

S.M.A.R.T. Mindset & Methods for Better Trading Results

December 5, 2025

The meeting focused on trading strategies and market conditions, emphasizing the importance of adapting approaches based on current market dynamics and proper risk management. Dan shared personal anecdotes and experiences to illustrate key concepts, including the value of timing, tracking trades, and maintaining discipline through consistent practices. The discussion highlighted the significance of developing good trading habits, managing emotions, and focusing on patterns rather than specific stocks to enhance overall trading performance.

Next Steps:

1. **Prioritize Process Review:** If struggling, spend time reviewing your trading strategy against the SMART framework. Identify and fix any holes in the written process before assuming the problem is emotional.
2. **Define Risk and Stops Strictly:** For every trade, define the maximum acceptable loss *before* entry. Use a slightly looser stop initially, but peel back the curtain: stop discipline is a noun, not a verb—it must be an established rule, not a discretionary decision.
3. **Use Partial Profits to Manage Risk:** Practice taking partial profits (e.g., selling 50% of the position) to completely remove the initial risk (take out the deductible) while allowing the rest of the position to run for a major gain.
4. **Embrace Trade Tracking:** Start the habit of tracking trades (even just one per day/week) using a tool like TradeTrack or a custom spreadsheet. Measuring performance is the only way to improve consistently.
5. **Address FOMO with "Mental Health Buys":** If you feel compelled by FOMO (Fear of Missing Out) on a running stock (like Google), buy a tiny, fractional share with a preset tight stop. This satisfies the emotional need to be involved without risking significant capital.
6. **Avoid Obsessing Over Tickers:** Focus on recognizing and trading patterns (e.g., volatility squeezes, consolidation breakouts) rather than obsessing over celebrity stocks (NVDA, ORCL), as stocks are worthless and only hold value based on what institutions are willing to pay.
7. **Respect Stop-Loss Rules:** The Rigetti (RGTI) trade, which was stopped out, is a clear reminder that stops are mandatory. If a stock hits the stop, the trade is done, regardless of future potential.

Transcript:

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00:00:02.060 --> 00:00:18.669

Dan Fitzpatrick: Okay, hey guys, I just, as I mentioned in my note, I was... I just kind of went into this thing yesterday in our strategy session, and I got so much positive feedback

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00:00:18.860 --> 00:00:25.070

Dan Fitzpatrick: on it, and people kind of wanting to know more, that I just thought I'd record this in a special

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00:00:25.280 --> 00:00:41.829

Dan Fitzpatrick: special strategy session, really, for, for Friday. And, so I don't know how long this is gonna be, but, I'm gonna get through it, and I'm hoping that, that you find it, hoping that you find it helpful. One thing...

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00:00:42.050 --> 00:00:55.389

Dan Fitzpatrick: One thing, I swear, one thing I want to mention is, as I was really thinking about this, the things that I'm going to be talking about actually kind of transcend trading.

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00:00:55.950 --> 00:00:59.549

Dan Fitzpatrick: You can use... you can use them in,

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00:01:00.000 --> 00:01:05.400

Dan Fitzpatrick: Pretty much any aspect of, any... pretty much any aspect of life.

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00:01:05.570 --> 00:01:17.239

Dan Fitzpatrick: If you use, your imagination, and by the way, I can't say that I do this in every aspect of life, Lord knows, you know, I've been married 11 years, and I'm still trying to figure out that thing.

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00:01:17.240 --> 00:01:27.220

Dan Fitzpatrick: But, and various other things, too, not just that. So, anyway, take it for what it's worth. Definitely applies to trading.

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00:01:27.220 --> 00:01:36.859

Dan Fitzpatrick: But if you really use your imagination, I think you probably find it works for other things, too. So, I'll go ahead and,

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00:01:37.000 --> 00:01:38.810

Dan Fitzpatrick: Share my screen here.

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00:01:40.230 --> 00:01:42.239

Dan Fitzpatrick: And, and we'll get going.

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00:01:42.310 --> 00:01:51.369

Dan Fitzpatrick: So, what I was talking about yesterday was this, mindset and methods for better, for better trading results.

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00:01:51.370 --> 00:02:04.009

Dan Fitzpatrick: And as I thought more about it, I was just mentioning one aspect of this, and that has to do with... had to do with, like, focusing... making sure that your strategy fit what the market environment was, but...

14

00:02:04.450 --> 00:02:11.419

Dan Fitzpatrick: So I just thought, I'm gonna kind of run through everything to make this more of an all-encompassing.

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00:02:11.420 --> 00:02:29.690

Dan Fitzpatrick: concept for you, okay? So, here's the thing. I was talking yesterday about how market context matters. If you're... if you're, you have a particular strategy, you definitely want to look at the market kind of first. You should just kind of have an idea.

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00:02:29.690 --> 00:02:32.210

Dan Fitzpatrick: You should have an idea of,

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00:02:32.410 --> 00:02:37.910

Dan Fitzpatrick: of the environment that you're trading in. It's kind of like,

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00:02:38.490 --> 00:03:03.130

Dan Fitzpatrick: I don't know, swimming. If you're swimming in the river, look which way the river flows. If you can go either way, try to go with the stream as opposed to against it, but one of the things that you want to always be mindful

of is, like bread. If it's a... if it's a tough market, it may be that fewer stocks are working. But if it's strong, there's a lot of stocks working, that kind of makes for easier

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00:03:03.280 --> 00:03:16.460

Dan Fitzpatrick: easier trades, and you want to be looking all across different sectors to see which... which sectors are working the best. Like, as I... I'm not going to show any charts in this.

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00:03:16.820 --> 00:03:26.900

Dan Fitzpatrick: But as I'm doing this, as I mentioned, energy seems to be... energy's been in the doldrums for a long time, but it does seem to be

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00:03:26.900 --> 00:03:40.389

Dan Fitzpatrick: working... seems to be working pretty well now, and I think, but I don't know, the chart... the market's gonna tell me, I think we're gonna start seeing, more strength in these energy stocks. Again.

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00:03:40.430 --> 00:03:47.409

Dan Fitzpatrick: The market's gonna tell me whether it's actually going to do that or not. I don't... I think it's...

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00:03:49.230 --> 00:03:50.820

Dan Fitzpatrick: I don't know, I...

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00:03:50.950 --> 00:04:07.359

Dan Fitzpatrick: A lot of times, I see some people on TV talking about certain things that are happening and are going to happen, and then I look at the charts, or I look at the market, and I don't see any of that, and so then that leads me

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00:04:07.400 --> 00:04:15.879

Dan Fitzpatrick: to conclude that this person... it's not like they don't know what they're talking about, not at all. You know, most guys on there are pretty smart.

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00:04:15.940 --> 00:04:20.019

Dan Fitzpatrick: But, it's not that. It's that they are...

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00:04:20.560 --> 00:04:45.420

Dan Fitzpatrick: kind of predicting the future based on things that they see. Well, I see a changing dynamic here, or there's gonna be more, demand for energy, for oil, and then at the same time, we don't have enough supply, so they're still needed to build more, and therefore, I'm looking at the, oil and gas equipment, the services, these kind of stocks.

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00:04:45.420 --> 00:04:51.490

Dan Fitzpatrick: These kind of companies are going to be doing really well because of the increased demand.

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00:04:51.490 --> 00:04:57.580

Dan Fitzpatrick: Because of a lack of supply, and maybe a lack of ways to...

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00:04:57.580 --> 00:05:11.389

Dan Fitzpatrick: to increase supply. I'm not using the right oil and gas terms here, but I don't care. The whole point is, you can kind of extrapolate into the future, look at the current dynamics and say, okay.

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00:05:11.770 --> 00:05:14.730

Dan Fitzpatrick: This is how I think this will play out.

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00:05:15.190 --> 00:05:17.030

Dan Fitzpatrick: That's fine.

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00:05:17.230 --> 00:05:27.480

Dan Fitzpatrick: But then the market has to agree with you. Because if the market doesn't agree with you, now you're just being stubborn. And being stubborn

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00:05:27.660 --> 00:05:37.149

Dan Fitzpatrick: is generally not particularly profitable. So I want you to be keeping that, keeping that in mind. But also, just this one more thing.

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00:05:37.520 --> 00:05:56.500

Dan Fitzpatrick: When the opportunity is obvious, and I don't mean when it's, when you say, oh, this is a can't-lose thing. No. I mean, when, like, a while back, we were looking at the quantum computing stocks, we also saw the Bitcoin miners, they all started working really well.

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00:05:56.500 --> 00:06:03.419

Dan Fitzpatrick: at the same time. And so, when that happens, and then each day confirms the move.

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00:06:03.440 --> 00:06:14.739

Dan Fitzpatrick: That's when you look at it and say, wow, these things are just getting going, and I'm seeing it, I'm not predicting it, these things are really getting going. So, I'm right.

