



Chart of the Day Here's how we traded Circle Internet (\$CRCL)

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Dan Fitzpatrick from StockMarketMentor.com reviewed the recent trade on Circle Internet (an IPO) and shared insights into how members profited from a sharp rally. Dan initially alerted the stock at \$119.06, using a stop around \$108.75—representing a manageable ~9% risk. The stock eventually surged over 40%, allowing for significant profits. Dan emphasized using tools like the Volume Weighted Average Price (VWAP) to time exits, advising traders to stay in the trade as long as price remains above VWAP. Once it falls below, momentum tends to shift as selling pressure increases.

Dan discouraged chasing high flyers late and recommended defining clear exit points to protect gains. He also suggested maintaining a partial (20%) "legacy" position to stay engaged with trending trades while locking in profits on the majority. Overall, the trade was a strong example of high-conviction execution paired with disciplined management.

Next Steps:

1. Traders currently in Circle Internet to maintain positions with stops just below recent intraday lows.
2. Use VWAP as a guide for momentum—stay long above VWAP, consider trimming if price dips below.
3. Avoid new entries until a defined low-risk setup appears.
4. Consider keeping a 20% "legacy" position in strong IPO trades to remain engaged while managing risk.
5. StockMarketMentor members to monitor the trade room Monday for updated trade plans on Circle.
6. Non-members interested in these types of high-potential trades to consider joining SMM for real-time alerts and analysis.

Transcript:

0:04: I'm Dan Fitzpatrick at Stockmarketventure.com and let's go with Circle Internet today.

0:09: Now I've talked about this before.

0:11: I think I just covered it last week, but I'll just give you a heads up as far as how we traded it at Stock Market Mentor.

0:19: People made a boatload of money on this and if you didn't.

0:23: , you're probably not a member of SMM because I kicked this trade out to everybody at 11906 and I will just say this and then I want to get on with this, it's a little bit of a shameless plug.

0:37: if you had been a member of Stock market mentor, this is the kind of money you could have made, But you weren't, so you didn't, you can fix that for literally 7 bucks.

0:50: it's kind of one of those things where, you have to feel a little bit dumb if you're not taking advantage of that.

0:57: if you don't have \$7 you're probably not really trading.

1:01: So with that said, let's get going.

1:03: So I was looking at this and at 11906, and, the reason was it was just kind of.

1:12: You could see here this on a one hour chart, but it, it just really started to pop up here and volume was increasing and so that looked like a pretty good entry to me these stocks, these IPOs like this for crying out loud, man, they're super, super volatile and so it's really important to get a good entry, but once you're in, you gotta really, really watch this thing and when you can just literally pound the snot out of it and see how much money.



1:40: You can get on this trade.

1:42: So, this is what we did, we're in here at 11906 and I set the the alert, excuse me, the stop actually for way down here at 118775.

1:55: So let's say we're in here 10 excuse me 108 75, so we've got about an 8 or a 9% risk, about a 9% risk on this trade.

2:08: And then the stock ultimately really blasted off from that, from that level and at one point was up 40% today and so we took some profits.

2:21: I sent out a note this morning, telling people one way to take profits is using just selling the strength because this kind of stuff doesn't last.

2:30: , or you can use the volume weighted average price to do that.

2:34: And so this is, this is my little explanation here.

2:37: So this is the daily chart for your reference.

2:40: Then I'm going to the 5 minute, the 15, and then the 30 minute chart today.

2:46: So this little orange line here is the volume weighted average price.

2:49: It's a moving average based on.

2:52: The price, the average of all the shares traded that day, what was their average price?

2:58: So for example, if we're looking at this, 15,620 is the VO.

3:04: So by the end of the day, the average price of all shares traded today.

3:09: Was 15,620.

3:12: Now you'll notice that the stock is below here by about \$5.

3:17: earlier in the day that volume weighted average price was up at 158.

3:23: I think at one point it was up and and and that was about it.

3:26: So volume weighted average price came down just a little bit, but.

3:33: The idea for selling into strength for me on these big rocket ships is, Rather than just reflexively sell, instead look at this as it relates to the volume weighted average price and then say all right as long as the stock is above the average price based on volume, that means that buyers are still buying the stock whenever the stock comes back down to like where the average price is, more buyers are coming in, so the stock's going back up and it's dragging the VWOP up with it.

4:05: It's up a little bit here again 15 minute chart.

4:09: So you can say, all right, I'm not just gonna sell.

4:12: I'm gonna wait and see if this stock falls below the volume weighted average price because if or when it does, and I mean ultimately it's gonna do that.

4:21: , if it does, then I know that the big selling pressure, excuse me, the big buying pressure has basically waned because this stock is now drifting lower and then at that point the selling pressure's probably gonna start kicking in more because this is such a big, you know, high flyer that a lot of traders have a lot of profit and so they're not gonna let it slip away.

4:47: So in other words, this would hold up but then once it.



4:51: Doesn't hold up and ultimately it you know it kind of doesn't here once it doesn't hold up then suddenly what had been a buying area here is now a selling area here and once this is tested and it starts to move lower again you're gonna get an acceleration of selling pressure simply because people don't want to see their profits go away and so my suggestion to people back here was OK as long as the stock stays above the volume weighted average price.

5:21: Then just go ahead and stay long because I mean look what it did Monday, excuse me Friday it stayed above the VO all day long didn't even come close to it so this was a this would have been one where am I selling into strength, you know, I, I don't think so.

5:38: This is a 20% gain, just on Friday but then today you see a total change in character, same thing here on the 3rd.

5:46: 30 minute chart.

5:47: This is a 15, this is a 30 you see a total change in character in this stock where once it's fallen below the volume weighted average price, then whenever it gets back up to their sellers say, OK, well now we're back at the average price of the day, so now I'm gonna sell.

6:04: Used to be we're back at the average price of the day I'm gonna buy so this is totally flipped on its head, right, so at this point what are you gonna do?

6:14: OK, you, you, you don't buy the stock here for crying out loud, the thing could gap up to 198 tomorrow, who knows?

6:23: It's a really volatile stock, but you gotta be just protecting your positions, only take the best entries and the best entries are ones that you can define where the oh crap, I'm wrong level is.

6:36: So my suggestion here is if you're already in the stock, go ahead.

6:41: Stay in but keep a stop like maybe somewhere down below like today's intraday low, that way you avoid this unhappy scenario of the stock coming down to fill the gap.

6:53: other than that, I would just wait and members, I know you guys watch these freebies too.

6:58: I'll be around tomorrow and we'll look at this and see if we can make another trade on this.

7:03: And by the way, as I always say in stocks like this.

7:07: You wanna keep a, keep kind of a core position or you could say a legacy position or something.

7:13: In other words, you can go ahead and treat it as a trade, but then don't sell 100% ever as long as the trades as long as the trends working instead sell like 80%, you keep 20% and then you can trade around it, but at least it's on your screen.

7:29: So all right, that's all I got for you again guys, seriously.

7:33: , joint stock market mentor, it's basically a free trial.

7:36: I think it's \$7 you can afford that.

7:39: Joint stock market mentor and let's go make some money, OK?

7:42: I'll see you next time.