



Chart of the Day

Is Palomar Holdings (\$PLMR) right to buy? Here's my take:

April 11, 2025

Dan discussed the stock market, specifically Palomar, and its potential for growth, emphasizing the importance of waiting for the stock to fall back to its moving average before buying. He also mentioned his involvement in trading options at Option Market Mentor and an upcoming webinar on options. Dan encouraged everyone to stay vigilant and make informed decisions in the volatile market.

Next Steps:

1. Dan to buy Palomar stock when it falls back closer to the 40-week, 10-week, or 50-day moving average.
2. Viewers to check out the strategy session sent to premium members on Investor's Business Daily (IBD).
3. Viewers to watch for marketing announcements next week about Dan trading options at Option Market Mentor.
4. Dan to make an announcement about an upcoming webinar on options trading.
5. Viewers to look out for the options trading webinar announcement to avoid missing it.

Transcript:

1

00:00:01.820 --> 00:00:20.219

Dan Fitzpatrick: All right. Hey, everybody! Dan Fitzpatrick here, stockmarketmentor.com. Hopefully, you had a chance to catch me this morning on. Ibd live. It's always fun to do that with the gang. They're all great traders, awesome people, and it's fun to be a part of it. So, and if you didn't

2

00:00:20.360 --> 00:00:36.050

Dan Fitzpatrick: catch it. You can go over to Ibd and watch the recording. We did a lot of stocks. By the way, I just featured a lot of them in the strategy session that we're just sending out to our premium members. So you can check that out. Now I want to look at Palomar.

3

00:00:36.060 --> 00:01:00.499

Dan Fitzpatrick: This is why, for a few different reasons. First, st the stock's working really, really? Well, right now, I'll just kind of cut right to the chase. This isn't really the time to buy the stock, you could say, Oh, it's moving nice, you know. I want to own the stock. Yeah, I get that. But the only reason you would be buying the stock is if you thought that the trading channel wasn't here.

4

00:01:00.570 --> 00:01:02.629

Dan Fitzpatrick: It was actually like here.



5

00:01:02.810 --> 00:01:08.400

Dan Fitzpatrick: In other words, you're buying the stock here, and you figure it's never.

6

00:01:11.780 --> 00:01:13.920

Dan Fitzpatrick: It's never going to come back down

7

00:01:14.150 --> 00:01:25.069

Dan Fitzpatrick: so again. So instead of the prevailing trading channel being like here or now, as I see it even down here you're saying like, okay? Well, no. I'm going to buy the stock.

8

00:01:25.100 --> 00:01:27.990

Dan Fitzpatrick: Well, why, it's right up at the top of the channel.

9

00:01:28.000 --> 00:01:39.969

Dan Fitzpatrick: You don't want to be doing that. And so the only reason that would trump what I just said is, if you, looking at the bottom of the Channel is not being down here, or even being here

10

00:01:39.970 --> 00:02:02.660

Dan Fitzpatrick: instead, being right there. And that's not the way this trades. So I want to be long. This stock. I don't own any, but hopefully, next week I will be able to reverse that. But I want to own some of this stock, but buying it after this kind of move is really not where you want to be. At 1 point here I think this was Monday, the very low

11

00:02:02.660 --> 00:02:08.430

Dan Fitzpatrick: down here, and then look at Friday, where this thing closed. So this thing has gone up.

12



00:02:08.460 --> 00:02:23.330

Dan Fitzpatrick: What? 17%? Something like that? Almost 20% in a week. You don't want to be buying the stock here. You want to be watching it. But look at the weekly chart, and I'll show you why you want to be buying the stock. Okay.

13

00:02:23.680 --> 00:02:28.539

Dan Fitzpatrick: let's kind of little more

14

00:02:28.790 --> 00:02:55.959

Dan Fitzpatrick: perspective here. This is still kind of in the lpo realm. Here, an lpo, the way you really want to look at it is it's got to go back less than 5 years because the 1st 5 years of a company tends to be the most growth in the company. So you can't really be that dogmatic about it. This been in existence for 6 years. But look at what's happened here

15

00:02:56.180 --> 00:03:00.810

Dan Fitzpatrick: like this stock. This is the longest damn cup and handle I've ever seen.

16

00:03:00.980 --> 00:03:18.759

Dan Fitzpatrick: Actually, I have seen longer ones. But so this is a stock that's had one big, nasty bull pattern. And but now it's finally broken out above 110. So it's it's gone up a lot already, about 35%. But I don't even want to think about doing a measured move

17

00:03:18.880 --> 00:03:37.590

Dan Fitzpatrick: on something like this, and that's where you would take. You would take the difference between the top and the bottom, which would be, say, from right here down to there. And that's a 60% move, it's 70 points. And so then you say, all right. Well, what's 60 to the upside?

18

00:03:38.760 --> 00:03:52.889

Dan Fitzpatrick: Okay, that's about here. Up to 175. We'll say so if I'm looking at this stock right now, and I just want to do a simple, measured move. My target on this would be, I'll just leave this here.



19

00:03:53.040 --> 00:03:58.619

Dan Fitzpatrick: It would be 1, 75.

20

00:03:59.240 --> 00:04:25.869

Dan Fitzpatrick: That's where the target is for this. So bottom line is, I'd love to buy this stock right now. I just need to see it fall back to closer. Like to this 40 week or 10 week or 50 day moving average down here. And then I'm going to look for 1, 75 bucks on this. So anyway, that's all I got for you guys watch for some marketing. Next week I am

21

00:04:25.960 --> 00:04:40.999

Dan Fitzpatrick: start. I'm going to be trading options at Option market mentor along with Sam and Andy. But I'm going to be taking a pretty active place in that, and so check that out. I'll let you know, and we'll also be making an announcement

22

00:04:41.190 --> 00:04:48.450

Dan Fitzpatrick: about a webinar that I'm going to be teaching on options so definitely check that out. Because if you don't.

23

00:04:48.570 --> 00:04:49.760

Dan Fitzpatrick: you're going to miss it.

24

00:04:57.280 --> 00:05:12.109

Dan Fitzpatrick: Okay, guys, so that's all I got for you. Hope you had a good week, or you had a good week definitely. Hope you survived this really really nasty week. Next week's not going to be so volatile. I can promise you that, and we'll go make some money.