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00:06:15.050 --> 00:06:22.349

Dan Fitzpatrick: about this trade. Like, I'm right about it. And when you are right, you want to get paid off.

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00:06:22.770 --> 00:06:32.450

Dan Fitzpatrick: You wanna get paid off, because a lot of times you're gonna be wrong. And so, when you're wrong, you don't wanna... you don't wanna pay a big penalty for that.

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00:06:32.460 --> 00:06:44.740

Dan Fitzpatrick: You, you wanna see... okay, okay, crap, you know, this is trading, it's not winning, so sometimes I'm gonna be wrong. So I take a little bit of a penalty. It's kind of like playing poker, and then...

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00:06:44.740 --> 00:07:00.429

Dan Fitzpatrick: The dealer, you know, gives you your hand, you look up and you got rags. You got nothing, and you've already got an ante in the, in the pot, and so you just fold your hand and say, I know I'm not gonna win on this, a 5 and a 2.

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00:07:00.430 --> 00:07:11.779

Dan Fitzpatrick: Or something. So, on the other hand, when you've got really, a really, really good trade going, again, it's the whole sector thing going, when you've got that.

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00:07:12.070 --> 00:07:20.519

Dan Fitzpatrick: that's something that you can sink your teeth into and say, alright, if I can really get paid off on this trade that's working so well.

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00:07:20.910 --> 00:07:36.340

Dan Fitzpatrick: That will more than make up for all the little losses that I've taken. So, that's what I mean by trade more aggressively. When the opportunity is obvious, and the obviousness of the opportunity

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00:07:36.930 --> 00:07:55.140

Dan Fitzpatrick: derives from you actually being in the trade and making money. That's an obvious opportunity, not the one where you look and you say, oh my gosh, it hasn't happened yet, but this is a can't miss. There's no such thing. There's plenty of missing going on. And so...

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00:07:55.770 --> 00:08:04.829

Dan Fitzpatrick: If you are struggling, and this was kind of the key part of what I was saying yesterday, if you are struggling with your trading.

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00:08:06.050 --> 00:08:14.940

Dan Fitzpatrick: don't skip the most obvious part of the struggle. A lot of people go right into

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00:08:15.680 --> 00:08:34.039

Dan Fitzpatrick: I can't trade, I'm crappy, I'm stupid, I'm really emotional, I keep doing the same thing again and again, and they sit there, and they look in the mirror, and they're really, really mad at the person that's looking back at them, and they start just, like, flogging themselves emotionally. Now.

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00:08:34.730 --> 00:08:38.310

Dan Fitzpatrick: That may be the appropriate thing. However.

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00:08:38.309 --> 00:08:48.400

Dan Fitzpatrick: What you first want to do, before you even get to that, what you first want to do is say, alright, well, let me... let me check my strategy, because maybe

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00:08:48.400 --> 00:09:03.699

Dan Fitzpatrick: Maybe the strategy that I'm... I'm using, maybe there's some holes in it. Maybe there's something that I'm missing that's not a part of my strategy, or even perhaps... maybe I've deviated from my strategy. Okay, well, so let me figure that out.

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00:09:03.710 --> 00:09:23.330

Dan Fitzpatrick: What's been my deviation? Or, hey, maybe the strat... maybe I have a really good sound strategy, but the market just isn't really rewarding me for that. I mentioned this morning in my, in a note, in my note that, I remember

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00:09:23.860 --> 00:09:32.429

Dan Fitzpatrick: ages ago, like, decades ago, when Willie Nelson had that hit on the road again. And, you know, all the young folks,

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00:09:32.950 --> 00:09:47.799

Dan Fitzpatrick: he didn't really know who Willie Nelson was. Like, you know, he wrote some hits way back in the day. I think Patsy Kline had a couple. He was a really kind of well-known guy in the country, genre.

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00:09:48.000 --> 00:09:50.140

Dan Fitzpatrick: But then, for a long time.

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00:09:50.420 --> 00:10:06.440

Dan Fitzpatrick: he kind of, you know, all the young folks grew up, and they didn't know who Willie Nelson was. They were more into Ricky Nelson. But then he writes this song on the road again, and suddenly the radio picked it up. That's when radio actually meant something.

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00:10:06.440 --> 00:10:22.600

Dan Fitzpatrick: And the next thing you know, he's got this big hit, and everybody loves Willie, and this and that. And so he was asked in an interview, by somebody, so, what did you do different? Because you've been kind of obscure for a long time. What did you do different that got you this hit?

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00:10:22.600 --> 00:10:26.960

Dan Fitzpatrick: And he said, just perfectly candidly, he goes, I didn't do anything different.

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00:10:26.960 --> 00:10:34.929

Dan Fitzpatrick: the musical taste just kind of came around to where I've always been. Okay, well, that's something that you can also...

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00:10:35.140 --> 00:10:37.239

Dan Fitzpatrick: Deal with in trading.

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00:10:37.240 --> 00:11:00.259

Dan Fitzpatrick: you've got the same strategy, and you're gonna stick with it, come hell or high water. You're always, hey man, I got a strategy that works, I'm gonna be really consistent with this, I'm gonna do real well. Okay, and in theory, that works well, and in certain markets, certainly it will. Otherwise, you wouldn't be so confident in your strategy. But what happens when the market changes?

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00:11:00.300 --> 00:11:11.860

Dan Fitzpatrick: When the market changes, it goes from a really strong market and everything's working to a very weak market, or a weakening market, just not as strong as it was.

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00:11:12.590 --> 00:11:24.880

Dan Fitzpatrick: But the high flyers aren't flying so high, the dumpster stocks are still in the dumpster, and nothing's really happening. Meanwhile, you continue to trade as if you're trading in a really strong

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00:11:24.880 --> 00:11:33.440

Dan Fitzpatrick: As if you're trading in a really strong market. Well, if you have an infinite supply of money, you can keep doing that, because sooner or later.

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00:11:33.440 --> 00:11:43.890

Dan Fitzpatrick: market's gonna come back around and reward your strategy that works so well in a strong market. Sadly, and unjustifiably, it's unfair

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00:11:44.020 --> 00:11:52.780

Dan Fitzpatrick: None of us have an infinite amount of money, if only. And so what happens is, if we just stick to our guns.

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00:11:53.050 --> 00:12:03.789

Dan Fitzpatrick: in any market, you're gonna run out of money at some point, and you're gonna quit the game. So, it's just really important first, before you get down on yourself.

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00:12:03.790 --> 00:12:15.409

Dan Fitzpatrick: for emotions, for being an emotional trader, make sure that that actually is your issue, because it might not be. And so, if all you do is focus on your emotions.

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00:12:15.470 --> 00:12:20.899

Dan Fitzpatrick: You're kind of missing the main... you're missing the main issue that you have.

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00:12:21.020 --> 00:12:35.669

Dan Fitzpatrick: It's like if your car's not running real well, all you're concerned about is the paint job, and you got a bunch of dings in the door, and stuff like that, where the real issue is under the hood. So you always want to be looking under the hood first.

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00:12:37.490 --> 00:12:38.970

Dan Fitzpatrick: If you can do that.

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00:12:39.490 --> 00:12:50.520

Dan Fitzpatrick: you're gonna wind up doing better and more consistently. So, this is what we want to start with, and I'm just gonna give you kind of the bare bones of what I call my smart

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00:12:50.520 --> 00:13:10.420

Dan Fitzpatrick: trading process. The first thing is strategy. Your plan has to be complete, and it has to be visible. And this really starts with, like, your stock selection, how you select stocks, what the setup is, and then, like, what the trigger is. Like, right now, for example, we have a bunch of setups

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00:13:10.420 --> 00:13:24.299

Dan Fitzpatrick: that I'm looking at on my launching pad list, but I haven't seen any triggers today. Yesterday, there were a crapload of them, which is why I put, like, 5 or 6 stocks on the list. If I see...

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00:13:24.300 --> 00:13:30.719

Dan Fitzpatrick: If I like the stock, sector, you know, stuff like that, like I did with energy.

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00:13:30.720 --> 00:13:49.010

Dan Fitzpatrick: If I... if I like the stock, then I'm looking for the right setup, and that's just like, watch me. Watch me. Watch me. Maybe this'll be a good trade, not there yet. And then finally, there's a trigger that... that literally triggers my attention, and then I will likely

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00:13:49.310 --> 00:14:05.930

Dan Fitzpatrick: suggest the trade, but sometimes I won't, because just like, well, the trigger pulled, but it was a misfire. But you want to have this as a part of your strategy, and then... and you need to write down your strategy, and this should not be hard. If it's a really long paragraph, it's too much.

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00:14:05.930 --> 00:14:14.140

Dan Fitzpatrick: It should be bullet points. And then I want you to review those daily, and even before each trade, and you can say.

