Chart of the Day
Here's your trade on Tesla ($TSLA)

October 27, 2025

Dan discussed Tesla's recent stock performance and price target updates, noting both positive breakout potential and concerns about recent price declines and supply levels. He analyzed a specific stock's price movement and emphasized the importance of considering prior price action, volume, and VWAP when evaluating potential stock buys. Dan encouraged viewers to join Stock Market Mentor for further training and insights, and reminded existing members to reach out if they wanted to return.

Next Steps:

1. Potential members: Check out Stock Market Mentor membership
2. Former members: Email Karen at stockmarketmentor.com to rejoin

Transcript:

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00:00:01.650 --> 00:00:10.789

Dan Fitzpatrick: Okay, hey everybody, Dan here, StockMarketMentor.com. Today, I want to look at Tesla. Now, earnings are not an issue, they don't report.

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00:00:11.100 --> 00:00:24.539

Dan Fitzpatrick: Until, February, so they already got that deal, behind them. But, what I want to do is just look at this, what looked like a pretty solid breakout. I already got it all marked up.

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00:00:24.540 --> 00:00:39.390

Dan Fitzpatrick: Looked like a pretty darn solid breakout here above $450. You can see, several days ago, I think it was early last week, Piper Sandler, raised their price target to $500.

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00:00:40.410 --> 00:00:43.040

Dan Fitzpatrick: Sure. I mean, I don't know who…

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00:00:43.180 --> 00:00:48.140

Dan Fitzpatrick: Piper Sandler is, and they don't really care whether I know.

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00:00:48.140 --> 00:01:05.469

Dan Fitzpatrick: there's a lot of different analysts out there, a lot of different trade houses, and so they've got a $500 price target, and if I recall, it did run up on that news. So, there is buying interest there. I've always thought it's interesting when

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00:01:05.480 --> 00:01:16.000

Dan Fitzpatrick: When somebody raises a price target, everybody rushes to buy the stock, and it's actually the same stock that it was yesterday.

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00:01:16.000 --> 00:01:33.529

Dan Fitzpatrick: It's the same stock that it was last week, so why didn't you buy then? And it's because some third party, somebody that you don't even know, comes out and says, hey, I think the stock's going higher. So, anyway, that's just my pet peeve about price targets, but with that said.

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00:01:33.530 --> 00:01:39.989

Dan Fitzpatrick: I want to look at Tesla now, and check out the action. Let me just get rid of this stuff.

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00:01:39.990 --> 00:01:42.360

Dan Fitzpatrick: So, this popped up today.

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00:01:42.400 --> 00:01:53.380

Dan Fitzpatrick: above 450, and actually not too long ago. I'm doing this with, 12 minutes left to go in the day. And then it's come back. So…

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00:01:54.120 --> 00:01:59.739

Dan Fitzpatrick: What looked like, hey, you know, maybe this is a good buy, is turning out not to be so.

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00:02:00.270 --> 00:02:01.510

Dan Fitzpatrick: It's not bad.

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00:02:01.620 --> 00:02:18.979

Dan Fitzpatrick: But there's just no follow-through on this. And what I want you to remember is that prior price action does mean things, and so you can look back here and see where the stock popped up to $470, look at the volume, big volume over the last few days. So.

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00:02:19.510 --> 00:02:39.569

Dan Fitzpatrick: This stock has been really fallen since that high. In just a very short number of days, 6 trading days, this was down over 12%, and it actually wasn't that long ago. This is why I'm laying this out, because there's still a lot of supply here. Remember that for every share that was sold, somebody bought it.

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00:02:39.570 --> 00:02:50.080

Dan Fitzpatrick: And so you've got some upside-down traders here, and they will be, and they are, unloading their shares when they can kind of get their money back. This is…

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00:02:50.080 --> 00:02:53.190

Dan Fitzpatrick: This is one of the… one of the,

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00:02:53.280 --> 00:03:05.629

Dan Fitzpatrick: pockets of traders where you'd call weekend… weekends, you know, weekend sellers, stuff like that. So, I want to look, though, at the daily… excuse me, the intraday chart.

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00:03:05.650 --> 00:03:21.359

Dan Fitzpatrick: And we'll see how this thing unfolded. Upper left here, I'll take it here for just a quick sec. Okay, that's the daily chart that we just looked at. It's just got some pivot points in there. But let's go to the hour chart, and you can see the zigzag, okay?

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00:03:21.510 --> 00:03:22.649

Dan Fitzpatrick: 10 minute.

