Chart of the Day
Dycom is close to a breakout $DY

October 15, 2025

Scott analyzed Dycom Industries (DY), identifying a "really easy setup" where the price is trading above all its key moving averages, with the price resting right on the 8-day exponential moving average (EMA). He noted that the stock is forming a short base pattern with sideways consolidation and the 21-day EMA acting as support. Scott advised watching for a breakout move above the near-term resistance of $300, which should be confirmed by strong volume and a close above that level. He recommended using the 21-day EMA as a hard line in the sand for risk management on this trade.

Next Steps:

1. Set a buy alert for Dycom Industries (DY) at $300.
2. Look for a strong move and a close above $300 that is confirmed by volume.
3. Use the 21-day EMA as a hard line in the sand for a stop loss.
4. Note the setup is a short base with price resting on the 8-day EMA and the 21-day EMA holding as support.

Transcript:

0:02: Hey everyone, good evening.

0:04: It's Scott at Scottrade's on X with Stock Marketmentor.com.

0:09: And your chart of the day.

0:10: Want to take a quick look here at Dicom Industries.

0:13: This is Ticker DY really easy setup here on DICO.

0:17: We have price above all the key moving averages.

0:20: The 50 day is below price, the 21 day is below price, and price is sitting on that 8 day exponential period moving average.

0:28: Now, we have a bit of a short base pattern.

0:30: Here, sideways consolidation, 21 day holding of support, and a near-term test of resistance right around 300.

0:39: Today's move was on a slight pick up in volume, so the volume isn't higher than average or anything, but it is picking up, and it hasn't broken out.

0:47: Like, I don't think the stock is really extended right here right now.

0:51: So it could be, ready for a move if we do get, I think, a positive move in market.

0:57: So I would have an alert on IO at 300 and look for a strong move through that level and a close above coming on volume.

1:06: Now, to risk manage that trade, probably want to use that 21 day exponential period moving average as a hard line in the sand, but I think this setup could work if it triggers and moves above 300 for you tomorrow.

1:18: So I hope that video's helpful.

1:20: Give me a follow on Twitter if you don't already at Scottrades, and hopefully I'll see you at stockmarketmentor.com.