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00:14:14.380 --> 00:14:21.049

Dan Fitzpatrick: Because this is what I thought when I first started thinking about this, like, crap, you know, that's a lot...

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00:14:21.050 --> 00:14:40.360

Dan Fitzpatrick: That's a lot of time. I'm not gonna be doing that, not before every trade. I got enough stuff to do, and I don't want to sit here at my computer all day, every day, studying, something that I wrote on the back of a cocktail napkin. It seems kind of stupid. But what I realized is

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00:14:40.360 --> 00:14:42.540

Dan Fitzpatrick: If you've got a strategy.

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00:14:43.310 --> 00:15:00.049

Dan Fitzpatrick: you should not take that much time to review it. It shouldn't take that much time. If you've got a strategy, you review it every day, and maybe the first few times, maybe the first week, hell, I don't know, maybe the first month, it does take you a while to kind of...

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00:15:00.680 --> 00:15:07.539

Dan Fitzpatrick: think through it, and make sure you've got it all handled. But after a while, it's just gonna be...

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00:15:07.620 --> 00:15:10.620

Dan Fitzpatrick: It's, it's, it's just gonna be trading.

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00:15:10.630 --> 00:15:21.009

Dan Fitzpatrick: It's not anything... it's like, how many shares am I gonna buy? How many contracts am I gonna buy? How much crypto am I gonna buy? Okay, well, that's something you have to decide.

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00:15:21.010 --> 00:15:35.080

Dan Fitzpatrick: You have to make that decision, so this is really no different. You just have to go through your strategy, make sure that it works, for you, and it works in this particular trade. If you can do all that.

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00:15:35.380 --> 00:15:50.829

Dan Fitzpatrick: you're gonna be... you're gonna be fine. You're gonna, frankly, you're gonna be ahead of the game, ahead of, ahead of most people. So, is this... is this resonating, with you guys? Are you... are you... you kind of understanding what I'm talking about?

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00:15:51.160 --> 00:16:10.960

Dan Fitzpatrick: Because it is, it's really important. And then I touched on this a little bit earlier, but I'll get into a little more detail, with the market. This is also something that a lot of people can tend to, miss, and that is, again, your strategy needs to match the current environment. Breakouts.

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00:16:11.370 --> 00:16:21.870

Dan Fitzpatrick: work really, really well in strong markets, or in strong sectors. That's where you want to be. You want to... you want to really be focusing

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00:16:21.870 --> 00:16:35.420

Dan Fitzpatrick: on getting those stocks with obvious institutional buying. Institutions don't day trade. They build positions over time. So, when there's a solid breakout, and...

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00:16:35.460 --> 00:16:49.050

Dan Fitzpatrick: I go into what that is in another, you know, in other venues, but when there's a solid breakout, that's when you want to be in, because the air is rare. There's not enough... you can get an easy lift.

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00:16:49.050 --> 00:17:06.280

Dan Fitzpatrick: in a strong market, but when the market is not so strong, you're gonna find that your breakouts are gonna fade a little bit, maybe they're not gonna work that well, maybe they're not gonna work at all because they're selling. It's really, really heavy air. And so, you gotta be understanding of what the market environment

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00:17:06.280 --> 00:17:10.520

Dan Fitzpatrick: is. And then again, in a strong market.

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00:17:10.520 --> 00:17:19.609

Dan Fitzpatrick: Are you in the strongest stocks? You know, I hear this, diversification is the only free lunch on Wall Street.

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00:17:21.310 --> 00:17:29.499

Dan Fitzpatrick: it sounds so wise. I... the first time I heard that, hell, the first 10 times I heard that, I'm thinking, like, you know.

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00:17:29.720 --> 00:17:37.609

Dan Fitzpatrick: That's really true. Diversification. Diversification. Okay, well, the S&P 500 has plenty of diversity in it.

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00:17:37.610 --> 00:17:51.790

Dan Fitzpatrick: Dow Jones, not as much. NASDAQ Composite, a hell of a lot more than the S&P 500. The NASDAQ 100, well, 20% of the S&P 500. But if you look at the

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00:17:51.790 --> 00:17:53.430

Dan Fitzpatrick: those indexes

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00:17:53.490 --> 00:18:05.750

Dan Fitzpatrick: Okay, some stocks are gonna be stellar. Like, a while, several months ago, I think for the first part of this year, and even beyond, we had 7 stocks that were pulling the market up.

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00:18:06.480 --> 00:18:11.510

Dan Fitzpatrick: And that would mean, like, 493.

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00:18:11.640 --> 00:18:23.220

Dan Fitzpatrick: were lagging. So your diversification is definitely a free lunch. I've never had a really, really great free lunch. Yeah, it filled my belly.

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00:18:23.220 --> 00:18:33.980

Dan Fitzpatrick: But maybe sometimes you're either gonna barf. Salmonella has that way with most digestive systems. So, the issue is diversification

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00:18:34.560 --> 00:18:50.500

Dan Fitzpatrick: is not a free lunch. It produces mediocre results. I tell people when somebody asks, like, how do I outperform the S&P? I'll say, well, buy the S&P 500 and sell way-out-of-the-money calls every month.

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00:18:50.610 --> 00:18:58.640

Dan Fitzpatrick: Voila! You're outperforming the S&P. You're a superstar. Okay, I would rather be buying the strongest stocks.

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00:18:59.010 --> 00:19:12.990

Dan Fitzpatrick: in a strong market. Then you're making a lot more money. It's like everybody's making money because they're... I don't know what the S&P's up this year, but it's doing great. Okay, fine. Most years, somebody with an investment account's gonna be really happy.

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00:19:13.000 --> 00:19:27.359

Dan Fitzpatrick: with, a 15% return on their money, on their investments, with really not that much volatility. That's great, but I would rather have been in Palantir.

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00:19:27.530 --> 00:19:46.719

Dan Fitzpatrick: for, like, most of my accounts, something like that. I'm not saying that's a way to trade, but I'm... I'm giving you an extreme example so that it's obvious to me. Are you being aggressive enough? Again, this is just part of your process. You want to have the right tools

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00:19:46.720 --> 00:20:06.210

Dan Fitzpatrick: for the right conditions, and that means kind of having a big toolbox. You don't just have your one deal on a little tool belt. You want a toolbox so that when conditions change, you can change. And also, as a part of your process, you need to have an attainable reward.

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00:20:07.210 --> 00:20:15.629

Dan Fitzpatrick: Excuse me Still struggling a little bit. You need to have an attainable reward.

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00:20:15.690 --> 00:20:21.059

Dan Fitzpatrick: If you don't have an attainable reward, and this has to be just logical, like, higher.

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00:20:21.060 --> 00:20:45.960

Dan Fitzpatrick: is not an attainable reward. You need to be able to look at it on the chart, you need to be really good at reading charts, because they're the psychology of the crowd. They kind of tell you, what's likely to happen just based on support and resistance, based on the rules that you know, your experience, stuff like that. So you have to be able to look at a chart, and you'll see me, like, drawing these in vision, I call them

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00:20:45.960 --> 00:20:51.009

Dan Fitzpatrick: envisioning lines, where I'm saying, okay, this is what I think the stock's gonna do.

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00:20:51.010 --> 00:20:58.540

Dan Fitzpatrick: And that gets me to a logical reward. And I don't like to engage in magical thinking.

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00:20:58.580 --> 00:21:15.529

Dan Fitzpatrick: I, you know, I don't... that's not what I... that's not what I do. I used to do that, and it cost me a lot of money. So, I just want to know that the trade that I'm making does have a realistic chance, and will probably get there, maybe not.

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00:21:16.460 --> 00:21:33.159

Dan Fitzpatrick: but has a realistic chance of making this a trade that's worth taking, that will give me a profit. The reward, again, has to justify the risk that you're taking, because the lowest... the lowest risk that you have...

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00:21:33.260 --> 00:21:46.899

Dan Fitzpatrick: is cash in your account. So anytime you put money into the market, you're incurring some kind of risk. And so you have to define what your risk is, you have to have this worst-case scenario set.

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00:21:46.900 --> 00:21:59.840

Dan Fitzpatrick: Where, if my trade fails, what's the maximum failure that I'm willing to accept? And I'll... a lot of times, I'll set my stop a little bit looser...

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00:21:59.960 --> 00:22:14.949

Dan Fitzpatrick: just to begin with, just because I don't wanna... I'll just tell you, I'll peel back the curtain. I don't wanna keep super tight stops on things, because, there's... a lot of times, there's a chance that a real tight stop is gonna be hit.

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00:22:15.340 --> 00:22:29.530

Dan Fitzpatrick: And then the stock moves like you would expect it to. So, I'll set a looser stop to begin with, but then my suggestion is don't pile into something with a 8% or a 10% stop.

