



Chart of the Day

Here's how I traded Super Micro Computer (\$SMCI)

August 6, 2025

Dan discussed his trading strategy focused on identifying and entering stocks with strong, predictable uptrends like SMCI. He emphasized the importance of waiting for a base within the uptrend before entering a trade, rather than chasing prices higher. Dan recommended setting tight stop losses (around 6%) to manage risk and highlighted the value of monitoring for breakouts from sideways trends. His strategy prioritizes patience, discipline, and protection of downside risk.

Next Steps:

1. Members to review the video again for a better understanding of the SMCI trade setup.
2. Traders to look for stocks in strong, predictable uptrends that are forming a base.
3. Avoid chasing stocks that are already extended; wait for a proper entry point.
4. Set tight stop losses (~6%) to minimize risk on new entries.
5. Watch for potential breakouts from sideways consolidation zones.
6. Continue prioritizing disciplined entry points and risk management.

Transcript:

0:01: OK.

0:01: hey, everybody, Dan Fitzpatrick here with my Fits in 5 video for you today.

0:07: , so today I wanna talk about SMCI.

0:11: Now, I like to just as a general rule, this is what I like to do.

0:16: I like to buy stocks that do this, that are up there it's got a nice uptrend, nice predictable, nice predictable uptrend, don't just chase them higher and higher, but wait for a little base, kind of a base within the uptrend, and then look to buy like right around here or if I.

0:35: Been watching it for a while and I got a sense for things maybe take some, here, right there it's a good good entry on this type of thing and then you keep a pretty tight stop, here about 6% or so.

0:48: You really kind of play it close to the vest and then you're making money here.

0:52: OK, that's great.

0:54: That's the way I like to trade.

0:56: I prefer to if I can find that.

0:58: I can't demand it though, damn it, I wish I could.

1:01: I like to trade this way.

1:03: OK, see this in a nice sideways trend.

1:06: Look for the breakout here.

1:08: Look for a breakout above the squeeze here, bam, that's what we have here, heavier than average volume.

1:14: Oh, what a happy day.

1:16: I'm buying the stock at \$46 something like that.



1:19: It's a good breakout, solid breakout doesn't mean for sure that the trade's gonna work, but it's probably gonna, this is the setup that we look for and then oh my gosh, lo and behold, it's working, right?

1:31: , not great, but hey, it's making money and I'd rather make money than mow the lawn or pick up the dog crap on the lawn, any number of things, that I would rather make money than doing those things.

1:44: So the point is though, these are the ways that I like to trade because it just makes more money.

1:50: So now here we are on the 20.

1:52: We keep going.

1:53: Now earnings are due on what?

1:56: August 5th, that would be yesterday.

1:59: So I see the stock doing this now it's the 31st, little pullback.

2:05: Now we're here on the 4th and then you're looking at this saying, OK, well I like to be in this stock, but I don't like the idea that I gotta hold the stock over earnings so you're selling the stock before earnings.

2:21: Bam and you sidestep this thing.

2:23: OK, great, nice, nice to be me.

2:26: I didn't make that I didn't stay in that trade.

2:29: So here's the thing though, now what do you do?

2:32: Do you just ditch this stock because it's broken through support here and so I don't wanna play anymore.

2:40: No, I mean, you can, you can go look and find shoot man, just buy Nvidia that thing keeps going up or you can look at this in a different way and say, all right, different pattern, different strategy.

2:51: So, this is what happened to this stock today.

2:56: So we switch strategies instead of just being in a stock like this that just nice stock to be in where it's just drifting higher and higher and your ideas just ride the horse till it bucks you off.

3:09: OK, well this horse bucked you off, but you know it was, you knew it was coming, at least the chance of it because they were reporting earnings.

3:17: So, I don't really think there's any foolproof way to game earnings one way or another or you know the stock's gonna fall or you know the stocks, gonna gap up.

3:28: You don't know that you're just guessing even if you had inside information, you still probably wouldn't know.

3:34: So the point is what do we do now?

