



Chart of the Day Watch this level on \$ZS for a breakout

October 9, 2025

Scott analyzed Zscaler (ZS), identifying a "cup without a handle" pattern after the stock rallied back to its July resistance of approximately \$318 following a pullback to the 50-day moving average. He advised traders to look for a definitive breakout, suggesting an alert be set at \$318.50. Scott is open to two potential scenarios: a momentum move straight through that level on volume, or a period of sideways consolidation (forming a handle) just under the resistance before breaking out to the upside.

Next Steps:

1. Set an alert for a breakout on Zscaler (ZS) at \$318.50.
2. Look for confirmation of the breakout with a momentum move through \$318.50 that comes on volume.
3. Be open to a handle development: The stock may first chop sideways under the \$318 to \$320 resistance level to form a handle before breaking out.
4. Consider a buy on a decisive move above the resistance, with the aim to follow the upside momentum.

Transcript:

0:02: Hey everyone, good evening.

0:04: It's Scott at Scottrade's on X with Stock Marketmentor.com and your chart of the day.

0:11: Want to take a look at ZScalar?

0:12: This is Ticker ZS.

0:14: Now ZS is forming a cup without a handle.

0:19: You can see that we hit resistance here in July, slammed up around the 318 level, have pulled back on.

0:26: The 50 day moving average, but since recovered back to that previous breakout zone.

0:32: And so I definitely see this cup pattern, and I want to see a breakout through 31,850 coming on volume.

0:39: So I would have an alert here on Z scalar at 31,850 and look for a momentum move through that level coming on volume.

0:48: Now, what might happen is we might actually stall out in and around resistance like it wouldn't be out of the realm of possibility to just kind of chop around this level and base right under that 318 or 320 level before a potential break higher.

1:05: So I would be open to both setups here, be open to a potential momentum move through 31,850 or A bit of a handle to develop, and then a breakout through that 31,850 level or around 320, depending on where resistance comes in.

1:22: So this is just one of many stocks we're looking at tonight over at Stockmarketmentor.com.

1:27: And if you're trading alone, you shouldn't be.

1:30: You should come join our elite group of traders, traders just like you from all over the world, over at stockmarketmentor.com.

1:38: I hope that video's helpful.



1:39: I'll see you next time.