120

00:22:29.530 --> 00:22:51.439

Dan Fitzpatrick: take a little bit of stock, and then as it's working, you can then start building that position. So, that's just one thought. But you have to have... your loss has to be financially acceptable. Okay, if I lose here, I don't lose more than 1% of my account. Maybe less.

121

00:22:51.440 --> 00:22:52.140

Dan Fitzpatrick: But...

122

00:22:52.460 --> 00:23:05.610

Dan Fitzpatrick: It's okay, not a big deal. So that's financially, but then it also has to be emotionally acceptable, and that's kind of a different deal. You need to really be... be thinking about that as far as

123

00:23:06.150 --> 00:23:22.150

Dan Fitzpatrick: If I... if I take this loss, and, like, maybe you've... maybe you've set your stop at 2%, like, really, really tight, really tight. And so, if you get stopped out on that, it's not a big deal. However.

124

00:23:22.730 --> 00:23:38.230

Dan Fitzpatrick: If you have been stopped out on the last 8 trades with really, really tight stops, okay, the 9th one, still financially it's okay, but are you gonna be kicking yourself, going, like, what the heck am I doing here?

125

00:23:38.500 --> 00:23:53.669

Dan Fitzpatrick: If that's the case, if you think that that could be the case, then for crying out loud, you gotta just, say, well, maybe... maybe I need to pass on this trade. Maybe I need to regroup a little bit. All of that is a part of managing your risk.

126

00:23:53.670 --> 00:23:59.050

Dan Fitzpatrick: But the idea is this. You don't want to get into a trade and then say, okay, well.

127

00:23:59.320 --> 00:24:15.940

Dan Fitzpatrick: what needs to happen before I get out of the trade. No, you want to be defining what wrong is, because you're going to be wrong a lot. Great traders can have a batting average of less than 50%. I mean, if your process is really good.

128

00:24:16.100 --> 00:24:30.599

Dan Fitzpatrick: you can lose on 2 out of 3 stocks, and still do really, really well. Why? Because your winners, you're really compounding those, and you're really tuning it on that, and you're taking a bunch of small losses. This all...

129

00:24:30.600 --> 00:24:49.780

Dan Fitzpatrick: has to do with risk management, guys. It's a... it's a very, very important aspect. It's probably the most important aspect of trading. Because if you're not managing your risk well, you're not going to be in the market for very long. But if you are managing your risk well.

130

00:24:50.670 --> 00:25:07.229

Dan Fitzpatrick: you're gonna have staying power, you're gonna be able to learn a lot, you're gonna be able to get a lot of experience without taking, much downside, without paying much tuition. Are you understanding this? Because a lot of times, people don't think about risk.

131

00:25:07.300 --> 00:25:12.269

Dan Fitzpatrick: They just think about making money. They just think about the reward. But...

132

00:25:12.810 --> 00:25:17.620

Dan Fitzpatrick: you're missing the most important aspect of the game. And so.

133

00:25:18.080 --> 00:25:27.509

Dan Fitzpatrick: The last one is track your trades. Now, as you guys know, I talk about, Trade Track, I talk about that

134

00:25:27.510 --> 00:25:33.580

Dan Fitzpatrick: A lot, and the reason is because I think it's really, really important, and

135

00:25:33.580 --> 00:25:51.769

Dan Fitzpatrick: Like, I remember one time, Dean Graziosi, I met Dean, he's like the real estate guy, not anymore, he, for various reasons, he had to get out of that. I think it was federal law or something, but, he was a guy, his, he'd have these infomercials on all the time. In fact.

136

00:25:51.770 --> 00:26:07.310

Dan Fitzpatrick: He actually is in the Guinness Book of World Records for having the longest-running infomercial on the planet. Like, it was always... it was always playing somewhere, in some country, some region.

137

00:26:07.310 --> 00:26:21.649

Dan Fitzpatrick: of the planet Earth for, I don't know how many days, months, years, or whatever it was. And I met him over in Austin one time, and we were talking, and I said, like, dude, I gotta be honest with you, man. I look at your infomercials.

138

00:26:22.040 --> 00:26:27.520

Dan Fitzpatrick: And you are just pounding the table. Like, you're shaming people.

139

00:26:28.040 --> 00:26:34.900

Dan Fitzpatrick: into buying your program. Do you... do you think maybe it's a little much?

140

00:26:34.900 --> 00:26:57.600

Dan Fitzpatrick: And I wasn't being insulting, we were just having a conversation. And he goes, no, actually, I do that like I intend to do that, and yeah, I make a crap load of money selling these programs. However, I also make investments with people that, that buy my program, because it real... I've made a lot of people millionaires.

141

00:26:57.600 --> 00:26:59.259

Dan Fitzpatrick: By the way, so have I.

142

00:26:59.260 --> 00:27:03.060

Dan Fitzpatrick: In, in my years here, I hear from you guys. But...

143

00:27:03.130 --> 00:27:10.639

Dan Fitzpatrick: His point was, I feel like I'm doing people a disservice if I'm not pushing my...

144

00:27:11.020 --> 00:27:18.759

Dan Fitzpatrick: Real estate process, because they're missing out on a great way to improve their, to improve their life.

145

00:27:18.760 --> 00:27:31.900

Dan Fitzpatrick: to improve their financial situation. And that really struck, stuck with me, which is why it's been 10 years, I think, since I've talked to Dean, and I still remember that. So, the point is.

146

00:27:32.150 --> 00:27:36.360

Dan Fitzpatrick: If you're not tracking your trades, there's no way you can be

147

00:27:36.360 --> 00:27:54.930

Dan Fitzpatrick: feeling good about the progress you're making, because you kind of don't know what progress you're making. The market's good, you're making money. Hey, I'm making progress. Market's not so good, you start losing money, and you go, oh, well, maybe I'm not making progress. But if you're tracking your trades, however you're doing it.

148

00:27:54.930 --> 00:28:04.799

Dan Fitzpatrick: You could do it on a cocktail napkin, if you want. You could create a big fancy spreadsheet, if you want. All of those are fine ways to do it.

149

00:28:04.800 --> 00:28:10.879

Dan Fitzpatrick: But do something. Do something to be keeping track of your trades. And...

150

00:28:11.440 --> 00:28:14.490

Dan Fitzpatrick: I've got a... I've got a slide on this, and...

151

00:28:15.110 --> 00:28:19.789

Dan Fitzpatrick: In a little bit, but I'll, I'll kind of jumpstart it a little bit now.

152

00:28:19.790 --> 00:28:36.479

Dan Fitzpatrick: If you can get in the habit of tracking your trades, there's really no way that you will not improve. It's like you won't be able to help it, because you'll be more situationally aware of what you're doing, and I've got kind of a little rule

153

00:28:36.480 --> 00:28:45.060

Dan Fitzpatrick: for how to do that, but you really want to be able to learn what works. What are you doing that works? Hey, well, I'll do more of that.

154

00:28:45.350 --> 00:29:03.939

Dan Fitzpatrick: What are you doing that doesn't work? Hey, I'll do less of that. Like, that, Dwight, the character in, in the office, somebody asked him, like, how do you... how do you keep from doing dumb stuff, or something like that? And he said, well.

155

00:29:04.030 --> 00:29:05.919

Dan Fitzpatrick: I always think to myself.

156

00:29:06.460 --> 00:29:25.470

Dan Fitzpatrick: What would a stupid person do in this situation? And then I do not do that thing. Okay, well, that can actually apply to trading, too. You don't want to do something that a stupid person would do, because that's not the right thing, though there is one

157

00:29:25.870 --> 00:29:43.800

Dan Fitzpatrick: there is one exception to that rule, which I'll share with you in a little bit. But you want to be measuring so that you can adjust, and then that will improve, your trading. And then, finally, with respect, and this does kind of have to do with risk.

158

00:29:43.830 --> 00:29:53.400

Dan Fitzpatrick: I think it's good to be taking partial profits along the way. Like, let's say... let's say you've got a stop that's,

159

00:29:53.540 --> 00:30:08.669

Dan Fitzpatrick: you've got a stop that's set at a particular level, and then your trade's working. And then you can do, and this is an easy calculation to do, but you can look at your trade and say, okay, if I keep my stop the same.

160

00:30:09.820 --> 00:30:15.939

Dan Fitzpatrick: and I sell half of my position, or I sell 18% of my position, you do the math.

161

00:30:15.980 --> 00:30:31.099

Dan Fitzpatrick: If I sell a certain amount of my position and take profits, then if the stock falls back and hits my stop, I haven't lost any money. I haven't made any money, but I have a break even, and so I've basically...

162

00:30:31.180 --> 00:30:32.530

Dan Fitzpatrick: taken out.