3:37: We change strategies rather than buying these breakouts instead we're looking for the pullback to be complete.

3:47: This is a massive volume spike over twice average volume, almost 3 times average volume.

3:55: I'd say that's a lot of selling and so when you look at this thing intraday here we'll go to this this is one of the things that I use a 1 minute, although it's later in the day, 5 minutes, 15 minutes, 30 minutes, OK, 1 hour, Something like that.

4:13: So you see this thing intrade and I was itching all morning to buy this thing all morning I'm going like, OK, I gotta buy this thing.

4:22: It's a good slam play, but it just kept going lower and lower and one thing you don't want to be doing is trying to catch a falling knife.



4:31: Oh, hey, by the way, real quick, I wanna mention this to you.

4:35: You go to my website, that's me, this good looking guy here.

4:38: , you're probably already getting the fits and 5 trading videos, but you might not.

4:43: If you're doing that already, fine, then this is the next thing I want you to do.

4:47: I want you to sign up for a free trial.

4:50: you can do that here.

4:52: You can start with the \$147 a month, but the.

4:55: Cool thing about that is you get your 1st 14 days for \$7 right?

5:00: This is what I would suggest.

5:02: I would suggest signing up for a free trial which is basically if you have a hard time with \$7 then I'm not your guy anyway you spend \$7 for this and then see if you don't make at least \$147 during your first two weeks.

5:18: the only way you can't.

5:21: Not like you can't make 147 bucks is if you don't log in.

5:26: so I want you to definitely check that out, OK?

5:30: Also, oh well, I'll tell you what I did in a second on this, but I want to finish my thought here.

5:35: So with SMCI, this just wasn't giving me anything, all day long until finally we'll, I'll just take it back to, I'll leave it here till finally the stock started trading above its volume weighted average price in the afternoon when the stock trades above the volume weighted average.

5:55: Average price and listen to me.

5:56: I'm giving you pearls here.

5:58: the stock's been down all day when it rallies up to the average trading price for the day and then moves above there, that tells you that the sellers have pretty much exhausted themselves and the buyers are taking charge, OK?

6:13: So this on an intraday basis, this was actually a key buy signal right here about 14, excuse me, about 46.

6:20: , 2046 30, something like that that was a key buy signal here, OK, but you're not day trading in the afternoon, so I use that as an intraday method to decide when to get into this stock and so what I did was I put this on our active trade list today at.

6:42: 4688, so we're down a bit on that.

6:46: That's not a big deal, but this is what I did.

6:49: So I put it on our active trade list.

6:51: I give people the entry.

6:53: I give them the stop where that is and then they all can also see like where the profit is.

6:58: , on that we're down a bit on QBTS.

7:01: We'll be out of that, I think tomorrow, because they report, they report earnings, but you can see some of the trades that that we have going, and wouldn't it be nice if every single trade was 43, 44%.

7:14: , sorry, but trades like this or like I bet, LDOS, they make up for a lot of these.



7:23: So whether you are on stock market mentor or just doing it yourself, just know that this is what you want is for you, you have some big trades that are gonna make up for all the little ones that you make either or wins or losses.

7:38: So anyway, that's what I did here and then my confirmation.

7:42: That this is correct will be a close above the 50 day moving average which right now is 4820 and so what I like to do.

7:52: Is You can see I'm a big line drawer.

7:56: I like to draw lines and then set alerts so now when the stock runs above this level here, I'm gonna get an alert that I'm a pretty smart guy, right?

8:08: OK.

8:09: Also then the last thing I put a similar trade on on option market mentor only it was a covered strangle.

8:15: , trade, I don't have the time to, explain it to you now, but it's, it's the first part of, my Hot Wheels strategy, which is an option strategy that I have so and you can check that out at OMM, but this isn't about that anyway, so this might trade on SMC big slam play.

8:34: Looking to trade the rebound, I think I'm gonna get it market permitting.

8:38: All right guys, that's all I have for you.

8:40: I hope you're having a good day.

8:42: Hope you're trading well and not trading too much.