



Chart of the Day Here's your trade on Amazon (\$AMZN)

April 27, 2025

Dan provided an overview of Amazon's recent price movement and discussed the risks surrounding trading the stock ahead of its earnings report. He highlighted the 15% run-up over the past week and noted the heavy technical resistance from the 50-day and 200-day moving averages. Dan emphasized that while strong earnings could initially push the stock higher, the likelihood of a pullback remains high due to overall market conditions and persistent overhead resistance. He advised traders to be cautious about buying gaps and reiterated that patience would be rewarded, as sustainable moves would offer plenty of time to enter. He concluded by recommending that members explore Stock Market Mentor resources, including new tools like Stockwatch and Trade Track.

Next Steps:

1. Members to review the training session recording if they missed it during the day.
2. Traders to remain cautious and avoid initiating new positions in Amazon ahead of earnings.
3. Investors to monitor Amazon's price action relative to key resistance at the 50-day and 200-day moving averages.
4. Traders to avoid buying earnings gaps unless backed by a volatility squeeze breakout.
5. Investors to wait for post-earnings price stabilization before considering new long entries in Amazon.
6. All participants to prioritize risk management and avoid speculative trading around earnings events.

Transcript:

0:01: OK, Dan here, Stockmarketmentor.com, and it is Monday, the 28th, and guess what?

0:07: That's the day before Amazon reports earnings.

0:11: So, I wanna take a look at this.

0:12: I have no possible way to game earnings as far as which way.

0:18: The stock is gonna go.

0:19: That's not up to me.

0:21: that's up to the entire market and it's almost as if I don't get a vote.

0:26: Let's just say I'm disenfranchised.

0:28: but we can look at the chart here and get some clues.

0:33: First of all, since just this last week, like a week ago when the stock was down here almost at 165.

0:41: OK, this thing's run up about 15%, in a week, and that's a pretty big move, for Amazon.

0:50: Biotech stocks, not so much.

0:52: This one here, this was on the Monster short squeeze week.

0:55: It moved up 18%.

0:57: So, Let's just say 15 and 18%.

1:01: Those are pretty big moves before the stock turns around.

1:04: And so my, my sense is that unless these guys report monster numbers, we'll probably see some selling.



1:15: Into earnings simply because, and this is the only thing I really have to go on.

1:22: I don't make a, I, I don't have a guess as far as what their any of their numbers are gonna be.

1:28: I'm not stupid enough to try to make that, guess, but I can look at pictures and make all kinds of, suggestions.

1:35: So with this up about 15%, it is still a heavy market if we look at like the cus here.

1:43: , we got a, a, a nice positive W here, but we're right up against this, 50 day moving average, still below the 200 day moving average.

1:54: And so this is really just kind of a heavy market and that's OK.

1:59: it's, it's really, really nice to lose weight once in a while.

2:03: I wouldn't say this thing is on Ozempic though yet.

2:06: so we're still up at, a, a fair amount of resistance and again, like breakouts typically haven't been working.

2:13: They'd move up for a day or two and then they'd be, then they'd be sold into and the stock would pull back, maybe not a lot, but some, Google, Alphabet, whatever the hell they call themselves now.

2:27: , and I guess it depends what they call themselves, whether they're over in Europe where they're getting slapped or over here where they're about to be slapped anyway, so they reported great earnings, stock pops up and now it's pulling back a little bit.

2:42: So if I look at Amazon.

2:44: I just think that the odds of this stock pulling back are, are pretty high, but I will say this, and you can say, well, Dan, you know, you're hedging your bets.

2:57: Dude, I always hedge my bets.

2:59: I, I make no apologies for that.

3:01: What we don't know is whether that pullback will occur from here.

3:08: If it'll gap down and then fall, or whether it'll pop up on really, really great numbers and then fall.

3:15: But my sense is that it's probably gonna be pulling back.

3:20: here's what you really want to be thinking about though is, This is the 50 and the 200 day moving average.

3:27: They're actually both moving down.

3:29: That's a bearish situation and with them both moving down.

3:34: This is again a real heavy stock.

3:37: This was prior support.

3:39: It's broken.

3:41: Now it's resistance that resistance was was reestablished here again.

3:46: It was support here, here.

3:49: It broke down here then recaptured it and then ultimately that got crushed.

3:54: So, basically what I'm saying is this is absolutely, a really, really heavy ceiling, a real strong ceiling.

4:02: So, when you combine that with the.



4:06: , with the 50 and the 200 day moving average overhead.

4:10: Guys, this is a real big, heavy stock right now.

4:15: So I would just be careful about buying it before earnings.

4:19: That's really just nothing more than gambling.

4:22: And if the stock happens to gap up, I would be really careful about buying that gap.

4:30: buying gaps typically, like I said, it's not been working.

4:35: The only, exception to that would be if a stock gaps out of a volatility squeeze, then you tend to see that kind of thing.

4:44: But even here, Gapped up out of this volatility squeeze, it pulled back and then ultimately ran higher.

4:51: But you'll have plenty of time to get into this stock if it turns out that, earnings are going to turn this thing higher.

4:58: It's not gonna be a one day wonder.

5:00: There's way too much resistance overhead.

5:03: Have I made myself clear?

5:05: I'm sure that I have.

5:07: So, look, if you haven't checked out Stock Market mentor, do so.

5:11: you got basically a free trial.

5:13: I think it's \$7 for 14 days, something like that.

5:16: And I've also released Stockwatch and Trade Track.

5:20: you can check that out on the website.

5:22: people, I'm getting rave reviews on it, which I'm really happy about, not for me, but for the people that are using this stuff.

5:29: So hopefully you'll check that out too.

5:31: If you don't, that's all right.

5:33: I'll see you here next time.