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00:03:23.030 --> 00:03:45.940

Dan Fitzpatrick: 15 minute, 5 minutes. So, let's start with the 5 minute here. Okay, the stock pops up this morning, trades above this orange line, which is the volume-weighted average price. It's the, it's the line that marks at that given point in time, like right here, at 11.05, the VWAP, volume-weighted average price, is $4.45,

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00:03:45.940 --> 00:03:47.280

Dan Fitzpatrick: 55.

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00:03:47.280 --> 00:04:10.650

Dan Fitzpatrick: Meaning that if you take into account all the shares traded so far this day up until 5 minutes after 11, the average price of the shares, transacted was $445.55. So we want to see the stock remain above that level, because that tells us that there's still buying pressure. They're still buying above

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00:04:10.650 --> 00:04:13.789

Dan Fitzpatrick: It's this… it's like a moving average, guys. It's like…

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00:04:13.810 --> 00:04:37.839

Dan Fitzpatrick: when a stock's trading above the 50-day moving average, and it's in a trend, and it's kind of pulling the moving average up with it, you know that buyers are in control. They keep grabbing the price, they keep grabbing the stock at a particular price, and it raises the average. So, there's really nothing magic about this. It's just on an intraday basis with the volume component. So, the stock's up here.

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00:04:37.840 --> 00:04:38.670

Dan Fitzpatrick: Great.

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00:04:38.670 --> 00:04:47.880

Dan Fitzpatrick: And then, let's zoom out here. This is a 15-minute chart. You can see the same thing. So, the high was at 2 o'clock today.

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00:04:48.490 --> 00:04:52.629

Dan Fitzpatrick: $459.99, we'll call it $460.

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00:04:52.690 --> 00:05:11.829

Dan Fitzpatrick: So this was a really, really nice key indication, because on, again, the 30-minute chart, you can really see how this got above the volume-weighted average price, and then it started kind of falling down to earth. And then, again, on the hourly chart, this is even more clear.

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00:05:11.830 --> 00:05:25.060

Dan Fitzpatrick: So, this, to me, is a failed breakout, even though you could look at this on the daily chart and say, well, wow, you know, let's say it closes here. This is the highest close since…

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00:05:25.060 --> 00:05:26.170

Dan Fitzpatrick: like here.

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00:05:26.240 --> 00:05:35.530

Dan Fitzpatrick: So, this is a nice move higher. The problem is the closing location. Back here, the stock closed right at the high.

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00:05:35.530 --> 00:05:51.669

Dan Fitzpatrick: Like, you could… it opened down here, a little bit on the… on the up and down move, but not that… I'm not gonna quibble. So it opened low, and it closed very, very high. So now we're back to this level. It opened low, it ran up to this level.

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00:05:51.730 --> 00:05:57.250

Dan Fitzpatrick: 460, and is now closing probably about in the top quarter.

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00:05:57.550 --> 00:06:11.940

Dan Fitzpatrick: of the range, maybe the top third of the range. So it's not the same quality as this one over here. So I look at this, again, for… for today, I kind of see it as a failed breakout. Now…

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00:06:12.770 --> 00:06:30.419

Dan Fitzpatrick: With that said, I'm not saying that the stock's not going higher. I think it is. I think it will go higher. What I'm saying is, right now, at the current time, this is still just kind of building… I'll just get rid of all this stuff, well, some of it, anyway.

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00:06:31.230 --> 00:06:34.199

Dan Fitzpatrick: This is still just building this base.

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00:06:34.800 --> 00:06:36.000

Dan Fitzpatrick: Right here.

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00:06:38.350 --> 00:06:44.859

Dan Fitzpatrick: As long as it's in this range, then I'm stating the obvious, then it's not going anywhere. Duh.

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00:06:45.630 --> 00:06:57.610

Dan Fitzpatrick: But as soon as the stock can run up here, it's less than 5% higher, and then break out, now you've got room for another, like, for a big move higher. So, for right now, this is just still in jail.

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00:06:57.610 --> 00:07:20.389

Dan Fitzpatrick: That's the way I look at it. So, anyway, if you are not a member of Stock Market Mentor, check it out. We had a great training session today, a lot of awesome trades that we covered, a lot of, requests, stock requests from our members for coverage, see what works, what doesn't, stuff like that. So, if you haven't been a member, definitely check it out.

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00:07:20.390 --> 00:07:24.359

Dan Fitzpatrick: If you have… if you have been a member and you want to come back.

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00:07:24.450 --> 00:07:34.780

Dan Fitzpatrick: Just email Karen at stockmarketmentor.com and tell her that Dan told you to come back. Alright? That's all I got for you. I will see you all next time.