163

00:30:32.650 --> 00:30:46.360

Dan Fitzpatrick: the deductible in my insurance policy. I've taken all the risk out of my trading. Now, you do have the risk of not making a profit, so you can't just look at that as a process, but it's one way

164

00:30:46.510 --> 00:31:03.480

Dan Fitzpatrick: to manage your risk. I think it's really an important way, so I want you to be thinking about that, alright? Now, also, about Dwight, like, I think, what would a stupid person do, and then I do not do that thing. There is such a thing as a mental health buy, and I...

165

00:31:03.480 --> 00:31:07.620

Dan Fitzpatrick: heard Dave Ryan, who's an amazing trader, talk about this.

166

00:31:08.390 --> 00:31:14.989

Dan Fitzpatrick: Probably about 10 years ago. And he says, like, there are certain stocks that maybe he's missed his trade.

167

00:31:15.770 --> 00:31:26.800

Dan Fitzpatrick: And he's watching it, and it keeps going higher, and he starts kicking himself about, like, crap, you know, I didn't buy that stock, I missed it, or I wanted to, but I decided not to. What's going on?

168

00:31:26.800 --> 00:31:36.889

Dan Fitzpatrick: And so he said he'll do what he calls a mental health buy, where, okay, he's in the stock, he's got just, like, a little tiny, tiny position.

169

00:31:37.360 --> 00:31:41.770

Dan Fitzpatrick: But at least he feels better, because he's in the position. And then.

170

00:31:42.010 --> 00:31:49.380

Dan Fitzpatrick: most times, like, more likely than not, most times that trade isn't gonna work. Alright, but he's...

171

00:31:49.710 --> 00:31:53.949

Dan Fitzpatrick: you know, he's dealt with his FOMO, and...

172

00:31:54.570 --> 00:32:00.629

Dan Fitzpatrick: it hasn't really cost him much money. And also, then, it's reinforced this idea that, you know what?

173

00:32:00.720 --> 00:32:02.419

Dan Fitzpatrick: Maybe it's probably...

174

00:32:02.500 --> 00:32:18.310

Dan Fitzpatrick: probably not a good idea to just go chasing things. And, well, I will show you this chart, because I actually talked about this on Google. I feel like I kind of missed it all the way up, and then finally, on this day.

175

00:32:18.310 --> 00:32:28.689

Dan Fitzpatrick: Which, yeah, \$11.25. Yeah, on this day, when the stock was up, I was telling people, I'm going like, you know what, guys?

176

00:32:28.880 --> 00:32:37.080

Dan Fitzpatrick: Let's do a mental health buy, just because I'm really feeling crappy about not being in this stock at all.

177

00:32:37.410 --> 00:32:44.500

Dan Fitzpatrick: So we take a very small position. And it turns out...

178

00:32:46.720 --> 00:32:48.919

Dan Fitzpatrick: It turns out that that's the top.

179

00:32:49.070 --> 00:33:00.739

Dan Fitzpatrick: So, actually, that was a good trade. We're still in it, by the way, and I think it's gonna make money, it's just a crappy entry, but that was actually a good trade, because my actual strategy was, okay.

180

00:33:01.920 --> 00:33:02.930

Dan Fitzpatrick: I don't...

181

00:33:03.930 --> 00:33:23.339

Dan Fitzpatrick: I think I'm doing something that a really dumb person would do, but you know what? I feel compelled to do it. So what am I gonna do? I'm gonna go in for just a little dumb. Just a... just a smattering of stupidity on this trade. And so, I put this trade on, and sure enough, like, right away.

182

00:33:23.340 --> 00:33:38.590

Dan Fitzpatrick: It's a losing trade. Okay, nice trade, Dan. Well, at one point, it didn't hit my stop here, but at one point, it's down 3, 3.5%. Not a big deal. Okay, well now, it's down 1%. So, I haven't been hurt by it.

183

00:33:38.650 --> 00:33:52.440

Dan Fitzpatrick: But I sure as heck didn't have the best entry. In fact, by the way, just yesterday, just so you guys know, I did mention this would be a good time to be starting a position in Google if you haven't already, because it's still working.

184

00:33:52.550 --> 00:34:03.330

Dan Fitzpatrick: It's still working, it's just been resting, as stocks will do, as the strongest stocks will do. This has been resting, kind of like it did

185

00:34:05.120 --> 00:34:08.960

Dan Fitzpatrick: You know, back here. It was resting. Back here.

186

00:34:10.790 --> 00:34:22.390

Dan Fitzpatrick: This was resting. These are called Darvis boxes. That's for another venue as well. But, so these stocks go through these periods of time when they're resting, and so what did I do?

187

00:34:22.719 --> 00:34:30.010

Dan Fitzpatrick: Bought right at the beginning of the rest period, but I did it with intention, and also with the knowledge that, you know what?

188

00:34:31.100 --> 00:34:42.609

STOCK MARKET MENTOR

Dan Fitzpatrick: Maybe this is gonna be one of those Dwight trades, only I do the dumb thing, but I'm not gonna be spending much money doing it. But it made me feel better at the time.

189

00:34:43.190 --> 00:34:45.329

Dan Fitzpatrick: And now I feel better, too?

190

00:34:45.409 --> 00:35:04.740

Dan Fitzpatrick: Because I learned a little bit, and it hasn't really cost me any money, and hopefully you have too. So, anyway, so you just literally... and I'm not recommending this, like, hey, that's a strategy, just do stupid crap all the time, and ultimately you're gonna make money. It's just like, when you have one of those instances.

191

00:35:05.030 --> 00:35:06.830

Dan Fitzpatrick: Where it's just killing you.

192

00:35:07.470 --> 00:35:14.039

Dan Fitzpatrick: Buy a share. Buy 3 shares, whatever. Mentioned the other day about Broadcom, okay, if you...

193

00:35:14.070 --> 00:35:26.470

Dan Fitzpatrick: buy 3 shares, spend a thousand bucks, buy 3 shares. Now you're in the stock, and maybe it works, maybe it doesn't. But, it allows you to kind of get on, get something on your screen.

194

00:35:26.470 --> 00:35:34.519

Dan Fitzpatrick: Without, taking a lot of risk. So, I want you to think about this. Again, this is something I mentioned yesterday.

195

00:35:34.900 --> 00:35:59.319

Dan Fitzpatrick: Stocks are actually worthless. I've heard this throughout the years, never heard anybody say this, except me. But, I've heard a lot of people say this about crypto, that, like, Bitcoin is worthless, it's a Ponzi scheme.

Remember Jamie Dimon was saying, if I hear of any employee, even if they just bought Bitcoin in their personal account, I'm gonna fire them.

196

00:35:59.390 --> 00:36:08.399

Dan Fitzpatrick: There's all kinds of stuff like that, and there's still a lot of people that say that. And that's... that's fine. That's... that's their... everybody has a right to be wrong.

197

00:36:08.400 --> 00:36:23.740

Dan Fitzpatrick: But, the bottom line is, anything has value that people are willing to pay for it. Way, way, way back in the day, there's tulip mania. People were paying all kinds of money, for tulips. Okay, well...

198

00:36:24.200 --> 00:36:37.820

Dan Fitzpatrick: Those tulips had value. They had a lot of value. You could say, well, they were overvalued, but not at that particular moment in time. There's a bid and there's an offer. The prob... the issue with stocks is they have

199

00:36:37.820 --> 00:36:53.740

Dan Fitzpatrick: quarterly earnings. There's surprises, like Netflix is buying, or they've signed a deal, to buy, Warner Brothers, I think it is, and so Netflix, took a big dump because their... part of the deal is

200

00:36:55.130 --> 00:36:57.819

Dan Fitzpatrick: Part of the deal is they're issuing stock.

201

00:36:59.290 --> 00:37:15.110

Dan Fitzpatrick: And so this had a really, really nasty move down, but you can see what's happened. It's still down, 3%, but at one point, you know, it was down, it was down a lot, lot more than that, almost 5%. But this was the type of thing where, right out of the gate.

202

00:37:15.110 --> 00:37:31.149

STOCK MARKET MENTOR

Dan Fitzpatrick: This thing gapped down. People looked at this and said, hey, this thing has value at \$99, \$98, and so they start pushing the stock higher. Alright, well then now, this is back down to \$100. So, has anything changed?

203

00:37:32.070 --> 00:37:40.359

Dan Fitzpatrick: in the deal. Has anything changed in the arrangement between Netflix and Warner Bros?

204

00:37:40.360 --> 00:38:03.760

Dan Fitzpatrick: anything changed. Oh, well, the government, you know, that's gonna be like a stupid monopoly, and then, nobody cares about making big feature films anymore because it's all on Netflix, and you're gonna be watching it on your TV. That eliminates competition, and competition is what, create, you know, is what spurs more creativity and all that. So there's definitely

205

00:38:03.760 --> 00:38:08.589

Dan Fitzpatrick: an argument to be made that this is a negative thing. Okay, who cares?

