



Chart of the Day Here's your trade on Netflix (\$NFLX)

September 3, 2025

Dan analyzed Netflix (NFLX), noting that while many momentum traders would consider the stock "dead" after it fell below its 50-day moving average, he views the recent price action as a "shakeout". He explained that the stock reverted to the mean and is now testing the 50-day moving average from below, setting up a good trading opportunity. He advised that if the stock breaks and closes above \$1250 with a volume spike ("a green skyscraper"), it would be a strong signal to take a long position. He emphasized that this combination of price action and volume would confirm that the shakeout is complete and the stock is ready to move higher.

Next Steps:

1. Set an alert for Netflix (NFLX) at \$1250.
2. Watch for a move to break and close above this level.
3. Confirm the breakout with a high volume day ("a green skyscraper"), specifically a volume bar higher than the 50-day moving average volume of 3.27 million shares.
4. Consider taking a long position if both price and volume signals are met.

Transcript:

0:00: OK, Dan Fitzpatrick here at Stockmarketventure.com, and here is Fits in 5.

0:06: So I wanna look at Netflix today.

0:08: I just finished our strategy session, for members, and this was one of the stocks that I was covering.

0:14: I thought it'd be a great one to show, here.

0:18: when a stock falls below the 50 day moving average, a lot of momentum traders, and I would include myself in that group, a lot of momentum traders are gonna say, OK, it's dead to me, because it's below the 50, which is kind of seen as an intermediate term.

0:35: , trend as opposed to the 200, which is more of a longer term or the 21, which is a real short term or the 8 day EMA which is a hair on fire, moving average, whatever the 50 day is kind of an intermediate term, moving average and so when the stock falls below there, a lot of traders will just say, OK, that's the end of it.

1:00: Now that can be if you're trading.

1:03: And you, you've had a nice profit and you say, OK, well, I'm gonna, I'm gonna sell the stock.

1:09: So fine, you sell the stock, you miss out on about 5.5% further downside, so that was a good move.

1:16: What's oftentimes not a good move is to then just ignore the stock and move on.

1:23: And the reason is because you can miss things like this.

1:27: This to me is looking more and more like kind of a shake out, a gradual one.

1:34: the stock fell down, it just kind of reverted to the mean from here and just kept on reverting.

1:40: , and now it's come back and reverted to the mean the other way, which is exactly what we want to see.

1:47: So now it's testing the 50 day moving average.

1:52: And it's testing it from below, so what had been support here, what had been a floor is now the ceiling.



2:00: This kind of sets us up for a pretty good opportunity, right now this moment, not right now, but waiting to see if the stock, I'll just even make this a red one here so we can really imagine.

2:14: OK, if the stock breaks above this 50 day moving average and actually prints a high above here, which is 1251, so we'll say 1250, so I'll do this this is an alert that I would set, for myself, which is why I'm setting it here we'll go here, we'll go 12.

2:38: 50, not that 1250, turn that into green.

2:45: And I'll set an alert.

2:47: And now if or when the stock breaks out above 1250, that's when I'm gonna want to be taking a long position because I can see that the stock has been, that everything's been shaken out here, big massive volume, on this dump below the 50 and then low volume all along here, certainly.

3:09: Low volume here as this thing has been consolidating, but if the stock breaks out back above the 50%, I wanna look for a green skyscraper.

3:19: I wanna see a green volume bar that's higher than this 50 day moving average, which is 3.27.

3:29: , million shares, like almost 3.3 million shares, so that's what I'm gonna want to see and if I see that combination, this could be a really, really good trade, to the upside.

3:42: So, that's your trade and one thing if you're not a member, you can be making some real bank like we got one trade.

3:49: That we've had on just for a couple weeks it's up over 40%.

3:53: I'm not gonna tell you what it is, but for 7 bucks you can be on for 14 days, and I promise you if you just pay attention to what we're doing, you're gonna make multiples of that back hardly trading at all, OK?

4:06: So it's kind of a no risk trade for you all right?

4:08: I hope you take me up on that.