



## Chart of the Day Here's my take on the next move

April 9, 2025

Dan discussed the recent market volatility, attributing it to short covering, margin calls, and short squeezes, and noted the market's significant rally and the potential for further movement. He emphasized the importance of managing risk and finding stocks that are performing well. Dan also suggested that the market may not continue to rise without a rest phase and that a bearish crossover could occur in the coming weeks.

### Next Steps:

1. Members to review the training session recording if they missed it during the day.
2. Traders to remain cautious and aware of extreme volatility in the current market.
3. Investors to recognize Monday's turnaround as a potential tradable low (around 481.80 on SPX).
4. Traders to monitor volume and price action closely—especially following days of high selling pressure and sudden rebounds.
5. All participants to respect the prevailing downtrend and key resistance levels, including the 50-day moving average.
6. Investors to watch for potential resistance near pre-tariff levels and anticipate possible consolidation or pullbacks.
7. Traders to avoid assuming today's strong rally will sustain without news or a broader trend reversal.
8. All participants to focus on stocks demonstrating relative strength and manage risk meticulously.
9. Members to access the in-depth strategy session covering specific stock setups and trade opportunities.

### Transcript:

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00:00:04.850 --> 00:00:10.459

Dan Fitzpatrick: Okay, everybody started a little bit early. So here we go. Okay,

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00:00:11.080 --> 00:00:27.129

Dan Fitzpatrick: let me just get right to it. So we had this big move today, Duh, S. And P is up almost 10%. At 1 point it was over 10%. And here's the thing. I just went through it in really really good detail

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00:00:27.170 --> 00:00:45.020

Dan Fitzpatrick: in the Premium section here, which I hope ultimately you'll all be a part of. But that's your choice, not mine. But the semiconductors, for example, went really really hard. I don't know if I haven't even looked at all the sector charts, but I got a feeling

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00:00:45.340 --> 00:00:47.698



Dan Fitzpatrick: they're all kind of up.

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00:00:48.670 --> 00:01:05.099

Dan Fitzpatrick: I hell! Maybe even housing, you never know. Yep, even housing's up. So we've got a really really big, broad-based rally, and I think we'll just say a meaningful amount of that is either short covering.

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00:01:05.230 --> 00:01:30.229

Dan Fitzpatrick: or maybe kind of like the end of margin calls from yesterday's big bloodbath, or maybe short squeezes. I think all of the above has been happening. And that's pushed. That's pushed this equity market to just like these massive levels of extreme volatility. Just over the last few days you got to move in the Vix basically doubled.

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00:01:30.380 --> 00:01:40.069

Dan Fitzpatrick: And then, since the top, it's come down almost 50%. At 1 point I think it was about 50%. So this is the kind of stuff. Frankly.

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00:01:40.170 --> 00:01:41.869

Dan Fitzpatrick: I'm not predicting this.

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00:01:42.820 --> 00:01:45.730

Dan Fitzpatrick: But this is the kind of stuff that bottoms are made of.

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00:01:45.760 --> 00:02:13.920

Dan Fitzpatrick: And I'm not saying definitely, not saying that we run up from here because we still do have this trend line, this downtrending line of resistance in place. But what I'm saying is, this was a big, massive puke fest. You can see this on the volume for 3 big days each day the volume was up almost. I mean this one. On Monday it actually was at a record high

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00:02:14.090 --> 00:02:22.710



Dan Fitzpatrick: but 3 days in a row of this massive, massive selling, closing right at the low. But then we get this day

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00:02:22.830 --> 00:02:51.560

Dan Fitzpatrick: where we get a big gap down, and then a nice close like this was the day, frankly that the bulls really made a stand still hit a lower, low, and a lower high. But the bulls really made a stand here the selling unlike this day when the selling went all the way to the closing bell, and this day all the way to the closing bell, the selling. There wasn't enough to push this down further, so instead, we got a little snap back of shorts covering.

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00:02:51.650 --> 00:02:53.800

Dan Fitzpatrick: Excuse me and buyers coming in.

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00:02:53.900 --> 00:02:55.519

Dan Fitzpatrick: But then yesterday.

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00:02:55.680 --> 00:03:00.100

Dan Fitzpatrick: Get a nice gap up, which you can kind of expect on a situation like this.

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00:03:00.210 --> 00:03:10.239

Dan Fitzpatrick: And then another big move down pretty bad, close, not horrible, all things considered, but a pretty bad close. But the big tell here is, look at the volume

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00:03:10.840 --> 00:03:11.940

Dan Fitzpatrick: high volume

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00:03:12.130 --> 00:03:29.359

Dan Fitzpatrick: almost, not quite, but almost twice the average volume, but it was a huge drop off from where it was the day before. And so you combine that with the way this trend has gone, you see like, okay, this was a gap in crap, but it was on low volume. So huh?



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00:03:29.690 --> 00:03:39.339

Dan Fitzpatrick: Looks to me like, maybe the selling is over on the other side, you would say, Okay, well, the worst thing that a market can do is get very oversold.

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00:03:39.680 --> 00:03:55.099

Dan Fitzpatrick: and then stay that way like make these weak little rallies, but they never go beyond weak rallies, and then it goes lower still. So there's that side of the argument. Well, the best thing that a market can do is go down like, really, really sell off.

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00:03:55.360 --> 00:04:20.060

Dan Fitzpatrick: then have a little rally that doesn't really fail. It just comes back really, really quick to test this low passes that test, and then we're off to the races. So what do we expect between now? And I don't know. Whenever I'm still honoring this trend line here you got to honor I mentioned in the trading room today. I'll take it to the Spx.