206

00:38:08.660 --> 00:38:11.100

Dan Fitzpatrick: I don't care. You shouldn't care.

207

00:38:11.760 --> 00:38:28.340

Dan Fitzpatrick: The market prices this at \$98 at the bottom. Okay, well, what, an hour later? An hour and a half later? The market was pricing it at almost \$105. The only thing that has changed is the psychology of the market.

208

00:38:28.640 --> 00:38:48.060

Dan Fitzpatrick: There's no change in intrinsic value for these, for these stocks, and so everything is psychology, and that's why I say stocks are worthless. They're only worth what people pay... what people are willing to pay for them. They're... they're not as... they're not as valuable as dirt.

209

00:38:48.400 --> 00:38:55.539

Dan Fitzpatrick: Because at least with dirt, you can put seeds in there, you can water it, and you'll get a plant.

210

00:38:55.740 --> 00:39:05.109

Dan Fitzpatrick: Unless you're a really bad gardener. You can't do that with stocks. And so what we look for is institutional buying and selling. That...

211

00:39:05.290 --> 00:39:19.869

Dan Fitzpatrick: is what's the most important thing, is what are the institutions doing? Understanding how that works, that's priceless. So, we don't buy the worthless stocks, we trade along with the institutions who just happen to be trading stocks.

212

00:39:19.870 --> 00:39:39.189

Dan Fitzpatrick: That's what it is. That's the game. Also, don't obsess over a celebrity stock. I've talked about this several times about NVIDIA, and people used to be talking about Tesla. To a certain extent, people still do. These stocks that have done so, so, so well in the past that...

213

00:39:39.880 --> 00:39:47.569

Dan Fitzpatrick: even when they stopped doing so well, like, they were a superstar, now they're an also-ran, you...

214

00:39:47.570 --> 00:40:02.080

Dan Fitzpatrick: you can fixate on that, because why? Well, I just want to get that good feeling again. I made so much money on this before. When is it going to do it again? Or, I totally missed the trade, but I'm not going to miss the next one, so they keep following the stock.

215

00:40:02.470 --> 00:40:22.299

Dan Fitzpatrick: As opposed to saying, wait a minute, that was a good pattern. It just so happened to have the ticker NVDA. But that was a really good pattern, or RGTI. That pattern, was the same as NVDA. Let me find that pattern again. So if you're looking at

216

00:40:22.300 --> 00:40:36.549

Dan Fitzpatrick: a pattern, as opposed to a ticker, trust me, you're gonna do better. I can promise you that. I promise you that. Okay, also, stop discipline. This is a noun, not a verb.

217

00:40:36.560 --> 00:40:46.329

Dan Fitzpatrick: Stop discipline. Stops and shakeouts are part of the game. Most... on your good trades, you never need a stop. Your really profitable trades, you know.

218

00:40:46.330 --> 00:40:59.869

Dan Fitzpatrick: Don't need a stop, don't need stops, stops don't work. But then, if there's a losing trade, suddenly you do need a stop. So, you need to have your risk defined on every single trade that you make.

219

00:40:59.910 --> 00:41:11.930

Dan Fitzpatrick: every single one, and be happy when your stops are not threatened, but still have them there, alright? That matters. And so... and also, you get stopped out once or twice.

220

00:41:12.490 --> 00:41:19.719

Dan Fitzpatrick: on the same stock. I just have a rule. It's just my rule. If I get stopped out twice.

221

00:41:20.460 --> 00:41:37.280

Dan Fitzpatrick: I'm probably, you know, maybe I'll go in a third time, but for me to be stopped out twice, tells me that maybe I'm wrong about the trade. Maybe I need to just move on. But if I get stopped out 3 times, I'm done. Like, that happened to me on Oracle.

222

00:41:37.440 --> 00:41:44.919

Dan Fitzpatrick: I'm still talking about it. That happened to me on Oracle probably 15 years ago. I just couldn't make money on that stock.

223

00:41:45.470 --> 00:41:49.609

Dan Fitzpatrick: I still hardly ever look at Oracle.

224

00:41:53.360 --> 00:42:04.700

Dan Fitzpatrick: I hardly ever look at Oracle, and it's not like, oh, it's got bad juju. I just kind of got used to not looking at it, and so, if I was still trading Oracle, I'd have bought it right here.

225

00:42:05.140 --> 00:42:11.360

Dan Fitzpatrick: No question. I bought it at \$344, \$345.72.

226

00:42:11.460 --> 00:42:24.469

Dan Fitzpatrick: And I'd still be riding that thing down here, almost 40% down. Why? Because it's Oracle, and it's got my number, okay? I'm a little, little, pincushion for Larry Ellison.

227

00:42:24.490 --> 00:42:41.650

Dan Fitzpatrick: So, I just don't trade Oracle. Okay, well, there's, like, over 6,000 stocks to trade. I don't think I'm missing anything on Oracle, but that's just something that I set for myself. I look for patterns. And by the way, if I saw a strong pattern on Oracle.

228

00:42:42.120 --> 00:43:01.039

Dan Fitzpatrick: I still wouldn't trade Oracle, but I would trade that pattern that happened to be in ORCL. So, if your stops are failing a lot, or if you're getting shaken out, again, don't just look at yourself and say, I'm looking at stupid. Check your strategy. Make sure that it's working for you.

229

00:43:01.600 --> 00:43:05.649

Dan Fitzpatrick: And then also, Again, I mentioned this.

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00:43:05.790 --> 00:43:08.770

Dan Fitzpatrick: Keep... keep tracking your trades, but...

231

00:43:10.300 --> 00:43:18.920

Dan Fitzpatrick: And this is, it's actually kind of a separate... it's a part of it, but it's kind of separate, too. Keep a daily log. Keep a brief...

232

00:43:19.120 --> 00:43:35.889

Dan Fitzpatrick: log of what you're doing, maybe how you're feeling, how much sleep you got, how many trades you had, anything in a particular trade, but something... it's kind of like a diary. Just keep a diary, and then you're gonna...

233

00:43:36.760 --> 00:43:47.230

Dan Fitzpatrick: you'll have more self-awareness, and if you say, well, you know, that's a pain in the ass, I tried that once, didn't work. Okay, do what I call the rule of 10.

234

00:43:47.620 --> 00:43:54.300

Dan Fitzpatrick: other than holding your breath, anybody can do anything for 10 days. You could even...

235

00:43:54.950 --> 00:44:05.039

Dan Fitzpatrick: fast for 10 days. You'd be good. You'd be thinner, but you could do it. My point is, follow the rule of 10 for 10 trading days in a row.

236

00:44:06.050 --> 00:44:14.229

Dan Fitzpatrick: keep a log. And I've told... I've actually done this, when I would really struggle with, having the discipline

237

00:44:14.470 --> 00:44:32.560

Dan Fitzpatrick: to engage, to adhere to a fitness routine, and I'll be candid with you. If I'm going through a period where I'm kind of depressed, I'm not feeling good about myself, and stuff like that, and it definitely happens, I have a really hard time.

238

00:44:32.560 --> 00:44:52.520

Dan Fitzpatrick: going to the gym and working out, because I kind of, in a way, I feel like a loser. I feel like I'm not worth it. I would rather, I would rather sit down and eat some ice cream. I don't really do that. Or, or see if I could find the bottom of a bottle. I don't do that either, but you get my point.

239

00:44:52.530 --> 00:44:57.799

Dan Fitzpatrick: I just don't feel motivated to go in there and really flip and sweat. And so...

240

00:44:57.820 --> 00:45:07.520

Dan Fitzpatrick: What I've done in the past to get out of that is gone, like, I tip my hat to that and go, you know what, I don't flippin' feel like working out, but you know what?

241

00:45:07.930 --> 00:45:13.860

Dan Fitzpatrick: I'm at least gonna go to 24 Hour Fitness, walk in the door. Just walk in the door.

242

00:45:14.010 --> 00:45:18.550

Dan Fitzpatrick: Maybe say hi to the guy at the front who wants me to flash my QRS code.

243

00:45:18.880 --> 00:45:28.210

Dan Fitzpatrick: Or maybe not. But I'm just gonna go in. And that's enough, because it's more than I did yesterday. And I have done that. But then what happens is...

244

00:45:28.360 --> 00:45:42.749

Dan Fitzpatrick: I'll go, like, okay, that's what I'm gonna do, but I'm gonna put on my workout clothes, too. Last time I had my jeans on, they don't allow that. And so I put my workout clothes on. And then what am I typically gonna do when I'm really trying to get out of the doldrums?

245

00:45:43.030 --> 00:45:44.400

Dan Fitzpatrick: I'll walk

246

00:45:45.330 --> 00:45:58.790

Dan Fitzpatrick: Maybe I'll do 10 push-ups. Maybe I'll go over to the barbells, to the dumbbells, and get some 20s, and just do biceps curls. That's it. One set, maybe three.

