fall

below here, and then certainly below 100 bucks, I think you're going to be seeing a lot more selling pressure in this. It's not going to be in a straight line. But I think you are going to see lower prices. And again, I'm looking for 80 bucks. These stocks that really really are screamers

like this one was, this one is typically when they fall will fall at least 50%. A study was done. 80% of these big high flyers, once they crack will fall, 50%, 80% of them will, 50% of them

will fall 80%. So if you look at this as the high, we just go down 50%. That's right around 75 bucks. I'll be a little conservative and say.

80 bucks is my my price target on this stock. We'll see if I'm right. I'm going to set myself an alert right here.

Okay, and this sucker will go off.

Damn

dan you, we're right, you handsome devil!

Okay, so we'll see if I'm right.

Look! That's all I got for you. If you're having a tough time in this market. Don't feel bad. You're not alone. What you really need to be doing is just make sure you're preserving your trading capital

because the market will turn around. It always does. New leaders will emerge. This will not be one of them. So stop hoping and praying, and my bet is that if you're just gonna protect your trading capital right now, when the market turns, you are going to be in the absolute, sweet spot. Okay.

don't give up hope definitely, have faith in yourself. Use good judgment, track your trades.

If you're not really trading smart, then you're not trading at all.