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00:04:20.290 --> 00:04:22.210

Dan Fitzpatrick: When this thing 1st started.

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00:04:22.570 --> 00:04:32.109

Dan Fitzpatrick: I said, I posted like, Hey, this will be a 5,400 day today, maybe this week, you know, but pretty much, maybe

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00:04:32.520 --> 00:04:45.519

Dan Fitzpatrick: today. And that's really what we? That's really what we got. So this thing comes way up here. And now where are we? We're back at this level back at like 5,600,

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00:04:45.680 --> 00:04:55.840

Dan Fitzpatrick: which was a key breakdown. But the most important thing and this is a weekly chart. The most important thing to note is this part of the sell-off was due to something else.



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00:04:55.850 --> 00:05:16.059

Dan Fitzpatrick: I mean, the market has anticipated tariffs for a long time, because Trump's been yammering about them for a long time, but there was probably kind of a little bit of chicken going on, even though, even if it was just playing with yourself. And if you do that, make sure you have your webcam turned off, by the way, but it was a

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00:05:16.610 --> 00:05:41.780

Dan Fitzpatrick: I don't even know why. I actually do know why I said that. But the point is, the market was anticipating tariffs. But there was this sense that well, maybe he's just bluffing, because this is a really stupid thing to do. We know this because even Justin Trudeau, the last bastion of true brain trust, told Donald that it was a really stupid thing

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00:05:41.780 --> 00:05:50.780

Dan Fitzpatrick: for him to be imposing tariffs, nobody really knows where Justin Trudeau is right now. Oh, hang on just a minute.

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00:05:55.120 --> 00:06:09.079

Dan Fitzpatrick: anyway. Sorry about that. The good news is one of my wonderful dogs that was having surgery today came out of the surgery. Okay, so that's an awesome thing. The bad news is, I forgot

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00:06:09.230 --> 00:06:12.669

Dan Fitzpatrick: precisely where I was. So I'll just kind of

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00:06:12.840 --> 00:06:18.980

Dan Fitzpatrick: continue on here with my thoughts. So after this kind of move today.

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00:06:19.160 --> 00:06:22.410

Dan Fitzpatrick: I think that we can probably



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00:06:22.520 --> 00:06:34.679

Dan Fitzpatrick: expect a little bit more of a move tomorrow. Now will we rush and break right through the 50 day moving average and move up. This is the the

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00:06:35.050 --> 00:06:36.470

Dan Fitzpatrick: what the 50

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00:06:36.640 --> 00:06:54.019

Dan Fitzpatrick: hang on just a sec. I had a weekly timeframe there will we rush and break through this level? I kind of doubt it, at least not without a big rest phase, because the market was already drifting lower

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00:06:54.020 --> 00:07:11.219

Dan Fitzpatrick: before trump. Put these tariffs on, and there was a lot of conjecture that he wouldn't do it. After all, that's typically when you look at trump and bet that he's not going to do anything brash or whatever. That's probably a losing bet. You want to get odds on that.

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00:07:11.220 --> 00:07:17.539

Dan Fitzpatrick: My sense is this could probably run right up to the pre-tariff resistance here.

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00:07:18.700 --> 00:07:37.070

Dan Fitzpatrick: this level here. A lot of unhappy folks here could run right into this box and then have some a little bit of a sell off, or at least some consolidation. So I just want to leave you with this. I just wanted to. I didn't want to make this video too long, members. You got a longer one

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00:07:37.380 --> 00:07:46.399

Dan Fitzpatrick: much longer, but I just wanted to put this in. Put this out there in the ether to just hopefully kind of bring a little bit of



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00:07:46.920 --> 00:08:00.839

Dan Fitzpatrick: of reality into the situation that these kind of breakouts like this is a massive short squeeze. Anybody who is still short down here deserves to be squeezed is the way I look at it, but

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00:08:00.980 --> 00:08:10.340

Dan Fitzpatrick: I seriously doubt that after tomorrow we'll just keep going up unless there's some kind of news. This is the 50.

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00:08:11.100 --> 00:08:31.989

Dan Fitzpatrick: This is the 200, and you can see where they're likely to cross within a couple weeks right around here. I'll say, yeah, I'll say like this, 15, th 16, th 17th something like that. We're going to get a bearish crossover, and then you'll hear a lot of technicians talking about that, too. So don't look at this as much more

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00:08:32.450 --> 00:08:34.630

Dan Fitzpatrick: than a 1 day wonder.

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00:08:34.909 --> 00:08:43.930

Dan Fitzpatrick: Nevertheless, I do view Monday's turnaround here, and this was indeed a turnaround. I view this as a tradable low.

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00:08:44.340 --> 00:08:46.770

Dan Fitzpatrick: 481 80

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00:08:46.840 --> 00:09:13.139

Dan Fitzpatrick: is a tradable low. I suspect that we're not going to get back down below that level for quite a while, whether we're ultimately going to go down there. I have no idea. Probably so, but I think this is a kind of a make hay while the sun shines. Find those stocks that are working really well, always manage your risk. Know exactly what your worst case scenario is, and be okay with that. And if you can do that.



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00:09:13.180 --> 00:09:23.839

Dan Fitzpatrick: you're going to ride through this just fine. And you're going to make some money. Okay, that's all I got for you members. Get to the strategy session. I went through a lot of stocks today, and I want you to check out all of.