247

00:45:58.790 --> 00:46:09.929

Dan Fitzpatrick: Or something like that. And then I go out, if I feel like it, if I'm going like, okay, God, that's enough, I'm such a worthless sack of crap, I don't want to spend any more time on this.

248

00:46:09.940 --> 00:46:16.980

Dan Fitzpatrick: I think I'm gonna stop by Baskin-Robbins on the way home and do what I really feel like doing. But over time.

249

00:46:17.500 --> 00:46:29.210

Dan Fitzpatrick: that habit progresses, and you develop... you get further along. You get further along on, on a good habit. And then, before you know it.

250

00:46:30.200 --> 00:46:46.989

Dan Fitzpatrick: you're back to a consistent fitness program, and you're feeling a lot better about yourself. One thing that I've done recently, I'll maybe give you a little too much information, just because of time constraints and some various other things, I've had a lot of personal

251

00:46:46.990 --> 00:47:04.089

STOCK MARKET MENTOR

Dan Fitzpatrick: a lot of stress away from Stock Market Mentor, just a different, business thing that's been frickin' driving me nuts, keeping me up at night. And so I'm feeling like, you know what? I don't have time... I just don't feel like going into the gym and working out. I certainly don't feel like taking a 3-mile walk.

252

00:47:04.090 --> 00:47:14.609

Dan Fitzpatrick: which is what I used to do, because I don't want to be thinking about all this stuff. And so, I just was kind of having a hard time getting motivated. Then I found Hotworks, and this...

253

00:47:14.610 --> 00:47:24.790

Dan Fitzpatrick: This comes into logging your trades, it comes in to just showing up, which is what I say, like Woody Allen said, 80% of life.

254

00:47:24.790 --> 00:47:38.739

Dan Fitzpatrick: is just showing up. So, hot works. I'm a San Joaquin Valley guy, I've lived over in Las Vegas, I love the heat. Can't be... if there was air on Mars, I would go there. That's fine.

255

00:47:38.890 --> 00:47:42.699

Dan Fitzpatrick: I, I love, I love the heat. I thrive in heat.

256

00:47:42.700 --> 00:48:00.720

Dan Fitzpatrick: And so I heard about this Hotworks deal where you go in and there's various, infrared saunas. One of them has, these bikes, you know, with the handles on them and stuff like that, and the workouts are, like, 15 minutes. It's on, you know, like a little video camera with 3 people.

257

00:48:00.720 --> 00:48:20.829

Dan Fitzpatrick: that are smiling to where you just, like, I don't even want to look at it, because the one thing I hate is to see somebody, as I'm working my ass off, sweating, see somebody else who's on a set, and they're not sweating at all, and they're going like, you can do it! You can do it! I want to throw my bottle at the TV.

258

00:48:20.830 --> 00:48:22.670

Dan Fitzpatrick: Okay, but you know what I do?

259

00:48:22.680 --> 00:48:29.900

Dan Fitzpatrick: I'm going, I'm gonna come in here, I'm gonna do one of these fitness programs, which is really only 12 minutes, not 15.

260

00:48:29.990 --> 00:48:40.750

Dan Fitzpatrick: And that's what I did the first time. But then that first time, I did another and another. I was in there for a little over half an hour. Why? Because it was fun to me.

261

00:48:40.900 --> 00:48:46.069

Dan Fitzpatrick: I was getting a lot out of it, but it started with me saying, you know what?

262

00:48:46.530 --> 00:49:03.010

Dan Fitzpatrick: I can do 12 minutes and I'll get a good workout in, and then I'll kind of feel a little bit like I worked out a lot, just like if you didn't work out at all, but you go by the water fountain and throw a bunch of water on yourself so it looks like you sweated. But it was a little trick.

263

00:49:03.070 --> 00:49:18.369

Dan Fitzpatrick: For me. I just did a little trick, kind of like keeping a daily log for 10 days. It's a little trick you do, and then you get into a habit of keep... of doing it again and again and again. This is all about this stuff that I'm talking about as a habit.

264

00:49:18.460 --> 00:49:21.770

Dan Fitzpatrick: If you have a habit of doing the right thing.

265

00:49:21.900 --> 00:49:34.299

Dan Fitzpatrick: You have a pattern of doing something that's not working. If it was working, then that's a good habit to have. But you've got a pattern of doing something that's not working, whatever that is.

266

00:49:34.400 --> 00:49:46.550

Dan Fitzpatrick: That's your pattern. So, you don't eliminate that pattern, you replace it. You replace that pattern with a good pattern, and over time, because it's self-reinforcing, it works.

267

00:49:46.790 --> 00:49:56.670

Dan Fitzpatrick: then it becomes a habit. And then once it's a habit, it doesn't take any discipline. Doesn't take me any discipline to fasten my seatbelt when I go sit in the car.

268

00:49:57.070 --> 00:50:10.319

Dan Fitzpatrick: I just do it without thinking, and I challenge you to do otherwise. That's not a habit, even. That's just something that you do. So, if you can start with doing this 10 days, or even, like, I'm gonna do it in 10...

269

00:50:10.630 --> 00:50:14.479

Dan Fitzpatrick: Do it for 5 days, but do something, get off your ass.

270

00:50:14.720 --> 00:50:26.759

Dan Fitzpatrick: Just get off your ass and do something. Motion creates emotion. Emotion creates more motion. So just do something. And then with respect to trade track, yeah.

271

00:50:27.450 --> 00:50:44.650

Dan Fitzpatrick: I wrote this software pro- I hired somebody to do it. Wrote this software program. Okay, I have a lot of people using it, and they're getting great results, but others, you'd be resistant. You go, I'm not gonna do that. Okay, so I'll say, track just one trade. Just one trade each day.

272

00:50:44.650 --> 00:50:49.360

Dan Fitzpatrick: Even. Or, say, like, alright, well, I'm... I'm gonna track 1 out of 10.

273

00:50:49.630 --> 00:50:57.640

Dan Fitzpatrick: You know, I hate tracking my trades, but you know what? I'll do one of them. I'll do one a week. Do something.

274

00:50:58.470 --> 00:51:07.639

Dan Fitzpatrick: See if it works. Maybe it will, maybe it won't. But if you get to where this is a consistent thing that you're doing to where it becomes a habit.

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00:51:08.120 --> 00:51:17.500

Dan Fitzpatrick: you will find, that it works, that it works, really, really well. Like,

276

00:51:18.250 --> 00:51:20.860

Dan Fitzpatrick: I'm gonna... I'll take just a second.

277

00:51:21.110 --> 00:51:24.310

Dan Fitzpatrick: To do this on the,

278

00:51:24.470 --> 00:51:35.409

Dan Fitzpatrick: I mean, I'll show you what the benefit of this is. And it's Friday, so I still need to be, inputting, doing a little bit here, but...

279

00:51:35.410 --> 00:51:48.030

Dan Fitzpatrick: This is a... this is my track for... for the, active trade list. I put all my... all my trades, and again, you can see, like, some of them I haven't put on, but then that's why,

280

00:51:48.570 --> 00:51:54.110

Dan Fitzpatrick: hang on just a sec, I'll show you.

281

00:51:55.680 --> 00:52:07.549

Dan Fitzpatrick: Okay, because I don't do this every day, I do every trade, but not every day, but this is why, when I put on a trade, I annotate it, okay?

282

00:52:07.680 --> 00:52:18.100

Dan Fitzpatrick: I'm going like, well, what... what day? When did I put this on? When did I put this trade on? I go here, because I always do this on the same day. Oh, okay, 12-3.

283

00:52:18.370 --> 00:52:31.539

Dan Fitzpatrick: This is when I put this trade on. All of this is 12-3, this was my entry, this is my stop. Definitely, if I'm gonna raise the stop or something like that, that trade's already logged. But I... I don't...

284

00:52:31.880 --> 00:52:50.979

Dan Fitzpatrick: fill-out trade track every day, but I still track my trades just with these annotations, right? And so then I put it... put this stuff on the list, I've got, sizes and stuff. I've got R-values, okay? The... the R-value, like TMDX, not doing so good now, although I think, that...

285

00:52:51.790 --> 00:52:53.890

Dan Fitzpatrick: Yeah, that closed out.

286

00:52:54.690 --> 00:53:02.900

Dan Fitzpatrick: Okay, so it's looking like I've got a really, you know, real stinker here, down, 2.3 on the R-values, but...

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00:53:03.360 --> 00:53:21.590

Dan Fitzpatrick: I haven't, I haven't closed that out yet. But... and so that's kind of a reminder. And then I can look up here, one stop triggered, review it, what's your current risk in your account? So I look here, oh, TMDX was hit. So rather than just close this trade out now.

288

00:53:21.760 --> 00:53:30.209

Dan Fitzpatrick: I'm gonna go back and look and see, okay, where exactly was that stop hit? Because, you know, I didn't close this on TradeTrack.

