



## Chart of the Day

### When you look at Nvidia (\$NVDA), don't forget to look at \$AMD

August 25, 2025

Dan provided an analysis of Nvidia (NVDA) and its competitor, AMD, ahead of Nvidia's earnings report. He emphasized that revenue growth is more crucial than earnings per share because it indicates the company's health and future growth prospects. He advised investors to focus on Nvidia's revenue and price action when the report is released. He pointed out that while Nvidia's EPS has slightly flattened recently, its stock remains near all-time highs and is under accumulation, indicated by an up/down volume ratio of 1.5. Fitzpatrick did not recommend buying Nvidia before the earnings report, as it's too risky, and suggested it would also be risky to buy if the stock pops significantly, as it approaches the \$200 level where profit-taking might occur. He contrasted this with AMD, which has a slightly higher up/down volume ratio of 1.6 and has pulled back to a more favorable entry point near its 50-day moving average. He recommended watching how AMD's stock reacts to Nvidia's earnings report, as a pullback could provide a good buying opportunity.

#### Next Steps:

1. Do not buy Nvidia (NVDA) before its earnings report due to the inherent risk.
2. Focus on Nvidia's revenue rather than earnings per share when the report is released, as revenue is a better indicator of the company's health.
3. Monitor AMD's stock following Nvidia's earnings report to see how it reacts.
4. Consider buying AMD if it pulls back to a better entry point, such as near its 50-day moving average.
5. Be cautious about buying Nvidia if it gaps up significantly after earnings, as this could lead to a sell-off and profit-taking near the \$200 mark.

#### Transcript:

0:00: Everybody, Dan Fitzpatrick here at Stockmarketmentor.com.

0:05: I wanna just go through something really, really quick here, and that is Nvidia, as I'm sure you know, they report earnings after the bell, in about 48 hours, after the bell on Wednesday.

0:19: And so there's a lot, everybody's looking at this, of course, it's like what Nvidia does.

0:25: And what their earnings are is more important than what the Fed does, which, yeah, maybe that's true.

0:31: I don't know, but they're all eyes are on Nvidia, so I want wanna look at something, and then I'm gonna show you something that you may not be thinking of.

0:40: First of all, with Nvidia, OK, it's been trading sideways for quite a while, this is the way this the way the stock, looks on the weekly chart and it does look to me.

0:52: Like this could consolidate plenty more, like it's not, it's fine to just kind of be hanging around here, in, in this area.

1:04: now if we look though at this in Market Smith, which I love, I, it's called Market surge right now.

1:11: This is a weekly chart and you can see the, the EPS line, the earnings per share line, the hash marks are once every quarter.

1:19: So this marks the quarterly, earnings per share what was reported versus the same quarter the prior year.

1:27: You can see this is moving really, really nicely, but just this last quarter here, it kind of flattened just a little bit, not a lot, but just a little bit, which kind of.



1:41: Is it, it kind of reflects what's happening in the stock where the stock still at all time highs very close to it, but the slope has kind of slowed down a little bit here.

1:53: So we want to be watching this as far as what happens to this line next.

2:01: Will it continue to move higher here, or will the earnings be such that, OK, well, they're still positive, but not quite as much.

2:10: if this starts rolling over at all, this stock is You know, they say that it's pretty expensive from a PE standpoint.

2:21: I think a price earnings is the biggest bunch of bull spit, imaginable.

2:27: It doesn't matter with respect to what a stock does what matters more than earnings is revenue because a company can have the best earnings in the world, meaning like basically what goes to the bottom line earnings per share, but if they're not growing their business, if they don't.

2:46: Have more revenue than they're a dinosaur just waiting to die.

2:51: On the other hand, revenue really is the, that's the lifeblood of any company.

2:57: You gotta be having more revenue and so we want to be looking when net or excuse me, when Nvidia, reports, we want to be looking at what their revenue is.

3:08: There's gonna be all kinds of stuff with respect to the tariffs and I, I can't really keep track of everything that's going on.

3:14: , with that as far as what their latest deal is with China, or with the Trump administration or how all this stuff goes together, revenue will cut through all of that so you focus on the revenue and the price action, those two things and frankly not necessarily in that order.

3:35: So as long as this is still grinding sideways, this is a stock that I would absolutely want to and do hold would I buy it here?

3:45: No, I, I can't think of a rational reason.

3:49: To buy the stock right now when they report earnings in a couple of days you're just basically rolling crops you don't know what you're gonna get so no watch this, see what happens when they report earnings but focus on the revenue.

4:07: Now if we, I wanna show you one indicator here on the weekly chart you can see the up down volume ratio anything above one is good.

4:17: Means that 1.5 on the upside versus the downside, OK?

4:22: So it's kind of the best way to, to say it.

4:25: The higher the number, the better this is so this is still under.

4:29: , under accumulation, and that's a good thing we like to see that if this, if the stocks continuing to move up, like let's say it's really, really choppy, really, really volatile, it's still kind of generally moving up but then we look over here and we see the up down volume upside down, that's a clear indication of distribution.

4:51: That tells us that institutions are, are maybe running the stock up a little bit and then dumping shares onto the market you you'll be able to see this in a stock chart.

5:04: What we don't see is that in this chart now compare this though to AMD.

5:12: A competitor.

5:14: OK, the up down volume ratio here is 1.6, so it's a bit higher than Nvidia again just in case you forgot, Nvidia is 1.5, AMD is 1.6.



5:29: If we look at this on the daily chart, we can see that this is actually pulled back a bit, closer to the 50 day moving average.

5:38: Compare this though, I'm going back and forth here.

5:41: I know.

5:42: Look at the earnings per share line here.

5:45: It's just flat versus again Nvidia.

5:51: Working really, really well.

5:53: So which stock would you want to own?

5:57: Why can't you own both of them?

5:59: OK?

6:00: You don't have to choose, but if I'm looking at Nvidia, I'm absolutely gonna be looking at AMD.

6:06: This is down at a pretty good entry point, not quite, but if this can grind around sideways for a bit closer to the 50 day moving average, this is a stock that you could really look to buy.

6:19: What I would suggest doing is watch what AMD does.

6:23: In response to Nvidia's earnings and their and their report like what their report actually says what they're saying about business because I think AMD is certainly getting into that space, Nvidia is still the big dog, no question about it.

6:41: I don't know when that's gonna change, but watch AMD because they've been getting pretty good accumulation.

6:48: , on as far as the numbers go, and that's what we want, that's what we wanna see, they've got.

6:56: Again, I'm just going back to Market Smith, an accumulation distribution rating a B+, that's pretty good.

7:04: That's really what you want to see in this.

7:06: So anyway, watch AMD when Nvidia reports earnings.

7:11: If it happens to pull back and gives you a better opportunity to buy here, I think you wanna take it on Nvidia, I.

7:19: As I sit here right now, I would just say if the stock happens to pop on earnings, I think it's gonna be really, really risky to buy that stock because that's gonna take it pretty close to \$200 which is an obvious place to start selling the shares.

7:37: So that is the long and the short of my take on Nvidia and AMD, OK?

7:43: I'll see you guys next time.