289

00:53:30.610 --> 00:53:46.090

Dan Fitzpatrick: on that day. But I'm still ultimately doing the same thing, and this also shows me where am I? What's the status of my... what's the status of my, account right now? And if all of my stops are hit.

290

00:53:46.520 --> 00:54:00.680

Dan Fitzpatrick: I'm losing almost \$100,000, and I'm losing 4.75% of my current equity, which is actually less than that. I haven't adjusted this either. So I'm actually a little bit behind.

291

00:54:00.680 --> 00:54:14.129

Dan Fitzpatrick: on this. So, anyway, but this stuff, guys, I'm telling you, it works for you, it will work for you, you won't be able to help it working for you, and you can also actually, like,

292

00:54:19.250 --> 00:54:35.510

Dan Fitzpatrick: you can use this, this is just on comm, you can use this and say, okay, well, this is when I bought, this is where my stop is, maybe I need to raise the stop a little bit, or not. But, you know, you can do... you can do this kind of thing on this again.

293

00:54:35.810 --> 00:54:45.270

Dan Fitzpatrick: Use TradeTrack, use Excel, use whatever you want, but do something to track your trades. Just do one. Do one a week. One a day.

294

00:54:45.970 --> 00:54:51.280

Dan Fitzpatrick: But at least do one. And so, the point is, Show up.

295

00:54:51.390 --> 00:55:07.310

Dan Fitzpatrick: just show up. Do something consistently. Just show up. Like I said, I mentioned this earlier, Woody Allen said 80% of life is just showing up. But if you can always be present, always be trading consciously, do things

296

00:55:07.310 --> 00:55:18.680

Dan Fitzpatrick: in a consistent way, because you're thinking about it, ultimately, you're gonna get to where you're trading perfectly. Now, perfectly does not mean 100%.

297

00:55:18.690 --> 00:55:20.150

Dan Fitzpatrick: winning.

298

00:55:20.510 --> 00:55:34.219

Dan Fitzpatrick: Perfectly means every trade is done the right way. You're never quite gonna get there, but ultimately, you'll get really, really close. So don't strive to be perfect.

299

00:55:34.580 --> 00:55:35.929

Dan Fitzpatrick: Just show up.

300

00:55:36.040 --> 00:55:52.120

Dan Fitzpatrick: and be focusing on the things that I've just talked about. So, is this making sense to you guys? And one thing, I just put this on at the end, just because I could. If you want, if this is interesting to you, as far as tracking your trades.

301

00:55:53.030 --> 00:55:55.480

Dan Fitzpatrick: You can either go to,

302

00:55:55.690 --> 00:55:58.300

Dan Fitzpatrick: you know, you can go to Trade Track.

303

00:56:00.350 --> 00:56:14.959

Dan Fitzpatrick: It's right there, app.tradetrack.com, or I think it's ultimately... yeah, you can go to app.tradetrack.com, or just pop the QRS code, either way. But it's something that you should try. You should definitely try it, but I'll say it again.

304

00:56:14.960 --> 00:56:27.370

Dan Fitzpatrick: There's a million ways to track your trades. I just created one that I thought is the easiest way, for me to do it, but it's not the only way. So you figure out what works for you.

305

00:56:27.370 --> 00:56:34.189

Dan Fitzpatrick: But if you can really, really, truly, get through this, get used to,

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00:56:34.190 --> 00:56:53.249

Dan Fitzpatrick: Get used to doing, like, a smart type of trading strategy. You've got your strategy, you've got the market handled, you've got what your rewards should be, you've got your risk defined, and you're tracking your trades. If you can be doing that, guys.

307

00:56:53.690 --> 00:57:05.740

Dan Fitzpatrick: Think about it. Is there any way possible that you cannot improve? There's no possible way that you can avoid improving if you're doing this kind of stuff. And...

308

00:57:06.210 --> 00:57:12.229

Dan Fitzpatrick: for the most part, like, other than if you've got a subscription to TradeTrack,

309

00:57:12.520 --> 00:57:23.280

Dan Fitzpatrick: All of this stuff's free. You can do all this stuff, it doesn't cost you anything to do it. And even you could do it on your own. Get a cocktail napkin. I don't have one, otherwise I'd show you.

310

00:57:23.570 --> 00:57:35.580

Dan Fitzpatrick: But just get something to track your trades, and you can do all this stuff for free. All it takes is time and effort, okay? Okay, I will take... I gotta go pick up Scott, actually. I'm a little bit late.

311

00:57:35.770 --> 00:57:37.999

Dan Fitzpatrick: He'll... he'll understand.

312

00:57:38.120 --> 00:57:44.990

Dan Fitzpatrick: But, okay, alright, yeah, one person, Vince, goes, I...

313

00:57:45.180 --> 00:58:02.809

Dan Fitzpatrick: I love... I love TradeTrack. I wish it had better option functionality. We're kind of working on that, guys. but I have realized 100% I'm more consistent and disciplined when I use it, and my equity curve is way more stable.

314

00:58:03.540 --> 00:58:09.150

Dan Fitzpatrick: Okay, Vince, that's about the best, that's about the best feedback.

315

00:58:09.270 --> 00:58:26.259

Dan Fitzpatrick: I could get, because what you're not talking about is, hey, I made a million bucks, or, you know, this and that. You're saying, like, your trading is more consistent, and that is... that's what it's all about, so thanks for sharing that, with me. So,

316

00:58:26.670 --> 00:58:28.139

Dan Fitzpatrick: Okay,

317

00:58:28.260 --> 00:58:35.749

Dan Fitzpatrick: One other thing, and then... so I'll end this here, okay? I'm gonna end this session here, but then I'll just... I see, Richard, you've got,

318

00:58:36.480 --> 00:58:48.109

Dan Fitzpatrick: I don't know about, I think you said R-E-G-I, but I think you mean R. Rigetti. Has my opinion changed on that? No, well, the stop got hit.

319

00:58:48.280 --> 00:58:59.129

Dan Fitzpatrick: The stop got hit on this, and so, yeah, my opinions changed. This, this move did not work, and so we'll take the, you know, we'll, we'll take the loss, whatever it...

320

00:58:59.300 --> 00:59:04.380

Dan Fitzpatrick: Whatever it turned out to be, it's... I set this, pretty tight.

321

00:59:04.430 --> 00:59:21.950

Dan Fitzpatrick: Something like that, so it's like a 5% loss or something. I think, ultimately, it has a chance to go higher, but the stop was what it was, it is what it is, and so this trade, is done. So, anyway, okay, had a great week, accounted high of the year.

322

00:59:23.690 --> 00:59:25.230

Dan Fitzpatrick: Have a good weekend.

323

00:59:25.790 --> 00:59:26.730

Dan Fitzpatrick: Guys.

324

00:59:27.500 --> 00:59:41.309

Dan Fitzpatrick: your profits are my pleasure. That's what I... that's what I love. Okay, can I post a video on Telegram? Yes, I can do that. We'll get that thing, we'll get that thing handled. So,

325

00:59:41.580 --> 00:59:42.480

Dan Fitzpatrick: Guys.

326

00:59:43.040 --> 00:59:58.679

Dan Fitzpatrick: I love you. I'm glad I was able to do that. And by the way, this is... I feel so strongly about this stuff. This is for everybody. I'm sending this out even to people that are not members of Stock and Option and Crypto Market Mentor. I think it's a really, really important...

327

00:59:58.680 --> 01:00:03.900

Dan Fitzpatrick: thing for you guys to be thinking about. It's really important, because

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01:00:04.960 --> 01:00:15.360

Dan Fitzpatrick: This is the... this is the free lunch, frankly. If you apply this smart trading process, I've pretty much encompassed everything.

329

01:00:15.360 --> 01:00:27.240

Dan Fitzpatrick: Okay? I'm just glad there's an S and an M in there, as opposed to starting with finances, because F-A-R-T doesn't quite have the same meaning as SMART. So...

330

01:00:27.480 --> 01:00:32.180

Dan Fitzpatrick: Just go ahead and do this, guys, and I challenge you.

331

01:00:32.330 --> 01:00:37.760

Dan Fitzpatrick: to not trade better, because you will. Alright, that's it.

332

01:00:38.160 --> 01:00:42.660

Dan Fitzpatrick: I will, I'll see you guys next time, hang on just a sec.

333

01:00:43.380 --> 01:00:58.770

Dan Fitzpatrick: I like to look you in the eye. So, just do this, guys, alright? It'll pay you dividends. By the way, we're less than a month away from New Year's resolutions, so make this a New Year's resolution in 2026.

334

01:00:58.890 --> 01:01:05.489

Dan Fitzpatrick: Should be pretty flippin' awesome. Alright? Okay, I'll see you guys, next time. Have a good weekend.